



Subsistence and Travelling Policy

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1. Preamble

1.1 This policy assumes a mutual trust between the Senqu Municipality and its officials and Councillors. The Municipality expects to reimburse officials and Councillors for all reasonable costs the officials/Councillors may incur on behalf of the Municipality. The officials/Councillors are expected to use good judgment in the expenditure of public funds, which he/she has been entrusted with.

1.2 These guidelines are not intended to address every aspect, exception or contingency that may arise in the course of Municipal travel. Accordingly, the basic standard that should always prevail is to exercise good judgment in the use and stewardship of the municipality's resources.

1.3 For travel purposes these guidelines are not necessarily directing official and Councillor to take the bus or stay at a cheap hotel or eat only at fast food restaurants. Slower or cheaper options may sometimes be more expensive to the Municipality due to added time from work. The meal allowances established in these guidelines allow the employee to eat in moderately priced restaurants.

1.4 Good judgment in areas of requesting, arranging and making trips, is the responsibility of officials and Councillors. Thorough, advanced planning and confirmation before trips are committed is the hallmark of good judgment and resource management.

1.5 Personal business should not be mixed with official business if it will result in additional costs to the municipality or lost time, or if it will harm the interests of the municipality in any way.

2. Definitions

“Employee” means all employees and contract employees designated to represent Senqu Municipality at an authorised meeting, training session, or conference.

“Local travel” means official travel performed within jurisdiction of the municipality.

“Non-Local travel” means official travel outside the jurisdiction of Senqu Municipality.

3. Principles

3.1 This directive is to ensure that Municipal officials and Councillors adhere to procedures when arranging for travel, lodging and other expenses and that they are paid for reasonable expenses incurred for travelling, conferences, meetings and meals as a result of conducting authorised municipal business. The policy facilitates reasonable payment made by the municipality for actual and necessary expenses incurred for municipal business.

3.2 The policy facilitates payment of reimbursements in a timely manner.

3.3 Employees travel may be authorised for conducting municipal business of local and non-local travel activity such as the business meetings, conferences, and training sessions. Payments for conference registrations, hotels, airfares are, etc may not be to officials and Councillors but directly to the institutions and travel agencies. Officials and Councillors will be paid for subsistence only.

3.4 The Municipal Manager will be the final arbiter of this policy, while the Corporate Services Director will be responsible for the interpretation of this policy. Each department will be expected to consult with the Corporate Services Manager on any questions related to this policy.

3.5 An individual may not authorise or approve reimbursement for his/her own travel; the responsible manager in the department must approve claim forms. Section 57 managers will obtain authorisation from the Municipal Manager. The councillors will obtain authorisation from the mayor, who in turn obtains approval from the Municipal Manager.

3.6 All officials and councillors must receive express authorisation from the responsible manager or accounting officer for all travel and conferences. Such authorisation shall be authorised subject to availability of annual travel budget, and approval by the municipal manager. No travel may be undertaken if the funds are insufficient in the budget for such travel.

4. General Expense Policy and Procedure

4.1 Public Transport/Carpooling

4.1.1 Except for section 57 managers, Officials and Councillors are encouraged to make optimum use of the available public transport services and carpooling. Where space allows it, use of municipal vehicles is encouraged for officials when travelling in a group instead of individual private vehicles.

4.2 Employee Expenses

4.2.1 The Departmental Director may reject a request for reimbursement if in his opinion the expense was inconsistent with, violation of, the municipal policy, or the employee did not travel on municipal business interest.

4.3 Procedures for Authorisation of travel

For all travel where the employee works outside the office for not less than 8 hours:

4.3.1 Prior to any arrangement of travel, employees must sign special leave form, authorised by the Director.

4.3.2 The batch number and the leave form number must be reflected on the travel claim, prior to any claim being authorised by the Director.

4.3.3 The invitation or written memorandum by the Director must also be attached to the claim and leave form.

4.4 Meeting Expenses

4.4.1 The Municipality will pay for reasonable expenses incurred for work related meetings or working meetings with appropriate receipts and approval from the responsible official. Such reasonable expenses, which may include meals and supplies for such meetings, must have prior approval by the Manager of the section/department. There must be sufficient budgeted funds before such expenses are incurred.

4.5 Training Re-imbursement

4.5.1 Officials who are reimbursed for training courses shall reconcile the expenses incurred via the appropriate forms in line with the provisions of this policy. Reimbursement for expenses incurred in connection with such training shall not exceed the amounts permitted by the provisions of this policy (Refer to Training and Development Policy)

4.6 Credit Cards*

4.6.1 Municipal credit cards may be issued to the Municipal Manager for official use only. Official use includes the following:

- Air Travel bookings
- Accommodation
- Entertainment
- Car Hire

4.6.2 Credit card payments must be processed in a timely manner to avoid additional costs for late payments. All credit card transactions must be reported through the Monthly Expenses Verification Statement.

