



FLEET MANAGEMENT POLICY

2023/2024

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REGULATORY FRAMEWORK

This policy is informed by the following regulations:-

CONSTITUTIONAL LAW OF SOUTH AFRICA 1996

MUNICIPAL FINANCE MANAGEMENT ACT 56 of 2003

NATIONAL ROAD TRAFFIC ACT 93 of 1996

OCCUPATIONAL HEALTH AND SAFETY ACT 85 of 1993

CRIMINAL PROCEDURE ACT 52 of 1977

1. OBJECTIVES

1. To ensure the effective and efficient control, utilization, safeguarding and management of Municipality's vehicles plant and equipment.
2. To ensure that vehicle drivers and fleet management managers are aware of their responsibilities about the council vehicles.
3. To set out the standards of physical management, recording and internal controls to ensure that vehicles are safeguarded against inappropriate loss or utilisation.
4. To specify the process required before expenditure on vehicles is incurred.
5. To prescribe the accounting treatment for expenditure incurred on the use of vehicles, plant and equipment of the Municipality including:
 - a) The criteria to be met before expenditure can be accounted for on vehicles, plant and equipment
 - b) The criteria for determining the initial cost of the different vehicles, plant and equipment.
 - c) The method of calculating depreciation for different vehicles, plant and equipment
 - d) The method for scrapping and disposal of vehicles, plant and equipment.
 - e) The classification of vehicles, plant and equipment.

2. BACKGROUND

1. The utilization and management of vehicles, plant and equipment is the prime mechanism by which a municipality can fulfil its constitutional mandates for:
 - i) Delivery of sustained services,
 - ii) Social and economic development,
 - iii) Promoting safe and healthy environments and,

iv) Providing the basic needs to the community

2. As trustees on behalf of the local community, the municipality has a legislative and moral obligation to ensure it implements policies to safeguard the monetary value and future services provision invested on vehicles.

3. The fleet management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of vehicles.

3. DEFINITIONS

a. "Vehicles, Plant and Equipment"

Are resources controlled by an entity as the result of past events and from which future economic benefits or future service potential are expected to flow to the entity.

b. "Fleet Managing Manager"/ Fleet Controller

Is the senior official who has the functional accountability for and control of the physical management of particular vehicles in order to achieve the municipality's strategic objectives relevant to their department. The execution of this responsibility will require the fleet controller to control the acquisition, utilisation, management and disposal of this set of vehicles to optimise the achievement of these objectives.

c. "Capitalisation"

Is the recognition of expenditure as an asset in the Financial Asset Register "Carrying amount"

Is the amount at which vehicles are included in the balance sheet after deducting any accumulated depreciation thereon.

d. "Cost of acquisition"

Are all the costs incurred in bringing an item or vehicle to the required condition and location for its intended use

e. "Depreciable amount"

Is the cost of a vehicle, or other amount of a vehicle, or other amount substituted for cost in the financial statements less its residual value?

f. "Fair value"

Is the amount for which a vehicle could be exchanged between knowledgeable willing parties in an arm's length transaction?

g. "Financial vehicle register"

Is the controlled register recording the financial and other key details for all municipal vehicles recognized in accordance with this policy?

h. "GRAP"

Stands for "generally recognized accounting practice"

GRAP 17 – PPE

GRAP 13 – Leases

i. "Recoverable amount"

Is the amount that the municipality expects to recover from the future use of a vehicle, including its residual value on disposal.

j. "Recognition"

Is the net amount that the municipality expects to obtain for a vehicle at the end of its useful life after deducting the expected costs of disposal.

k. "Senior Management"

Are the incumbents who are head of the departments in each directorate being the "senior manager"

l. "Stewardship"

Is the act of taking care and managing vehicle on behalf of another

m. "Useful life" is either

[a] The estimated period of time over which the future economic benefits or future service potential embodied in an asset are expected to be consumed by the municipality

[b] The estimated total services potential expressed in term of production or similar unite that is expected to be obtained from the asset by the municipality

n. "AARTO"

Administrative Adjudication of Road Traffic Offences

o. DRIVER

All persons engaged in the operation of vehicles and plant, as follows:

(a) OCCASIONAL DRIVER: is not a permanent driver but is required to use a municipal vehicle on an ad hoc basis to perform his/her/her duties.

(b) PROFESSIONAL DRIVER: employed specifically to drive municipal vehicles for general transport purposes.

(c) OPERATOR: employed specifically to operate municipal plant.

4. RESPONSIBILITIES AND ACCOUNTABILITIES

4.1. Drivers

1. The drivers of the Municipalities' vehicles, plant and equipment are personally liable for the moving violation of vehicles such as:

i) Speeding

ii) Reckless driving

iii) Safety belt

iv) Overloading

v) Parking offences

vi) Camera offences etc. committed with a Municipal vehicle. A traffic ticket submitted by the driver, should be paid by the Municipality and deducted from the driver's salary.

