



TRAVELLING AND SUBSISTENCE (S&T) POLICY

Council Approved: 5/12/2017

Council Resolution C15/12/17

1. PURPOSE

- 1.1 It is essential that representatives of the Municipality, including Councillors, from time to time travel to other cities and towns in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government.
- 1.2 It is important for representatives, including Councillors, to broaden their knowledge and understanding and compare local experiences in local government transformation, innovation **and opportunities to network and interact** and this can effectively be done only through the medium of personal contact with a wide range of local government stakeholders.
- 1.3 The purpose of this policy is to regulate how travelling and subsistence costs are paid to staff members, including Councillors, who are required to represent Council which involves incurring expenses for travel, lodging, meals and other costs for attending conferences, meetings, seminars, training and duties as approved by the employer.
- 1.4 This policy sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official travelling.
- 1.5 The camping allowance for employees are defined under item 3.8 and only applicable to them as annually determined by the Minister of Public Service and Administration.

2. DEFINITIONS

- 2.1 For the purposes of a subsistence allowance, a representative shall mean:
 - 2.1.1 Councillors
 - 2.1.2 Municipal manager
 - 2.1.3 Head of departments
 - 2.1.4 any other official specifically authorised to represent the municipality on a particular occasion
 - 2.1.5 Any official who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.
 - 2.1.6 Any other person who is granted permission to attend meetings, conferences.

- 2.2 A camping allowance is an allowance paid to employees who are required to overnight away from their location on official Council business, for extended periods up to completion. This allowance is payable to employees where the inherent requirements of a specific job, requires employees to work away from home for extended periods of time.
- 2.3 For the purposes of this policy, domestic travel shall mean travel within South Africa and international travel shall mean travel to any country other than South Africa.
- 2.4 A subsistence and travel allowance is an amount of money paid by the municipality to a representative.
- 2.5 Normal workplace means the town where the employee is stationed/ required to perform his or her duties.

3. POLICY

Responsibilities of representatives who travel on business of the municipality

- 3.1 Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.
- 3.1.1 Representatives who travel on the business of the municipality must appreciate, at all times, that they are ambassadors for the municipality, that their action, conduct and statements must be in the best interests of the municipality, and that they must comply with any specific mandates they have been given.
- 3.1.2 Consistent with the municipality's performance monitoring and evaluation objectives, the municipal manager will ensure that a database of all representatives and official travelling is kept.
- 3.1.3 Council delegates or representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event.

3.2 Subsistence and travel allowance

3.2.1 Purpose

- 3.2.1.1 All journeys undertaken must contribute to the Council's business of developing, obtaining or transferring of knowledge or to communicate and promote or administer the Council's interest.
- 3.2.1.2 The object of a journey is to justify the cost; therefore all journeys and medium of transport must be motivated.
- 3.2.1.3 Compensation for business journeys is designed to cover the reasonable cost by employees for expenditure incurred the result of a journey undertaken.
- 3.2.1.4 Journeys must be planned thoroughly in order to complete it in the most efficient and cost effective manner.
- 3.2.1.5 Travelling must be done within the working hours of Council. If not possible, travelling must be cost effective.
- 3.2.1.6 Overtime for travelling purposes may only be claimed when an employee is expected to travel outside normal working hours, but up to a maximum of 4 hours at straight time taken off. Permission in this regard shall be obtained from the HOD.

3.2.2 Authorization

- 3.2.2.1 All journeys must be authorized beforehand.
- 3.2.2.2 Only the Municipal Manager may authorize any travel to be undertaken by Heads of Departments or payments to be made for persons invited for interviews.

- 3.2.2.3 Only the Head of Department may approve any travel to be undertaken by officials in his/her department within the Eden's area of jurisdiction.
- 3.2.2.4 The approval is subject to the provision of funding for expenses incurred are on the approved budget of the relevant department/business unit.
- 3.2.2.5 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. Prior required authorization must still be obtained from the Municipal Manager, Executive Manager, as the case may be. If any representative fails to do so, the municipal manager, may recover all allowances and disbursements paid to enable such delegate or representative to attend such event, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.
- 3.2.2.6 Travelling and subsistence will not be paid in cases where it is being paid for by the inviter.
- 3.2.2.7 If a representative is required to attend official Council business outside the Eden District Municipal area and has to travel, approval for accommodation and subsistence allowance will be subject to approval by the Municipal Manager.
- 3.2.2.8 If a Councillor is required to attend official Council business outside the Eden District Municipal area and has to travel, approval for accommodation and subsistence allowance will be subject to approval by the Speaker.

