

TRAVEL AND SUBSISTENCE POLICY

(Approved by council on 29 May 2025)



1. OBJECTIVE

It is essential that representatives of the municipality 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 organisations operating in the sphere of local government. It is important for representatives to broaden their knowledge and understanding of and compare local experiences in local government transformation, innovation and change in the rest of the country, and this can effectively be done only through the medium of personal contact with a wide range of local government stakeholders.

This policy sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official travelling.

2. RESPONSIBILITIES OF REPRESENTATIVES WHO TRAVEL ON BUSINESS OF THE MUNICIPALITY

Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit. Representatives who travel on the business of the municipality must appreciate, at all times, that they are ambassadors for the municipality, that their actions, 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.

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. SUBSISTENCE AND TRAVEL ALLOWANCE

A subsistence and travel allowance are an amount of money paid by the municipality to a representative to cover the following expenses:

- meals (including reasonable gratuities);
- incidentals such as refreshments, snacks, drinks and newspapers; and
- all business-related travel.

A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing.

4. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorised personal expenses are covered by the subsistence

allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.

The subsistence allowance may be claimed without the representative having to furnish proof of expenses unless it exceeds the daily allowances and subsistence

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

A representative of the municipality may claim his or her subsistence allowance, as provided in this policy, before embarking on any official trip. The subsistence allowance must, in order to facilitate its timeous payment, be claimed, under normal circumstances at least three working days before the planned trip. PLEASE NOTE: Payment will be subject to the availability of funds at the time.

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. All travel on business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.

For the purposes of a subsistence allowance, a representative shall mean:

- mayor/speaker
- other councilors specifically authorised to represent the municipality on a particular occasion
- municipal manager
- heads of departments
- any other official specifically authorised to represent the municipality on a particular occasion
- any official who is a member of a recognised professional institution and is granted permission to attend meetings and conferences of such institution.
- any other person/s delegated or granted permission to attend meetings and conferences on behalf of the municipality.

5. ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE

Representatives who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment and the following rules will apply:

- In the instance where the Municipality makes and pays accommodation arrangements, the accommodation will be made at a hotel or Motel or another facility such as a Lodge, B & B or Guest House. The representative will be booked in for Bed, Breakfast and Dinner. An original invoice from the establishment has to be submitted within 7 days after return to office or the official will be held liable for the costs.
- If a representative needs to travel on Municipal business and decides to make own accommodation arrangements and have to sleep over, an amount of R1200 per night in respect of accommodation will be given as an advance. There will be no requirement to submit any proof of how the money was spent with regards accommodation costs.
- A subsistence allowance of R200 per day will apply in respect of domestic travel where a representative will return the same day.
- A subsistence allowance of R400 per day will apply in respect of domestic travel where a representative will require sleepover regardless the number of nights.
- If a Municipal official is required to work in the boundaries of Thembelihle Municipality, but outside its office of work, and are required to sleep over, a daily allowance of R200 in respect of subsistence may be claimed.
- The recoverable cost of accommodation and subsistence for international travel may not exceed provincial limits.
- In the case of both domestic and international travel, the day of departure and the day of return each qualify for a subsistence allowance.
- For 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.

6. CAR RENTAL AND OTHER TRAVEL COSTS

- Car Hire will only be considered on travelling distance that exceeds 500km to the destination where a representative visit.
- Only “A” or “B” 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).
- Only the Mayor and Speaker can rent a car higher than a category A and B vehicle
- Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst travelling on the business of the municipality without having received prior authorisation 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.
- All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorised by the mayor/council/manager, as the case may be.
- If a representative has to utilise his or her personal motor vehicle for the municipality, he or she will be reimbursed at a rate determined by the Department of Transport based on the engine capacity. It must be clearly stated that the intention of this reimbursement is to pay only for actual kilometers travelled and is not intended to pay for non-travelling kilometers. The distance to which the reimbursement applies, must be the shortest distance between the municipality’s office where the representative is stationed and the location where the official business is to be transacted. The distance to be claimed will be the distance as per Google maps, but if it is necessary to sleep over, the following additional kilometers may be claimed per day to make provision for additional traveling having to be made at the destination or enroute:
 - ✓ No sleepover required then a maximum of 25 additional kilometers may be claimed;
 - ✓ One night sleep over then a maximum of 50 additional kilometers may be claimed;
 - ✓ Two nights sleep over then a maximum of 75 additional kilometers may be claimed;

- ✓ Three nights and more sleepover than a maximum of 125 additional kilometers may be claimed;
- ✓ If the destination city is either Johannesburg, Pretoria, Cape Town, Bloemfontein, Durban, Port Elizabeth or East London an additional maximum of 50 kilometers per day may be claimed.

If these maxima are to be exceeded, a motivation must be submitted to the Municipal Manager for approval before payment will be made.

If the total number of kilometers for which such reimbursement is received exceeds 8 000 in any tax year, reimbursement for the excess kilometers over 8 000 must be taxed for PAYE purposes.