2. A basic inspection must be carried out by the driver of the vehicle, plant or equipment and regularly by the plant and fleet section before leaving the premises of the Municipality.

3. Before proceeding on any journey, drivers are required to ensure that the vehicles conform to the requirements of the Road Traffic Act in respect of brakes, lights, rear view mirror, condition of tyres, oil levels, fuel, etc. If the vehicle gets damaged due to failure to observe the above, the driver must be subjected to the disciplinary process. If the vehicle does not conform to any of these requirements, the driver should report defects to the transport officer who in turn will report to the Fleet Section to get the vehicle repaired. In the event of any defects, the vehicle may not be used until repaired.

4. Every vehicle must have a logbook, whereby all trips undertaken will be recorded and fuel consumption will be calculated against the distance travelled daily. A "nil" return must also be submitted, giving the reasons for the non-use e.g. in garage for repairs or servicing. Elected officials are not required to maintain a vehicle mileage log, however, month ending odometer readings must be reported for each vehicle driven by an elected official, e.g. Mayoral vehicle, Speakers vehicle, Chief Whip, Fleet Control Officer and Fleet Maintenance Officer vehicles.

5. It is essential that vehicles be refuelled at the end of full tank so that it is possible to accurately calculate monthly consumption figures.

6. Under no circumstances must faulty vehicles be used.

7. Council shall not be held responsible for any cost related to the obtainment of the PrDP.

8. The onus is on the holder of the drivers licence to ensure that Plant and Fleet Control Officer is informed of all endorsements, outstanding disciplinary action, lapsed PrDP or any other matter that that might influence the allocation of the vehicle
9. Failure to do so shall result in the cancellation of all driving privileges which must be in addition to any sanction that a disciplinary hearing must decide upon.
10. Council fleet must only be refuelled at fuelling station identified to refuel KSDM vehicles. The Plant and Fleet division shall not assist a driver or operator left stranded due to insufficient fuel.
11. Staff members and municipal drivers must report misuse of vehicles by other drivers.

4.2 The Chief Financial Officer

1. The CFO is responsible for the management of the vehicles of the municipality, including the safeguarding and the maintenance of vehicles.
2. The CFO must ensure that:
 - i) The municipality has and maintains a management, accounting and information system that accounts for the vehicles of the municipality;
 - ii) The municipality's vehicles are valued in accordance with standards of generally recognized accounting practice;
 - iii) That the municipality has and maintains a system of internal control of vehicles, including a vehicle register;
3. The Chief Financial Officer is responsible to ensure that the financial investment in the municipality's vehicles is safeguarded and maintained.
4. The Chief Financial Officer must ensure that:
 - i) Appropriate systems of financial management and internal control are established and carried out diligently;
 - ii) Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct are prevented and/or recovered.
 - iii) The systems processes and registers required to substantiate the financial value of the municipalities' assets are maintained to standards sufficient to satisfy the requirements of the legislation;
 - iv) Financial processes are established and maintained to ensure the municipalities' financial resources are optimally utilized through appropriate vehicle planning, budgeting, purchasing, maintenance and disposal decisions;
 - v) The senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of vehicles.

vi) This policy and any supporting procedures or guidelines are established, maintained and effectively communicated.

vii) The financial officer may delegate or otherwise assign responsibility for performing these functions but they will remain accountable for ensuring that these activities are performed.

5. That all municipal employees comply with this policy

4.3. Monitoring and fuel usage of the Political Office Bearers Support vehicles

i) Fuel reconciliation must be done by the plant and fleet section.

ii) The driver of the vehicle must receive approval from the Asset Manager or Plant and Fleet Control Officer prior using municipal vehicle.

4.4. The Plant & Fleet Control Officer must ensure that:

i) Appropriate systems of physical management and control are established and carried out for vehicles in their area of responsibility;

ii) The municipal resources assigned to the section are utilized effectively, efficiently, economically and transparently;

iii) Any unauthorized, irregular or fruitless or wasteful utilization, and losses resulting from criminal or negligent conduct, are prevented and/or reported.

iv) Asset management systems and controls provides accurate, reliable and up to date account of assets under his/her control.

v) He/she must be able to justify that the vehicle plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives;

5. DRIVER WORK HISTORY

1. It is important to know the work history of all drivers as it may give an indication of his/her commitment as a custodian of the municipal assets entrusted to him/her. It is therefore important that a driver's history data base be developed to enable management to track his/her performance when using municipal vehicles.

Furthermore:

(a) A driver must have a valid driver's license and be a municipal employee.

(b) Drivers must at all times have their driver's and operator's license in their possession when driving the municipal vehicles.

(c) Drivers must consent to having their driving records checked with motor vehicle registry records.

(d) The fleet controller may reserve the right to refuse the driving privileges based on the driver's history and that must be communicated with the relevant director, fleet controller's manager and CFO.

