

NATIONAL DEPARTMENT OF
TRANSPORT

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NATIONAL DEPARTMENT OF
TRANSPORT

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Government Motor Transport

Reference: T118

TRANSPORT CIRCULAR NO. 5 OF 2003

**TO ALL HEADS OF DEPARTMENTS, ACCOUNTING OFFICERS AND
TRANSPORT OFFICERS.**

SUBSIDISED MOTOR TRANSPORT POLICY: EFFECTIVE FROM 1 JULY 2003

COTO, a committee of Head of Department of Transport to which the coordinating committee on Government Motor Transport (CCGMT) reports to, has approved a new Subsidised Motor Transport Policy, **with effect from 1 July 2003.**

This policy document replaces all previous Subsidised Motor Transport instructions issued by the National Department of Transport.

All the National/Provincial State user departments may participate on this contract, including South African Police Services (SAPS) and the South African National Defence Force (DOD).

Should any questions arise as to the interpretation of the Subsidised Motor Transport Policy instructions, they are to be referred to the National Department of Transport and **not to the service providers(s)**, by the Head of the department and in the case of Provinces via the Provincial Department of Transport.

Kindly ensure that this circular minute is distributed to all Subsidised Motor Vehicle owners and officials within your Department/Administration.

L Hoole

For DIRECTOR-GENERAL: TRANSPORT

Date: 01 July 2003

POLICY FOR A NEW SUBSIDISED MOTOR TRANSPORT SCHEME

SCHEME A

1. Definitions

In these instructions, unless the context otherwise indicates –

- a. "assigned" official kilometres" means the number of official kilometres prescribed for a specific subsidised vehicle;
- b. "capital remuneration" means the State's contribution to the capital cost based on the purchase price minus the estimated resale value of a subsidised vehicle, payable in equal monthly instalments for the duration of the selected official utilisation period;
- c. "department" means the department or provincial administration referred to in section 7 (2); (ii);
- d. "head of department" means the head of the department referred to in the Public Service Act, 1994 (Proclamation No. 103 of 1994, chapter 3), and unless otherwise indicated, an officer to whom they have delegated their powers in terms of these instructions;
- e. "officer" means
 - a person who has been appointed permanently, notwithstanding that such appointment may be on probation, to a post contemplated in section 8 (1) (a), and includes a person contemplated in section 8 (1) (b) or 8 (3) (c); (i);
 - a person who has been appointed on contract in terms of section 8 (1) (c) (ii) of the Public Service Act, 1994; and
 - section 9 (1) of the Restitution of Land Rights Act, 1994 (Act 22 of 1994);
- f. "regulation" means a Public Service Regulations, unless otherwise indicated;
- g. "selected official utilisation period" means the utilisation period selected by an official, in respect of the utilisation of a subsidised vehicle, subject to approval by the head of the Department;
- h. "subsidised motor transport" or "subsidised vehicle" means motor transport which in terms of these instructions is to be utilised by an officer;
- i. "transport officer" means the officer appointed by the head of the department to, inter alia, administer the department's subsidised transport.
- j. "service provider (s)" means the private sector company that will provide the finance, maintenance and administration for the Subsidised Transport Scheme within a contract issued by the State;
- k. "responsibility manager" means the accounting officers in terms of the Public Finance Management Act " Act No.1 of 99, Section 36";
- l. "benchmark Price" means the set capital amount per category of vehicle for purchase purposes as amended by the Department of Transport quarterly.
- m. "de novo" means from the beginning.

2. An overview

The appointed service provider (s) within a contract issued by the State will do the provision of finance, maintenance, and administration for the Subsidised Motor Transport Scheme.

An officer will qualify for Scheme "A" if he or she travels, for job related purposes, a minimum of 21 000 and not exceeding a maximum of 29 000 official kilometres per year. It is however, the prerogative of a head of Department to approve official kilometres in excess of 29 000 kilometres.

The combined capital remuneration and maintenance allowances will be paid to the official as the fixed cost element of the monthly travel allowances and will be calculated by the Service provider (s). The service provider (s) will deduct the fixed cost element from the official's salary over the contractual period electronically by way of a stop order via PERSAL or PERSOL.

The fuel allowance constitutes the variable cost element of the monthly travel allowance and is calculated according to the actual official mileage completed per month multiplied by the fuel allowance tariffs in cents per kilometre as prescribed in Annexure "B".

Note:

Officials are compelled to keep accurate records if they intend claiming tax relief for actual running expenses.

3. Interpretation

Should any questions arise as to the interpretation of these instructions, they are to be referred to the National Department of Transport by the Head of the department and in the case of Provinces via the Provincial Department of Transport.

4. Delegation

Unless otherwise indicated, a Head of a department may delegate any of the powers conferred upon them by these instructions to any other officer on the conditions that they so determine.

All amendments and subsequent review of this policy and/or related outsourced contracts must be reviewed and ratified by the CCGMT, COTO and MINCOM before implementation.

5. Purpose

The provision of a Subsidised Vehicle to an officer is deemed a work facility, which enables them to undertake essential and approved official journeys in those cases where the use of other available transport is neither practical nor economical. The concession to qualifying officers to participate in the Subsidised Motor Transport Scheme is not a service benefit but a work facility, which cannot be construed as a right.

6. Policy

a. Participation in the Scheme

Provinces and Departments participating in the Subsidised Motor Transport Policy must, through their Provincial Tender Boards, participate in National Contract RT77.

Where an officer's duties necessitate the official use of a motor vehicle and where the provision of a Subsidised Motor Vehicle is in the interest of the State, the allocation of a vehicle is left to the discretion of the Head of the department. All reasonable, alternative means of transport are to be considered, taking into consideration the economic implications thereof.

b. Provincial policy

It is the prerogative of each Province, National department to implement a provincial / departmental Subsidised Motor Transport Policy, which cannot digress from this policy.

In respect of Provincial administrations, the policy must be developed and ratified by the Head of the Provincial Department of Transport or their delegate before implementation.

c. Advisory Committee

The Head of the department should appoint a committee to advise them, with regard to the responsibilities and powers conferred upon them under these instructions.

The function of this committee will be to de novo evaluate all applications for Subsidised Vehicles based on the Subsidised Motor Transport regulations and to advise and make recommendations to the Head of the department.

In respect of National/Provincial departments, the committee should be, at least, represented by a Chief Financial officer or by his/her delegate and a line manager (s) from within each Chief Directorate and the Head of the department or their delegate should chair the committee.

The functions of the advisory committee should at least be, inter alias: -

- Verification of the application in terms of job description and the Policy;
- Determine the application of the vehicle to suit the job description;
- Vet application, utilisation period and kilometres;
- Review all applications in the context on previous kilometres travelled and/ or available exception reports from the service provider (s) on utilisation of a previous vehicle; and
- Submit a monthly report assessing compliance to this Policy and allocation of Subsidised Vehicles relating to Subsidised Vehicles to the Head of the Provincial Department of Transport.

7. Details stipulated within contracts

The State and service provider(s) shall stipulate the following in each individual contract with the official: -

- the capturing of all log sheet data;
- the handling of shortfall or excess official kilometres travelled;
- the insurance that shall be paid by the State.
- the maintenance plan;
- handling of suspected driver misuse and abuse; and
- the termination of the individual contracts and/or disposal of the vehicles.

Note:

No transfer of contracts between appointed service provider(s) shall be authorised.

8. Specific Qualifying Criteria

The contracted utilization period and official kilometers are negotiated with the State in consultation with service provider(s). An officer will qualify for Scheme "A" if he or she travels, for job related purposes, a minimum of 21 000 and not exceeding 29 000 official kilometres per annum. It is however, the prerogative of a Head of department to approve official kilometres in excess of 29 000 kilometres.

It is the responsibility of the respective department to ensure that both the official and (in the case of disables persons) the nominated driver have a valid drivers licence when provided with a Subsidised Motor Vehicle.

Hence, an official may not loan, or permit any person to make use of his/her Subsidised Vehicle for official purposes in his/her absence.