3.2.3 Loss or damage

- 3.2.3.1 Loss or damage which includes unauthorized payments or fruitless expenditure caused by officials will be brought under the attention of the Mayor or municipal manager for further investigation and action.

3.2.4 Nature

3.2.4.1 The following type of expenses may result from performing official duties away from the normal workplace:

3.2.4.1.1 Accommodation

3.2.4.1.2 Meals and non-alcoholic drinks

3.2.4.1.3 Toll gate fees

3.2.4.1.4 Official telephone calls

3.2.4.1.5 Official travel expenses

3.2.4.1.6 Washing and ironing of clothes if an employee is away for a week or are travelling overseas.

3.2.4.1.7 Bank charges payable for the exchange of foreign currency

3.2.4.1.8 Official parking fees

3.2.4.1.9 Official car rental

3.2.4.2 A subsistence allowance does not cover any personal recreation.

3.2.5 Compensation

3.2.5.1 Accommodation:

3.2.5.1.1 Representatives who travel on the business of the municipality, where the business unavoidable entails one or more nights to be spent away from home, may stay in an hotel, motel, guesthouse or bed and breakfast establishment.

3.2.5.1.2 The actual cost of accommodation will be borne by the municipality, **subject to an amount not exceeding R2 000.00**, subject to SCM policy. **Claims exceeding this rate are subject to proper**

motivation to the Municipal Manager for authorization.

- 3.2.5.1.3 Where such accommodation is available, the rate for a single room will be payable.
- 3.2.5.1.4 If a representative uses **alternative accommodation**, no accommodation allowance may be claimed, but the representative may claim an all inclusive amount of **R800.00** per day.
- 3.2.5.1.5 If a representative uses **alternative accommodation**, no proof of the **R800.00** of evidence is needed.
- 3.2.5.1.6 The payments for overnight accommodation will be paid directly through bookings to the preferred place of accommodation/ representative will pay and submit requisition claims for payment of their expenditure.
- 3.2.5.1.7 Request for payment of reservation must be submitted at least three days before departure to enable the administration to process the claim.

NOTE: PAYMENTS IN TERMS OF TRAVELLING MENTIONED IN 3.2.6.1.7 ABOVE MUST BE DONE AS REQUIRED.

- 3.2.5.1.8 Where an event starts on or before 10:00 on the first day, accommodation may be arranged for the previous night when a delegate has to travel for more than 250km.
- 3.2.5.1.9 Where an event concludes after 15:00, delegates may arrange for overnight accommodation when a delegate has to travel 250km or more to reach his/her place of residence. Consent from the HOD will be required.

3.2.6 On the road costs

- 3.2.6.1 Where it is not necessary to overnight on any travel on municipal business outside the boundaries of Eden (only for longer than 4 hours), no accommodation costs

will be paid, but incidental cost may be claimed, **in accordance with the SARS guidelines** as revised annually.

3.2.6.2 Where it is necessary to overnight, on any travel for municipal business outside the boundaries of Eden, incidental cost may be claimed for the day that accommodation is not claimed, **in accordance with the SARS guidelines** (for the last day returning), as revised annually, excluding Councillors.

3.2.7 Meals:

3.2.7.1 When an employee has to overnight a meal subsistence allowance **in accordance with the SARS guidelines** per night will apply in respect of domestic travel, and will be adjusted annually (Councillors excluded).

3.2.7.2 A meal subsistence allowance is not applicable when:

- a representative claims the amount of **R800.00 when using alternative accommodation;**
- claiming incidental cost (outside Eden area);
- accommodation includes dinner (outside Eden area).

3.2.8 Transportation:

3.2.8.1 Representatives must utilize the most economic means of transport available.

3.2.8.2 Whatever means of transport is used (airplane, motor car, taxi, train, etc.), the cost factor must be calculated in term of monetary value (Rand and sent). The following aspects must be taken into consideration.

3.2.8.2.1 Cost of economic class airplane ticket

3.2.8.2.2 Car rental

3.2.8.2.3 Time to reach destination

3.2.8.2.4 Productivity aspects

3.2.8.2.5 Cost of private transport

3.2.8.2.6 Cost of vehicle motor scheme

3.2.8.2.7 Number of delegation

3.2.8.3 Private vehicles (officials not participating in motor car scheme) may only be used if authorized by the employee's manager in advance, at the ad hoc rates of the Essential User's Scheme.