- (e) At the discretion of the Fleet Controller, an employee must be required to pass a practical driving exam (i.e. Cones, reversing etc.), before being allowed to operate a vehicle from the pool.
 - (f) All drivers have to give the fleet controller written consent to investigate and/or request the proper authorities as to the driver's current status with regards to the demerit points and possible temporary cancellation of driving licenses.
 - (g) All drivers must undergo vetting.
2. All drivers must read and adhere to the Municipality's Fleet Management Policy.

6. DRIVER PERFORMANCE HISTORY

1. Monitoring the driver's performance history is a pre-emptive action where the municipality can pro-actively identify driver style deficiencies which, with the necessary motivation like training etc. may lead to better driving performance and improve vehicle cost data.
- (a) A trend of vehicle operating cost higher than those for other drivers in similar vehicles, especially if this occurs with various vehicles in the staff member's tenure with the municipality would seem to indicate that it might be necessary to test his/her driving skills and improve it through some sort of driver training.
 - (b) The new demerit point scoring system which has been introduced by AARTO, necessitates that a database on each driver's performance be set up so that the necessary steps such as providing for temporary drivers etc. can be taken. Drivers who consistently default will be identified and if necessary retrained or ultimately be transferred to a position where it will not be necessary for him/her to drive a vehicle.
 - (c) Similarly the drivers with a bad accident record (number of accidents, incidents and costs involved) could be sent on a refresher or advanced driver's courses. If the trend of causing accidents increases it might become necessary to deny the employee the right to drive any vehicle.
 - (d) Every authorised driver should undergo a driver training programme annually. The Municipality must outsource a company /consultant to provide that necessary training in order to ensure that drivers are evaluated and trained frequently on their driving. This training is compulsory for every driver.

The demerit system further provides for the identification of drivers who consistently default and on various occasions have his/her driver's license temporarily revoked. This could lead to disciplinary action and even the transferring of the employee to an alternative position or even dismissal.

7. SUSPENSION OF EMPLOYEES FROM DRIVING

1. In the event of a municipal vehicle being or having been subjected to fragrant misuse or irregular use, or the vehicle being maliciously damaged by the driver, or

2. Where evidence exists that a driver is or was guilty of recklessness or negligent conduct whilst driving a municipal vehicle, or such a vehicle was involved in an accident whilst so driven, or
3. Where a driver of a municipal vehicle is suspected to be under the influence of intoxicating liquor or narcotics, or
4. Whilst the concentration of alcohol in his or her blood was more than 0.02 grams per 100 millilitres for driver in possession of a PrDP and 0.05 grams per 100 millilitres for the driver, such a driver must be suspended immediately from driving municipal vehicles until such time when the disciplinary tribunal; has been concluded.
5. In the event of a driver developing any disease or disability which will render him/her incapable of effectively controlling a vehicle and subject to a report from the doctor, he/she will be suspended temporarily or permanently from driving a municipal vehicle.

8. CONTROL AND USAGE OF COUNCIL FLEET

8.1. Control and usage

- i) All Fleet must be considered as the property of KSD Municipality regardless of the source (department which bought) of the vehicle.
- ii) Surplus or underutilized vehicles need to be relocated or re-allocated to where they will be of more productive use.
- iii) The driver of the vehicle must collect the vehicle key from the Fleet office and upon signing up for that key, it is the driver's responsibility to always take care of the key and the vehicle at all times it is with him/her.
- iv) The driver must complete the trip authority (In the event that the vehicle is going beyond the KSD boundaries) and control sheet. The Driver together with the Vehicle Inspector must do the pre-trip inspection before he/she take the vehicle.
- v) Council Fleet must not be used for personal business or pleasure.
- vi) Malfunction of any fleet must be reported to the Fleet Controller.
- vii) In the event of an accident, it is the driver's responsibility to firstly inform the Fleet Controller and thereafter to the nearest police station.
- viii) In the event where a person loses the motor vehicles keys, then he/she must be liable for the cost of replacement of the keys.
- ix) Plant and Fleet Control Officer has the ultimate decision-making authority over the allocation of the municipal vehicles.

8.2 Allocation of Vehicles.

- **All departments that use fleet on regular basis shall be allocated fleet accordingly and therefore shall be held responsible for the monitoring of such vehicles.**
- **The departments shall appoint transport officers to liaise with the fleet section for all matters of fleet concerned.**

9. PROFESSIONAL DRIVING PERMITS

a) Professional Drivers required to drive the following vehicle categories are required to have Professional Driving Permits (PrDP's):

- i) Heavy goods > 3,5t GVM
- ii) Articulated > 3,5t GVM
- iii) Breakdown vehicle
- iv) Bus seating more than 16
- v) Bus seating more than 12
- vi) Refuse compactor
- vii) Water tanker
- viii) Vacuum tanker
- ix) Truck Tractor > 3,5t GVM

10. VEHICLE, PLANT AND EQUIPMENT DRIVERS REGISTER

- It is every driver's responsibility to check for the expiry of their licenses and those that have Professional Drivers must ensure that their licenses and PrDP's are always current and are renewed prior to the expiry date.
- All driver permits shall be renewed annually by the KSD DLTC. It shall be the responsibility of the drivers to get their permits renewed and submitted to the fleet office.

