

# MPUMALANGA PROVINCIAL GOVERNMENT

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## Department of Finance

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### PROVINCIAL TREASURY CIRCULAR 4 OF 2010

TO:

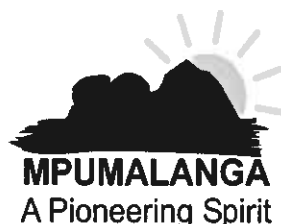
**DIRECTOR-GENERAL  
HEADS OF DEPARTMENTS**

#### UTILISATION AND MANAGEMENT OF SUBSIDIZED MOTOR VEHICLES IN DEPARTMENTS

The provision of a subsidized motor vehicle to an officer is deemed a working facility, which enables qualifying officers to undertake essential and approved official journeys in those cases where the use of other available transport is neither practical nor economical.

The Provincial Treasury conducted an evaluation on compliance to subsidized motor transport policy in Departments. It has been established that Departments do not comply with the National Transport Policy when approving, managing and using subsidized motor vehicles. The following challenges were discovered when the utilisation and management of transport was evaluated in Departments:

- Officials were not travelling the required minimum number of kilometres of 1 750 km per month as required by the policy.
- Log sheets were not available in the files.
- Job descriptions were not available in files to determine whether officials did qualify for the allocated subsidized motor vehicles.
- In some Departments officials submitted the same kilometres every month (e.g. 2 500 km every month as if they were allocated specific areas to travel every month).
- Travelling in excess of 2 500 km per month was not approved by the Head of Department.



According to the National Transport Policy, Transport Circular No 5 of 2003, Paragraph 2, officials only qualify for scheme 'A' if they travel for job related purposes a minimum of 21 000 km and not exceeding a maximum of 29 000 official kilometres per year. The policy further states that it is the prerogative of the Head of Department to approve official kilometres in excess of the 29 000 km per annum (2 417 km per month).

Paragraph 16 of the Policy states that a log sheet is to reflect all distances covered, both official and private. It further states that it is the responsibility of the Head of the Department to verify the utilization of the vehicle and to ensure that all entries thereon are accurate and legible.

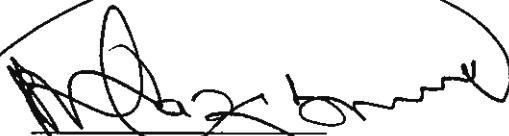
All officials who are office bound and/or do not travel the required minimum kilometres per month or per annum, shall be allocated a Government Vehicle as and when the need arises, or shall purchase their own vehicles and be allowed to use them for official purposes as and when needed and be paid only for official kilometres travelled.

The Accounting Officer, the Chief Financial Officer or the Transport Officer of a Department shall ensure that the subsidized motor vehicles are managed properly and to the best interest of the State.

The Heads of Departments, Chief Financial Officers and Transport Officers are requested to ensure that the policy is implemented and observed by all government officials who participate in Scheme A.

It will be appreciated if the content of this Circular could be distributed to the relevant role-players in your Departments.

Regards



MR. M. MAZIBUKO  
HEAD OF DEPARTMENT  
DATE: 27/02/2010