



**PIXLEY KA SEME DISTRICT MUNICIPALITY
CAR AND TRAVEL ALLOWANCE POLICY**

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1 PREAMBLE

This document details Pixley ka Seme District Municipality's policy and procedures regarding Car Allowance. The Policy applies to all categories of staff employed by PKSDM as outlined below. Variations to the policy may be considered in special circumstances, but all variations require the prior approval of the Council.

2 PURPOSE

The aim of this policy is to regulate the granting of Car and Travel allowance to the employees of Pixley ka Seme District Municipality

3 OBJECTIVES

- 3.1 To regulate payment of travel allowances to PKSDM employees, who have to travel in the execution of official duties.
- 3.2 To establish uniform directives, procedures, conditions and limitations according to which the car and travel allowance can be paid
- 3.3 To establish procedures and conditions under which employees can use their private vehicles in the execution of the official duties.

4 LEGISLATIVE FRAMEWORK

- 4.1 Municipal Systems Act,
- 4.2 Municipal Structures Act
- 4.3 Basic Conditions of Employment Act
- 4.4 Labour Relations Act,
- 4.5 Employment Equity Act
- 4.6 Delegations of Power
- 4.7 SALGABC Collective agreement on conditions
- 4.8 MFMA

5 SCOPE OF APPLICATION

This policy shall apply to the following employees:

- 5.1 Municipal Manager
- 5.2 Senior Managers
- 5.3 Middle Managers
- 5.4 Other employees based on the nature of their duties



6. SCOPE OF APPLICATIONS /ALLOCATION OF CAR ALLOWANCE

- 6.1 The allocation of car and travel allowances to employees is mainly informed by the functions and duties that they perform. However, the following positions shall automatically qualify for the allowances:
- The Municipal Manager
 - and Sec. 56 Managers
 - Middle Level Managers
 - Other employees based on the nature of their duties
- 6.2 The Municipal Manager & Managers reporting to the Municipal Managers (Sec.56 Managers) OR employees on contract have the latitude of structuring their motor vehicle allowance as a condition of their employment contracts.
- 6.3 An employee occupying a post other than those mentioned in 3 (6.1) above may be considered for allocation provided that the departmental manager for that employee will, based on the functions and duties of that employee, make an application motivating for the allocation of the allowance to the concerned employee. The application should further be recommended by the Senior Manager: Corporate Services and approved by the Municipal Manager or his /her delegate
- 6.4 All employees allocated a car and travel allowance must have the vehicle available for the execution of official duties at all times. Other official transport will not be made available to such incumbents unless an application is made and duly considered by the Municipal Manager.

7.PAYMENT OF AD HOC TRAVEL ALLOWANCES

- 7.1 Ad hoc allowances refer to allowances paid monthly to incumbents of posts not linked to the car and travel allowance scheme but that are remunerated in accordance with pre-determined distances.
- 7.2 This calculation basis also refers to employees not appointed in positions linked to the travel allowance scheme but who are required from time to time to undertake official ad-hoc trips with their private transport.
- 7.3Ad- hoc claims are paid upon submission of relevant claim forms, certified as correct by the relevant departmental manager.
- 7.4 The calculation and payment of ad-hoc travel will be calculated based on the department of transport tariffs.

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8. CONDITIONS FOR ALLOCATION OF CAR AND TRAVEL ALLOWANCE

- 8.1 All officials who travel for official purposes will be reimbursed for all the kilometres travelled out of the region and a cap of 500 kilometres within the region will be compulsory kilometres for all officials including senior managers before the 15th of every month.
- 8.2 All claims for official trips must be supported by an S&T form; an invite and attendance register which shall be submitted as travel claims are presented.
- 8.3 The applicable running cost tariff in terms of the SARS rates schedules will be paid with regard to official trips travelled mentioned in 9.2, and as per the official claim form submitted.
- 8.4 All claims shall be duly certified by the relevant departmental manager, before submission. The municipal manager will certify claims for the departmental managers.

9 PAYMENTS IN RESPECT OF A FIXED CAR ALLOWANCE

- 9.1 This payment refers to the fixed amount which is paid monthly to incumbents of positions mentioned in paragraph one, two and three on the Council's schedules of service.
- 9.2 Payment of car allowance for officials is based on (twenty percent) 20% of an employee's monthly gross salary or a fixed amount of R 7000.00 if the 20% is lesser than the R7000.00. The 20% is only applicable to officials who have not structured their salary packages.

10. ADJUSTMENT OF CAR ALLOWANCE

- a. The car allowance will be adjusted annually in line with the incumbent's gross salary.

11. PAYMENT OF TRAVEL ALLOWANCE TARIFF

- 11.1 The travel allowance tariff will be based on the SARS tariffs schedule of travel tariff.
- 11.2 The calculation for travel allowances will be adjusted and amended in accordance with the SARS rates schedules published from time to time.



12 FINANCING

12.1 Employees are expected to arrange for the financing of private vehicles at a financial institution of their choice.

12.2 The municipality may not negotiate with financial institution to grant preferential rates to employees.

13. CHOICE OF VEHICLE AND PURCHASE PRICE

13.1 The decision about the choice of a vehicle, which the employee prefers to use in the daily execution of work activities, rests with the employee, with the understanding that the type of vehicle shall comply with the purpose and requirements for the execution of the employee's official duties.

14. FORMALITIES, WHICH HAVE TO MET WHEN ALLOCATING CAR ALLOWANCE

14.1 The following documents must be submitted to HR division after 30 days of appointment in a position where a car allowance is received and failure to do so can lead to the incumbent forfeiting the car allowance.

14.2

- a) Certified copy driver's license.
- b) Certified copy of vehicle registration certificate.

15 EFFECTIVE DATE

This policy comes into effect on the date of approval by Council.

A handwritten signature in black ink, appearing to be 'U.R.' with a stylized flourish.

DOCUMENT NAME: CAR AND TRAVEL ALLOWANCE POLICY

APPROVED BY:

A handwritten signature in black ink, appearing to be 'D. M. King', written over a horizontal line.

EXECUTIVE MAYOR

REVIEWED DATE: 23 MARCH 2026

DATE APPROVED: 28 MAY 2026

RESOLUTION NUMBER: R 2026-05-28 (19.3)