Where an official's duties necessitate the official use of a motor vehicle and where the provision of a Subsidised Vehicle is in the interest of the State, the applicant must complete the Z81 application form (Annexure "A"). This is to ascertain the level of responsibility and scope of work for which the applicant is responsible. All applicants must submit the following information in addition to the Z81 application form, which is to be certified by the Head of the directorate: -

- a copy of the applicants identity document, latest salary advice and drivers licence;
- a driver suitability permit issued by the Provincial Department of Transport;
- the kilometre and daily utilisation of a Government or outsourced vehicle for the previous six months; and/or
- the kilometre utilisation of a privately owned vehicle for approved official service for the previous six months; and/or
- the total projected official assigned kilometres that the official shall undertake, per month, which would be subject to changing circumstances that may occur.

In cases where no statistics of official kilometres are available due to the creation of new posts or a new appointment, only the total projected official assigned kilometres that the officer shall undertake per month must be reflected on the Z81 application form.

Every application for a Subsidised Motor Vehicle must be evaluated as a new application.

9. Application for a Subsidised Motor Vehicle

An official, who complies with all the specified qualifying criteria and wishes to be provided with a Subsidised Vehicle for the performance of their official duties, should submit to their department a Z81 application form. The application form should be signed by the responsible Director and countersigned by the Chief Director.

Note:

The service provider(s) shall assess the credit worthiness and affordability of each individual application received to determine whether the official is financed for a purchase of a Subsidised Vehicle under the Scheme.

10. Allocation requirements

An official may be allocated any motor vehicle under National Contract RT77, provided it is identified as a Subsidised Vehicle, taking into consideration the smallest functional vehicle, subject to the approval of the Head of the department.

The Head of the department shall approve the Subsidised Vehicle request taking into consideration the nature of the official duty for which it is required. The National Contract RT77 is utilised by the National Department of Transport in determining the price of benchmark vehicles and the associated monthly travel allowances. (Annexure "D").

The Scheme does not make provision for existing Government-owned vehicles to be taken over as Subsidised Vehicles.

Service provider(s) shall be responsible for the financing and purchasing of all Subsidised Vehicles through National Contract RT77. Service provider(s) must ensure that all vehicle orders be approved by the designated responsibility manager in terms of the MTEF budget allocation of the relevant department before submission of vehicle orders to the National Department of Transport.

Service provider (s) shall then complete a vehicle order and forward it to the National Department of Transport for audit and approval before the order is placed with the motor manufacturers. An official may exercise the option of purchasing a more expensive vehicle other than the benchmark, which has been approved by the Head of the department. Any additional costs relating to the purchase of the more expensive vehicle will be borne by the official. These additional costs include the difference between the purchase price inclusive of VAT as well as on a monthly basis the difference in the maintenance and capital allowances.

Since all Subsidised Vehicles are purchased directly from the manufacturers, circumstances does not permit the change or cancellation of vehicle orders once these orders have been placed with the manufacturer. Therefore, officials must consider affordability and personal preference of vehicles before the final quotation with the service provider (s) is signed.

11. Additional non-standard factory installed accessories

- a. Should an officer's work terrain and conditions justify the installation of additional non-standard factory installed accessories, the Head of the department may approve the installation thereof as standard vehicle equipment. The benchmark price [Annexure D] excludes approved accessories, pre-delivery services (PDI) and delivery costs. This implies that all approved accessories; pre-delivery services (PDI) and delivery costs can be added to the benchmark price of the vehicle for the purpose of calculating affordability.
- b. All Subsidised Vehicles purchased must be supplied with a factory fitted, VESA approved gear-lock. The gear-lock will be treated as an approved accessory.
- c. All Subsidised Vehicles are to have their odometers sealed prior to collection by officials.
- d. Where an officer requests the installation of additional non-standard factory installed accessories and these are not approved in terms of paragraph 11a, the official is personally responsible for financing these accessories.
- e. The service provider(s) is contractually obligated to order only additional accessories available on National Contract RT77. Should an official require any additional accessories, it should be arranged directly by the official with the elected dealership, before taking delivery of the vehicle.
- f. The cost of any additional non-standard equipment for disabled officials must be borne by the department.

12. Official utilisation period

The official utilisation period for a Subsidised Vehicle shall be for a minimum period of 32 months and a maximum period of 48 months. The official must complete the contracted utilisation period that has been negotiated per individual contract with the service provider (s). (Refer to Annexure B1)

Further, the official has to complete the official mileage as agreed with the State, subject to the conditions set out in paragraph 8.

The average annual thresholds relating to mileage would require an official to travel a minimum of at least 70% official and 30% private mileage, based on the total kilometres travelled and is subject to the conditions set out in paragraph 22. The cost of private mileage incurred in excess of the allowed 30% will be borne by the official.

The 70% official and 30% private mileage is based on the following principle which is intended to provide a guide for Responsibility Managers to effectively manage the utilisation of a Subsidised Vehicle.

Formula for calculation of the 70% official and 30% private mileage:

$$70\% \text{ official kilometres} = \text{cost to the State} / \text{total cost} \times 100$$

$$30\% \text{ private kilometres} = \text{cost to official} / \text{total cost} \times 100$$

13. Official leaving the employment of the State

Should an official not meet the contractual official kilometres when leaving the employment of the State, service provider(s) will be obliged to raise all additional penalties to the individual which are: -

- a. early finances termination charges in consultation with the State;
- b. a higher interest rate, and
- c. the outstanding settlement value of the vehicle.

14. Monthly Travel Allowance

The monthly travel allowances are based on benchmark vehicles listed on National Contract RT77.

If an official exercises the option to purchase a more expensive vehicle other than that which is approved by the Head of the Department, the monthly travel and other allowances will be limited based on the approved benchmark.

If an official exercises the option to purchase a less expensive vehicle than that which is approved by the Head of the Department, the monthly allowances will be based on the actual vehicle purchased.

The monthly travel allowance schedule is split into two distinct parts:

- a. Fixed cost element, which comprises of the capital remuneration (loan instalment amount + interest) calculated by the service provider(s) and the maintenance allowance.

The maintenance allowance paid shall vary according to the officials contract and is dependant on the contract period, make, and model and vehicle category approved for the official by the Head of the department.

- b. The fuel allowance constitutes the variable cost element of the monthly travel allowance and is calculated according to the actual official mileage completed per month multiplied by the fuel allowance tariffs in cents per kilometre as prescribed in Annexure "B". The applicable fuel tariff will be calculated in terms of the prevailing Provincial fuel price issued by the Department of Mineral and Energy from time to time.

It is the prerogative of a Head of department and or his/her delegate to pay the first fuel allowance and an S&T advance to an official based on an approved travel plan. All subsequent travel allowances are payable monthly in arrears through the payroll system.

15. Maintenance plan

To ensure that a Subsidised Vehicle remains in good condition, it is imperative that the vehicle is serviced in accordance with the manufacturers guideline as set out in the service manual and the kilometres will be regarded as private (for officials account).

A maintenance plan, will be limited to the number of kilometres of a vehicle, as prescribed by the manufacturers guideline as set out in the service manual and will be administered by the service provider(s). The maintenance plan is intended to cover all expenses related to the maintenance as prescribed by the manufacturers guideline as set out in the service manual for normal wear and tear of a vehicle.

The maintenance contract will exclude the following: -

- damage arising from abuse of vehicles;
- accident damage; and
- glass windscreens

The maintenance plan limits the replacement of tyres to 8 tyres (two sets) for category "A" and "D" vehicles. For Category "B" and "C" vehicles, tyres are limited to 10 (two and a half sets).

16. Logsheets

It is necessary that all official trips be authorised. A travel plan must be prepared pre-facto and then be approved by the Responsibility Manager before an official trip is undertaken with a Subsidised Vehicle. (Annexure "F")

A log sheet, form Z79 (Annexure "E"), is to be completed in triplicate by the official. The logsheet is to reflect all distances covered, both official and private. The original Z79 must be directed to the departmental transport officer on or before the seventh of each month. Please note that the logsheet should be completed from the 1st of a month to the 31st of that specific month, in terms of Annexure "B" as amended from time to time.

It is the responsibility of the Head of department to verify the utilisation of the vehicle and to ensure that all entries thereon are accurate and legible. A logsheet summary is to be completed by the departmental transport officer who will submit it to the service provider(s).

The following signatures must appear on the Z79 and must be strictly controlled.