11. RULES

Failure to observe the rules contained herein and any additional instructions issued by Accounting Officer will render the offending employee liable to disciplinary action.

12 PROPER USAGE OF MUNICIPAL VEHICLES

The following rules must be observed:

1. The most economical vehicle suitable for the purpose must be used.

2. The vehicle must only be driven by an appropriately licensed and duly authorised employee on official duty.
3. The driver must be licensed in terms of the National Road Traffic Act for the particular class of vehicle under his/her control.
4. a) Upon death of a municipal employee, no municipal fleet is allowed to transport employees to visit the bereaved family.
b) Only the drilling Public Safety personnel shall be allowed to travel by KSD marked vehicles and only one vehicle from each drilling section.
5. No person shall move, drive, or operate any municipal vehicle unless he/she is fully authorised to do so. The unauthorised use of a vehicle will render the person concerned liable for prosecution in a court of law, over and above any internal disciplinary action.
6. Passengers, inclusive of municipal staff, are not permitted to ride on or inside any municipal Vehicle except for the execution of municipal duties.
7. The driver must not deviate any vehicle from the shortest route to the destination to serve the private interest of the driver or his/her passengers, or in connection with the conveyance, loading or unloading of private property or goods.
8. The driver must not utilize any municipal vehicle for private purposes.
9. All municipal vehicles are fitted with tracker and the following must be adhered to at all times:-
 - i) No driver is allowed to give his/her driving tag to anyone for driving the municipal vehicle.
 - ii) If driver is found to have given his/her driving tag to someone else, he/she must be charged for doing so.
 - iii) Departments are responsible for monitoring vehicles allocated in their departments and the drivers shall be held liable for answering any transgressions done.
 - iv) All municipal fleet is to be kept in a roadworthy condition at all times, therefore all departmental appointed transport officers are to report to fleet office all defects on fleet allocated to their departments.

13. ESTABLISHMENT AND MANAGEMENT OF THE VEHICLE REGISTER

- i) The CFO or his/her delegate will establish and maintain the vehicle register containing key financial data on each vehicle that satisfies the criterion for recognition.
- ii) Fleet Control Officer is responsible for establishing and maintaining any additional register or database required demonstrating their physical management of their vehicles.

iii) The controller is responsible to ensure that sufficient control exists to substantiate the value, location and condition of all fleet..

iv) Contents of the Fleet Management Register

The details included in the fleet management register will include:

- a) Bar Code of the vehicle
- b) Vehicle registration number
- c) Unit Number
- d) Vehicle description
- e) VIN/CHASSIS Number
- f) Engine Number
- g) Date of acquisition
- h) Cost or Value
- i) Useful Life

14. INTERNAL CONTROL OVER FLEET MANAGEMENT REGISTERS

a) Control around the fleet management registers should be sufficient to provide an accurate, reliable, and up to date account of vehicles under control to the standards specified by The Chief Financial Officer and required by the legislation.

b) These controls must include physical management and recording of all expenditure incurred including petrol slips, transfers, and disposal of the assigned assets as well as regular physical verifications and system audits to confirm the adequacy of controls.

c) These controls shall further be detailed in the procedure manual of the section.

15. PHYSICAL RECEIPTING AND MANAGEMENT

15.1. Responsibilities of Fleet Controller

a) The controller must ensure that the purchase of vehicles complies with all municipal policies and procedures.

b) Must ensure that all vehicles are duly processed and identified before it is received into their fleet section.

c) Must ensure that all vehicle records are maintained.

d) A file shall be opened for repairs & maintenance and any other work done to each fleet should be kept in the respective service register.

f) The fleet controller must ensure that licensing is done timeously and all those that shall need roadworthy tests are taken for testing well in advance. No cash shall exchange hands if there is excess payment made by the Municipality at the MVRA office.

g) The controller must ensure that vehicles, plant and equipment is appropriately utilised for the purpose that the municipality acquired those assets for.

15.2. Receipt of vehicle, plant and equipment

a) The receipting of fleet will be managed by Fleet Controller

b) The process of receipting by the Controller will include:

i) Review of the authority to purchase including compliance with all procurement policies and budgetary limits.

ii) Review of all details required recording the fleet in the fleet management register.

15.3. The date of acquisition

a) The date of acquisition of fleet is deemed to be the time when legal title and control passes to the municipality.

b) This may vary for different categories of the fleet but will usually be the point of time when Management authorises payments for those assets.

15.4 Replacement of Fleet

Fleet may be replaced if:-

a) In the event of vehicle, it accumulates at least 120 000km on or before the anticipated replacement date.

b) The vehicle is at least 05 years old, and Fleet Section determines that it is appropriate to replace.

c) Replacement expenses on fleet have exceeded acceptable parameters.

16. PROCEDURE FOR REPAIRING OF FLEET

1. The fleet controller must, under his/her signature request repairs to the fleet on the prescribed job card as per (**Annexure "A"**).