- Where motor vehicle subsidies apply, the representative will be paid according to the Government approved tariffs as circulated monthly.

EXAMPLES *(Although these are merely examples and do not cover all possibilities, the same principles will be applied if other hometown, office town and/or destination towns are applicable)*

- i. *If a representative's office is Hopetown and the person stays in Strydenburg, the distance between Strydenburg and Hopetown will not be payable as these are seen as home-to-office kilometers. If this person has to attend a meeting in Kimberley, only the distance between Hopetown and Kimberley will be claimable. If this same person has to attend a meeting in De Aar and travel from Strydenburg direct to De Aar and back, the kilometers that can be claimed are only the kilometers between Strydenburg and De Aar and not between Hopetown and De Aar as this is not the actual kilometers travelled. Should this same person be required to attend a meeting outside normal working hours (e.g. over a weekend or in the evening) and the person travels from Strydenburg to the destination town, then all kilometers travelled will be deemed as business kilometers.*
- ii. *If a representative's office is Strydenburg and the person stays in Hopetown, the distance between Hopetown and Strydenburg will not be payable as these are seen as home-to-office kilometers. If this person has to attend a meeting in De Aar, only the distance between Strydenburg and De Aar will be claimable. If this same person has to attend a meeting in Kimberley and travel from Hopetown*

direct to Kimberley and back, the kilometers that can be claimed are only the kilometers between Hopetown and Kimberley and not between Strydenburg and Kimberley as this is not the actual kilometers travelled. Should this same person be required to attend a meeting outside normal working hours (e.g. over a weekend or in the evening) and the person travels from Hopetown to the destination town, then all kilometers travelled will be deemed as business kilometers.

- iii. If a representative's office is Hopetown and the person stays in Kimberley, the distance between Kimberley and Hopetown will not be payable as these are seen as home-to-office kilometers. If this person has to attend a meeting in De Aar, only the distance between Hopetown and De Aar will be claimable. If this same person has to attend a meeting in Bloemfontein and travel from Kimberley direct to Bloemfontein and back, the kilometers that can be claimed are only the kilometers between Kimberley and Bloemfontein and not between Hopetown and Bloemfontein as this is not the actual kilometers travelled. Should this same person be required to attend a meeting outside normal working hours (e.g. over a weekend or in the evening) and the person travels from Kimberley to the destination town, then all kilometers travelled will be deemed as business kilometers.*

7. AUTHORISATION

For purposes of implementing this policy:

- Only Heads of Departments may authorise any travel to be undertaken by officials, to be incurred are on the approved budget of the relevant department.
- Only the Municipal Manager may authorise any travel to be undertaken by any councillor, provided the expenses to be incurred are on the approved budget of the municipality.
- The mayor in consultation with the Accounting Officer shall approve the travel on municipal business, provided the expenses to be incurred are on the approved budget of the municipality.
- The Mayor, Councillors, Municipal Manager and all officials, who participated in the benefits of this policy, must on a monthly basis submit the dates and a paragraph on the need to attend the session or sessions to the Manager: Corporate Services.

The Manager: Corporate Services must then submit a consolidated report to the next Council meeting.

- An invitation to attend a workshop, meeting or related event is not an automatic authorisation to attend such workshop or event. The required authorisation must still be obtained from the municipal manager or mayor or council, as the case may be.
- Council delegates or representatives to any conference, workshop, event or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, the mayor or council or the municipal manager, as the case may be, 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.

8. LIMITATIONS

- If a representative is invited attend a programme and the programme gets cancelled by the organising party prior to the departure of the representative, the representative will be required to reimburse the Municipality the full amount received. If the representative departed to the programme and the programme gets cancelled after, only the amounts not yet utilized will be required to be reimbursed with proof of all expenses of the portions in respect of fuel and accommodation spend. The representative will still be entitled to the daily allowance for the days away from the office.
- The following will apply in respect of sharing of a vehicle
 - A maximum of 3 Councilors will be permitted to make use of one vehicle to attend a programme with the condition that only one ward council is allowed. No ward councilors are permitted to travel together.
 - A maximum of four administrative officials will be permitted to travel together.
- Authorisation of additional sleep over will be determined by the kilometres travelled as well as the start and finish of a programme. Such approval will be given by the authorizes as stipulated in section 7 of this policy.

9. LEGAL REQUIREMENTS

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 and for the periods prescribed, all expenses relating to staff salaries, allowances and benefits, separately disclosing (inter alia) travel, subsistence and accommodation allowances paid.

VERSION CONTROL

Version 1

Date

Summary: This document describes the Travel and Subsistence Policy that will be applicable to Thembelihle Municipality starting 1 July 2025 and will be revised annually. For further information on the policy the Chief Financial officer can be contacted at 053 20 30 005/8

Approval

SIGNATURE ACCOUNTING OFFICER:

DATE:

SIGNATURE: (MAYOR).....

DATE:

COUNCIL RESOLUTION NUMBER:

DATE: