

# SUBSISTENCE AND TRAVELL ALLOWANCE POLICY

Council Resolution: CR98-30/05/23

Council Resolution CR.....

## Object

The primary object of this policy is:-  
To set out the basis for the payment of subsistence allowance and travel claim for the purposes of official travelling, either to outside the municipal boundaries, either to outlying areas of the municipality's area of jurisdiction or beyond



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## DEFINITIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning –

“**Accounting Officer**” The Municipal Manager of Greater Guyana Municipality  
“**Africa**” Means the African Continent  
“**Outside South Africa but within Africa**” means all states situated on the African Continent and including Madagascar  
“**Outside Africa**” means all states in the world  
“**Chief Financial Officer**” The person appointed by the Council as Chief Financial Officer and includes any person acting in that position or to whom authority is delegated.  
“**Council**” The municipal council, as referred to in section 157 of the Constitution of the Republic of South Africa (Act 108 of 1996), of the Greater Guyana Municipality;  
“**Day**” For the purpose of claiming travel and subsistence allowance per day, “day” means a completed period of twenty four hours, but also includes – A period of not less than four hours spent by a representative travelling to a required destination outside the area of jurisdiction of the Greater Guyana Municipality, if the representative is necessarily required to sleep over at such destination that night, or is necessarily travelling to board an aircraft or ship for travel outside of South Africa; and a period of not less than four hours spent by a representative travelling back from a required destination outside of the area of jurisdiction of the Greater Guyana Municipality, if the representative was necessarily required to sleep over at such destination the previous night, or has spent the previous night travelling back from a foreign destination to South Africa on an aircraft or ship.  
“**Domicile**” Means the place where a councillor, official, or other party travelling officially on the business of the municipality normally resides or has his or her office place of work.  
“**Mayor**” The Mayor of the Greater Guyana Municipality  
“**Speaker**” The speaker of Greater Guyana Municipality  
“**Head of Department**” An official appointed by the Council to manage a directorate of the municipality in terms of Sec. 57 of Municipal System Act.  
“**Municipality**” Means the Greater Guyana Municipality.  
“**Mutatis Mutandi**” Change as appropriate  
“**Occasion**” For the purpose of this policy means any business trip, congress, seminar, meeting, workshop, educational tour, training course or other instance that a representative is required to attend officially on behalf of the municipality.  
“**Representative**” Any councillor, official or other person travelling away from his or her normal place of domicile and employment on the official business of the Greater Guyana Municipality.  
“**Jurisdiction**” Means the geographical boundaries of the Greater Guyana Municipality as determined by the Municipal Demarcation Board.  
“**Voucher**” Means the original supporting document confirming expenditure.  
“**Head Office**” refers to the Greater Guyana Municipality offices situated at the Guyana Civic Centre.  
“**Employee**” refers to all staff members, excluding senior managers, employed to perform specific services or duties on behalf of the municipality  
“**A subsistence allowance and travel claim**” are amounts of money paid by the municipality to a representative to cover the following expenses:

## 1. PREAMBLE

- (a) The purpose of this policy is to provide for reasonable recovery of travelling costs incurred by officials and office bearers in pursuant of municipality interests at places other than the official place of work.
- (b) The policy thus provides guidelines on travel and subsistence arrangements for municipal officials and office bearers; it is envisaged that from time-to-time officials and office bearers will be required to perform duties away from their normal place of work.
- (c) It is essential that clear policy guidelines be provided regarding the undertaking of such journeys and the travelling and subsistence costs ensuing from such travels.

## 2. OBJECTIVES OF THE POLICY

The objective of this policy is to set out the basis for the payment of subsistence allowance and travel claim for the purposes of official travelling, either to outside the municipal boundaries, either to outlying areas of the municipality's area of jurisdiction or beyond.

## 3. POLICY APPLICATION

This policy is applicable to all employees, councillors, candidates for interview and any other council representative so designated by the Municipality

## 4. LEGAL REQUIREMENTS

- (a) In terms of Section 153(b) of the Constitution, "a municipality must participate in national and provincial development programs";
- (b) Accordingly, section 163 of the Constitution provides for the recognition of national and provincial organizations representing municipalities.
- (c) The Skills Development Act provides for various bodies that offer trainings, workshops, etc., of which municipalities are supposed to participate in.
- (d) Government Gazette No. 31915, provides a determination of the daily amount in respect of meals and incidental costs for purposes of section 8(1) of the Income Tax Act (No. 58 of 1962);
- (e) Municipal Finance Management Act (MFMA) (Act No. 56 of 2003).
- (f) The Income Tax Act (Act No 58 of 1962) as amended.
- (g) Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998) determination of the upper limits of salaries, allowances, and benefits of different members of municipal councils.
- (h) Therefore, subsistence and travel costs will be incurred by the municipality for attendance of government programs, professional institutes' gatherings, etc. that have relevance to the promotion of developmental local government in accordance with the delegation policy of the municipality.

