



TRAVELLING ALLOWANCE POLICY

2017/18

Summary

Publication Date	
Review Date	January 2018
Related Legislation/Applicable Section of Legislation	<ul style="list-style-type: none"> • Basic Conditions of Employment Act, 1997 • Constitution of the Republic of South Africa, 1996 • Employment Equity • Labour Relations Act 1995 • Public Service Act, 1994 • Municipal Systems Act 32 of 2000 • SALGBC Collective Agreements • Municipal regulations
Related Policies, Procedures, Guidelines, Standards, Frameworks	
Replaces/ Repeals (whichever is relevant, if any)	
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Policy Sponsor (Name/Position)	
Department Responsible	Corporate Services
Unit responsible	Human Resources
Applies to	All employees and Councillors

Key Words	Travelling Allowance Policy
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REVISION RECORD

Date	Version	Revision Description

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1. TITLE

Travelling Allowance Policy

2. PURPOSE

- 2.1 To provide guidelines and criteria to regulate the allocation of a fixed travelling allowance and reimbursement of actual official travel for employees who qualify for travelling allowance.
- 2.2 To attract and retain competent employees by providing them with fringe benefits in addition to the cash component of their remuneration.
- 2.4 To ensure that whilst allowing fringe benefits to qualifying employees, compliance with statutory requirements is upheld at all times.

3. SCOPE

3.1. This policy applies to:-

- Middle Managers who are paid basic salary
- Any other official who is on cost to company package who has decided to include travelling allowance in his/her salary breakdown. This may include Councillors and some Middle Managers
- Travelling allowance may paid to field workers, who by nature of their duties are involved on functional and managerial levels and who are compelled to utilize their private vehicles in the completion of their official duties on a regular basis.

4. PROCEDURE DETAIL

4.1 GUIDING PRINCIPLES

- 4.1.1 An employee who receives a fixed travelling allowance must have a private vehicle available for the execution of official duties at all times.
- 4.1.2 No official transport will be made available to employees who receive a fixed travelling allowance for the execution of their official duties, except where required for emergency operational activities.
- 4.1.3 Employees who receive a fixed travelling allowance are responsible for the

full cost of maintenance, insurance, licensing and registration of their private vehicles.

- 4.1.4 The choice and type of the vehicle to be used by an employee who receives a fixed travelling allowance should comply with the purpose and requirements for the execution of the employee's official duties.
- 4.1.5 In order to qualify for a fixed travelling allowance, employees should be in possession of a valid driver's licence.
- 4.1.6 Employees with physical disabilities who cannot qualify for a valid driver's licence in terms of the National Road Traffic Act, 1996 (Act No 93 of 1996) will qualify for a fixed travelling allowance, subject thereto that they utilize a private vehicle and driver for purposes of official journeys and on condition that the Ngqushwa Local Municipality is indemnified from any claims that might result from this arrangement.
- 4.1.7 An employee who receives a fixed travelling allowance (excluding employees responding to emergency operational activities) will only be allowed to travel as a passenger with official transport of Ngqushwa Local Municipality, should circumstances deemed it necessary that an employee who is not incumbent to a fixed travelling allowance has to travel to the same event and location with an official vehicle.
- 4.1.8 In the event where more than one employee who receives a fixed travelling allowance have to attend the same meeting, seminar, congress, workshop, training course or any other event that the employees have to attend in their official capacity for which prior written approval has been obtained, such employees may travel together with an official pool vehicle, excluding employees from the Roads Agency function. However, employees from the Roads Agency functions will be allowed to travel together with other employees in an official pool vehicle.
- 4.1.9 An employee who receives a fixed travelling allowance and who is requested by written instruction by the Municipal Manager or his/her superior to be available for the performance of standby duty outside his/her normal working hours will not be allowed to travel with an official emergency vehicle between his/her residence and place of work, and such employees will only be allowed to claim for kilometers travelled when called out to attend to emergency work.
- 4.1.10 An employee who receives a fixed travelling allowance will not be allowed to claim for any official journeys undertaken within a 10 kilometers radius of his/her work centre.