4.7 Travel and Subsistence Arrangements and Claims

4.7.1 Travel Reimbursements

The claimant is entitled to reimbursement for necessary and reasonable transportation expenses while on official municipal non-local travel. Officials and Councillors should schedule their trips to leave at reasonable hour and to arrive on time on their destinations

4.8 Application Process for Travel Approval

- a) All official trips, local and non-local, shall be pre-authorised prior travelling takes place. Failure to obey this instruction may result in disciplinary action being taken by the responsible line manager.
- b) Section 57 managers must receive travel approval from the Municipal Manager.

c) Official travel by the Councillors must be approved by the Exco/Mayor or Speaker.

d) Official travel by the Municipal manager must be approved by the Mayor.

e) Submitting a travel form for travel approval indicates the employee's/official's intentions to travel. The employee/official must make the effort to attend the event or meeting as stated in the travel form. In the event that the travel must be cancelled, the employee/official must make every effort to withdraw all pre-arranged registrations and bookings. If the municipality suffers financial costs as a result of failure to comply with this instruction, the municipality may view this conduct as negligence and may take disciplinary action against the employee/official.

f) All travel expenses shall be paid on a reimbursement basis and shall be claimed and reimbursed in accordance with the allowance rates stipulated in section 5 hereunder.

4.9 Travel Arrangements

4.9.1 Departmental Directors are responsible for making all travel arrangements such as air travel, accommodation, car hire, via an internal own departments' administrative clerk once the relevant travel documentation is submitted, received and approved.

4.9.2 Finance department will activate all payments of accounts, including bookings, hotels and guest houses, on receipt of approved travel documentation.

4.9.3 Allowable Travel and Subsistence Expenses:

To determine the actual claimable costs refer to section 6 & 7 hereunder.

4.9.3.1 Transportation

- 1) Transport costs include, but not limited to, airplane, train, bus and taxi fares, bridge tolls, parking and car rentals. Generally the most direct and commonly travel routes should be taken. Other routes may be authorised when official business require their use. If the official or Councillor takes an indirect route or stops along the way for personal reasons, he/she will not be reimbursed for non-business expenses. (See appendix on routes and kilometres to travel)
- 2) Selection of carrier, reservations and ticketing should be arranged as early as possible to obtain the greatest discount. Ground transport and nearby airports are preferred if the total fares are lower.

3) The Directors must use own discretion to determine if travelling by air is cheaper than driving, by acquiring quotes in advance to make this determination.

4) In all instances a report should be submitted upon return from conferences and meetings attended.

a) Air travel nationally

Travel on Municipal business shall be economy class with the exception of the Mayor, Speaker, and Municipal Manager who may use business class on municipal business trips. Air travel should not be used if the destination is only two hours by ground transportation.

b) International travel

The Mayor and the Municipal Manager may travel business class, using the Municipal method of payment.

c) Officials and Council members and Directors may consider taking different flights in case emergencies occur while in flight. A general rule is to have no more than 2 members in the same flight, if there is a strong possibility of danger while travelling by air.

d) A private vehicle may be used in lieu of air travel if this option is better for the municipality, taking into consideration the additional time spent driving. Prior approval with the Director is required before a private vehicle is used. Kilometres travelled must be documented by the traveller.

NB: The total documented kilometres and all travel expenses incurred cannot exceed the airfare amount. The airfare amount will be the most economical rate that the municipality will be able to negotiate less any airport taxes payable and VAT payable.

e) When using a private vehicle, appropriate travel kilometres reimbursement shall be processed. All travel claims shall be submitted reflecting the starting and the ending point at the appropriate workstation. Any fuel, damages, required service, or repairs to personal vehicles during the trip will be the individual's responsibility as these costs are included in the per kilometre cost reimbursement.

f) The Municipal vehicles may be used if available. If refuelling is necessary, the employee may request reimbursement for any fuel purchases. The employee is responsible to check the vehicle for safety and damages before travelling, using the standard checklist.

g) Rental vehicles, at the municipal expense, may be obtained when the official or Councillor is on municipal business and other modes

of business are not available, too costly, or impractical. Prior approval by the Director is required before booking for rental vehicles are confirmed. Rental will be done on the following basis (To follow the AA stipulated categories);

- 1) Category A – employees and Councillors
 - 2) Category B or Combi – Directors. Prior approval from the Municipal Manager is required.
 - 3) Category C – Municipal Manager and the Mayor
- h) If two or more employees are attending the same meeting or Conference and a vehicle is needed for municipal business, only one vehicle may be rented at municipal expense. Car rental insurance should be included in the rental agreement. The employee is responsible to carefully examine the rented vehicle for existing damages and record/report these damages to the rental agency before leaving the parking area.

