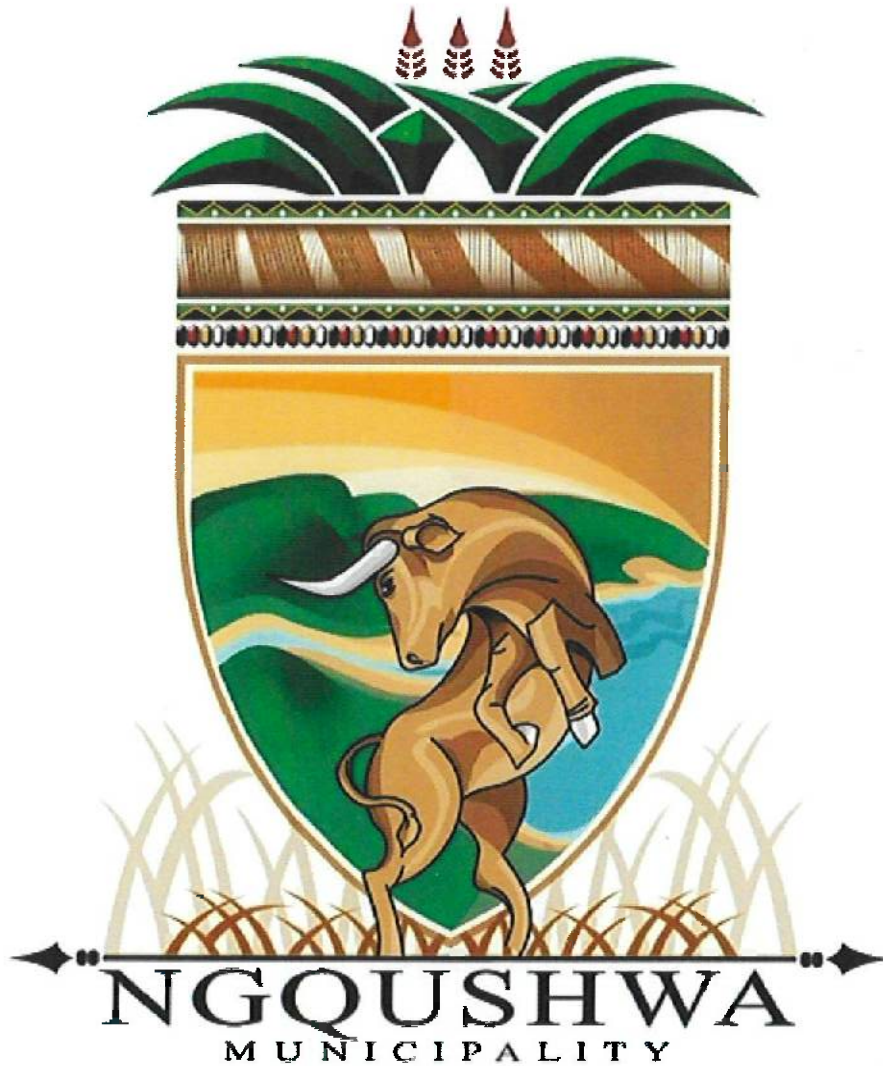


NGQUSHWA LOCAL MUNICIPALITY



FINAL SUBSISTENCE AND TRAVELLING

POLICY

2023/2024

Publication Date	01 July 2020
Review Date	15 March 2023
Related Legislation/Applicable Section of Legislation	Municipal Finance Management Act of 2003
Related Policies, Procedures, Guidelines, Standards, Frameworks	
Replaces/ Repeals (whichever is relevant, if any)	
Policy Officer (Name/Position)	
Policy Officer (Phone)	
Policy Sponsor (Name/Position)	
Department Responsible	Budget and Treasury Office
Unit responsible	Expenditure
Applies to	Ngqushwa Municipality Employees and Councillors
Key Words	
Status	Approved
Council approval date	30 May 2023
Version	Version 1

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1. **INTRODUCTION**

The demarcation of new municipal boundaries has adjusted the boundaries of various municipalities drastically. Travelling within and outside the local municipality has created an extra burden on subsistence and traveling costs. The role of local municipalities in Municipal International Relations necessitates honoring by such municipalities of the international obligations. The travelling and subsistence of both municipal employees and Councillors either internationally or domestically needs to be regulated. In payment of subsistence and travelling allowance the principle is to ensure the safety and convenience of both the municipal staff and Councillors in the execution of their official tasks. The purpose of the policy is to set out the basis for the payment of subsistence and travel allowance when municipal representatives are on official municipal duty.