4.2 POLICY PROVISIONS

4.2.1. Travelling allowance for Middle Managers who are getting basic salary

- 4.2.1.1 The travelling allowance which will be payable together with employee salary on a monthly basis is determined as follows for the 2017/2018 financial year rates.

Post grade	Monthly fixed travelling allowance	Annual fixed travelling allowance
12 - 16	R 6 320.86	R 75 850.32

- 4.2.1.1. The Travelling allowance will increase at the same rate as the annual percentage increase which is agreed to from time to time by the parties to the SALGBC.
- 4.2.1.2. Travelling allowance rates shall be determined using benchmarking from time to time and availability of budget.
- 4.2.1.3. All Middle managers who are receiving basic salary shall be paid same rates irrespective of nature of their occupation as this allowance is based on attraction and retention strategy

4.2.2. General Provisions

- 4.2.2.1. Any employee who receives a fixed travelling allowance and whose geographical location may change in future as a result of appointment in a promotional post, will not be entitled to travel with official transport to his/her new work centre; such an employee will have to travel with his/her own private vehicle and will not be entitled to claim for kilometers between his/her residence and new work centre.
- 4.2.2.2. Any employees who are newly appointed are entitled to a fixed travelling allowance will be responsible to travel with his/her own private transport between his residence and place of work and will not be entitled to travel with existing or any other form of official transport between his residence and place of work, neither will he/she be entitled to claim for kilometers between his/her residence and place of work.

- 4.2.2.3. Any fixed travelling allowance in terms of this Revised Travelling Allowance Policy is, after deduction of any taxes as may be prescribed, payable monthly into the bank account of the employee concerned, together with the employee's salary.
- 4.2.2.4. Employee's tax as determined from time to time in terms of relevant legislation must be deducted from a participant's fixed travelling allowance and paid over to the South African Revenue Service.
- 4.2.2.5. It will be an employee's own responsibility to keep regular log sheets acceptable to the South African Revenue Services for business kilometers travelled and to submit such log sheets annually to the South African Revenue Services as part of their income tax return.
- 4.2.2.6. Employees remain entitled to and must be paid the full amount of their fixed monthly travelling allowance during any period of absence on leave with full pay.
- 4.2.2.7. In the event that an employee who is entitled to a fixed travelling allowance is not in possession of a valid driver's license and/or a privately owned vehicle, the fixed monthly travelling allowance will be discontinued for the corresponding period until such time that these qualifying requirements are met, excluding disabled employees as referred to in paragraph 5.6.

4.3. REIMBURSEMENT OF ACTUAL OFFICIAL TRAVEL

- 4.3.1 Employees who receive a fixed travelling allowance may only claim for reimbursement of official distances travelled in **excess of 500 kilometers** in a calendar month at the running cost rate determined by the Automobile Association of South Africa as published from time to time, in respect of approved journeys where they utilize their own private vehicle for official duties.
- 4.3.2 For the purposes of claiming official distances travelled in **excess of 500 kilometers** in a calendar month, employees must keep a logbook/sheet acceptable to the South African Revenue Service reflecting the official and private kilometers travelled per month which must be approved in writing by the Municipal Manager or a Senior Manager reporting directly to the Municipal Manager and submitted to the Department: Financial and Strategic Support Services by no later than the 7th of the month following the month during which the official journeys were undertaken
- 4.3.3 Prior written approval for all official journeys undertaken, either inside or outside the boundaries of the Municipality, must at all times be obtained from the Municipal Manager or applicable Senior Manager reporting directly to the Municipal Manager and/or officials delegated by them, on the

prescribed trip authorization form (attached as Annexure "A") who will evaluate the necessity of the journey, regardless of the post level of the employee involved, subject to the availability of funding on the annual budget.