2. The job card will be delivered to the office of service provider (appointed fleet management service provider).

3. The Service Provider must determine the nature and cost of repairs, and in the event that the Municipal Workshop is unable to do the repairs, obtain quotations from accredited dealer of vehicle brand to effect repairs.

4. The Service Provider shall upon receiving the cost estimate, submit the same to fleet Management for approval. In urgent instances Service Provider may proceed with repairs and report *ex post facto*.
5. The job card must be completed in detail and an electronic record shall be kept of all repairs effected to all municipal vehicles.
6. In the event of major repairs, Fleet is authorised to use one service provider to ensure that the warranty on the repairs by service provider is not compromised.

17. PROCEDURE FOR ISSUANCE OF FUEL AND OIL

17.1. In an effort to prevent the misuse of fuel and oil the following policy shall prevail:

1. No fuel and oil must be issued without an authorised and signed requisition.
2. Should it be a requirement for fuel to be dispensed to any other container, the requisition shall state accordingly, clearly indicating the quantity of fuel required.
3. Separate requisitions must be required for 2. Fuel must not be dispensed for a vehicle and in a container on the same requisition.
4. Oil must only be dispensed directly into a vehicle and again should oil be required in sealed cans, 2 and 3 must apply.
5. No fuel must be dispensed if the mileage of the vehicle is not recorded.
6. The kilometre reading must be entered on the requisition depicting the registration number of the vehicle.
7. Fuel cannot be dispensed if the odometer and the mileage on the requisition differ for more than 10km.
8. The quantity of fuel and oil delivered to the vehicle shall be entered by the driver and verified by the fuel attendant.
9. At close of day, all requisitions, whether dispensed in house or by outside service providers, must be delivered to the Stores Controller.
10. The Stores Controller must ensure that proper electronic records are kept of all fuel dispensed to all vehicles.
11. A comparative report so as to quantify fuel dispensed, and mileage must be provided to the Asset Manager and abnormal usage must be reported to the GM and HOD.

17.2. CONTROL MEASURES: MUNICIPAL FUEL BOWSER

1. That is as a control measure, the departmental official authorising the re-fuelling must ensure that an odometer reading is entered on the requisition and that the fuel

attendant allow a difference of not more than 10 kilometres to make provision for the discrepancy between the venue of signing and the venue of filling.

2. It is every driver's duty to ensure that the odometer of the vehicle that s/he is operating is in a working condition as inoperative odometer make it impossible to exercise control over fuel consumption.

17.3. FUEL CARD LIMITS

4.1 The limit on the fuel cards per vehicle shall be determined by the Fleet Manager and The General Manager: Accounting and Asset Management monthly after assessing the usage of vehicles except the Executive vehicles.

4.2 No vehicle may be requested to fill up above the monthly limit set.

4.3 No vehicle may fill up twice a day except for a vehicle that is moving out of the KSD jurisdiction and has valid permits.

17.4. RESPONSIBILITY OF THE FUEL CARD HOLDER AND BUDGET AND TREASURY OFFICE

5.1 The fuel card holder is solely responsible on the use of fuel card.

5.2 The fuel card holder is fully and solely responsible for all expenditure occurring through the use of the fuel card and may use the fuel card only for the following categories of expenditure:

- a) Filling of fuel and oil, toll gates after complying with all the Fleet Management policy and Inventory Policy and other standard operating procedures.
- b) Servicing of vehicles after complying with all Fleet Management policy and standard operating procedures.

5.3 The fuel cards are kept at the Budget and Treasury Office and upon the issuing of the card a driver must sign off and when returning the card, he/she must sign again.

5.4 After filling up the driver must return the card together with the slip to the Budget and Treasury Office.

5.5 The Mqanduli unit cards will be kept by the GM/head of Mqanduli nominated by the Municipal Manager and every Monday the GM/head of Mqanduli must submit invoices to the Budget and Treasury Office.

5.6 The Budget and Treasury Office is responsible for checking fuel card usage and reconciliations to ensure that:

- a) Supporting documents are attached as required by the standard operating procedures and usage.
- b) The descriptions fall under categories allowed by all municipal policies.

c) Deducting all un-reconciled and non-business expenditure from the fuel card holders salary in the next payroll run.

d) All unsupported expenditure (i.e. no vouchers, slips or invoices) will be deemed non-business expenditure and treated accordingly.

e) Should the fuel card holder find the vouchers or slips not previously submitted, the fuel card holder will be re-imbursed in the next payroll run.

5.7 Any lost cards, the replacement will be solely for the responsibility of the fuel card holder (driver).

5.8 The departments are responsible for ensuring the fill up of vehicles where the fuel cards are lost by the driver of that department up until the cards are replaced.

5.9 No other alternative will be made by the Budget and Treasury Office to fill up the vehicle while the card is lost or damaged by the department's driver.

5.10 The Budget and Treasury Office will order the cards lost or damaged and the driver pays cash the cost of the card lost/damaged.

