




MANTSOPA LOCAL MUNICIPALITY

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TITLE OF POLICY	TRAVEL AND SUBSISTANCE
DEPARTMENT	FINANCE
CUSTODIAN	CHIEF FINANCIAL OFFICER
DATE OF APPROVAL	
EFFECTIVE DATE	As from 1 July 2021
APPROVED BY	MANTSOPA MUNICIPAL COUNCIL
SIGNATURE BY SPEAKER	
VERSION	2021/22 - Draft

Definitions

Table 1: Definition of Terms

Term	Definition
Act	means the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003)
Municipal Manager	means the Chief Executive Officer who is the accounting officer of the Municipality.
Council	means the Council of the Municipality of Mantsopa or any duly authorized Committee or official of the said Council
Subsistence Expenditure	Means the expenditure in respect of accommodation, meals (including non-alcoholic beverages with meals),

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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.

The policy enables the Municipality to implement standard and reasonable measures for international and local travelling and to set out the basis for the payment of subsistence and travel allowance for the purposes of such official travelling.

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 travelling is kept.

PART 3: ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

For the purpose of this policy all subsistence and travel allowances are only claimable if the trip taken is outside the boundaries of Mantsopa municipality.

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.

- 3.1. The subsistence allowance may be claimed without the representative having to furnish proof of expenses.
- 3.2 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.
- 3.3 A representative of the municipality must claim his or her subsistence allowance, as provided in this policy, after embarking on any official trip.
- 3.4 Distance calculator will be used for kilometers travelled and allowance of 20km given between the venue and accommodation arrangement and specific street address needs to be provided to calculate the actual distance travelled.
- 3.5 If a representative travels on a business trip on municipal business for a day or part of a day, specific street address or venue needs to be provided to calculate the actual distance travelled.

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
- 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 4: ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE

- 4.1 Representatives who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home or the distance to be travelled exceeds 120 km and the event commence before or at 08H00, may stay in an hotel, motel, guesthouse or bed and breakfast establishment.
- 4.2 If a representative pays for own accommodation with prior approval then he\she will be reimbursed with the terms stipulated below in 4.2.1 or 4.2.2 upon submission of proof of payment for such accommodation otherwise 4.2.3 will be applied
 - 4.2.1 The actual cost of accommodation will be borne by the municipality, subject to the nearest hotel and bed and breakfast for the accommodation itself in respect of local travel.
 - 4.2.2 If a representative arranges own accommodation with no cost to the municipality, an amount of R350 per night plus allowances mentioned in 4.3.1 to 4.3.3. .
- 4.3 If the cost of accommodation excludes, as it often does, the provision of breakfast, and or dinner the following will apply in respect of domestic travel:
 - 4.3.1 A maximum amount of R60 (sixty rand) per person per day will be allowed for breakfast
 - 4.3.2 A maximum amount of R70 (seventy rand) per person per day will be allowed for lunch
 - 4.3.3 A maximum amount of R120 (one hundred and twenty rand) per person per day will be allowed for diner.
 - 4.3.4 All the subsistence costs as highlighted above should exclude alcohol beverages.

- 4.4 All accommodation costs should be exclusive of telephone costs and the municipality shall not be liable for telephone costs charged to the room.
- 4.5 The recoverable cost of accommodation for international travel may not exceed the standard as in 4.2.1 above. The subsistence allowance should be in line with the guidelines of the National Treasury.
- 4.6 In the case of both domestic and international travel, the day of departure and the day of return each qualify for a subsistence allowance.
- 4.7 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 and all SADC region countries.

PART 5: SUBSISTENCE ALLOWANCE IF TRAVEL IS FOR A DAY OR PART OF A DAY WITH NO OVERNIGHT STAY

- 5.1 If a representative other than the mayor, speaker, councilors, municipal manager and all section 56 managers travels on municipal business for a day or part-of a day, a subsistence allowance of R100 per day or part of a day is payable. No more than R100 shall be payable per day, irrespective of the number of trips undertaken.
- 5.2. If the mayor, speaker, councilors, municipal manager and all section 56 managers travel on municipal business for a day or part-of a day, a subsistence allowance of R270 is payable. No more than R270 shall be payable per day, irrespective of the number of trips taken.