4.9.3.2 Lodging

Private Lodging

- 1) Where an employee makes his/her own accommodation arrangements, the applicable rate payable shall be a fixed daily allowance of R260.00, subject to review by the Municipal Manager (no proof required). The allowance awarded in the case of private accommodation shall include meal expenses and no other subsistence claim will be allowed.

The daily allowance of R80.00 per day may not be claimed in this instance.

- 2) Reimbursement is allowable for lodging expenses associated with attendance at out-of-area conference or meeting. Overnight lodging expenses associated with meeting attendance within a 100 kilometre radius of Senqu Municipality may be authorised if the overnight stay is justified based on early morning or late hour attendance requirements. Such overnight stay shall be pre-authorised by the relevant manager or Municipal manager. The cost of accommodation shall be reimbursed or paid directly by the municipality.
- 3) The municipality shall pay for a single room (including taxes and parking) for as many nights as necessary. The accommodation should be economical but practical; staying at a hotel recommended for the conference even if slightly expensive than others in the area.
- 4) If rooms are not available, an alternative hotel in proximity to the location of the conference or meeting should be selected.
- 5) The costs of the alternative hotel shall not exceed the costs

expended at the hotels recommended by the conference. Due care must be taken in making alternative arrangements. In general, the employee /official must stay at a reasonably priced accommodation available, consistent with the goals and purpose of the conference or meeting. The Director is duly authorised to check if good judgement was exercised in the selection of the lodge in question.

- 6) An employee or official may stay with a friend or relative while attending an out-of-town meeting or conference, however, the municipality will reimburse the employee with the 24 hour rate, subject to the approval of the Director.
- 7) Making early reservations for lodging is encouraged to take advantage of lower costs and avoid higher costs that may occur. If prior payment is required to hold a reservation, the employee may submit a cheque request form and Finance may forward the payment to the hotel prior to the trip. The employee is responsible to cancel the unused reservation, failure to do so may result in the employee being responsible for the charge unless circumstances requiring cancellation were reasonably beyond his/her control and subject to the approval of the Municipal Manager.
- 8) Despite the provisions above, the Mayor, the Speaker, and the Municipal Manager may stay at a four (4) star graded hotel or lodging when on official municipal business. Officials and Councillors must stay at accommodations not exceeding 3 star graded hotel or lodge, unless determined by the Director.

4.9.3.3 Meals

- 1) For local travel, the municipality will not pay for meals unless it is part of the registration fee. In the event that an employee is required to travel to a meeting within Senqu's jurisdiction, the employee is entitled to claim for the day's meal provided slips are provided.
- 2) For non-local travel, refer to schedule relating to allowable travelling and subsistence rates. If meals are included in registration fees, as stated in meetings and conference literature, or meals are provided by the event and the claimant chooses to go elsewhere, appropriate deductions must be made from the meal allowance.

4.9.3.4 Travel outside the Republic of South Africa

- 1) For travel outside the Republic of South Africa, a daily allowance shall be paid in rands to enable the official to purchase the equivalent daily allowance in foreign currency.

4.9.3.5 Telephone Use for International Travel

- 1) For international travel, Councillors and officials are allowed to claim

actual amount for business calls made.

4.9.3.6 Parking

- 1) All parking claims for reimbursement will only be considered when Councillors and Officials have produced a cash slip or receipt.

4.9.3.7 Toll gate Fees

- 1) All toll gate claims for reimbursement will only be considered when Councillors and Officials produce a cash slip or receipt.

4.9.3.8 Unclaimable Travel Expenses

- 1) The Municipality will not reimburse the claimant for personal expenses such as valet service, barbering, in –room service and movies, gratuities for porters and waiters, personal calls and alcoholic beverages.
- 2) Payment will be done for laundry if the stay is longer than 3 days, where the municipality requires the employee to extend their stay.
- 3) Spouses and guests are allowed to accompany the official or Councillor on municipal travel and at conferences, seminars, and meetings when using public or private transportation. Spouses and private guests are not allowed to accompany the officials and/or Councillors in a Municipal vehicle unless they are guests of the municipality on official business. Permission is required from the Director if the vehicle will be returned after working hours, provided that no additional costs are incurred by the municipality. Indemnity forms shall be signed before travelling is undertaken.
- 4) If the claimant is travelling on behalf of another public agency, eg SALGA, that agency is expected to handle all expenses, unless otherwise authorised by the Council. The Municipality is not responsible for any expenses, including advances and reimbursements. The exception to this rule being where the official or Councillor serves in a committee of a public agency such as professional associations, which does not provide travel expenses.