5.11 The Budget and Treasury Office will inform on a monthly which fuel to be used and every driver and department should comply to this requirement.

17.5. Procedure for Weekends and Public Holidays

a) Officials who use vehicles over weekends or during public holidays must fill their vehicles on Fridays or in the case of a public holiday on the day before the start of such a holiday.

b) Refuelling at municipal bowers during weekends/ on public holidays will be allowed on authorisation by the respective Head or his/her delegate only - such authorisation to be given personally by the Fleet to petrol attendants.

17.6. AUTHORISED SIGNATURE FOR THE ISSUE OF FUEL FOR MUNICIPAL VEHICLES

1. The Head of Department must authorise Section Heads and supervisors to sign the fuel requisitions prior to the driver/s filling their vehicles as per **Annexure "B"(Fuel Requisition Book)1**.

2. The driver of the vehicle and fuel attendant (KSD) must also sign the fuel requisition.

3. Fuel requisitions made through the Fuel Card system must always comply with Fuel Cards Policy.

18. MISUSE OF OFFICIAL VEHICLE

1. Official vehicles are provided strictly for official purposes and are not to be used for private or other purpose.
2. Practices such as using official vehicles for unauthorised trips between home and work, making social calls taking families for outings, making detours for private purposes, etc. shall not be tolerated.

19. PERMISSION TO TAKE AN OFFICIAL VEHICLE HOME

- a) No person may take any official vehicle home unless specific permission has been granted. The authority must clearly indicate the period over which the vehicle maybe taken home.
- b) It must be noted that permission to take an official vehicle home will NOT be granted unless the applicant certifies that the vehicle will be secured overnight in a lockable garage.
- c) That emergency staff may, when on standby only, use official transport within KSD region, subject thereto that the employee should at no stage be more than 10km from the residence normally occupied by him and his family, subject further to the following conditions:
 - i. The employee must under no circumstances allow non-officials access into the vehicle for any purpose what so-ever.
 - ii. Such use of municipal transport is only authorized if the driver intends reacting to a call out immediately.
 - iii. The written authorization of the Head of the Department or a delegated official must be obtained prior to the use of such vehicle.
- d) That in the light of special circumstances, officials working overtime or shifts be allowed to work with municipal transport, drop / pick up their children from school or such purpose, subject thereto that:
 - i. **S/He indemnifies Council against any claims should an accident occur.**
 - ii. The time taken to drop / pick up the child is not seen as overtime / normal time, unless the official be assigned to duty in the area.
- e) Municipal or hired vehicles may only be used in the execution and in the scope of the job description of any such user and only for Council business.
- f) Prior approval must be obtained from the Head of Department for municipal or hired vehicles to travel outside the boundaries of KSD.
- g) No employee may drive any municipal or hired vehicle without the correct driving licence for the specific vehicle.

h) All Heads of Departments or the delegated official must ensure that:

i) Daily log and inspection sheets of fleet be completed.

ii) No fuel or oil may be issued without the correct procedures being followed, i.e. requisition correctly filled out and signed denoting the odometer reading at the time of filling.

20. GENERAL:

(i) Staff on standby must ensure that the municipal vehicle used for standby purposes is parked inside their premises.

(ii) All traffic regulations must be adhered to.

(iii) If any breakdown service is needed for municipal vehicles, Fleet Controller must be contacted to arrange for such service.

21. ACCIDENTS

a) All remedial and corrective actions shall be subjected to and governed by the KSD Municipality's disciplinary procedures.

b) In the event of negligent driving, the driver must be held responsible for the damages incurred.

c) In the event that the driver causes accidents two times or more within a period of 12 months, he/she must immediately be suspended from driving the municipal vehicles and must also be held liable for 100% excess.

d) In the event of b) and c) the KSD employee/driver must sign an acknowledgement of debt in which the time frame for the repayments must be captured.

e) In the event where the driver is involved in an accident, the following must be followed:-

1. In the event where a municipal vehicle is involved in an accident, the Fleet Controller must be informed.

2. Under no circumstances shall liability be admitted or unguided statements be made to any person or payment offered or made to a third party.

3. Any accident in which an official vehicle is involved **MUST** be reported to the nearest Police Station within 24 hours of the accident and a case number must be allocated.

4. An accident report form must be completed within 24 hours of the accident, unless the driver is not in a position to do so due to injuries sustained.

5. In such case a statement by the relevant Supervisor must be submitted to the Fleet Division within 24 hours of the accident.

6. Where a driver has been found to have been negligent, then he/she must be held responsible for the **100% excess payment**.

7. **In the event where a driver conceals an accident that involves a third-party vehicle, He/she must be held liable for the total cost of the third party's vehicle damages.**

22. CARE FOR TYRES

1. Tyre pressure

Drivers or Operators are to ensure that inflation of tyres is in accordance with the pressure recommended by the manufacturer of a vehicle. Incorrect inflation, particularly under inflation is the greatest single factor contributing to undue wear, overheating and premature failure of tyres. Any deviation from specified pressures will have adverse effects on steering, braking, road holding and safety.

