



Department of Public Works, Roads and Transport
MPUMALANGA PROVINCIAL GOVERNMENT

**POLICY ON DISPOSAL OF VEHICLES, PLANTS EQUIPMENT
AND REDUNDANT GOVERNMENT STOCK**

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ABBREVIATIONS

BOS Board of stock survey

GMT Government Motor Transport Section

DEFINITIONS

Accounting Officer	Means	A person mentioned in Section 36 of the Public Finance Management Act, 1999 (Act No.1 of 1999) and includes any person acting as the Accounting Officer;
Department	Means	Department of Public Works, Roads and Transport;
Disposal	Means	The act of getting rid of redundant government stock;
Public Auction	Means	A public sale in which each item is, through a bid calling process, sold to the highest bidder ;
Redundant Items	Means	Items which government no longer have any use for;
User Departments	Means	All Departments which make use of vehicles supplied, controlled and managed by Government Motor Transport Section;
Withdrawal	Means	The process of removing government motor vehicles or plant from service (scrapping);
Inspection in-loco	Means	On-site inspection; and
Life to Date Expenditure	Means	Total amount spent on maintenance and repairs on government motor vehicle or plant in its life span.

1. INTRODUCTION

- 1.1 The policy outlines sound and best practices for disposal of vehicles, plant, equipment and redundant / unserviceable items.
- 1.2 The Department of Public Works, Roads and Transport is the custodian of all government vehicles in the province and this policy as well as the practices as contained herein shall be applicable regardless of which Department's vehicle(s) are withdrawn and/or disposed.

2. OBJECTIVES

The objective of this policy is to provide guidelines and standards for sound disposal of vehicles, plant, equipment, redundant / unserviceable items.

3. REGULATORY FRAMEWORK

- 3.1. Public Finance Management Act, 1999 (Act 1 of 1999);
- 3.2. Treasury Regulations, 2005;
- 3.3. Public Service Regulations, 2016;
- 3.4. Public service Act, 1994 (Act 103 of 1994);
- 3.5. Armament Development and Production Act, 1968 (Act 57 of 1968);
- 3.6. Departmental Policy on Procurement of Goods and Services
- 3.7. Department Asset Management Policy
- 3.8. Department Information Technology
- 3.9. Ministerial Handbook; and
- 3.10. Government Motor Transport Handbook Version 1 of 2019.

4. SCOPE OF APPLICATION

This policy shall be applicable to the Department, all User Departments and officials dealing with disposal of vehicles, plant, equipment and redundant government stock.

5. POLICY STATEMENT

5.1 Disposal of Vehicles, Plant, Equipment and Redundant / Unserviceable Items.

- 5.1.1 Vehicles, plant, equipment and items, which are redundant / unserviceable, shall be disposed off as soon as possible;

- 5.1.2 Firearms shall, however, not be sold or donated to any person or institution within or outside the Republic of South Africa without prior approval of the National Conventional Arms Control Committee; and
- 5.1.3 Special equipment like siren, blue and red lamps, etc. fitted in (ambulances and law enforcement) vehicles shall be removed and not sold to the public.

5.2 Withdrawal of Motor Vehicles from Service.

Government vehicles shall be withdrawn and disposed off, due to a combination of the following conditions:

5.2.1 Life Kilometers:

- 5.2.1.1 Sedan/Station Wagon;
180,000 kilometers or seven years whichever comes first.
- 5.2.1.2 Mini Buses/Buses/ Panel Vans/ Multipurpose vehicles (MPV);
180,000 kilometers or seven years whichever comes first.
- 5.2.1.3 Light Delivery Vehicles/4X4 /All Double Cabs;
200,000 kilometers or eight years whichever comes first.
- 5.2.1.4 Trucks all Categories; and
220,000 kilometers or ten years whichever comes first.
- 5.2.1.5 Political office bearer's vehicles and VIP vehicles.
120, 000 kilometers or five years whichever comes first.

5.2.2. Life to Date Expenditure

The total life to date expenditure shall not exceed the purchase price of the vehicle or its book value.

5.2.3. Condition of the Vehicle

- 5.2.3.1. Continuous repairs to one or more component i.e. engine failure on the vehicle and if the problems persist, the vehicle shall be considered for withdrawal; and
- 5.2.3.2 Vehicle have been involved in an accident and deemed uneconomical to repair.

5.3 Withdrawal Process

- 5.3.1 Government Motor Transport Section (GMT) shall, through the mechanical section, compile a mechanical report to withdraw a vehicle from service taking into account the criteria as mentioned in 5.2 above;
- 5.3.2 Government Motor Transport Section shall notify User Departments in writing that a particular vehicle shall be withdrawn and be disposed off; and
- 5.3.3 User Departments shall have Board of Survey Committees to identify items and compile a list to GMTS main Board of Survey Committee for final decision on disposal and approval by Provincial Treasury, and
- 5.3.4. The committee refer to in paragraph 5.3.3 shall be appointed by the Accounting Officers from the relevant Department.

5.4 Disposal of Movable Assets

Disposal of movable assets shall be by close bid, public auction or trade in, whichever is most advantageous to the state, unless determined otherwise by the Provincial Treasury.

5.5 Composition of the Disposal Committee

- 5.5.1 The Head of the Department of Public Works, Roads and Transport shall appoint the chairperson and members of the disposal committee in writing;
- 5.5.2 The chairperson of the disposal committee shall be the Director GMTS; and
- 5.5.3 The disposal committee shall consist of seven members (including the chairperson) from the Department of Public Works, Roads and Transport as follows:
 - 5.5.3.1 Chairperson from GMTS;
 - 5.5.3.2 Three members from GMTS;
 - 5.5.3.3 One member from Asset Management;
 - 5.5.3.4 One member from Revenue Section; and
 - 5.5.3.5 One member from Information Technology

5.5.4 Representatives from the Provincial Treasury; and

5.5.5 The Chairperson may at any time during the process of inspection of specialized items/equipment, co-opt an additional member/s who possess specialized knowledge in the relevant field from any Department.

6. ROLES AND RESPONSIBILITY

6.1 Accounting officer

The Accounting Officer shall be responsible for the effective and efficient implementation of this policy as part of internal controls within the Department.

6.2 Disposal committee shall be responsible for:

- 6.2.1 Inspection in loco of all withdrawn and redundant assets.
- 6.2.2 Determining reserve prices.
- 6.2.3 Act as monitors on the auction day.
- 6.2.4 Compile a consolidated report within two working days after the BOS.
- 6.2.5 Compile a consolidated report within five working days after the auction.

6.3 The chairperson shall be responsible for:

- 6.3.1 Convening the disposal committee meeting.
- 6.3.2 Compile a report via the Head of Department to the Provincial Treasury for approval to dispose.

6.3 The member from Revenue Section shall be responsible for:

- 6.3.1 Compiling a report, within five working days, to stakeholders regarding revenue collected that shows a breakdown according to all relevant Departments.
- 6.3.2 Ensure that funds generated are transferred to all relevant Departments.

6.4 User Departments shall be responsible for:

- 6.4.1. Identifying and bringing to the attention of GMTS their departmental stock that needs to be disposed.

6.5 The Director: GMT

Government Motor Transport Section is accountable for implementation and enforcement of the policy.

6.6 All officials shall be aware of the policy and properly execute their duties in line with the provisions of the policy.

6.7 The auctioneer shall invite bidders, conduct bidding on the date of the auction and collect revenue on behalf of the Department.

7. MONITORING AND EVALUATION

The GMT Section shall monitor and evaluate the implementation of this policy.

8. POLICY REVIEW

The policy shall be reviewed every five years or as and when there are changes in legal frameworks, organizational developments, political and economic trends.

9. DEVIATIONS

Any deviation from this policy shall be subject to the approval of the Accounting Officer.

10. IMPLEMENTATION DATE

This policy shall come into effect from the date of approval by the Accounting Officer.

11. APPROVAL



MC MOROLO

HEAD: PUBLIC WORKS, ROADS AND TRANSPORT

DATE: 20 | 01 | 2025.