- a. **Signature of Official;**
The signature is that of the official in whose name the Subsidised Vehicle is registered.
- b. **Signature of the Head of the directorate or his/ her delegate;**
This certification implies that the kilometre distance on the log sheet corresponds with the kilometre distance on the odometer of the vehicle and that the vehicle is still in good condition and services have been completed as per the maintenance contract.
- c. **Signature of the Directorate/departmental Responsibly Manager;**
This certification implies that the log sheets have been checked to ensure that trips which have been indicated as official (as per the monthly travel plan) and are in fact official and that it has been approved by them or their delegated officer and all official trips undertaken were necessary and in the interests of the State.
- d. **The service provider(s) must submit exception reports on odometer and log sheet records to the Head of department for investigation and appropriate action in terms of the Public Service Regulations and compliance to this Policy.**

Should the vehicle not have been used at all during the month, or only private distances have been covered during the month, the logsheet is nevertheless to be completed with the reasons as to why the vehicle has not been officially used, endorsed thereon, and the log sheet is to be submitted to the departmental transport officer.

Copies of the log sheets are, in all cases, to be retained by the department for reference purposes.

Note:

The service provider(s) shall be responsible for managing reports on the fuel allowances for kilometres travelled, per official, per department. The reports will be distributed and discussed monthly with the relevant departments.

17. Suspensive conditions with regard to title deed

The Subsidised Vehicle although registered in the official's name only takes transfer of the title deed from the service provider(s) when the: -

- a. full amount of the purchase price has been repaid by the official; and
- b. selected official utilisation period has elapsed.

Note:

The service provider(s) will determine the outstanding balance.

18. Control measures

18.1 It is the duty of the official to exercise due care and diligence with regard to the custody and maintenance of the vehicle. The vehicle is to be available for inspection by authorised persons.

18.2 Risk management

Risk Manager(s) in each Province/National department should be responsible for the following: -

- **To implement risk management measures and directives issued by the Minister of Transport.**
- **Manage all risk associated with the Subsidised Motor Transport Scheme.**
- **Analyse all identified risk areas and make recommendations to eliminate or reduce risks.**
- **Provide a performance audit function to measure contract compliance of service provider(s) and State.**
- **Analyse all exception reports and implement appropriate operational actions to reduce or eliminate these identified exceptions.**

19. Private use

Private mileage, undertaken at the officials cost, should be reflected in the logbook. It should also be noted that according to the SARS the distance travelled between home and work in a Subsidised Vehicle is deemed private mileage.

However, should any discrepancies arise from the interpretation of private mileage, it is the prerogative of each Head of department or his/her delegate to adjudicate the circumstance of the claim and take a final resolution. [Refer to Public service regulation, 1999 and PSCBC Resolution 3 of 1999.i.e. collective agreement on remunerative allowances and benefits].

20. Use of Government workshops and stores not permitted

An official provided with a Subsidised Vehicle may not under any circumstances utilise the services of any Government Garage, or Government-owned workshops, or of any Government stores and Government contracts, for the maintenance and operation of the Subsidised Vehicle.

21. Fines administration

The official is responsible for payment of all traffic fines incurred.

22. Rules and regulations

These provisions, which are applicable to Subsidised Motor Transport, bind the official participating within the scheme.

Failure to comply with the provisions and, or instructions issued in respect of Subsidised Transport, will render the offending official liable to disciplinary action in terms of the Public Service Regulations. In certain cases, the repossession or withdrawal of the concession in respect of the use of Subsidised Motor Transport may be enforced as sanctions to a disciplinary process.

23. Tax on monthly travel allowance

Section 8(1) of the Income Tax Act, 1962 (Act No. 58 of 1962), provides that an amount received as an allowance for travelling expenses on business, which has not been so expended, must be included on the recipient's taxable income. Where no record is kept of the use of the motor vehicle for business purposes, a distance of 14 000 kilometres is deemed to be travelled for private purposes. The total number of kilometres would in such case be limited to 32 000 kilometres, which has the effect that only 18 000 kilometres shall be deemed to be travelled for business purposes.

24. Withdrawal

Normal Withdrawal

Ownership of the vehicle shall transfer to the individual subject to the conditions as set out in paragraphs 12 and 17. Each department should advise the Head of department and the official participating in the Subsidised Motor Transport Scheme of normal withdrawal of a Subsidised Vehicle at least 3 months before termination of the contract.

Premature withdrawal

If for any reason, such as dismissal, retirement, ill health, death, resignation, retrenchment, or where an official is transferred a post where a Subsidised Vehicle is not justified, the monthly travel allowances and insurance shall terminate.

The State will not be liable for any allowances after the date of termination of a contract. This implies that the official is liable for the full outstanding debt on the date of withdrawal.

The Head of departmental should advise the service provider(s), in writing, of the date of termination within 48 hours of notification thereof.

A Subsidised Vehicle exceeding the number of kilometers, as prescribed by the manufacturers guideline as set out in the service manual and the maintenance contract, can be prematurely withdrawn, subject to the threshold requiring an official to travel a minimum of at least 70% official mileage, based on the total kilometers traveled.

25. Vehicle exceeding the number of kilometers, as prescribed by the manufacturers guideline as set out in the service manual and the maintenance plan: -

Officials will under no circumstances be allowed to withdraw from a contract unless a minimum of 32 months has been completed.

Officials that have travelled in excess of the number of kilometres of a vehicle, as prescribed by the manufacturers guideline as set out in the service manual and the maintenance contract, and 32 months have expired on the contract should adhere to the following process: -

- An application should be made to the advisory committee;
- Attached to the application, the official should submit proof, that 70% of the total mileage incurred to date, is official mileage; and
- Proof must be in a form of completed Z79's over the period that the vehicle has been utilised.

The advisory committee will present the application to the Head of the department, who will have the discretion of whether an official should continue utilising the vehicle at an increased vehicle maintenance tariff or whether a new vehicle should be approved.

26. Transfer between Provinces and Departments

Should an official transfer from one department to another or from one Provincial Administration to another, the service provider(s) must be notified immediately by the departmental transport officer and the official concerned. The service provider(s) shall then be responsible for transferring the official's account to a regional office closest to the place of transfer.

27. Insurance

a. General

In view of the fact that the State and the service provider(s) have an interest in the vehicle for the period that it is used within official service, the State shall, subject to the provisions of paragraph 26.e bear the full cost of the insurance on the behalf of the official for the vehicle approved by the Head of department.

The payment of excess in the event of an insurance claim shall be, in the case of a claim arising from the official use of the vehicle, the State will reimburse the official on proof of validity of that claim and in the case of the claim arising from the private use of the vehicle, the excess must borne by the official. Therefore, it is advisable that each department should budget for insurance premiums on Subsidised Vehicles.

Consequently, any reimbursements of an excess payment in respect of a claim resulting from the official use of the vehicle are credited to the State and any reimbursement of an excess payment in respect of a claim resulting from the private use of the vehicle be paid to the official.

b. Increased excess payments

Excess payments may be increased by the insurer, as part of the loss control and risk management program that is managed by the insurer on behalf of the State. The amount, by which such increased excess payment shall exceed the standard excess payment, shall in all instances be for the account of the official, regardless of whether the claim originated during official or private use of the vehicle.

c. The vehicle is to be insured

Before an official takes delivery of the Subsidised Vehicle, the department and the service provider(s) are to ensure that the vehicle is insured in terms of the contract arranged from time to time by the State. The insurance policy which is to be obtained in an officials name, is to be renewed annually, on or before the expiry date, without decreasing the benefits or cover and is to be kept in force for the full duration of the period that the vehicle is used for official service.

The National department/Provincial Administration must pay insurance premiums annually, to the insurance service provider on the 31 March of each year electronically via BAS, FMS or PERSAL.

In terms of the financial regulations, all payments must be made within 30 days of invoice date to prevent financial misconduct.

d. Insurance cover

The policy which is to be taken out and kept in force, is to embrace the following cover:

- i. Comprehensive motor insurance covering all the normal risks not covered by the Road Accident Fund Act, 1996 (Act 56 of 1996).**
- ii. Loss or damage caused by, or in connection with, civil commotion, labour riots, strikes and/or mutiny.**
- iii. Loss or damages caused by or in connection with hail, fire and/or natural disasters.**
- iv. Loss or damage caused by or in connection with war, civil war and/or martial law.**

Loss or damage caused by or in connection with politically inspired uprising, riots and terrorism, in respect of vehicles used within the Republic of South Africa, or a foreign country.

Note:

The State would be liable for claims by authorised official passengers against the official driver in respect of personal injuries not covered by the abovementioned act or policy.

e. Additional insurance cover

The liability of the State in respect of the insurance premium is limited to the total premium payable in respect of the vehicle, which was in terms of paragraph 10 deemed to be the smallest and cheapest vehicle, suitable for the functional duties of the officer. If the insurance premium of the vehicle is higher as a result of -

- i. The official's personal preferences for another type, larger, or more expensive vehicle;
- ii. The official's request that the vehicle be insured at a higher value;
- iii. Additional cover requested by the official in respect of additional non-standard accessories;
- iv. Cover requested by the official in order that an excess payment need not be made in case of a claim;
- v. Personal cover or any other cover than that prescribed in paragraph d being included in the policy; and
- vi. Life cover is an elective preference of officials participating in the scheme and should bear all costs thereof. The service provider(s), providing capital finance, will afford the official the opportunity to take out additional insurance cover in order for the vehicle to be settled, upon death.

The official is to negotiate with the authorised insurer and notify his department with regard to the additional premium payable. After the department pays the additional amount annually in advance, the department is to arrange for the insurance in the normal manner, including the additional cover in respect of which the officer has already paid in advance.

f. Special endorsements and certificates

- I. The following endorsements are to be reflected on the comprehensive policy mentioned above:

“Third-Party Indemnity Extensions (Indemnity to Employer)

It is hereby declared and agreed that in terms of and for the purpose of that section of the Policy dealing with liability to third parties, the Company indemnifies the State (hereinafter called the "Employer") in respect of any accident that may occur whilst the motor car described in the schedule of the Policy is being used by the Insured or any other persons in the employment of the Employer upon the business of the Employer provided that: -

- such indemnity shall not include liability for death of or bodily injury to any person in the employ of the Employer arising out of and in the course of such employment;
- the Employer is not entitled to indemnity under any other Policy; and
- the Employer shall, as though he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of the policy in so far as they can apply to the Employer.

“Further, the terms exceptions and conditions of the Policy apply”

- ii. As long as the State has a financial interest in the Subsidised Vehicle, the comprehensive insurance policy described above, in addition to the aforementioned endorsement "Third-Party Indemnity Extensions" is also to be endorsed as follows: -

"Agreement "

It is hereby declared and agreed that the service provider(s) (hereinafter referred to as the "Owner") is the owner of the motor vehicle described in the Schedule hereto and that the said motor vehicle is the subject of an agreement entered into between the Owner on the one part and the Insured on the other part. It is further declared and agreed that the said Owner has an interest in any moneys which, but for this Endorsement, would be payable to the Insured in terms of the policy in respect of the loss or damage of the said motor vehicle (which loss or damage is not made good by repair, restoration or replacement) and such moneys shall be paid to the said Owner of the motor vehicle, as long as he is the Owner or is regarded as the Owner under the Agreement, and his receipt shall be a full and final discharge to the Company in respect of such loss or damage. Unless otherwise expressly agreed to in this Endorsement, nothing herein contained shall amend or affect the rights or liabilities of the insured, or of the Company, respectively, in terms of, or in connection with the Policy, or any provisions or conditions thereof."

- g. **Certificate to be furnished to Insurer**

The Company, with whom the aforementioned comprehensive insurance policy contract is entered into, is to be furnished with a certificate, signed by the Head of the department, to the effect that a Subsidised Vehicle has been allocated to the official for the execution of his official duties.

- h. **Policy to be retained by official**

The insurance policy and the subsequent renewal receipts are, after they have been recorded by the department, to be handed to the official, for use by him/her should they find it necessary to claim for any loss covered by the insurance.

- i. **Payment of premiums**

- i. **How they are to be paid**

The first annual/ pro rata insurance premium must be paid to the service provider(s) before the official takes delivery of the vehicle. Thereafter, the department pays the annual renewal insurance premiums, to the service provider(s) via electronic bank transfer within 30 days of invoice date.

Before payment of the initial or renewal premium, the department is to ensure that the official has paid any additional premium for which the official is solely responsible.

- ii. **Refunds of premiums when policies are cancelled**

If, for any reason, a Subsidised Vehicle is withdrawn from official use during any period covered by insurance, the department is to ensure that the insurance policy is cancelled immediately and is to request the Insurers for a refund of the premium in respect of the unexpired period of insurance. The official is entitled to the full amount of any refund made in respect of premiums paid by him or her for additional cover.

j. Claims on Insurers

i. Official claims

The official shall deal directly with their Transport Officers and the Insurers with regard to any claims lodged in terms of the policy. Excess payments are to be dealt in accordance with the provisions of paragraph 26.a. The official should maintain a proper file of correspondence between himself/herself and the Insurers for record purposes.

ii. Payment of claims

The Insurers shall pay directly to the official, any compensation due to the insured, in terms of the policy, subject to the provisions of the endorsement "Agreement". Compensation paid to the service provider(s) by the Insurers is to be remitted to the official, except in respect of the total loss of the vehicle, in which case any outstanding portion of the loan shall first be deducted thereof.

28. Garaging and parking

Normal garaging

The cost of overnight garaging of Subsidised Vehicles are to be borne by the official.

Ad hoc parking

Where an official has made use of ad hoc parking whilst on official duty, the actual expenditure incurred by him/her, the department, shall bear the cost thereof on receipt of proof of payment.

29. Registration and licensing

The service provider(s) shall be the title-holder and shall be responsible for the registration of the Subsidised Vehicle. On receipt of the particulars necessary for the licensing of the Subsidised Vehicle, the official shall ensure that the vehicle is licensed at the Local Licensing Authority. The cost of the registration and licensing is to be borne by the official.

30. Procedures

The service provider(s) in conjunction with the State will provide the administrative procedures for the new Subsidised Motor Transport Scheme.

31. Relief Transport

Any official provided with a Subsidised Vehicle may not utilise a vehicle provided by the State.

Should an official's duties temporarily change rendering his or her current Subsidised Vehicle unsuitable for a specific duty, the following process shall apply: -

a. A written request must be directed to the Head of the department;

The Head of the department may approve a request and allow an official to make use of a Government vehicle provided that a special task or function must be executed and that the task or function cannot be executed in the official's Subsidised Vehicle. This approval is subject to:

- i. The vehicle instalment must still be paid by the official; and**
- ii. No official kilometres that are undertaken by the relief vehicle are to be credited, against the Subsidised Vehicle.**

32. Emergency Services vehicles

All emergency vehicles, example traffic response vehicles must be clearly branded with the designated logo/decals as approved by the Province.

POLICY FOR A NEW SUBSIDISED MOTOR TRANSPORT

SCHEME B

1. An overview

Scheme B is a managerial option and the participation therein is left entirely to the discretion of Provinces or Departments (Head of the department).

As a result of escalating capital costs associated with purchasing Subsidised Vehicles and the increasing administrative burden of managing a fleet of Subsidised Vehicles a Province or department may choose the option to allow officials to utilise their own private vehicle for business related purposes. (Refer to Annexure B2)

This is on the proviso that the official travels less than 21 000 official kilometres per year and do not qualify for a Subsidised Vehicle under Scheme "A".

The official will be remunerated on the prescribed kilometre rates for actual business kilometres travelled that appear under "private on official" c/km on Annexure "C".

The State shall not contribute towards the insurance and maintenance of the vehicle utilised.

No Scheme "B" vehicles shall be supplied or purchased through National contract RT 77.

2. Interpretation

Should any questions arise as to the interpretation of these instructions, they are to be referred to the National Department of Transport by the Head of the department. In the case of Provinces this is to be done via the Provincial Department of Transport.

3. Delegation

Unless otherwise indicated, a Head of a department may delegate any of the powers conferred upon him or her by these instructions to another officer on the conditions that he or she so determines.