2. Precaution Measures

All precautionary measures must be always followed as per the standard operating procedures.

3. Wheel Nuts

A daily check for any loose wheel nuts on all heavy vehicles must be carried out by the driver/operator.

23. ACCOUNTING FOR FLEET

23.1. Recognition of fleet

An item of fleet will be recognised as an asset when:

- I. It is probable that future economic benefits or potential service delivery associated with the asset will flow to the municipality,
- II. The cost of the asset to the municipality can be measured reliably.
- III. The municipality has gained control over the asset.
- IV. The costs is above the recognition threshold, and
- V. The asset is expected to be used during more than one financial year.

23.2. Recognition threshold

- i) To ensure efficiency in the administration of this policy, the recognition of fleet as an asset will be limited to items costing R10 000 or more.

23.3. Carrying amount on Fleet

- i) Subsequent to initial recognition as fleet, an item of fleet should be carried at its cost less any accumulated depreciation, subject to the requirement to write an asset down to its recoverable amount or any subsequent revaluation.

23.4. Initial determination of useful life

i) Assets and Stores Manager needs to determine the useful life of a particular item or class of fleet through the development of a Strategic fleet Management Plan that forecasts the expected useful life of that fleet.

ii) This should be developed as part of the Pre-Acquisition Planning that would consider the following factors:

a) The operational, maintenance, renewal and disposal program that will optimise the expected long term costs of owning that asset

b) Economic obsolescent because it no longer meets the municipalities' needs

c) Technological obsolescent

d) Social obsolescent due to changing demographics and

e) Legal obsolescent due to statutory constraints

f) Spares purchased specifically for a particular asset, or class of assets, and which would become redundant if that asset or class was retired or use of that asset or class was discontinued, must be considered to form part of the historical cost of that asset or class. The depreciable amount of such spares must be allocated over useful life of the asset or class.

23.5. Review of useful life

i) The useful life of an item of fleet should be reviewed regularly and if expectations are significantly different from previous estimate, the depreciation charge for the current and future periods should be adjusted.

23.6. Review of depreciation method

i) The depreciation method applied to fleet should be reviewed regularly, and if there has been a significant change in the expected pattern of economic benefits or potential services delivery from those assets, the method should be changed to reflect the changed pattern.

ii) When such a change in depreciation method is necessary the change should be accounted for as a change in accordance with the estimate and the depreciation charge for the current future periods should be adjusted.

23.7. Subsequent expenditure on fleet.

i) Subsequent expenditure relating to an item of fleet that has already been recognised should be added to the carrying amount of the asset when it is probable that future economic benefits or potential service delivery, in excess of the originally assessed standard of performance of the existing fleet, will flow to the municipality

- ii) All other expenditure should be recognised as an expense in the period in which it occurred
- iii) Before allowing the capitalization of subsequent expenditure, the Financial Officer must be satisfied that this expenditure significantly;
 - a. Increases the life of that asset beyond that stated in the asset register, or
 - b. Increase the quality of service of that asset beyond the existing level of service, or
 - c. Increase the quality of service that asset can provide, or
 - d. Reduce the future assessed costs of maintaining that fleet.
- iv) Expenditure that is proposed to be capitalized must also conform to recognition criteria for non-current assets and should also be appropriately included in the approved capital budget.

24. HIRED FLEET

- I. In the case where no fleet is available, the CFO must approve the hiring of fleet and confirm funding. It is the responsibility of the Fleet Control Officer to hire such fleet upon need and upon request from the user department, recommendation by GM Assets and authorized by the CFO, without any delay.
- II. The fleet above is subject to all conditions of the Fleet Management Policy and is therefore, always treated as Council Fleet Asset.

25. VIOLATION & ENFORCEMENT OF FLEET MANAGEMENT POLICY

- I. Any violations on the policy must lead to a disciplinary action being instituted against an employee. The card holders always must comply with all Budget and Treasury policies.
- II. An employee that violating this policy must be immediately suspended from driving council fleet and if found guilty, then be fully held responsible for any costs incurred.
- III. MM, HOD, KSD traffic officers, provincial traffic officer & SAPS officer must be authorized to impound/confiscate fleet without proper authorization.
- IV. If the driver fails to provide the required documentation as proof of authorization to use the fleet, then the fleet must be confiscated and impounded forthwith.
- V. Members of SAPS, municipal & provincial traffic officers and law enforcement officers of the council are hereby authorized to apprehend and charge the employee of the council who intervenes the contents of this policy in cases where such contravention amounts to criminal offences and in particular to theft and fraud.

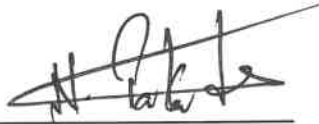
26. NON-COMPLIANCE WITH THE POLICY

- I. Section 171 of the MFMA stipulates what financial misconduct is in the municipality.
- II. Cognizance is given to section 9 of the Treasury Regulations which stipulates disclosure of the unauthorised, irregular expenditure or fruitless and wasteful expenditure in the financial statements and the disrepute caused to the organisation as a result. It is therefore acknowledged that such shall form the basis of determining the extent of disciplinary action to be taken and not only for the material amount of transactions.

This policy should be reviewed annually.

Authentication

Policy adopted by Council on the: 31 May 2023 as per

A handwritten signature in black ink, appearing to read 'N. Pakade', is written over a horizontal line.

N. PAKADE

MUNICIPAL MANAGER

Resolution Number: SCM 448/05/23

ANNEXURE 'A'

DEFECT FORM – JOB CARD

KING SABATA DALINDYEBO MUNICIPALITY
DEFECT REPORT FORM KSD 5060

REGISTRATION No.: DATE OF BREAKDOWN:

DEPART: UNIT No.: KM / HOURS:

FAULTS:

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.....

.....

.....

.....

REPORTED BY (TRANSPORT OFFICER): REPORTED BY (FOR WORKSHOP):

FOR WORKSHOP USE ONLY:

JOB CARD No.: DATE:

CAUSE OF BREAKDOWN	WEAR & TEAR	MISUSE		NEGLIGENCE	
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SIGNATURE (MANAGER / FOREMAN):

LITHORCH 681 11 010 737 1205

ANNEXURE 'B'

FUEL REQUISITION FORM

KING SABATA DALINDYEBO MUNICIPALITY MUNICIPAL BULK STORES FUEL REQUISITION		KSD 22009
DEPARTMENT: _____ SECTION: _____		
VEHICLE/PLANT UNIT NUMBER: _____ KILOMETER/HOUR METER: _____		
FUEL VOTE NUMBER: _____		
REQUISITIONED BY :(print name) _____ SIGNATURE: _____		
FUEL ISSUE AUTHORISATION (require, the signature of 2 responsible person) 1) Sectional Head of Department of the person to whom, he delegate, the authority to sign on his behalf: Designation: _____ Date: _____ 3) Transport Office: (Compulsory) _____ Date: _____		
LITRES ISSUED		FUEL CONSUMPTION
<input type="checkbox"/> Petrol	<input type="checkbox"/> Diesel	<input type="checkbox"/> Oil
Pump meter after issue: _____		KM/HRS AT PRESENT REFILL: _____
Pump meter before issue: _____		KM/HRS AT PREVIOUS REFILL: _____
Difference: _____		KM/HRS TRAVELED/WORKED: _____
		FUEL ISSUED:
		(1) Divided hrs worked into fuel issued: _____ Liters/hrs:
		(2) Divide km traveled into fuel issued: _____ Liters/hrs:
		X100= _____ Liters/100km
SIGNATURE: PUMP ATTENDANT: _____ DATE: _____		
SIGNATURE: DRIVER / OPERATOR: _____ DATE: _____		
DRIVER/OPERATOR TO FILL IN FULE LITERS IN LOGBOOK. NO FUEL TO BE ISSUED IF LOGBOOK IS NOT AVAILABLE		

ANNEXURE 'C'

TRIP AUTHORITY FORM



31/147909 (Z606)

TRIP AUTHORISATION FORM FOR THE USE OF KSD MUNICIPALITY AND AD HOC 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.

UNIT NO. 10901

(TO BE COMPLETED BY THE PERSON REQUESTING TRANSPORT)

Name of the main driver	Driver's ID Number	License No.	Code:
Department	Section	Telephone No.	
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

Passengers: Enter names & ID No's of authorised passengers below. An ID MUST BE carried while in a Government Vehicle.

Names	ID No	Reasons	Names	ID No	Reasons

Goods/Equipment	Quantity	Reason

From: _____ To: _____

ABOVE TRIP/S AUTHORISED BY:
I hereby certify that the journeys are official and that funds are available to cover the expenditure.

Head of Department: _____ Signature _____ Tel. No.: _____ Date _____

Security/Facility Manager: _____

Security/Facility & Logistics Officer: _____ Signature _____ Tel. No.: _____ Date _____

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

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Issued by: _____ Rank: _____

Received by: _____ Signature: _____

ANNEXURE 'D'

CONTROL SHEET FORM

KING SAHITYA DALNIVYOPO MUNDRALITY
VEHICLE CONTROL SHEET

TURNOVER _____ DEPARTMENT _____ SECTION _____ REGISTRATION NO _____

UNIT NO. _____ MAKE _____ YEAR MODEL _____

DATE	TIME	START	FINISH	TOTAL KM	REMARKS	Driver's name & Signature	Time in HRS.

Number of days: _____

Transport Officer: _____

Responsible supervisor: _____

Issued to passenger:
PLANT & FLEET CONTROL OFFICER
PLANT & FLEET MANAGER
KING SAHITYA DALNIVYOPO MUNDRALITY
BUDGET & FINANCE DIRECTORATE

[Signature]