- 4.3.4 All claims for official journeys must be supported by the prescribed trip authorization form (attached as Annexure "A"), which shall be submitted together with travel claims to the Budget & Treasury Office by no later than the 15th of the month following the month during which the official journeys were undertaken.
- 4.3.5 No claims may be submitted for journeys between the employee's residence and place of work.
- 4.3.6 Employees may claim all kilometers travelled for official journeys for which prior written approval has been obtained at the running cost rate determined by the Automobile Association of South Africa as published from time to time, excluding journeys between employees' residence and place of work and official journeys undertaken within a 10 kilometer radius of his/her work centre.

4.4. AMENDMENTS

The Council may from time to time amend this Revised Travelling Allowance Policy on recommendation by the Municipal Manager and introduce any measure(s) to ensure efficient, economic and effective management of Council resources

4.5. WAIVING OF THE POLICY

This policy may be partly or wholly waived in consultation with the labour representatives i.e. Trade Unions.

4.6. 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

4.7. REVIEWAL OF THE 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.

5. ROLES AND RESPONSIBILITIES

Role	Authority
Create, evaluate, review and adopt the Relocation Policy	Council
<ul style="list-style-type: none"> Implement and enforce this policy Establish and control the administration necessary to fulfil this policy, and report efficiently and regularly to the Committee in this regard. 	Municipal Manager
<ul style="list-style-type: none"> Ensure that there is compliance with the Relocation Policy 	Director Corporate Services

6. MONITORING, EVALUATION AND REVIEW

A report detailing the progress with the implementation of Travelling Allowance 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

7. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
Council	Shall mean the Council of Ngqushwa Local Municipality
Employees	Shall mean a persons appointed on a permanent and/or fixed term contract for a period of three (3) months or longer at Ngqushwa Local Municipality on post levels T15 to T19
Emergency Operational Activities	Shall mean activities that require response to a situation that poses an immediate risk to health, life, property or the environment and which require urgent intervention to prevent a worsening of the situation.
Fixed Travelling Allowance	Shall mean an allowance paid to an employee on post levels T15 to T19 in respect of travelling expenses for official purposes to finance transport and as reimbursement to an employee based on actual official travel. "Fringe Benefit" shall mean an incidental benefit awarded for certain types of employment provided by an employer to supplement an employee's regular pay.
Municipal Manager	Shall mean a person appointed by the Municipal Council as the Municipal Manager for the municipality in terms of section 54A of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
Official Emergency Vehicle	Shall mean any official vehicle registered in the name of the Ngqushwa Local Municipality that is designated and authorized to respond to an emergency and are fitted with audible and visual warning devices, which are designed to facilitate their movement through traffic to reach their destination, inclusive of the Fire Services Incident Command Vehicle.
Employment contract vehicles	Contract vehicles include vehicles that are provided as part of the staff member's remuneration package and whose entitlement to which is specified in writing in a staff member's employment contract. The vehicle is available for business and private use
Business travel	business travel is defined as: Travel between a regional / Head office and another location (apart from the employee's home) for business purposes Travel between a staff member's home and a business destination, provided this is shorter than going via the staff member's primary place of employment.
Official Journeys	Shall mean the attendance of meetings, seminars, congresses, workshops, training courses or any other event that an employee

	attends in his/her official capacity for which prior written approval has been obtained.
Post levels	Shall mean the TASK grading allocated to a post based on the Skills, Knowledge, Pressure and Complexity associated with the post.
Reimbursement of Actual Official Travel	Shall mean an amount in addition to the fixed travel allowance paid to an employee based on the actual distance travelled for business purposes in excess of 300 kilometres per calendar month, calculated at the running cost rate determined by the Automobile Association of South Africa as published from time to time.
Senior Managers directly reporting to the Municipal Manager	Shall mean all appointees in terms of section 56 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).
Task	Shall mean the Tuned Assessment of Skills and Knowledge recognized job evaluation system within the local government sector

8. SUPPORTING DOCUMENTS

None

9. REFERENCES

None

10. APPENDIX

None