4. Financing arrangements

The Service provider(s) shall make available vehicle financing to officials, completing between 6000 and 21000 official kilometres per year under this scheme. The official may purchase a new or second hand vehicle, at the same interest rate offered under scheme "A". Individual applications of officials will be credit vetted under this scheme before financing is made available.

The Service provider(s) is required to negotiate fleet discounts with a wide range of manufacturers/dealerships for the purchase of new or second-hand vehicles. The Service provider(s) on a periodic basis to officials shall supply details of the negotiated discounts.

The vehicle financing of second hand vehicles is also subject to a technical inspection by the Service provider(s).

When purchasing a new or second-hand vehicle a financial deposit is required by the Service provider(s) under this financing arrangement.

Please note that individuals will not be able to transfer existing vehicle/ motor loans to this source of funding.

Officials completing less than 6000 official kilometres per year may participate under this scheme using his or her own private vehicle. These officials shall not qualify for the negotiated financing arrangements available through the Service provider(s).

5. Official kilometre distance

“Private on official” tariffs, in terms of Annexure “C” as amended from time to time is only payable to officials on actual official kilometres travelled.

The payment is subject to the official completing a trip authorisation and travel plan (Annexure “F”), pre-facto and the Responsibility Manager should approve it before an official trip is undertaken.

APPLICATION FOR THE PROVISION OF SUBSIDISED TRANSPORT

File/Application No.: _____

BRANCH/DIVISION/DIRECTORATE: _____

NB: THIS APPLICATION MUST BE PROPERLY COMPLETED BEFORE A REQUEST FOR SUBSIDISED TRANSPORT WILL BE CONSIDERED

Part A To be completed by the official who requires the vehicle.

Part B To be completed by the Head of the Division/Directorate in which the applicant is employed.

Part C To be completed by the Departmental Advisory Committee and the Head of Department in terms of General Department of Transport Delegation.

PART A

1.) PARTICULARS OF APPLICANT

I, _____
(FULL NAMES AND SURNAME)

serving as an official within the Department of _____ and
having the rank of, apply to be allocated a Subsidised Motor Vehicle for the execution of my duties.
The following further particulars in connection with my application are submitted:

- 1.1) I D No. (Book of Life): _____
 - 1.2) Driver's License No: _____
 - 1.3) PERSAL/PERSOL No: _____
 - 1.4) My period of continuous service in the Department/Administration dates from _____
to the present time. The date of appointment to my present post is _____
 - 1.5) My headquarters are at _____
 - 1.6) My postal address is _____
- _____

2.) DUTIES OF APPLICANT, WHICH REQUIRE THE USE OF A VEHICLE

- 2.1) My duties are briefly as follows: _____

- 2.2) Nature of the service for which a Subsidised Motor Vehicle is required: _____

- 2.3) The types of roads and the general state thereof to be traversed are as follows: _____

- 2.4) Nature and mass of equipment and/or baggage to be conveyed: _____

- 2.5) Number of official passengers who will normally have to be conveyed: _____
- 2.6) The average monthly official distance to be traveled is estimated at _____ km's.
- 2.7) The average number of days per month on which the vehicle will be used for official business is, _____
- 2.8) I am unable to make use of local, official or public transport for the above-mentioned trips for the following reasons: _____

- 2.9) The vehicle is necessary to provide an existing/new/additional service. (**Delete words not applicable**).

3.) VEHICLE CURRENTLY IN USE

- 3.1) The following are particulars of the vehicle (if any) which is now being used for the service:
- a) Make: _____ b) Model: _____
- c) Type: _____ d) Year of manufacture: _____
- e) Engine swept volume _____ cm³ f) Odometer reading _____ km's
- g) Ownership of vehicle: Subsidised/Private/Official "Pool"/Official assigned to _____
 _____ * (**Delete words not applicable**).
- h) Official distance traveled (if Subsidised Vehicle) _____ km.
- i) Registration number of vehicle _____

4.) VEHICLE REQUIRED

4.1) Particulars of the vehicle required:

- a) Make: _____ b) Model: _____
- c) Type: _____ d) Engine swept volume _____ cm³
- e) Choice of colour 1.) _____ 2.) _____
3.) _____ 4.) _____
- f) Extras: Gear-Lock and Sealing of Odometer

- g) Is a deposit going to be paid on delivery? _____ Amount: _____
- h) Dealership to which vehicle is to be delivered: _____

5.) DECLARATION BY APPLICANT

I accept that should a new vehicle have to be purchased for me, the Department/Administration and not I will negotiate the purchase with the supplier. I declare that the information furnished in this application is correct and true. I declare that I am conversant with and fully understand the requirements and conditions of the Department/Administration's Subsidised Vehicle Scheme and that I accept them. I also accept that these requirements and conditions may be changed by the National/Provincial Department of Transport, representing the State, from time to time without prior reference to myself.

I declare that the Subsidised Vehicle will be used to carry out my normal duties, which may necessitate the carrying of personnel, equipment, tools, etc. The vehicle will also be used on all types of roads, both blacktop and gravel.

In addition I declare that I am in a position to carry out my financial obligations under the scheme.

I accept that ownership of the Subsidised Vehicle remains with the State's appointed service provider(s), and ownership of the vehicle shall transfer to me subject to the conditions as set out in the Subsidised Policy document paragraphs 12 and 17.

I accept that should I leave the service of the State whilst there is still a debt outstanding on my Subsidised Vehicle or should my vehicle be prematurely withdrawn from official service, I shall be liable for the settlement of the full balance of the debt, as determined by the service provider(s), and no allowances will be paid to me.

Should I elect a bigger and/or more expensive vehicle than that which is regarded as the smallest functional vehicle for the service, and provided that it is available on National Contract RT77, I will pay the difference between the purchase price plus VAT on the more expensive vehicle and the purchase price plus VAT on the smallest functional vehicle. I will also be responsible for the monthly payment of the difference in the maintenance and capital allowance between the smallest functional vehicle and the more expensive vehicle. The service provider(s), may, at its discretion, request a deposit for the difference between the purchase price of the elected vehicle and the purchase price of the more expensive vehicle for which I functionally qualify for.

According to my Department/Administration's policy, I qualify for a vehicle with an engine capacity of _____cm³.

I am aware that I will be paid the rates applicable to the class (cc) of vehicle for which I functionally qualify, and that I will be required to travel 70% official kilometers of the total kilometers traveled over the contract period.

I elect to operate the vehicle over _____ months.

I elect to operate the vehicle on Scheme "_____".

Certified copies of my ID, driver's license and salary slip are attached.

SIGNATURE OF APPLICANT: _____

DATE: _____

SIGNED AT: _____

PART B

I have scrutinized the properly completed application. To the best of my knowledge the statements and information furnished therein are correct.

The applicant affirms that he/she is conversant with and fully understands the State's Subsidised Vehicle Scheme.

After careful investigation and consideration, I am satisfied that approval of the application will be more advantageous to the State than the use of Government-owned transport.

I have no reason to believe that the applicant will leave the Government Service within the next 32 months or that he/she will in the near future be transferred to a post, which do not necessitate the permanent use of a Subsidise Motor Vehicle. I further undertake to inform the Departmental Transport Officer when the applicant leaves the employment of the State before the completion of the contractual period.

The vehicle, which is being applied for, is the smallest functional vehicle for the service and complies with the policy of this Department/Administration. (*Delete if not applicable*).

The official distance considered necessary for the applicant to perform his/her duties effectively is _____ Km's per annum.

The official qualifies for a vehicle of type, _____ with an engine capacity of _____ cm³.

I confirm that funds are/will be available for the payment of the allowances.

SIGNATURE OF HEAD OF DIRECTORATE

RANK/POSITION

DATE

SIGNED AT

PART C

CERTIFICATE BY DEPARTMENTAL ADVISORY COMMITTEE

1. The committee met on _____/_____/20_____ and considered the foregoing File/Application no, _____ submitted by, _____ for the allocation of a Subsidised Motor Vehicle, and had the following comments to make:

i) Revert application to Directorate Head for:

a) Completion and recommendation of Part B

b) Clarification of the following aspects:

ii) Recommended subject to the following:

a) Qualifies up to _____ cm³, with a maximum benchmark price of (category) (cc), _____

OR

iii) Not recommended due to: _____

SIGNATURE OF CHAIRPERSON

DATE

APPROVAL BY HEAD OF DEPARTMENT

In terms of General Delegation of Authority this application is approved, with the following conditions:

1. Utilization period of _____ months.
2. Assigned fuel and maintenance allowances for a vehicle with an engine capacity of, _____ (cc), and vehicle benchmark of _____ will apply.
3. Scheme "_____" is to apply.

