

PHOKWANE MUNICIPALITY



Subsistence & Travelling Allowance Policy

2023 - 2024

DRAFT

SUBSISTENCE AND TRAVELLING POLICY

INDEX

PART 1: OBJECTIVE.....	3
PART 2: RESPONSIBILITIES OF REPRESENTATIVES WHO TRAVEL ON BUSINESS OF THE LOCAL MUNICIPALITY.....	3
PART 3: SUBSISTENCE AND TRAVEL ALLOWANCE.....	3
PART 4: ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE.....	4
PART 5: ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE.....	5
PART 6: SUBSISTENCE ALLOWANCE IF TRAVEL IS FOR A DAY OR PART OF A DAY WITH NO OVERNIGHT STAY.....	7
PART 7: CAR RENTAL AND OTHER TRAVEL COSTS.....	7
PART 8: SUBSISTENCE AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS.....	8
PART 9: AUTHORISATION.....	8
PART 10: LEGAL REQUIREMENTS.....	8

PART 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 Organizations 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 traveling.

PART 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 traveling is kept and that every official brings along a signed attendance register from an official meeting, conference or workshop.

PART 3: SUBSISTENCE AND TRAVEL ALLOWANCE

A subsistence and travel allowance is 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.

PART 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 authorized 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.

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 must claim his or her subsistence allowance, as provided in this policy, before embarking on any official trip.

The subsistence allowance will be paid within three (3) or four (4) days after the planned trip.

In order to facilitate timeous payment, the following information should be submitted:

- S&T claim form signed by the head of department and the Municipal Manager
- Invoice or proof of expenditure where applicable
- Attendance register for the meeting, training or workshop attended

All the accommodation arrangements will be done via a agency

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 or executive mayor, as the case may be;
- Deputy-mayor;
- Speaker;

- Members of the executive committee or mayoral committee, as the case may be
- Other councilors specifically authorized to represent the municipality on a particular occasion
- Municipal manager
- Heads of departments
- Any other official specifically authorized to represent the municipality on a particular occasion
- Any official who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.

PART 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 an hotel, motel, guesthouse or bed and breakfast establishment.

The actual cost of accommodation will be borne by the municipality, subject to the following category:

Councilors

, Municipal Manager and Directors sleeps at any hotel within the limit of **R1400**, which includes, Bed, Breakfast and Dinner. And all other municipal officials, should sleep within the limit of **R1000**, which includes, Bed, Breakfast and Dinner.

EXAMPLES OF VEHICLES PER RENTAL CLASS:

B= VW POLO,
C= TOYOTA COROLLA,
D= VW POLO VIVO,
E= TOYOTA COROLLA EXCLUSIVE AUTOMATIC,
K= HYUNDAI IX35,
F= BMW 3 SERIES,
G= MERCEDES-BENZ C CLASS BLUE EFFICIENCY AUTOMATIC,
I= TOYOTA FORTUNER,
J= MERCEDES-BENZ E CLASS AUTOMATIC,
A= POLO VIVO,
M= CHEVROLET SPARK,
P= HYUNDAI GETZ

Accommodation will be paid directly by the Municipality and representatives are requested to submit original invoices signed by them to expenditure section within three (3) days after returning.

The meals and incidental costs per day will be **R390**.

If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a **subsistence allowance R710**.

The foreign subsistence allowance will be referred to the table attached: **Daily amount for travel outside the Republic**.

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.

- If a representative has to utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality **he or she will be reimbursed as per the Department of Transport tariffs as per the vehicle engine capacity**. Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimize travelling expenses.
- If a delegate is required to stay overnight and prefers to have dinner/lunch at the hotel/guesthouse, the cost can be paid prior to the delegates departure subjected to the following:
 - the lunch/dinner with one soft drink cost must be included on the quotation/pro forma invoice to be paid directly to the hotel/guest house.
- No other subsistence claims for meals or soft drinks will be considered.
- Any “extras” not provided for in the policy may not be booked against the room account and must be settled by the delegate prior to departure.
- The distance to which the reimbursement applies, must be the shortest distance between the municipality’s administration 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** indicated by budget office. 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 en route:
 - ✓ No sleepover required then a maximum of 15 additional kilometers may be claimed;
 - ✓ Each day of sleepover; then a maximum of 20 additional kilometers may be claimed starting the following day.

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

Parking

If Payment for parking is required on accommodation premises, a maximum of R60 per day may be claimed and it must be shown or indicated by the accommodation owner.

PART 6: SUBSISTENCE ALLOWANCE IF TRAVEL IS FOR A DAY OR PART OF A DAY WITH NO OVERNIGHT STAY

If a representative travels on the business of the municipality for a day or part of a day a **subsistence allowance of R150** per day or part of a day, is payable. No more than R150 shall be payable per day, irrespective of the number of trips undertaken. Only business trips outside the boundary of the municipality will be paid for.

PART 7: CAR RENTAL AND OTHER TRAVEL COSTS

Car rental must be approved in respect of **Part 5** 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 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 rental vehicle was reasonably but unexpectedly necessitated by the circumstances.

All flights by representatives of the municipality shall be covered as indicated in **Part 5**, unless another class of travel is specifically authorized by the mayor or executive committee, as the case may be.

Shuttle cost will be incurred only when authorized by the Accounting Officer and if possible proof can be produced / submitted by the representative to Expenditure section **within three days after returning**.

Tollgate

- Reimbursement for e-tolls/ toll gates will only be made if the proof or receipt can be produced by the representative
- Claims not accompanied by the relevant proof of payment or original receipts will be regarded as unauthorized and will not be paid.

PART 8: SUBSISTENCE AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS

No subsistence and accommodation costs will be paid to any candidate invited for an interview.

PART 9: AUTHORISATION

For purposes of implementing this policy:

- Only the Municipal Manager may authorize any travel to be undertaken by officials, or payments to be made for persons invited for interviews, provided the expenses to be incurred are on the approved budget of the relevant department.
- Only the executive mayor or executive committee, as the case may be, may authorize any travel to be undertaken by the mayor, speaker, any councilor, or the municipal manager, provided the expenses to be incurred are on the approved budget of the municipality.
- The executive mayor shall approve his or her own travel on municipal business, provided the expenses to be incurred are on the approved budget of the municipality, and provided further that the executive mayor reports to the following council meeting on the nature of and reasons for such travel and the expenses incurred.
- Only authorized officials shall claim a travel allowance, petrol tariff, when they possess a vehicle (with proof of submission of their ID and detailed car registration.)

An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the municipal manager or executive mayor or executive committee, as the case may be.

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. If any representative fails to do so, the executive mayor or executive committee 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.

PART 10: 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) travelling, subsistence and accommodation allowances paid.