4.9.3.9 Travel as Part of Delegation

- 1) If the Official /Councillor has been invited to attend an event as part of a delegation in any scope of government, he/she is able to claim Travel and Subsistence after the event has taken place in accordance with the allowable travel and subsistence rates in section 5 hereunder.

4.9.3.10 Expenditure in Excess of Allowable Expenses

- 1) If the employee or Councillor incurs expenses in excess of allowable amount for meals or lodging, and he/she wishes to be reimbursed for such expenses, he/she must prepare a memorandum of explanation and submit it for necessary approval. Expenses will be reviewed for reasonableness based on price differentials in different cities. All expenses must be clearly substantiated prior to reimbursement. Unnecessary or exorbitant expenses will be disallowed.

4.9.3.11 Entertainment

- 1) The Municipal Manager, Mayor and Directors may claim meal expenses by claiming with receipts, if the expenses incurred were for a client or potential client and in the interest of the municipal business.

5. ALLOWABLE TRAVEL AND SUBSISTENCE RATES

5.1 Transport – Private Vehicles

5.1.1 Reimbursement shall be actual kilometres travelled multiplied by the applicable rate as determined by the Department of Transport.

6. TRAVEL OUTSIDE THE REPUBLIC OF SOUTH AFRICA

6.1 International Training Programmes

6.1.1 The Council will assist employees as a token of assistance with a monetary amount not exceeding rate determined at the time.

7. APPLICATION OF POLICY

7.1 This policy shall apply to all staff of the Municipality and councillors.

7.2 The policy shall not derogate from any rights which existing and placed employees may have in terms of their conditions of service prior to their transfer into the service of the municipality and where such employees are subject to bursary facilities and study leave superior to those contained in this policy, they may retain such superior facilities and study leave on a personal-to-incumbent basis.

COUNCILORS TRAVEL AND SUBSISTENCE CLAIM FORM

Note: This form must be completed with strict adherence to the current rates and specifications contained in the most recent subsistence approved policy.

Councillor's Full Name: _____

Purpose of the trip: _____

A. Travel Claim

Departs on (date): _____ Time: _____ From(place): _____

Returns on(date): _____ Time: _____ From(place): _____

1) By Motor Vehicle

_____ km @ _____ Cents/km = R _____

2) By car, where the maximum is claimed as a ticket cost=R _____

3) Other costs (Air, buses, taxi's), etc. =R _____

Total A =R _____

B. Subsistence Claim

▪ Less than 24 hours, but a minimum of 4 hours:
R80 per day. =R _____

▪ Greater than 24 hours and own accommodation:
R260 per day =R _____

▪ Greater than 24 hours plus accommodation:
R260 per day and actual accommodation costs =R _____

Total B =R _____

C. International Travel

215 US \$ where no meals are included =R _____

Total C =R _____

Total Claim (A+B+C) =R _____

Signature of Claimant: _____ Title: _____ Date: _____

Signature of Authorised Representative: _____

Title (Mayor / Speaker): _____

Vote Number: _____

OFFICIALS TRAVEL AND SUBSISTENCE CLAIM FORM

Note: This form must be completed with strict adherence to the current rates and specifications contained in the most current subsistence approved policy.

Full Name of Official: _____

Purpose of the trip: _____

Approval granted by: Name: _____ Designation: _____

Date: _____ Signature: _____

*Leave Book Batch No: _____ to _____ Leave Form Ref No: _____

A. Travel Claim

Departs on (date): _____ Time: _____ From(place): _____

Returns on(date): _____ Time: _____ From(place): _____

4) By Motor Vehicle
_____ km @ _____ Cents/km = R _____

5) By car, where the maximum is claimed as a ticket cost=R _____

6) Other costs (Air, buses, taxi's), etc. =R _____

Total A =R _____

B. Subsistence Claim

▪ Less than 24 hours, but a minimum of 4 hours:
R80 per day. =R _____

▪ Greater than 24 hours and own accommodation:
R260 per day =R _____

▪ Greater than 24 hours plus accommodation:
R260 per day and actual accommodation costs =R _____

Total B =R _____

C. International Travel

215 US \$ if 3 meals are included =R _____

Total C =R _____

Total Claim (A+B+C) =R _____

Signature of Claimant: _____ Title: _____ Date: _____

Signature of Authorised Representative: _____

Title (Municipal Manager/ HOD): _____

Date: _____ Vote Number: _____

***Compulsory to complete in order for claim to be approved.**