HEAD OF DEPARTMENT

DATE

SUBSIDISED MOTOR TRANSPORT

Allowances payable in cents/km for Scheme "A" Transport Circular No. 5 of 2003 and subsidised motor transport scheme, Transport Circular No.1 of 1992.

(a) Tariffs for the payment of fuel allowances in cents per kilometre with effect from **1 July 2003.**

Engine capacity cm ³	A	B	C	D	E
Up to 1250	36.3	39.7	41.3	-	-
1251 - 1550	37.9	41.6	44.9	-	-
1551 - 1750	39.7	45.7	48.8	55.6	-
1751 - 1950	41.5	50.2	53.0	56.2	-
1951 - 2150	43.4	54.9	57.6	56.9	42.8
2151 - 2500	45.3	59.9	62.6	57.6	44.9
2501 - 3500	47.3	65.3	68.0	58.3	48.7
Above 3500	49.4	-	73.5	-	50.8

(b) Official interest rate per year applicable to the Subsidised Motor Transport Scheme, Transport Circular No.1 of 1992, only, in terms of section 80(1)(a) and 80(1) (b), PFMA.

Official interest rate per year

19 %
17 %
15 %
14 %
16 %

13%
16.5%

Period

1 May 1990 to 31 July 1992
1 August 1992 to 31 December 1992
1 January 1993 to 31 January 1994
1 February 1994 to 31 August 1995
1 September 1995 to 29 February 2000
1 March 2000 to 31 December 2002
1 January 2003.....

(c) Maintenance allowance in cent per kilometre, with effect from **1 July 2003.**

Engine capacity cm ³	A	B	C	D	E
Up to 1250	13.8	15.5	17.5	-	-
1251 - 1550	15.0	16.7	19.8	-	-
1551 - 1750	17.3	18.4	22.1	22.4	-
1751 - 1950	18.4	20.7	24.0	23.5	-
1951 - 2150	21.9	23.0	32.2	24.7	28.2
2151 - 2500	23.0	25.3	34.5	25.8	33.6
2501 - 3500	26.5	26.5	36.2	27.0	40.5
Above 3500	29.9	-	37.8	-	48.6

A = Sedan and station wagon

B = Light delivery vehicle

C = Light delivery vehicle 4 x 4

D = Min Bus and Multi purpose vehicle (MPV)

E = Luxury sedan (VIP)



WesBank Auto
 Ground Floor
 Forum Building
 C/O Bosman & Struben Street
 PRETORIA
 0001

Date: _____

SUBSIDISED MOTOR TRANSPORT SCHEME A

- ❖ It is hereby confirmed that Mr/Mrs/Miss _____ is in the employ of the Department/Administration of _____ in the rank of _____ (PERSAL/PERSOL number: _____).
- ❖ Mr/Mrs/Miss _____ qualifies for participation in the Subsidised Motor Transport **Scheme A**. The official will be Subsidised in Category:

Category A – Sedan _____cc	<input type="checkbox"/>	Category A – Station Wagon	<input type="checkbox"/>
Category B – LDV _____cc	<input type="checkbox"/>	Category B – LDV Double Cab	<input type="checkbox"/>
Category C – LDV 4x4	<input type="checkbox"/>	Category C – LDV 4x4 Double Cab	<input type="checkbox"/>
Category D – Buses	<input type="checkbox"/>		<input type="checkbox"/>

and will be subsidised on the following approved accessories: -

Pre-delivery service	<input type="checkbox"/>	Delivery charges	<input type="checkbox"/>
Gear-Lock	<input type="checkbox"/>	Air conditioner	<input type="checkbox"/>
Other (<i>please specify</i>)	<input type="checkbox"/>	Other (<i>please specify</i>)	<input type="checkbox"/>
Other (<i>please specify</i>)	<input type="checkbox"/>	Other (<i>please specify</i>)	<input type="checkbox"/>

The official qualifies for an interest rate of Prime less 1,5%.

- ❖ The abovementioned Category is outside the parameters laid out in the department’s policy, but is approved due to the work requirements of Mr/Mrs/Miss _____
(Delete if not applicable)
- ❖ When entering into a credit agreement with Mr/Mrs/Miss _____ for a new vehicle, the repayments of this loan must be over a period of _____ months, with effect from the end of the month in which the first installment on the loan is payable.
- ❖ At present the official receives an **annual** remuneration of R _____
- ❖ The official will travel, _____ Official kilometers **per annum**.
- ❖ The Department/Administration undertakes to notify WesBank Auto in writing within 7 days if Mr/Mrs/Miss, _____ for whatever valid reason, does not qualify for participate in the Subsidised Motor Scheme.
- ❖ Kindly inform this Department/Administration of the date of the loan agreement. This will be regarded as the date of purchase of the vehicle.

Yours faithfully

DIRECTOR-GENERAL



WesBank Auto
Ground Floor
Forum Building
C/O Bosman & Struben Street
PRETORIA
0001

Date: _____

SUBSIDISED MOTOR TRANSPORT SCHEME B

- ❖ It is hereby confirmed that Mr/Mrs/Miss _____ is in the employ of the Department/Administration of _____ in the rank of _____ (PERSAL/PERSOL) number: _____).
- ❖ Mr/Mrs/Miss _____ qualifies for participation in the Subsidised Motor Transport **Scheme B**.
- ❖ At present the official receives an annual remuneration of R_____
- ❖ The WesBank criteria for a person on Scheme B would be a low credit risk (an Approved 1 transaction). Should an official not qualify WesBank Auto will endeavor to assist the official where possible on a normal commercial basis.

Yours faithfully

DIRECTOR-GENERAL

PRIVATE OF OFFICIAL RATES: APPLICABLE UNDER SCHEME "B"

- 1.1 Allowances in cents/km payable for Scheme "B" and privately owned vehicles on official business applicable from 1 July 2003: (paragraph 9 of the annexure)
Paragraph 9.1.1

ENGINE SWEPT VOLUME cm ³	A SEDAN/ STATION WAGON	B LIGHT DELIVERY VEHICLE	C 4X4 LIGHT DELIVERY VEHICLE	D MINI- BUS/ MPV	E MOTOR CYCLE/ SCOOTER
To 1250					68.0
Over 1250					90.6
Up to-1550	113.3	118.4			
1551-1750	126.2	131.5	150.2		
1751-1950	141.9	149.0	164.4	154.3	
1951-2150	158.5	169.5	186.6	194.0	
2150-2500	179.5	192.3	218.0	215.4	
2501-3500	198.4	215.3	244.2	236.5	
Over 3500	221.6	239.7	273.0	260.7	

BENCHMARK PRICES WITH EFFECT FROM 01/10/2001 UNTIL 31/12/2001

CATEGORY	BENCHMARK PRICE BASED ON RT77	
CATEGORY A SEDAND		<p>Note: (1) Benchmark prices will be revised after every three (3) months.</p> <p>(2) The benchmark price is the base vehicle price + VAT.</p> <p>(3) The benchmark price excludes approved accessories, pre-delivery service (PDI) and delivery costs.</p> <p>(4) The cost of any additional non-standard equipment for disabled persons (officials) must be borne by the department.</p>
Up to 1250	No vehicles offered	
1251 - 1550	82 788.38	
1551 - 1750	97 368.72	
1750 - 1950	124 196.73	
1951 - 2150	No vehicles offered	
CATEGORY B STATION WAGON		
1551 - 2500	103 682.00	
CATEGORY B LIGHT DELIVERY VEHICLES		
1251 - 1550	70 422.11	
1551 - 1750	82 035.74	
1750 - 1950	82 118.00	
1951 - 2000	91 115.77	
2001 - 3500	114 664.02	
CATEGORY B DOUBLE CAB		
2001 - 3000	135 734.56	
CATEGORY C LIGHT DELIVERY VEHICLE, 4X4		
2201 - 3000	124 096.41	
CATEGORY C LIGHT DELIVERY VEHICLE, 4X4 DOUBLE CAB		
2201 - 3500	183 103.00	
CATEGORY D BUSSES		
1751 - 2500	130 287.94	
ACTUAL COST OF VEHICLE TO BE USED FOR DISABLED PERSONS		

ANNEXURE “E”

81/150571(Z79)

LOG IN RESPECT OF TRIPS UNDERTAKEN IN SUBSIDISED VEHICLE No.