PART 6: CAR RENTAL, FLIGHTS, SHUTTLE SERVICES and OTHER TRAVEL COSTS

- 6.1 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).
- 6.2 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 if proof of expenditure can be produced and the representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- 6.3 All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorized by the accounting officer or chief financial officer, as the case may be.
- 6.4 Where a representative is delegated to attend a meeting congress or similar event on behalf of the municipality outside municipal boundaries and he/she does not participate in any transport allowance scheme of the municipality he /she must use official transport.
- 6.5. Parking costs and toll gate costs will also be reimbursed upon submission of proof of payment by a representative.
- 6.6.1.1 Whenever an employee receiving a vehicle allowance who participates in any transport allowance scheme of the municipality is required to attend to the official business of the municipality within its boundaries, he/she must be reimbursed for kilometers travelled exceeding fixed kilometers mentioned in paragraph 8.1 below, at the tariff determined by the Department of Transport month to month using the private rate.
- 6.6.1.2 Whenever an employee receiving a vehicle allowance or a councilor who participates in any transport allowance scheme of the municipality is required to attend to the official business of the municipality outside the municipal area, he/she must be reimbursed at the tariff determined by the Department of Transport month to month using the private rate.
- 6.6.1.3 Whenever an employee or a councilor who does not participate in any transport allowance scheme of the municipality is required to attend to the official business of the municipality outside the municipal area, and does not use municipal vehicle due to non-availability of such vehicle, he/she must be reimbursed at an amount that should not exceed the tax limit set by SARS every year.
- 6.7 In case officials are required to travel for official purposes, the relevant manager may authorize that those officials be transported to and from the venue and from their residences or places of work at the municipality's

expense by utilizing shuttle services, provided that it is the most economical option.

6.7.1 Officials will be picked up and returned to their places of work or dropped off at their residences, provided adequate and prior arrangements have been made within a reasonable time frame.

6.8 Where possible representatives other than those mentioned in 6.7.1 and 6.7.2 must travel together, up to a maximum of four (4) in a vehicle, to minimize travelling expenses.

6.8.1 not more than two (2) managers may travel together in the same vehicle at the same time

6.8.2 not more than two (2) political office bearers may travel together in the same vehicle at the same time

PART 7: SUBSISTENCE AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS

No subsistence costs will be paid to any candidate invited for an interview, but travelling costs at R1.50 per kilometer may be paid if the candidate has to travel more than 30km to attend the interview.

PART 8: CALCULATION OF VEHICLE ALLOWANCE

For purposes of this policy the vehicle allowance calculation for officials excludes that of the mayor, speaker, councilors, the municipal manager and all section 56 managers:

8.1 Formula used to calculate vehicle allowance

Level 1 => 850 km x (fixed +running costs)

Level 2 => 750 km x (fixed +running costs)

Level 3 => 650 km x (fixed +running costs)

8.1.1. Fixed cost table as prescribed by the Bargaining council of April 2000

<i>Basic salary</i>	<i>Rate plan</i>
<i>70 001 – 200 000</i>	<i>R8.20</i>
<i>200 001 – 230 000</i>	<i>R9.37</i>
<i>230 001 – 260 000</i>	<i>R10.54</i>
<i>260 001 - -300 000</i>	<i>R12.10</i>

8.1.2. Running costs

Costs are calculated using private rate as determined and effected on the 1st of July each year by the Department of transport.

PART 9: AUTHORISATION

For purposes of implementing this policy:

- 9.1 Only the municipal manager may authorize payments to be made for persons invited for interviews, provided the expenses to be incurred are on the approved budget of the relevant department.
- 9.2 The speaker or the municipal manager may authorize any travel to be undertaken by the mayor provided the expenses to be incurred are on the approved budget of the municipality.
 - 9.2.1 The mayor or municipal manager may authorize any travel to be undertaken by the speaker provided the expenses to be incurred are on the approved budget of the municipality.
 - 9.2.2 The mayor or speaker may authorize any travel to be undertaken by the municipal manager provided the expenses to be incurred are on the approved budget of the municipality.
 - 9.2.3 The mayor, the speaker or the municipal manager may authorize any travel to be undertaken by councilors provided the expenses to be incurred are on the approved budget of the municipality.
 - 9.2.4 The municipal manager may authorize any travel to be undertaken by the directors provided the expenses to be incurred are on the approved budget of the municipality.

- 9.2.5 Directors may authorize any travel to be undertaken by the officials under his/her authority provided the expenses to be incurred are on the approved budget of the municipality.
- 9.3 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, mayor, speaker, executive committee or directors as the case may be.
- 9.4 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 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.
- 9.5 The distance for which any representative may be in terms of this policy is the shortest distance between his/her residence and the place where the event will take place.

PART 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) travel, subsistence and accommodation allowances paid.