

# TRANSPORT ALLOWANCE SCHEME

Item B-HR (50a-2004) MC 21/10/2004	AMENDED EKURHULENI TRANSPORT ALLOWANCE SCHEME
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## RESOLVED:

1. **That** the contents of the report on critical implementation issues regarding the Ekurhuleni Transport Allowance Scheme **BE NOTED**.
2. **That** Council **ADOPTS** the Ekurhuleni Transport Allowance Scheme (as amended), attached to the report as **Annexure "A"**.
3. **That** paragraphs seven and eight of the resolutions of Item B-HR (13-2004): FINALISATION AND IMPLEMENTATION OF THE EKURHULENI TRANSPORT ALLOWANCE SCHEME, dated 22 April 2004, **BE RESCINDED** and **AMENDED** as follows:

***That** 01 April 2004 **BE THE IMPLEMENTATION DATE** for those employees who qualify for a transport allowance in terms of the Ekurhuleni Transport Allowance Scheme and who also holds a fixed position on the approved organizational structures, as a transitional arrangement, subject to any other collective agreements.*

4. **That** positions on salary levels five and six **RECEIVE** transport allowances as per the Ekurhuleni Transport Allowance Scheme with effect from 01 April 2004, subject to the job evaluation process and to any existing collective agreements, and further subject thereto that employees who are placed or appointed in positions on salary levels five and six prior to final job evaluation, **SIGN** an agreement between the employer and the employee in this regard, as set out in **Annexure "B"** attached to the report.
5. That amendments to running costs of the AA tariffs **BE IMPLEMENTED** on a quarterly basis, based on the average AA tariffs of the previous three months and the Chief Financial Officer **BE RESPONSIBLE** for the implementation thereof.

**ANNEXURE A****EKURHULENI TRANSPORT ALLOWANCE SCHEME**

Page 1 of 15

**COLLECTIVE AGREEMENT ON THE  
EKURHULENI TRANSPORT ALLOWANCE SCHEME**

made and entered into by and between  
the Ekurhuleni Metropolitan Municipality, the  
South African Municipal Workers Union and  
the Independent Municipal and Allied Trade Union  
on 15 July 2003

referred to as the Main Agreement  
attached hereto as Annexure "A".

WHEREAS the parties referred to above are desirous to amend certain provisions of the Collective Agreement on the Ekurhuleni Transport Allowance Scheme.

NOW THEREFORE the parties agree as follows

1. That Clause 2 of the Agreement be deleted and substituted with the following:
  2. (a) The new Ekurhuleni Transport Allowance Scheme, attached hereto as Annexure A, shall be applicable to all employees where the functions / positions dictate the payment of Transport Allowances, provided that employees who are in receipt of a transport allowance as a benefit in terms of the former collective agreements and/or council resolutions shall retain such a benefit (see Council Resolution B-HR (12- 2004).
  - (b) Employees in paragraph (a) above shall have the option to transfer to the Ekurhuleni Transport Allowance Scheme.

That clause 3 of the Collective Agreement be deleted in its totality."

EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 2 of 15

This agreement signed at ..... on behalf of the Council as employee at local level and the relevant Trade Unions Organisations, all signatories being duly authorized thereto on the .....day of.....2004.

Name and signature of Representative of Employee.

\_\_\_\_\_  
M P MASEKO DATE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
WITNESS  
NAME IN PRINT:

\_\_\_\_\_  
DATE

\_\_\_\_\_  
WITNESS  
NAME IN PRINT:

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DATE

Name and signature of Representatives of Admitted Employee Organisations.