LOG TEN OPSIGTE VAN RITTE ONDERNEEM MET GESUBSIDIEERDE VOERTUIG No.

Officer / Employee
Beampte / Werknemer

Station
Standplaas

Department
Departement

Month
Maand

Branch
Tak

Vehicle registration No.
Voertuig-registrasie No.

DISTANCE - AFSTANDE

Date Datum	Speedo reading end of trip Afstandsmeter- lesing end van rit	Distance Afstande		Time of departure	Time of arrival	Departed from Vertrek van	Travelled to Gereis na	No. of passengers Getal passasiers	Purpose of trip Doel van rit
		Official Ampelik	Private Privaat	Tyd van Vertrek	Tyd van Aankoms				
B.F./Oorg.									
C.F./Oorg									

TRIP AUTHORISATION FORM FOR THE USE OF GOVERNMENT OWNED AND SUBSIDISED VEHICLES
--

IMPORTANT NOTICE: THIS TRIP AUTHORITY IS SUBJECT TO THE CONDITIONS AS STIPULATED OVERLEAF.

NB: This form has to be completed in full and in duplicate prior to departure, copy to be attached to official Transport Request form in respect of general hire vehicle.

(TO BE COMPLETED BY THE PERSON REQUESTING TRANSPORT)

Name of main driver:	Driver's ID Number:	Licence No:	Code:
Department:	Section:	Telephone No:	
Name of co-driver:	Co-driver's ID No:	Licence No:	Code:
Vehicle Registration No:	Vehicle station:	Make/Model:	

PART 1: TO BE COMPLETED BEFORE JOURNEY

Date	Starting point	Odometer reading	End point	Odometer reading	Reason for trip

Validity Period: Date From.....To:..... Time Period: From.....To:.....

Passengers: Enter names and ID No's of authorized passengers below. An **ID MUST BE** carried while traveling in a Government Vehicle. Note: Hospital patients are exempted from carrying ID, but names must be listed below:

Names	ID No	Reasons	Name	ID No	Reasons

Goods/Equipment	Quantity	Reason

* If this is a permanent allocation of the vehicle, then provide a brief explanation of the intended use:

From: _____ To: _____

ABOVE TRIP/S AUTHORISED BY:

I hereby certify that the journeys are official and that funds are available to cover the expenditure.

Responsibility Manager: Signature: Tel. No.: Date:

Supervisor's Name: Signature: Tel. No.: Date:

ANNEXURE "F" (cont.)

81/147909 (Z606)

RESP. CODE	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	OBJECTIVE CODE	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
------------	----------------------	----------------------	----------------------	----------------------	----------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Transport Officer's Name: _____ Signature: _____ Tel. No.: _____ Date: _____

PETROL CARD NO.: (TO BE COMPLETED BY TRANSPORT OFFICER)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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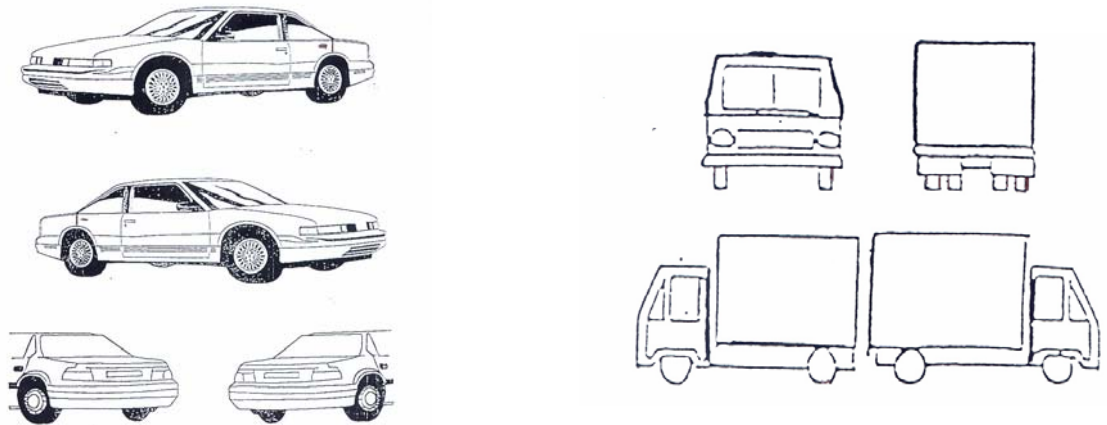
Issue by: _____ Rank: _____

Received by: _____ Signature: _____

VEHICLE INSPECTION AND ISSUE: Is the vehicle roadworthy?

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>

Indicate defects on vehicle prior to departure with



I hereby confirm that I hold a valid driver's licence and acknowledge that I have read and understood my responsibilities as the driver of this official vehicle set out in the Handbook for Drivers of Official Vehicles.

Driver's signature: _____
Date: _____

PART 2: TO BE COMPLETED AFTER THE JOURNEY

Number of fuel vouchers issued to the driver before the trip (_____) and the number of used vouchers returned after the completion of the trip (_____).

Indicate defects identified on vehicle on completion of trip: -

ANNEXURE “F” (cont.)

81/147909 (Z606)

Refueling particulars (Slips to be attached).

DATE	KM/ READING	NAME OF SERVICE STATION	TOWN	LITRES REPLENISHED		VALUE		QUANTITY OF FUEL (Subsequent to journey) (Tick relevant column)				
				Fuel	Oil	R	c	F	¾	½	E	

Vehicle & Petrol card returned by:

Driver's Signature:

Driver's Name:

Date:

Transport Officer's Signature:

Transport Officer's Name:

Date:

The trip authority will be subject to the following conditions:

The contents of the Transport and the Driver's of Official Vehicles Handbooks are understood and adhered to at all times.

That the vehicle may not be re-fuelled unnecessarily.

That authority is obtained to keep the vehicle overnight.

That the Transport Section be advised as soon as possible of trip cancellation.

Vehicle keys are only issued to authorized licensed driver.

That the Fleet Management Service Provider card and keys are handed back to the Transport Officer as soon as possible after the journey.

Vehicle is issued with the following tools/accessories: triangle(s), jack, wheel spanner, spare wheel(s), petrol cap, petrol card no.

DEPARTMENTAL
STAMP

SUBSIDISED MOTOR TRANSPORT PROCEDURE MANUAL

SCHEME A

FINANCING AND ADMINISTRATION

1. An official who complies with the requirements of Scheme “A” of the Subsidised Motor Transport Policy and wishes to be provided with a Subsidised vehicle for the performance of his/her duties, should submit to his/her Department a Form Z81 application form and all other applicable documents as indicated in paragraph 4 of the procedures manual. The application form should be signed by the Responsible Director and countersigned by the Chief Director.

The official, Transport Officer and Department must ensure that the vehicle chosen by the official will be a functional vehicle taking into consideration the nature of the official's duties and affordability of the official. To ensure the above, the transport officer can draw a quotation (quotation programme available on the Internet (www.subscheme.co.za/sms2) or a quotation can be requested directly from WesBank Auto.

2. The Transport Advisory Committee in each Province and National Department shall in terms of paragraph 6b of the Subsidised Motor Transport Policy review all applications for Subsidised Vehicles.
3. All applications that comply with paragraph 8 of the Subsidised Motor Transport Policy should be directed to the Transport Advisory Committee. Based on kilometres travelled the committee will determine whether the official qualifies to participate in Scheme “A” and will accordingly make a recommendation to the Head of Department (HOD). Should the HOD agree with the recommendation of the Transport Advisory Committee the letter of approval will be signed.
4. On receipt of the letter of approval, the Transport Officer will be responsible to forward the following documentation to the Regional WesBank Auto branch: -
 - a. The original approval letter from the HOD (**Annexure B1**);
 - b. The copy of the approved application Form Z81;
 - c. A completed Application for Finance (**New format**);
 - d. Original **certified, clear**, copy of an identification document;
 - e. Original **certified** copy of driver's licence;
 - f. Original **certified** copy of recent pay slip (**not older than two months**),
 - g. Original **certified** copy of proof of residential address;
 - h. A signed vehicle order form; and
 - i. A signed quotation.

