

# UMTSHEZI MUNICIPALITY



HUMAN RESOURCES  
POLICY DOCUMENTS



## **UMTSHEZI MUNICIPALITY SUBSISTENCE & TRAVELLING POLICY**

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# **SUBSISTENCE & TRAVELLING POLICY**

## **PART 1: OBJECTIVES**

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 the representatives to broaden their knowledge and understanding 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 contacts with a wide range of local government stakeholders.

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

## **PART 2:**

### **RESPONSILILITIES OF REPRESENTATIVES WHO TRAVELL ON BUSINESSS OF THE MUNICIPALITY**

- ❑ Every representative who travel 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, conducts and statements must be in the best interests of the municipality, and that they must comply with any specific mandate they have been given.
- ❑ Should a trip be cancelled, it is the sole responsibility of the traveler to inform the line supervisor / finance department who issued the order, about the cancellation. Failure to comply with this clause will lead to the representative being responsible for bearing all the expenses incurred

Consistent with the municipality's performance monitoring and evaluation objectives, the Municipal Manager will ensure that a database of all representatives and officials is kept.

## **PART 3**

### **SUBSISTANCE AND TRAVEL ALLOWANCE**

A subsistence and travel allowance is an amount of money paid by the municipality to a representative to cover for the following expenses:

- Meals
- Incidental such as refreshments, snacks, and newspapers; and
- All business related travel

A subsistence allowance does not cover for ~~any personal~~ recreation, such as visits to a cinema, theatre or nightclubs, sightseeing.

#### PART 4

#### **ENTITLEMENT TO A SUBSISTENCE AND TRAVELLING 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 for meals will be as follows: Lunch – R150.00, breakfast – R200.00 and dinner – R250.00 provided that these are not included in accommodation / place of meeting / where function is taking place. A proof of payment must be provided.
- Entertainment of external business associates or contacts of clients or potential investors or potential clients falls outside the scope of subsistence allowance and will be separately reimbursed (subjected to prior approval where applicable) if a representative of the municipality has an entertainment allowance, this entertainment of external business associates or contracts or other parties must be claimed against entertainment allowance.
- A representative of the municipality may claim his or her subsistence allowance as provided in this policy, before embarking on any official trip. **The subsistence allowance must, in order to facilitate its timeous payment, be claimed at least three day before the planned trip.**
- No subsistence allowance will be paid, and no representative will be entitled to 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: Employees of the Municipality.
- Orders and cheque requisitions for travel or any other related expenses in the case of Directors and any other employee; the Director concerned.

- No official traveling arrangements shall be made unless the prescribed travel application form for official journeys, supported by an approved travel budget, has been completed, approved by authorized or delegated person and an official travel order has been issued.

## PART 5

### 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 R1500.00 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.
  - a. Municipal Manager and Directors R1500.00
  - b. All other employees of the council R850.00

Representatives will be required to share accommodation where applicable

- In the event the reservation is cancelled, it is the representative's sole responsibility to advise the administration office immediately to avoid no show charges. Expenses incurred due to employee's failure to notify the office will be charged to the employee's account.
- If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of R600.00 per day. No invoice required. The council bears the right to disapprove staying with a friend or a relative if it deems necessary at any particular point.
- No accommodation shall be provided when business location is within 100km from Municipal Offices unless authorized by the Municipal Manager.

### Overseas trips

- **A standard unaccountable allowance of an amount equivalent to R750.00 per night will be paid for all destinations. This allowance will cater for all meals (breakfast,**

lunch, dinner, refreshments, etc) laundry, local travel, telephone, incidental costs etc.

- The recoverable cost of accommodation for international travel may not exceed the then R1000 per day. The subsistence allowance will be the then equivalence of R600.00 per day.
- Application for “foreign exchange” must at least reach the Finance Department one-week prior to departure.
- To collect the foreign exchange the following must be presented at the bank: Passport/ Visa, Air Ticket and Identity Document.
- Where Visa applications are required, the traveler must apply well in advance (6 weeks) before the date of departure.
- In the case of the domestic and international travel, the day of departure and the day of return each qualify for a subsistence allowance.
- 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.

## PART 6

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

If a representative travels on the business of the municipality or part of a day, a subsistence allowance of R150 per day or part of a day is payable. No more than R150 shall be payable per day, irrespective of the number of trips undertaken

## PART 7

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

- Only “B” category vehicles may be rented, unless it is more cost effective to higher a more expensive vehicle (for example, when the number of representatives involved could justify the hire of 8 seater or more).
- Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst traveling 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.
- When making a requisition for the hiring of a car, the following information must be supplied in addition to the information required in section 1 above before an order can be issued, only group B cars can be hired, exceptions should be pre-authorized by the Municipal Manager:
  1. The number of days the car is needed.
  2. The estimated kilometers that will be driven.
  3. The reason why it is necessary to rent a car.

The invoice must be authorized for payment by the immediate line manager, before it is forwarded to the Finance Department for payment.

- Flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorized by the Municipal Manager.
- All air tickets must be handed over to the Finance Department immediately after the flight to enable Finance to verify that the staff member did in fact board the flight. The ticket also serves as a “Tax Invoice” which enables Umtshezi Municipality to claim “input tax” credit from SARS.
- If a representatives has to utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will be reimbursed at a standard rate of R5.00 per kilometer. The rate will be reviewed biannually i.e. May and December
- Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimize traveling expenses.

**Res. No.: 149.10.13**

**Council Meeting: 30 October 2013.**