\_\_\_\_\_  
SAMWU DATE  
NAME IN PRINT:

\_\_\_\_\_

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SAMWU WITNESS  
NAME IN PRINT:

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EKURHULENI TRANSPORT ALLOWANCE SCHEME  
Page 3 of 15

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## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 4 of 15

## ANNEXURE A

**INDEX**

1	<b>DEFINITIONS AND ABBREVIATIONS</b>
2	<b>PURPOSE OF THE SCHEME</b>
3	<b>OBJECTIVES OF THE SCHEME</b>
4	<b>PERIOD OF VALIDITY</b>
5	<b>REQUIREMENTS FOR PARTICIPATION</b>
6.	<b>CLASSIFICATION OF TRANSPORT ALLOWANCES</b>
6.1	POSITIONS RECEIVING A TRANSPORT ALLOWANCE AS A BENEFIT
6.2	POSITIONS RECEIVING TRANSPORT ALLOWANCES FOR OPERATIONAL REASONS
7	<b>DETERMINATION AND RE-DETERMINATION OF OFFICIAL KILOMETER DISTANCES</b>
7.1	DETERMINATION OF OFFICIAL KILOMETERS FOR NEW/FIRST TIME APPLICATIONS
7.2	RE-DETERMINATION OF OFFICIAL KILOMETERS
8	<b>CALCULATION OF TRANSPORT ALLOWANCES</b>
8.1	DESCRIPTION OF THE FIXED COSTS AND RUNNING COSTS COMPONENTS
8.1.1.1	TOTAL FIXED COSTS
8.1.1.2	TOTAL RUNNING COSTS
8.2	IMPLEMENTATION OF AMENDMENTS TO THE FIXED COSTS AND RUNNING COSTS COMPONENTS
8.3	CALCULATION OF THE TOTAL TRANSPORT ALLOWANCE FOR ALL TRANSPORT ALLOWANCE BEARING POSITIONS
9	<b>PRINCIPLES OF COMPENSATION</b>
10	<b>FINANCING/LOANS</b>
11	<b>AD HOC REMUNERATION</b>
11.2	ALL TRANSPORT ALLOWANCE BEARING POSITIONS (BENEFIT POSITIONS AND OPERATIONAL POSITIONS)
11.3	NON-TRANSPORT ALLOWANCE BEARING POSITIONS
11.4	PAYMENT OF AD HOC CLAIMS FOR NON-TRANSPORT ALLOWANCE BEARING POSITIONS
11.5	PAYMENT OF AD HOC CLAIMS FOR TRANSPORT ALLOWANCE BEARING POSITIONS
12	<b>TRANSPORT ALLOWANCE WHEN ACTING</b>
13	<b>SUSPENSION OF TRANSPORT ALLOWANCES</b>
14	<b>SECURING OF RISKS</b>
15	<b>RELINQUISHING OF RIGHTS</b>
16	<b>ONLY AGREEMENT</b>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 5 of 15

1	<b>DEFINITIONS AND ABBREVIATIONS (in alphabetical order)</b>
1.1	<b>“AA Rates”</b> The current AA Rates as in the Fixed Costs Table (which includes interest, depreciation, licensing and insurance) and the Running Costs for Petrol Cars Table (which includes service, repair, tyres, fuel).
1.2	<b>“Ad Hoc Travelling”</b> Travelling in exceptional cases, when occasional official trips have been undertaken by means of a private vehicle.
1.3	<b>“EMM”</b> The Ekurhuleni Metropolitan Municipality as the Employer.
1.4	<b>“HRM&amp;D Department”</b> Human Resources Management and Development Department, within the Corporate Services Cluster.
1.5	<b>“OM Division”</b> Organisation Management Division, within the Human Resources Management and Development Department.
1.6	<b>“Official Kilometres”</b> The kilometres travelled by an employee for official purposes within the entire metropolitan area, excluding trips outside the Ekurhuleni Metropolitan Municipality and trips between place of work and home.
1.7	<b>“Participant”</b> An employee who is appointed on a permanent or temporary basis in a transport allowance bearing position.
1.8	<b>“Scheme”</b> The Ekurhuleni Transport Allowance Scheme as agreed upon, and is regarded as synonymous with the Collective Agreement.
1.9	<b>“Total Fixed Costs”</b> The component of the transport allowance that covers the costs of interest, insurance, depreciation and licensing, indicated in the Fixed Costs Table of the AA Rates, as amended from time to time.
1.10	<b>“Total Running Costs”</b> The component of the transport allowance that covers the costs of services, repairs, tyres, and fuel, as indicated in the Running Costs for Petrol Cars Table of the AA Rates, as amended from time to time.
1.12	<b>“Transport Allowance Bearing Position”</b> A position on the approved organisational structures to which a monthly transport allowance is allocated.
1.13	<b>“Vehicle”</b> A privately owned vehicle, excluding a motorcycle and a motor scooter, which is utilized and suitable for the execution of official duties of the employee.

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 6 of 15

2.	<b>PURPOSE OF THE SCHEME</b>
2.1	To provide the payment of a transport allowance in respect of the utilization of a privately owned vehicle in the execution of official duties, or as a benefit, regardless whether the utilization of such transport is permanent or ad hoc.
3.	<b>OBJECTIVES OF THE SCHEME</b>
3.1	To determine the criteria for participation in the Scheme.
3.2	To compensate employees in a fair and reasonable manner.
4.	<b>PERIOD OF VALIDITY</b>
4.1	<p>The scheme comes into effect on the first day of the month following the month in which it is approved by the EMM and will be effective for a period of five years (60 months) or for such a period until a new agreement is agreed upon.</p> <p>It was resolved that the date of implementation be 01 April 2004, as a result of the following resolution:</p> <p style="text-align: center;"><i>The Mayoral Committee, at its meeting held on 10 June 2004, considered Item B-HR (22-2004) SETTLEMENT AGREEMENT:</i></p> <p style="text-align: center;"><b>IMPLEMENTATION OF GRADE 13 SALARY SCALE and resolved as follows:</b></p> <p style="text-align: center;"><b>“RESOLVED:</b></p> <p style="text-align: center;">4. <i>That the arbitration award <b>BE IMPLEMENTED RETROSPECTIVELY</b> with effect from 01 April 2004.”</i></p>
5.	<b>REQUIREMENTS FOR PARTICIPATION</b>
5.1	<p>An employee who is appointed or placed on salary levels 5 (five) or 6 (six) will receive a transport allowance as a benefit, provided that:</p> <p>(a) The employee has a valid driver’s license;</p> <p>(b) A privately owned vehicle must be available on a daily basis; and</p> <p>(c) No official vehicle of the EMM may be utilized by the participant as a driver or a passenger.</p>
5.2	<p>Employees receiving a transport allowance for operational reasons, excluding those positions referred to in paragraph 5.1 above, must comply with the following criteria:</p> <p>(a) The use of a private vehicle is required for the execution of his/her duties;</p> <p>(b) The employee has a valid driver’s license;</p> <p>(c) A privately owned vehicle must be available on a daily basis;</p> <p>(d) No official vehicle of the EMM may be utilized by the participant as a driver or a passenger.</p> <p>(e) The total official kilometre distance travelled, must not be less than 400 (four hundred) km and not exceeding 1,200 (one thousand two hundred) km per month.</p>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 7 of 15

5.3	An employee performing any functions which require one or more of the following, will automatically be EXCLUDED from participation in the Scheme: (a) The functions require specialized vehicles and/or equipment; (b) The functions necessitate the transportation of co-worker(s) and/or equipment: and (c) The primary functions are to transport goods and/or people.
5.4	An employee, excluding those positions referred to in paragraph 5.1 above, is entitled to participate in the Scheme, if the investigation performed by the OM Division of the HRM&D Department confirms participation and approval is granted by the EMM.
6.	<b>CLASSIFICATION OF TRANSPORT ALLOWANCES</b>
6.1	<b>POSITIONS RECEIVING A TRANSPORT ALLOWANCE AS A BENEFIT</b>
6.1.1	The kilometre allocation of 400 km per month are applicable to the incumbents of the positions on salary levels 5 (five) and 6 (six) receiving a transport allowance as a benefit, where the incumbents of these positions automatically qualify for a monthly transport allowance without proof of official distance travelled.
6.1.2	The kilometres are fixed, unless: (a) Approved otherwise, as referred to in paragraph 7.2; and (b) The maximum official kilometres travelled may not exceed 1,200 (one thousand two hundred) kilometres per month.
6.1.3.	The kilometre allocations of these positions are for trips within the boundaries of the EMM.
6.1.4	The participant will be compensated on an ad hoc basis (refer to paragraph 11) for approved trips outside the boundaries of the EMM ONLY if the kilometre allocations as indicated in paragraph 6.1.1, or as re-determined (refer to paragraph 7.2), are exceeded.
6.2	<b>POSITIONS RECEIVING TRANSPORT ALLOWANCES FOR OPERATIONAL REASONS</b>
62.1	The allowance is applicable to those positions where the criteria for participating in the Scheme are complied with (refer to paragraph 5).
6.2.2	The allowance is based on the actual official kilometres travelled, as referred to in paragraph 7, confirmed by means of daily logs kept for a period of 6 (six) consecutive months.
6.2.3	The kilometre distance allocated to the position is for trips within the boundaries of the EMM.
6.2.4	The participant shall be compensated on an ad hoc basis for trips outside the boundaries of the EMM during the period while keeping logs (refer to paragraph 11).
6.2.5	The participant will be compensated on an ad hoc basis for approved trips outside the boundaries of the EMM ONLY if the fixed kilometre allocations as referred to in paragraph 6.2.2, are exceeded.



## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 8 of 15

7.	<b>DETERMINATION AND RE-DETERMINATION OF OFFICIAL KILOMETER DISTANCES</b>
7.1	DETERMINATION OF OFFICIAL KILOMETERS FOR NEW/FIRST TIME APPLICATIONS
7.1.1	<p>When an employee is instructed to utilize his/her private vehicle in the execution of his/her duties, AND no official transport is available, the employee can complete an official application form and forward it to the departmental head or his/her nominee concerned for recommendation.</p> <p>(a) If the application is <u>not recommended</u> by the departmental head or his/her nominee concerned, the form must be submitted to the HRM&amp;D Department to be processed administratively by the OM Division.</p> <p>(b) If the application is <u>recommended</u> by the departmental head or his/her nominee concerned, the form must be forwarded to the HRM&amp;D Department for investigation by the OM Division.</p>
7.1.2	<p>After the investigation by the CM Division, the request can be:</p> <p>(a) <u>Disapproved</u> by the Executive Director: HRM&amp;D, or as delegated, if the OM Division confirmed that not all the requirements as indicated in paragraph 5 are met and the employee is informed accordingly, or</p> <p>(b) <u>Provisionally approved</u> by the Executive Director: HRM&amp;D, or as delegated, if the OM Division confirmed that all the requirements as indicated in paragraph 5 are met.</p>
7.1.3	<p>If provisionally approved, the employee is informed officially by the Executive Director: HRM&amp;D, or as delegated:</p> <p>(a) To keep logs of the official kilometres travelled for a period of 6 (six) consecutive months, on the prescribed log sheets.</p> <p>(b) That the onus rests on the employee to insure his/her vehicle for business purposes during the period of keeping logs and that the employer will not be held liable.</p>
7.1.4	No official vehicle will be made available for the purpose of keeping logs.
7.1.5	The logs shall be used to determine the monthly official kilometres allocated to a position(s).
7.1.6	<p>While keeping logs:</p> <p>a) Trips outside the boundaries of the EMM area, (i.e. Johannesburg, Pretoria, etc.) shall not form part of the official kilometre allocation. The employee may claim on an ad hoc basis for these trips (refer to paragraph 11).</p> <p>b) Trips between place of work and home do not form part of the determination of official kilometres.</p>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 9 of 15

7.1.7	<p>Logs completed on the official log sheets (as supplied by the HRM&amp;D Department) must be submitted on a weekly basis to the CM Division of the HRM&amp;D Department for verification, after it has been approved as follows:</p> <p>(a) The relevant Sectional and Divisional Head in the case of an operational position; or</p> <p>(b) The relevant Director in the case of a Sectional and Divisional Head.</p>
7.1.8	<p>Should the 6 (six) months period of keeping logs be interrupted by any leave of absence, such period be extended by the period of leave.</p>
7.1.9	<p>After completion of the period of keeping logs, the kilometres travelled must be calculated and the employee must be officially informed of the results by the OM Division.</p>
7.1.10	<p>In order to obtain the official monthly kilometres that should be allocated to the position, the total kilometres travelled during the 6 (six) months must be divided by 6 (six) and the result rounded off to the nearest 50 (fifty) kilometres.</p>
7.1.11	<p>If the calculations proof that the kilometres travelled per month <u>do not comply</u> inter alia with the minimum or maximum kilometre requirements for participation:</p> <p>(a) The position will not be included in the Scheme (refer to paragraph 5).</p> <p>(b) The employee and departmental head or his/her nominee concerned must be informed officially, in writing by the Executive Director: HRM&amp;D, or as delegated.</p>
7.1.12	<p>If the calculations proof that the kilometres travelled per month comply inter alia with the minimum or maximum kilometre requirements for participation, the OM Division of the HRM&amp;D Department will:</p> <p>(a) Officially inform the employee and the departmental head or his/her nominee concerned within 1 (one) month after completion of the logs; and</p> <p>(b) Submit a report in this regard to the EMM for approval.</p>
7.1.13	<p>During the period it takes to approve the report as mentioned in paragraph 7.1.12, the employee concerned should continue to submit logs to the OM Division of the HRM&amp;D Department, for compensation purposes, as set out in paragraph 7.1.14.</p>
7.1.14	<p>After the EMM approves the report as mentioned in paragraph 7.1.12, the employee concerned shall be remunerated as follows:</p> <p>(a) The total' transport allowance, as approved, from the first day of the month following the month of the council resolution; and</p> <p>(b) A once-off payment of the difference, based on:</p> <p>(i) The approved transport allowance; and</p> <p>(ii) The actual ad hoc payments received from the day following the completion of logs to the end of the month in which the report was approved.</p>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 10 of 15

7.1.15	The Executive Director: HRM&D, or as delegated, can verify, question and test the contents of any log sheet at any point in time while an employee is keeping logs.
7.2	RE-DETERMINATION OF OFFICIAL KILOMETERS
7.2.1	Should the EMM require a re-determination of the official kilometres allocated to a transport allowance bearing position(s) by means of a council resolution, the participant(s) concerned commences to keep logs as set out in paragraph 7.1.
7.2.2	<p>Should the participant of a transport allowance bearing position require a re-determination of the official kilometres allocated to the position, a written motivation, together with an official application form, should be submitted to the relevant departmental head or his/her nominee concerned, for Recommendation.</p> <p>(a) If the application is not recommended by the departmental head or his/her nominee concerned, the documentation must be submitted to the HRM&amp;D Department to be processed administratively by the OM Division.</p> <p>(b) If the application is recommended by the departmental head or his/her nominee concerned, the documentation is forwarded to the HRM&amp;D Department for investigation by the OM Division.</p>
7.2.3	<p>After the investigation by the OM Division, the request can be:</p> <p>(a) Disapproved by the Executive Director: HRM&amp;D, or as delegated, if the investigation by the OM Division does not confirm the re-determination of official kilometres and the employee is informed accordingly, or</p> <p>(b) Provisionally approved by the Executive Director: HRM&amp;D, or as delegated, if the investigation by the OM Division confirms the re-determination of official kilometres.</p>
7.2.4	If provisionally approved, the participant concerned is informed officially by the Executive Director: HRM&D, or as delegated, to keep logs in accordance with paragraph 7.1.
7.2.5	The incumbent of the transport allowance bearing position retains his/her current transport allowance for the period of keeping logs, until such time as the EMM approves the re-determined official kilometres. Once approved, implementation is effective from the first day of the month following the month of the resolution.
7.2.6	<p>In the case where it is ascertained, as a result of a re-determination of official kilometres, that a participant travels less than 400 (four hundred) km or more than 1,200 (one thousand two hundred) km per month for official purposes, the participant:</p> <p>(a) Should utilise official transport; and</p> <p>(b) Should be dealt with in terms of the suspension of transport allowance criteria as set out in paragraph 13.</p>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 11 of 15

7.3	<b>PAYMENT OF A TRANSPORT ALLOWANCE DURING THE PERIOD OF KEEPING LOGS</b>
7.3.1	<p>During the period in which the employee is keeping logs, he/she will be compensated on a monthly basis for the actual kilometres travelled, after completion of the official ad hoc forms, as follows:</p> <p>(a) Running costs will be paid, based on a standardised engine capacity of 2500 cc, according to the AA Rates for the actual kilometres travelled.</p> <p>(b) Only the insurance element of the fixed costs component will be paid, based on the AA Rates where the purchase price is considered as the annual salary notch plus the annual leave bonus/13<sup>th</sup> cheque, of the employee, converted to a daily tariff.</p>
8.	<b>CALCULATION OF TRANSPORT ALLOWANCES</b>
8.1	<b>DESCRIPTION OF THE FIXED COSTS AND RUNNING COSTS COMPONENTS</b>
8.1.1	<p>A monthly transport allowance consists of the following 2 (two) components, as indicated in the AA Rates, WHERE THE PURCHASE PRICE OF THE VEHICLE IS REGARDED TO BE EQUIVALENT TO:</p> <p>(a) the annual salary PLUS</p> <p>(b) The annual leave bonus/13<sup>th</sup> cheque.</p>
8.1.1.1	<p><b>TOTAL FIXED COSTS</b></p> <p>Fixed costs consist of the following elements:</p> <p>(a) Insurance, Interest, depreciation and licensing, set out in the Fixed Costs Table of the AA Rates: The total fixed costs is determined by the purchase price, as described in paragraph 8.1 .1 above, and the corresponding value, standardised on 10,000 (ten thousand) km per annum for all transport allowance bearing positions.</p>
8.1.1.2	<p><b>TOTAL RUNNING COSTS:</b></p> <p>(a) The total running costs component indicates the tariff in cent per kilometre for a vehicle comprising of all running costs elements set out in the Running Costs Table for Petrol Cars of the AA Rates.</p> <p>(b) The calculation of the total running costs is standardised on an engine capacity of 2500 cc.</p>
8.2	<b>IMPLEMENTATION OF AMENDMENTS TO THE FIXED COSTS AND RUNNING COSTS COMPONENTS</b>
8.2.1	<p>In terms of the fixed costs component:</p> <p>(a) Amendments to the total fixed costs will be implemented quarterly in January, April, July and October of each year.</p> <p>(b) The total fixed costs will be adjusted with salary increments, where applicable.</p>

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 12 of 15

8.2.2	In terms of the running costs component: Amendments to the total running costs will be implemented quarterly, based on the prevailing AA tariffs and the fuel costs as in January, April, July and October of each year.
8.3	<b>CALCULATION OF THE TOTAL TRANSPORT ALLOWANCE FOR ALL TRANSPORT ALLOWANCE BEARING POSITIONS</b>
8.3.1	(a) The total fixed costs are calculated as follows: (i) The annual salary notch plus the annual leave bonus/13 <sup>th</sup> cheque equals the purchase price of the vehicle; and (ii) The corresponding figure (which is the cost per kilometre) in the "10,000 (ten thousand)" km column multiplied by 10,000 (ten thousand) divided by 12 (twelve) months, equals the monthly fixed costs. <p style="text-align: center;">PLUS</p> (b) The total running costs, is to be based on the AA tariffs as indicated in the Running Costs Table for Petrol Cars, based on an engine capacity of 2500 cc.
9.	<b>PRINCIPLES OF COMPENSATION</b> The following principles are applicable with regard to the payment of transport allowances:
9.1	A transport allowance for the particular calendar month shall be paid on a monthly basis.
9.2	With regard to unpaid leave: (a) The transport allowance be reduced on a pro rata basis; and (b) No fixed or running costs are payable during this period, unless the EMM resolves otherwise.
9.3	With regard to maternity leave, only fixed costs are payable for the applicable period.
9.4	With regard to sick leave, the following is applicable: (a) Full-paid sick leave: full transport allowance is payable; (b) Half-paid sick leave: only fixed costs will be paid for the applicable period; and (c) Unpaid sick leave: no fixed or running costs are payable, unless the EMM resolves otherwise.
10.	<b>FINANCING/LOANS</b>
10.1	No internal vehicle loans will be provided.
11.	<b>AD HOC REMUNERATION</b>
11.1	Ad hoc remuneration is payable in cases where occasional official trips are undertaken by means of private transport by permanently appointed employees. The following provisions apply:
11.2	<b>ALL TRANSPORT ALLOWANCE BEARING POSITIONS (BENEFIT POSITIONS AND OPERATIONAL POSITIONS)</b>
11.2.1	Ad hoc remuneration is payable for official trips outside the boundaries of the EMM ONLY when the monthly kilometre allocation of the position is exceeded.



## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 13 of 15

11.2.2	All ad hoc claims must be submitted for payment within the period of two calendar months from the date of recording the first trip, after exceeding the fixed monthly kilometre allocation of the position. If not, payment will be forfeited.
11.2.3	Claims for ad-hoc trips must be completed on the official claim form certifying the purpose of the trip and the actual kilometres travelled, approved by the relevant Director and forwarded to the Finance Department.
11.2.4	Trips between place of work and home shall not form part of ad hoc remuneration.
11.3	<b>NON-TRANSPORT ALLOWANCE BEARING POSITIONS</b>
11.3.1	Claims for ad hoc trips must be completed on the official claim form certifying the purpose of the trip and the actual kilometres travelled, approved by the relevant Director and forwarded to the Finance Department.
11.3.2	All ad hoc claims must be submitted for payment within the period of two calendar months from the date of recording the first trip, if not, payment will be forfeited.
11.3.3	Trips between place of work and home shall not form part of the ad hoc remuneration.
11.4	<b>PAYMENT OF AD HOC CLAIMS FOR NON-TRANSPORT ALLOWANCE BEARING POSITIONS</b>
11.4.1	Only the insurance costs element of the fixed costs component, as well as running costs, are payable for ad hoc remuneration, as follows: (a) Insurance costs will be paid, based on the applicable AA Rates, where the purchase price is considered as the annual salary notch plus the annual leave bonus/13 <sup>th</sup> cheque of the employee. (b) Running costs will be paid, based on a standardised engine capacity of 2500 cc, according to the Running costs for Petrol Cars Table in the AA Rates, for kilometres travelled.
11.5	<b>PAYMENT OF AD HOC CLAIMS FOR TRANSPORT ALLOWANCE BEARING POSITIONS</b>
11.5.1	Only running costs will be paid, based on a standardised engine capacity of 2500 cc, according to the Running Costs for Petrol Cars table of the AA Rates, for kilometres travelled.
12.	<b>TRANSPORT ALLOWANCE WHEN ACTING</b>
12.1	A participant of a transport allowance bearing position who temporarily acts in a permanent transport allowance bearing position on a higher salary level, will receive the transport allowance applicable to the position in which he/she acts.
12.2	An employee of a non-transport allowance bearing position who temporarily acts in a permanent transport allowance bearing position, and if he/she provides a privately owned vehicle for the acting period, be remunerated on the actual transport allowance calculated on a pro rata basis for the position in which he/she acts.

## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 14 of 15

13.	<b>SUSPENSION OF TRANSPORT ALLOWANCES</b>
13.1	A participant occupying a transport allowance bearing position, who requests to be permanently transferred to a non-transport allowance bearing position, will forfeit the transport allowance from the date of transfer.
13.2	<p>The EMM may resolve to rescind a participant's transport allowance, in the following cases:</p> <ul style="list-style-type: none"> <li>(a) Where a participant in a transport allowance bearing position without his/her request be transferred to a non transport allowance bearing position, or</li> <li>(b) Where the job contents of a transport allowance bearing position change to such an extent that it will have an effect on the allocation of the transport allowance</li> </ul>
13.3	After consultation between the EMM and the participant concerned and his/her trade union, a report be submitted to the EMM for approval, after which a written notice be given that the termination of the transport allowance be effective after a period of 6 (six) months,
13.4	<p>The following is applicable when the notice is served:</p> <ul style="list-style-type: none"> <li>(a) The outstanding loan amount as on the date of serving the notice, will be applicable for the application of option 1 and 2, referred to in paragraph 13.5.</li> <li>(b) It is the responsibility of the participant concerned to supply the necessary proof of the outstanding loan amount to the Chief Financial Officer on receiving the notice.</li> <li>(c) Should the participant concerned fail to provide the necessary proof, the transport allowance be terminated after the 6 (six) months' notice period.</li> <li>(d) During this 6 (six) months termination period, the participant will retain his/her original monthly transport allowance</li> </ul>
13.5	<p>After the 6 (six) months notice period and in the event of a vehicle loan still outstanding, the following two options will apply:</p> <ul style="list-style-type: none"> <li>(a) <u>Option One:</u> <ul style="list-style-type: none"> <li>(i) Fixed Costs: The participant retains the fixed cost component, for the remaining loan period.</li> <li>(ii) Running Costs: Where official trips are undertaken, the employee is remunerated for actual kilometres travelled on an ad hoc basis (refer to paragraph 11).</li> </ul> </li> <li>(b) <u>Option Two:</u> <ul style="list-style-type: none"> <li>(i) The EMM redeems the loan in full.</li> <li>(ii) Where official trips are undertaken, the employee is remunerated on an ad hoc basis (refer to paragraph 11).</li> </ul> </li> </ul>



## EKURHULENI TRANSPORT ALLOWANCE SCHEME

Page 15 of 15

13.6	<p>Where an incumbent of a transport allowance bearing position is injured to such an extent that he/she is unable to drive on a permanent basis, the EMM may resolve that:</p> <p>(a) The payment of his/her allowance be based on the fixed costs component, until his/her internal or external vehicle loan is redeemed in full, after which no transport allowance be payable to such an employee; OR</p> <p>(b) The EMM redeems his/her internal or external vehicle loan in full, after which no transport allowance be payable to such an employee.</p>
14.	<b>SECURING OF RISKS</b>
14.1	<p>The onus shall ultimately rest on the participant to ensure that the vehicle is comprehensively insured for business purposes and the EMM shall not attract any liability of whatsoever nature in the case of the vehicle being damaged, destroyed or stolen.</p>
15.	<b>RELINQUISHING OF RIGHTS</b>
15.1	<p>Should any party neglect to act against the other party regarding the non-compliance of this agreement or should one party extend leniency, this shall not be construed as a waiver of rights in terms of the agreement. It shall also not be prejudicial to that party in future actions.</p>
15.2	<p>The failure of the EMM to strictly enforce the terms of this agreement against the participant in any one instance shall not be construed as a waiver by the EMM of any of its rights in terms of the agreement and shall not prejudice the EMM to act against such participant at any later stage.</p>
16.	<b>ONLY AGREEMENT</b>
16.1	<p>This agreement contains the full agreement between the parties and any stipulations, provisions or conditions, whether specific or by implication not included in this agreement are excluded and any variation, change or addition to this agreement is null and void and bears no legal rights unless it is otherwise agreed and it is put in writing and signed by the parties to this agreement.</p>

## ANNEXURE B



**Ekurhuleni**  
METROPOLITAN MUNICIPALITY

**UNDERTAKING FOR ARTICIPANTS  
RECEIVING TRANSPORT ALLOWANCES  
ON SALARY LEVELS FIVE AND SIX**

PERSONAL PARTICULARS TO BE COMPLETED BY THE EMPLOYEE												
FULL NAME(S) AND SURNAME												
POST DESIGNATION (JOB TITLE)												
POST LEVEL (SALARY LEVEL)												
ALLOCATION	CCC				CORPORATE			NORTHERN REGION				
					EASTERN REGION			SOUTHERN REGION				
DEPARTMENT												
DIVISION												
SECTION												
CONTACT TELEPHONE NUMBER	<u>WORK</u>					<u>MOBILE</u>						
EMPLOYEE CODE												
IDENTITY NUMBER												

UNDRTAKING	
I herewith agree that my transport allowance benefit be adjusted according to the requirements of the Ekurhuleni Transport Allowance Scheme in terms of the results of the job evaluation of the current position held	
SIGNATURE OF EMPLOYEE	
DATE	