As an alternative the official or Transport Officer may also complete the necessary documentation via the Internet (www.subscheme.co.za/sms2).

5. WesBank Auto will process the application and ensure the correctness of the quotation and vehicle order form.

Note: -

The official will be required to sign a final offer to purchase with WesBank Auto before the vehicle order is placed with the relevant manufacturer.

6. On acceptance of the final offer to purchase from the official, WesBank Auto will forward the relevant documents to the National Department of Transport (NDoT) for authorization.
7. Once the relevant documentation is authorized by NDoT, WesBank Auto will place the order with the relevant manufacturer and the manufacturer will confirm receipt of all orders.
8. All queries relating to the ordering of vehicles must be through the Transport Officer to WesBank. **No exceptions will be made.**
9. WesBank Auto will be registered as the titleholder and shall be responsible for the registration of the Subsidised Motor Vehicle. On receipt of the particulars necessary for the licensing of the Subsidised Vehicle, the official shall ensure that the vehicle is licensed at their local licensing authority. **The cost of the registration and licensing is to be borne by the official.**
10. Before the official takes delivery of the vehicle the following must be finalized:-
 - a. Official must license the vehicle and supply WesBank Auto with the registration number of the vehicle;
 - b. WesBank Auto must confirm insurance with Glenrand M.I.B Empowerment Company;
 - c. The official must inspect the vehicle at the dealership and supply a completed and signed vehicle inspection report to WesBank Auto and;
 - d. The contract with WesBank Auto must be signed.
11. On delivery of the vehicle, the official is required to complete and sign a release note that must be returned to the WesBank Auto branch.

MAINTENANCE

1. A maintenance plan limited to 160 000 kilometers will be in operation for each vehicle under Scheme "A" and will be administered by Fleet Africa.
2. The maintenance plan is intended to cover all expenses related to the maintenance and use of the vehicle for the duration of the contract period, with the following exceptions: -
 - a. damage arising from abuse of vehicles,
 - b. accident damage; and
 - c. glass windscreens;

The maintenance plan limits the replacement of tyres to 8 tyres (two sets) for Category "A" and "D" vehicles. For Category "B" and "C" vehicles, tyres are limited to 10 (two and a half sets). The make of tyre fitted would have to be the same make as fitted on delivery of the vehicle.

3. In event of maintenance services, and repairs, the official will take the vehicle to the nearest Fleet Africa approved franchise dealership. The dealership must request authorization from Fleet Africa before proceeding with the repairs. On completion, Fleet Africa will be responsible for the payment to the dealership.
4. All services are to be performed according to the manufacturer's specifications.
5. **No replacement vehicle will be supplied during a vehicle service.**
6. The vehicle is to be available for inspection by authorized persons, which includes both Departmental Transport Officers and Super Fleet personnel.

LOG SHEETS

Completed log sheets, form Z79, in terms of paragraph 16 of the Subsidised Motor Transport Policy must be submitted to the Transport Officer by the 7th of the month. The Transport Officer will then forward a log sheet summary to Fleet Africa (in respect of vehicles purchased prior to 30 June 2001 forward to Auto Fleet Services) for processing through the PERSAL/PERSOL System.

Refer to Appendix A for the log sheet summaries.

OFFICIAL UTILISATION PERIOD

The official utilization period for a Subsidised Vehicle shall be for a minimum period of 32 months and a maximum period of 48 months. The official must complete the contracted utilization period that has been negotiated per individual contract with the Service Provider(s).

Note:

An official driving excessive kilometers will not be allowed to terminate his or her contract before 32 completed months, irrespective of the kilometers traveled.

TERMINATION OF CONTRACT

1. Should an official not meet the contractual official kilometers when leaving the employment of the State, WesBank Auto will be obliged to raise all additional penalties to the individual which are: -

- a. early finance termination charges in consultation with the State;
 - b. a higher interest rate;
 - d. the outstanding settlement value of the vehicle; and
 - e. over utilization of private mileage.
2. If for any reason, through dismissal, retirement, ill health, resignation, retrenchment or a transfer to a position where a Subsidised Motor Vehicle is not justified, WesBank Auto must be advised immediately. ***(The old and the new department should notify WesBank Auto, in writing, R>E> the transfer of the official. The new department needs to confirm if the official will qualify for a Subsidised Motor Vehicle within the new department to ensure that the correct objective and responsibility codes are utilized).***

INSURANCE

The State will bear the full cost of the insurance on behalf of the official, subject to the vehicle benchmark applicable to the official. Should the official exceed the approved benchmark then he or she will be responsible for the difference in premiums.

SCHEME B

Scheme “B” is a managerial option and participation therein is left entirely at the discretion of the HOD’s in the Provinces and Departments.

1. An official is allowed to submit a request for participation on Scheme “B” for his/her current vehicle ***(financed through any financial institution or privately owned)*** or a new vehicle that he/she would like to purchase. Funding for the purchase of a vehicle has been negotiated with WesBank Auto.

Note: A deposit of at least 10% will be required.

2. An official is not allowed to purchase a vehicle through the National Contract RT77.
3. The Transport Advisory Committee in each Province and National Department shall in terms of paragraph 6b of the Subsidised Motor Transport Policy review all applications for vehicles.
4. All applications that comply with paragraph 8 of the Subsidised Motor Transport Policy should be directed to the Transport Advisory Committee. Based on kilometres travelled the committee will determine whether the official qualifies to participate in Scheme “B” and will accordingly make a recommendation to the Head of Department (HOD). Should the HOD agree with the recommendation of the Transport Advisory Committee the letter of approval will be signed.

5. On receipt of the letter of approval (***if financing is required***), the Transport Officer will be responsible to forward the following documentation to the Regional WesBank Auto branch:-
 - a. The original approval letter from the HOD (***Annexure B1***);
 - b. The copy of the approved application Form Z81;
 - c. A completed Application for Finance (***New format***);
 - d. Original **certified, clear**, copy of an identification document;
 - e. Original **certified** copy of driver's licence;
 - f. Original **certified** copy of recent pay slip (***not older than two months***),
 - g. Original **certified** copy of proof of residential address;
 - h. A signed vehicle order form; and
 - i. A signed quotation.
6. On receipt of the documentation WesBank Auto will credit vet the official.
7. If creditworthy, an official may raise a loan through WesBank Auto, under this Scheme at the prescribed rate of Prime less 1,5%. The official participating in this Scheme may not exceed 21 000 official kilometers per year.
8. WesBank Auto will fund the purchase of any new or second hand vehicle.
9. Individuals will not be able to transfer existing loans at other financial institutions to this source of funding and no private transactions.
(No private transactions, will be considered by WesBank Auto)

Subsidised Motor Transport, Log sheet Summary

National Department/ Province:	
Provincial Department:	

	PERSAL/ PERSOL Number	Surname	Initials	Vehicle registration number	Month	Start kilometer reading	End kilometer reading	Actual business kilometers traveled	Actual private kilometers traveled	Kilometers traveled during the month
1										
2										
3										
4										
6										
7										

**Details of designated Transport
Officer:**

PERSAL/ PERSOL Number	Surname	Initials	Telephone number	Fax number	e-mail address

Log sheets to be submitted to the Service Provider(s) Customer Call Cent

Fax Number:

e-mail:

Please note that the person completing this form is solely responsible for ensuring the accuracy of the information recorded therein. By completing this form the person warrants that he/she has confirmed that the persons reflected on the form are entitled, in terms of the applicable transport policy, to claim the allowances in question and that the allowances claimed are in compliance with the aforementioned policy. The person further warrants that, in completing this form, he/she has complied with all applicable legislation including, without limitation, the Public Finance Management Act, 1 of 1999. The service provider(s) Sole obligation in respect of this form is to ensure that the information recorded in it is accurately copied and transmitted in compliance with its contractual obligations with the National Department of Transport.