

# DIHLABENG LOCAL MUNICIPALITY



## TRAVEL AND SUBSISTENCE ALLOWANCE POLICY

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## 1. **OBJECTIVE**

It is essential that officials/councillors 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. 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

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

## 2. **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.**

### **3. 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.

### **4. 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.

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

- Officials/councillors, who spend one or more nights away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment.
- Officials/councillors may not overstay for a night if the distance to be traveled is less than 120km, if extraordinary conditions prevail, then approval must be granted by the relevant heads.
- The actual cost of accommodation will be borne by the municipality, subject to a maximum of R1200.00 per night for the accommodation or a four star rating inclusive of breakfast in respect of domestic travel.
- Where the cost of accommodation includes the provision of breakfast and dinner a subsistence allowance of R100.00 remains for all officials and councillors. If supper is not included in the accommodation tariff, a maximum of R200.00 is claimable on submission of proof. If no meals are served at the accommodation establishment an amount of

maximum of R300.00 will be paid before or after submitting claims.  
Alcohol beverages are not claimable.

- Council resolved as per item P1/2005 that the beverages and foodstuff expenditure limit per day be R300, 00 for out of pocket expenditure incurred by Councillors while performing their official ceremonial duties.
- If an official/councillor stays with a relative or friend, the official/councillor may claim a subsistence allowance of R300 per day, and meals to be claimed with proof of expenditure.
- Where it is not necessary to overnight on any travel on municipal business, no accommodation costs will be paid, but a subsistence allowance of R100.00 per day may be claimed.
- 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.

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

If an official/councillor travels on the business of the municipality for a day or part of a day, as subsistence allowance of R100.00 per day or part of a day is

payable. No more than R100.00 shall be payable per day, irrespective of the number of trips undertaken.

## **7. 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 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/councillors of the municipality shall be in economy class, unless another class of travel is specifically authorised by the Council.
- If an official/councillor has to utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will be reimbursed at the maximum amount prescribed from time to time by SARS.

## 8. 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.

## 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), subsistence and accommodation allowances paid.