2. **LEGISLATIVE FRAMEWORK**

- 2.1 In terms of section 66 of the Municipal Finance Management Act no. 56 of 2003, the Accounting Officer of the Municipality must report to the Council, in the format for the period prescribed, all expenses relating to staff salaries, allowances and benefits, separately disclosing *inter alia* travel, subsistence and accommodation allowances paid.
- 2.2 Remuneration of Public Office Bearers Act, 1998 Act No20. of 1998 determine the upper limits of salaries, allowances and benefits of the different members of Municipal Councils.
- 2.3 All Collective Agreements relevant to the application of this Policy will apply.

3. **OBJECTIVES**

- 3.1 To ensure reimbursement of expenses incurred by Councilors, traditional leaders and officials in their execution of tasks.
- 3.2 To ensure that the reimbursement exercise is accounted for and transparent.
- 3.3 To safeguard the interests of Officials, traditional leaders Councilors and the Ngqushwa Local Municipality.

4. **TRAVELING EXPENSES**

When Councilors / officials make use of their own transport for official travel, the following will be applicable:

4.1 **Councillors, Officials Receiving Travel Allowance and Section 56 Managers**

Officials elected to receive Travelling allowance as a benefit, (and amount thereof) will be determined by processes managed by Corporate Services, documented in the Travelling Allowance Policy.

Officials will only be reimbursed for authorized official trips from Ngqushwa Local Municipality to the destination point, after a reaching 500km's each month for official trips. Field workers, Director Technical Services and any other employees; as elected by Corporate Services Director will be reimbursed for authorized official trips from Ngqushwa Local Municipality to the destination point, after a reaching 500km's each month for official trips. The compensation will be calculated at current applicable rates based on Department of Transport tariffs.

Official travel will only be reimbursed upon approval by the HOD; supported by appropriate proof of undertaking of the official trip. No travel may be claimed in excess of 1000 kms after reaching the minimum 500 kms.

Councillors and Officials Not Receiving Travel Allowance

4.2 Officials and Councillors will be reimbursed on authorized official trips for kilometers travelled from Ngqushwa Local Municipality office (office of operation) to destinations outside their point of operations. The compensation will be calculated at current applicable rate based on Department of Transport tariffs.

The Municipal Manager/HOD shall approve such claims. (The HOD must first approve the actual travelling). No travel may be claimed in excess of 1000 kilometres.

4.3 Where possible representatives must travel together up to a maximum of four in a vehicle to minimize travelling expenses.

4.4 A Councillor may utilize a Council owned vehicle when Performing Ceremonial functions

5 **CAR RENTAL**

5.1 Council encourages the use of shuttle services for all officials and councillors if the cost of such a service is below the cost of hiring a vehicle.

5.2 Hiring of vehicles for all officials and council members will be from a category below Group B or an equivalent class. Employees may only accept an up-graded hired vehicle if such an up-grade is offered for free or at a lower charge than Group B, after approval by the Accounting Officer.

6. DOMESTIC AND INTERNATIONAL AIR TRAVEL

- 6.1 The Mayor, Speaker and EXCO may travel on the Business class on international air travel and economy class on domestic air travel.
- 6.2 All other Councilors and officials must travel in the Economy class for domestic air travel purposes.

7. ACCOMMODATION AND SUBSISTENCE

- 7.1 Actual cost of accommodation and meals shall be paid by the Council for the duration of the stay at such institution. Accommodation will be provided for the previous night only where a meeting to be attended starts before 09h00 provided that the venue is at least 100 km away from Peddie. Accommodation will also be provided for the night of such meeting where it ended after 17h00. Weather conditions and nature of the roads to be traveled will be considered in certain circumstances.

Subsistence payments- Overnight allowance of R100.00 per day shall be paid when travelling outside the Ngqushwa Local Municipality's area of jurisdiction for an overnight trip.

8. HOTEL ACCOMMODATION WITH NO SERVICES

- 8.1 Meals may be taken elsewhere if the hotel does not provide for such service or where it is necessary.
- 8.2.1 When meals are not included in the hotel accommodation the following maximum amounts are payable: -
- Dinner – R160 (including tea/coffee soft drinks)
 - Lunch – R180.00 (including tea/coffee soft drinks)
 - Breakfast – R110.00 (including tea/coffee soft drinks)
- 8.3 No claims without receipts will be entertained. Only in those circumstances where receipts are not readily granted e.g. rural areas, informal business etc. will a written memo of expenditure be accepted. The claims should not exceed the respective amounts for meals and will be based on what was actually paid.
- 8.4 Where a flight arrives, after 17h00, at a destination outside the Ngqushwa Local Municipality's jurisdiction, provided that such destination is at least 120 km away from Peddie, hotel accommodation may be provided.

