

DR JS MOROKA MUNICIPALITY: SUBSISTENCE AND TRAVEL ALLOWANCE POLICY

**SUBSITENCE & TRAVEL ALLOWANCE
POLICY: OFFICIALS OF DR JS MOROKA
LOCAL MUNICIPALITY**

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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 relationship 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 purpose of such official travelling.

1 . 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 in the best interests of the Municipality, and that they must comply with any specific mandates they have been given.

2 . Subsistence and Travel Allowance

A subsistence and travel allowance is and 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

3 . 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.
- **A representative may also claim an overnight allowance, for spending a night away from home on a business trip.**
- 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). 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, **after embarking on any official trip**. The subsistence allowance must, in order to facilitate its timeous payment, be claimed at least **once at the end of the month**.
- 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 must be approved as such before a representative is entitled to a subsistence allowance.
- For the purpose of a subsistence allowance, a representative shall mean:

- Municipal Manager
- Heads of departments
- Any other official specifically authorized to represent the Municipality on a particular occasion
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4 . 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.
- The actual cost of accommodation will be borne by the Municipality, subject to a maximum of R1000.00 per night for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- **In a case where the rates are higher than the maximum of R1000.00, an approval from Municipal Manager shall be obtained with motivations of such a case.**
- If a representative stays with a relative or friend, an accommodation allowance of R320.00 per night may be claimed, together with a subsistence allowance of R300.00 per day.
- **If a representative stays an overnight may also claim R200.00 per night for spending a night away from home.**

- Where it is not necessary to overnight on any travel on municipal business, no accommodation costs will be paid.
- 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.
- For purpose of this policy, domestic travel shall mean travel within South Africa and the SADEC countries, and international travel to any country other than South Africa and SADEC countries.
- Representatives intending to travel to any SADEC country may request the Mayor or Executive Committee, as the case may be, to approve a higher accommodation and subsistence allowance if the representative can motivate such an increase in the light of prevailing exchange rates in such or country of countries.

5 . Subsistence allowance if travel is for a day or part with no overnight stay

if a representative travels on the business of the Municipality for a day or part of a day **i.e. more than 4 hours** a subsistence allowance of R150.00 per day or part of a day is payable. No more than R150.00 shall be payable per day, irrespective of the number of trips undertaken.

- **If a representative travels for a purpose of executing his or her work/duties on the business of the Municipality to another work station, (i.e. District Municipality, Unit office etc.) necessitated by the nature of his/her duties. Such a representative/employee shall not qualify for the payment of a day allowance regardless of having traveled more than four hours/ and / or having spent on such a work station more than 4 hours.**

6 . Car rental and other travel costs

- 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).
- 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 authorization will only be reimbursed for the cost of the 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 authorized by the **Municipal Manager**, as the case may be.
- Municipal Manager, Sec 57 Managers, Deputy Managers and Assistant Managers utilizing their own vehicle to travel for business purposes will be reimbursed kilometers travelled as per approved Department of Transport tariffs.
- If a representative has to utilize his or her personal motor vehicle inside and outside the boundaries demarcated for the Municipality he or she will be reimbursed **as per the approved and Department of Transport tariffs** per kilometer or any other maximum amount prescribed **by the Department of Transport tariffs**

The distance to which the reimbursement applies, must be the shortest distance between the Municipality's offices and the location where the official business is to be transacted.

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

7 . Subsistence and Travel Allowances for persons invited for interviews

No subsistence, travel or any other costs will be paid to any candidate invited for an interview, however the Municipality may subject to the approval of the Municipal Manager pay for accommodation of any candidate invited for an interview as requested by the Head of Department to which the candidate has applied (i.e. booking to be made by Council).

8 . Authorization

For purposes of implementing this policy:

- Only the Municipal Manager may authorize any travel to be undertaken by officials, but provide the expenses to be incurred are on the approved budget of the relevant department.
- The Municipal Manager's travels shall approved by the Executive Mayor on municipal business, provided the expenses to be incurred are on the approved budget of the Municipality, and provided that the Municipal Manager reports to the Mayor on the nature of and reasons for such travel and the expenses incurred.

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 **and / Heads of Departments in the case of officials below the middle management line function of the Municipality.**

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 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. (in case of Councilors the Speaker shall be furnished with reasons by the Municipal Manager).

NB: All travels must be registered in the Council Approved Travel Authorization Form, and the form must be approved, before any travel/trip take place.

9 . Legal Requirement

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 allowance paid.