3.2.8.4 The distance to which the reimbursement applies, must be the shortest distance between the municipality's

offices or the place of residence of the delegate and the location where the official business is to be transacted.

3.2.8.5 Where possible representatives must travel together to minimize travelling expenses.

3.2.8.6 All claims submitted must be supported by corroborating documentation, where required.

3.2.8.7 On returning an employee can submit additional invoices which will then be reimbursed after approval, where applicable.

3.2.8.8 No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality.

3.2.8.9 Air Travel

Where Air travel is used to conduct official business of the MUNICIPALITY, it is preferred that Economic class be used. The Accounting Officer may determine the class to be travelled subject to the availability of funds

The preferred airline would be the most cost effective one.

Ticket type will be determined by the schedule of traveler.

3.3 Entertainment of other people

3.3.1 Entertainment of external business associates or contacts or clients or potential investors or potential clients falls outside the scope of the subsistence allowance and will be separately reimbursed (subject to prior approval where applicable).

3.3.1 If a representative of the municipality has an entertainment allowance, the entertainment of external business associates or contacts or other parties must be claimed against the entertainment allowance.

3.4 Car rental

4.4.1 **D-Class category vehicles** may be rented, unless it is more cost-effective to hire a more expensive vehicle (for example, when the

number of representatives involved could justify the hire of a micro-bus).

3.4.1 Car rental must be approved as part of the travel package before the trip is embarked on.

3.4.2 A representative who rents a vehicle whilst travelling on the business of the municipality without having received prior authorization will only be reimbursed for the cost of the vehicle rental if proof of expenditure can be produced and the representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.

3.5 Insurance

3.5.1 Official transport:

3.5.1.1 Accidents with official transport will be investigated.

3.5.1.2 Disciplinary action will be based on the ruling of the investigation.

3.5.2 Private transport:

3.5.2.1 Accidents with private transport will be covered by the owner of the vehicle.

3.5.2.2 Council is not responsible for any payment thereof.

3.5.2.3 Insurance for officials travelling in private vehicles, will be investigated.

3.6 Transport of private persons

3.6.1 The use of official transport to transport private persons is strictly forbidden.

3.7 Subsistence and travel allowances for persons invited for interviews

3.7.1 Subsistence costs will be paid to an external candidate invited for an interview, but travelling costs at 60% of the rate of Department of Transport may be paid if the candidate has to travel more than 100km to attend the interview.

3.7.2 The most cost effective transport must be utilized and will be paid for.

3.7.3 No subsistence costs will be paid to an internal candidate invited for an interview, but transport will be arranged if the candidate has to travel more than 50km to attend the interview.

3.8 Camping allowance

Employees who are required to work away from their location may claim a camping subsistence allowance subject to prior approval, as annually determined by the Minister of Public Service and Administration.

3.9 Traffic fines

The driver of an official vehicle at the time of an offence is responsible for the payment of any fine.

4. FOREIGN TRIPS

▪ **VISAS**

South African and other passports need visas for entry into certain countries and the application for these visas is essential for entry into those countries. The Municipality will be responsible for the visa application and the costs thereof.

▪ **PASSPORTS**

Travellers are solely responsible for ensuring that their passports are applied for and valid for at least six months longer than the last day of their intended stay abroad. The traveller shall timeously apply for a new, or renewal of their passport from the department of home affairs.

▪ **PERMITS AND FORMALITIES**

The travel agent is to advise the traveller about any requirements and to offer assistance where possible in obtaining these permits. Examples are driving permits, vaccinations, re-entry or departure permits. Travellers are to ensure that formalities are attended to prior to their departure.

▪ **ACCOMMODATION**

Accommodation arrangement with regard to travelling abroad must be made through the travel agency. The official travel agency can arrange traveller's cheques and visas for the traveller.

Accommodation expenses, dry-cleaning and laundry expenses are not included in the day allowance. The travel agency will charge this cost to the municipality's account or the traveller can claim these expenses on return after paying them his/herself.

- **DAY ALLOWANCE**

The non-accountable daily allowance as determined by SARS.

The amount per day as determined by SARS will be paid as a daily allowance for the duration of the trip.

5. APPLICABLE FORMS

Claim form for travel and subsistence expenses.