10. **PRIVATE ACCOMMODATION**

- 10.1 If the individual utilizes private accommodation, such official / Councilor will be entitled to R550.00 per day to cater for costs incurred. (Exceptional cases will be catered for.)
- 10.2 Private sleeping arrangements whenever they are allowed shall not inconvenience the Council work.
- 10.3 Prior utilizing such accommodation individuals should seek permission from their respective supervisors

11. **CLAIMS FOR LESS THAN 24 HOURS**

The following criteria shall apply for claims less than 24 hours:-

- In order to claim for breakfast the claimant shall have left for official business before 06h00.
- For dinner claim the claimant shall have returned from official business after 19h00.
- If breakfast, lunch or dinner is served during official business, then Officials and Councilors should not claim for the above.
- For lunch the claimant shall have returned from official trip after 17h00.

12. **PROCEDURE FOR THE SUBMISSION OF SUBSISTENCE AND TRAVELING CLAIMS.**

- 12.1 All claims with supporting documents attached shall be submitted to the Finance Directorate as soon as possible after the official/Councilor has returned from official business. S&T claims older than 2 months (60 days) will not be accepted for payment as it will represent irregular expenditure.
- 12.2 All claims shall be submitted on the official claim forms obtained from the relevant secretaries.
- 12.3 All claims shall be accompanied by the following supporting documents:
- a. Invitation for a meeting or conference or training
 - b. Attendance register or memo signed by HOD and MM or confirmation letter that you attended from the institution or school.
 - c. Pre-approval letter by the HOD
 - d. Department of Transport Rates

13. **INTERNATIONAL TRAVEL**

Where a Councilor/Official is required to visit an international destination the following shall apply: -

13.1 Where the accommodation to which the allowance or advance relates, is outside the Republic, an amount equal to the prescribed amount applicable to the relevant country is deemed to be expended for each day or part of a day in the period during which the employee is absent from his/her usual place of residence in accordance with the table for the country in which that accommodation is located. Refer to PAYE-GEN-01-G03-A02: Subsistence allowance- foreign travel-external annexure

13.2 Payment to be made in rands to enable the traveler to purchase the equivalent of the forecasted currency that applies in that country.

13.1 The allowance is also claimable in advance of travel in the case of traveling outside South Africa.

13.2 In the case of International travel, the day of departure from South Africa and the day of return to South Africa each qualify for a subsistence allowance.

14 **CALCULATION OF SUBSISTENCE ALLOWANCE**

14.1 Allowances shall be based on the shortest reasonable time lapsed and the shortest reasonable distance to travel from the point of departure to the authorized destination and back to the original point of departure.

15. **PARKING/ TOLLGATE FEES**

Claims for reimbursement for parking and tollgate fees will only be considered when Councilors and officials have produced cash slips or receipts.

16. **GENERAL**

All Officials and Councilors must comply with the policy in its entirety. The policy may be reviewed annually due to changes in government policy and or relevant legislation, based on the decisions of the Council and the powers delegated to the Municipal Manager.

17. **MONITORING, EVALUATION AND REPORTING**

A report detailing the progress with the implementation of subsistence and travelling Policy with specific reference to achievement of this policy has to be compiled every year by the

person with the responsibility for implementation and monitoring. The policy must be made available to all consulting parties for perusal and comment and must be circulated to all staff members by means of circulars, notices and notice boards.

18. **COMMUNICATION**

Circulars, messages and notices on notice boards will be utilized in order to inform all employees of the availability of the policy. Copies of the policy will also be distributed to the parties that took part in the consultation process

19. **REVIEW OF POLICY**

It will be the responsibility of the Corporate Services Department to consider the provisions of this policy on annual basis. The Corporate Services Department shall request all Departments to submit their proposed changes for submission to Council for approval via the Municipal Manager.

20. **APPROVAL OF POLICY**

This Policy is approved by Council and shall be effective from 1 July of the coming financial year.

APPROVED BY COUNCIL ON30 MAY.....2023



**MUNICIPAL MANAGER
COUNCIL**



MAYOR OBO