

# DIHLABENG LOCAL MUNICIPALITY



## TRAVEL AND SUBSISTENCE ALLOWANCE POLICY

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## 1. **OBJECTIVE**

It is essential that representatives of this municipality from time to time travel 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 should also be read together with paragraph 2 of MFMA Circular 82 of 30 March 2016 as far as it is applicable to travel and subsistence issues.

This policy sets out the basis for the payment of a subsistence travel allowance, hourly rate when applicable and for the purpose of such official traveling.

## 2. **APPROVALS**

The approval of the attendance of meetings is vested in the Mayor, Municipal Manager and Directors for workshops, seminars, conferences, congresses and similar events and special visits which are in the interest of the Council, provided that the necessary funds are available.

- (i) Approval by Mayor  
For attendance by: Municipal Manager
- (ii) Approval by the Speaker  
For attendance: All Councillors
- (iii) Approval by Municipal Manager  
For attendance by Directors
- (iv) Approval by Directors  
For attendance by officials in the directorate

**3. RESPONSIBILITIES OF OFFICIALS/COUNCILLORS WHO TRAVEL ON BUSINESS OF THE MUNICIPALITY**

- Every official/councillor who travels on the business of the municipality must comply with this policy.
- Officials/councillors who travel on the business of the municipality must at all times 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 official/councillors and official traveling is kept.**

**4. SUBSISTENCE AND TRAVEL ALLOWANCE**

A subsistence and travel allowance is an amount of money paid by the municipality to an official/councillor to cover the following expenses:

- Meals
- Incidentals such as refreshments, snacks, soft drinks 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.

**5. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE**

- An official/councillor 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.
- The subsistence allowance may not be claimed without the official/councillor having to furnish proof of expenses.

- Entertainment of external business associates, clients or potential investors falls outside the scope of the subsistence allowance and will be separately reimbursed (subject to prior approval where applicable).
- An official/councillor of the municipality must claim his or her subsistence allowance, before or after embarking on any official trip. The subsistence allowance must, in order to facilitate its timeous payment be claimed at least two working days before the planned trip.
- Distance travelled shall be calculated using *Google Maps* from point of departure to point of arrival, and only the distance calculated shall be reimbursed.

## 6. **ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE**

- Officials/councillors, who spend one or more nights away from home, may stay in a hotel, motel, lodge, guesthouse or bed and breakfast establishment registered on CSD.
- Officials/councillors may not overstay for a night if the distance to be traveled is less than 300km (to and fro).
- Councilors/ Officials may not spend the night if the meeting/ engagement/ workshop starts after 10am and ends before 3:30 pm, and the venue is less than 300kms away.
- The actual cost of accommodation will be borne by the municipality as follows inclusive of breakfast in respect of domestic travel.
  - I. Mayor and Speaker be accommodated in an establishment limited to R2 500 per night including breakfast.

- II. Members of Mayoral Committee, Councilors, Municipal Manager and Directors be accommodated in an establishment limited to R2 000 per night including breakfast.
  - III. All Officials be accommodated in an establishment limited to R1 5200 per night including breakfast.
  - IV. Officials and Councilors who exceed limits as stipulated above will be responsible for the difference.
  - V. A maximum amount of R200 per night for dinner is payable to the accommodation establishment by officials/ councilors with an overnight stay at an establishment; and R300 claimable (upon submission of proof) for officials/ councilors with own accommodation. Alcohol beverages are not claimable.
  - VI. If an official/councilor provides own accommodation, the official/councilor may claim R500 per night, and meals to be claimed with proof of expenditure.
  - VII. 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 purpose of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.

## **7. RE-IMBURSEMENTS**

- All re-imbursments claims must be submitted with the following 3 documents before the expenditure incurred can be re-imbursed:
  - Memo;
  - Original proof that the expenditure was incurred (invoice or equivalent); and
  - Corroborating documents to support the event (invitation, attendance register, etc)

## **8. INTERNATIONAL TRAVEL**

*The Executive Mayor, Mayoral Committee Members, Speaker, Chief Whip, Councilors, Municipal Manager and officials, must travel by means of economy class on international*

*flights at the best available fare to the airport closest to the authorised destination, plus the relevant first class rail, motor coach or boat fare, or any reasonable combination thereof necessary to complete the journey to the said destination.*

*A special daily allowance for that particular country as per the SARS guidelines converted to South African currency will be paid.*

*The reasonable actual expenses in respect of accommodation, three meals, dry cleaning, laundering and travelling documents will be paid.*

## **9. CAR RENTAL AND OTHER TRAVEL COSTS**

- Only “A”, “B” or “C” category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle (for example, when the number of officials/councillors involved could justify the hire of a micro-bus).
- Car rental must be approved as part of the travel package before the trip is embarked on. An official/councillor who rents a vehicle whilst traveling 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 official/councillor can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- All flights by officials/councilors of the municipality shall be in economy class, unless another class of travel is specifically authorised by the Council.
- Officials/ Councilors have to pay for their own car-rentals and flights and claim back the expenditure from the municipality .
- If an official/Councilor has to utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will be reimbursed as follows:
  - I. Councilors as per AA Tariffs;
  - II. Officials receiving car allowance as per AA Tariffs;

- III. Officials not receiving car allowance at the maximum rate per kilometer as prescribed by SARS.

## 10. AUTHORISATION

For purposes of implementing this policy:

- Only the Municipal Manager may authorise any travel to be undertaken by officials, or payments to be made for persons invited for interviews, but provided the expenses to be incurred are on the approved budget of the relevant department.
- Only the Council may authorise any international travel to be undertaken by the councillors and Officials.

***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 Speaker, the Municipal Manager or as the case may be.***

Council delegates of officials/councillors to any conference, workshop or meeting must ensure that they attend until the conclusion of such event. On return written report should be submitted to the relevant Head of Department. If any official/councillor fails to do so, the Mayor or the Municipal Manager, may recover all allowances and disbursements paid provided that such delegate or official/councillor is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.