

MAKHADO LOCAL MUNICIPALITY

DRAFT TRANSPORT ALLOWANCES POLICY, 2018/2019

Car Allowance Policy Review

Presently the fixed transport allowance is based on fixed kilometer distances as follows:

Post level 1 incumbents – 1150 km per month

Post level 3 incumbents - 950 km per month

Post level 4 incumbents - 900 km per month

Post level 5 incumbents - 850 km per month

Post level 6 incumbents – 800 km per month

The recommendation therefore is a uniform fixed monthly transport allowance to incumbents who presently participate in the transport allowance scheme as follows which the increase will be based on the MFMA budget circular 85 guidance for 17/18 of 7.75%, but will reduce to actual SALGA increase on 1 July 2017 once promulgated:

POST LEVEL	NUMBER OF INCUMBENTS PRESENTLY PARTICIPATING	16/17	17/18
1	twelve	10 747.84	11 580.80
3	Sixteen	9 011.06	9 709.42
4	Ten	8 813.87	9 496.95
5	Thirteen	8 163.59	8 796.27
6	Ten	6 579.52	7 089.43
7	Two	6 336.76	6 827.86

COMMENTS ADMINISTRATIVE MANAGEMENT

The recommendations are in order.

RECOMMENDATION (ADMINISTRATIVE MANAGEMENT)

1. THAT the policy with regard to monthly transport allowance scheme of officials as a service benefit to the present employees be amended which the increase will be based on the MFMA budget circular 85 guidance for 17/18 of 7.75%, but will reduce to actual SALGA increase on 1 July 2017 once promulgated:

The total expenditure for the 2017/2018 financial year is estimated as follows:

POST LEVEL	NUMBER OF INCUMBENTS PRESENTLY PARTICIPATING	AMOUNT R
1	Twelve	138 969.60
3	Sixteen	155 350.67
4	Ten	94 969.50
5	Thirteen	114 351.60
6	Ten	70 894.60

7	Two	13 655.7234
	FINAL OVERALL TOTAL FOR ALL POST LEVELS PER MONTH for 63 employees	588 191.23

2. THAT it be noted that sufficient funds were provided in the 2017/2018 Estimates under the Salary Bill of the Operational Estimates to cover the expenditure in paragraph 1 above , subject to final SALGA annual salary increase to be promulgated for 1 July 2017/18
3. THAT it be noted that the amendment in the factors of calculating was necessary in an effort to address the fact that
4. No review of the transport allowance scheme was done since December 2010

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