## 5. RESPONSIBILITIES OF REPRESENTATIVES WHO TRAVEL ON OFFICIAL TRIPS OF THE MUNICIPALITY

- (a) Every representative who travels on the business of the municipality must comply with this policy.
- (b) Reimbursement travel allowance is capped to a vehicle with a maximum capacity of 3500cc.

## 6. SUBSISTENCE ALLOWANCE AND TRAVEL CLAIM

(1)

- (a) Subsidence allowance – Breakfast R200.00; Lunch R250.00 and Dinner R300.00.
- (b) All official - related travel.
- (c) A subsidence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs or sightseeing.
- (d) Incidental allowance is only payable when a person is obliged to spend at least one night away from his/her usual place of residence within and outside the Republic of South Africa, in terms of rates determined by the South African Revenue Services from time to time.

**7. ACCOMMODATION AND SUBSIDENCE ALLOWANCE**

**(1) DESTINATIONS OUTSIDE THE AREA OF JURISDICTION OF GREATER GIVANI MUNICIPALITY**

- (a) Where appropriate hotel accommodation is available, the rate for a single room will be payable. The actual cost of accommodation, to include breakfast, lunch and dinner if provided, will be borne by Council. Where meals are provided by the host, no claims will be honoured for such meals.
- (b) If a representative is attending an occasion to which he or she has been invited and the host provides suitable accommodation and meals, the municipality will not pay the cost of accommodation and meals provided.
- (c) In case of the meeting which is going to take place beyond 200km the official must be booked for the night and if the meeting goes beyond 16H00.
- (d) In the case of and international travel, the days away from home each qualify for a subsidence allowance.

**(2) DESTINATIONS WITHIN THE AREA OF JURISDICTION OF THE GREATER GIVANI MUNICIPALITY**

- (a) Subsidence allowance, accommodation costs or meal costs will be paid for trips within the jurisdiction of the Greater Giyani Municipality subject to SARS requirements.

**8. CANDIDATES INVITED FOR INTERVIEW**

- (a) No subsidence allowance, accommodation costs or meal costs will be paid to any candidate invited for an interview whose domicile is within 100 kilometres of the municipality's (Head Offices).
- (b) If a candidate's domicile is more than 100 kilometres from the municipality's offices and the hour set for the interview is in the late afternoon or evening (i.e. at 15h00 or later), his or her accommodation for one night will be arranged by the municipality only if it is not possible for the candidate to make a return journey on the day of interview (establishment that provides dinner, bed and breakfast), no subsidence allowance will be paid.
- (c) If such candidate declines to accept the accommodation arranged and offered by the municipality no moneys in respect of or in lieu of accommodation will be paid to the candidate. Referred to Recruitment policy.
- (d) Airfares for official international travel will be paid by the municipality. Notwithstanding anything to the contrary, all representatives shall travel Economy Class on international flights, unless they have been invited to an occasion and the host is paying the airfare. If such host is paying the airfare, the representative shall have no claim against the municipality for air travel costs.
- (e) If there is no air service available to the country of destination, or no air service all the way to the country of destination and the trip, or part of the trip, has to be undertaken by ship, Unless the representative has been invited to an occasion and the host is paying all costs, the municipality will pay the entire representative's train fare, bus fare or taxi fare costs necessarily incurred in the country of destination. Such costs must be approved as part of the travel package before the trip is embarked on. A representative who incurs additional such costs whilst travelling abroad on the business of the municipality without having

received prior authorisation will only be reimbursed for such costs if proof of expenditure can be produced and the representative can demonstrate that costs were reasonably necessitated by the circumstances.

(g) A re-imbursment travel allowance shall be paid to a candidate or panel member invited for an interview. Internal candidates are not allowed to claim for travel to interview.

(h) The cost of airfare and car hire, if available, must be compared with the anticipated cost of travel by road vehicle and, if deemed to be cheaper, such candidate should be flown to attend the interview.

#### 9. DESTINATIONS WITHIN THE GREATER GUYANI MUNICIPALITY AREA.

(a) No travelling costs will be paid by the municipality in respect of case of public office bearers or officials using vehicles provided by the municipality.

(b) A return journey will be calculated from the Greater Guyani Municipality head office to a place of destination, except for part-time councillors.

(c) The rate to be used for travel claim per kilometre, for re-imbursment travel allowance, shall be the rate determined by fuel tariffs set from time to time by the National Department of Transport Circular No. 6 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport as amended; and Private).

(d) All vehicles must be registered to Payroll Unit through HR Unit.

(e) The distance travelled should be paid in terms of the attached schedule and if kms exceed the destination the reasons should be given in detail.

#### 10. DESTINATIONS OUTSIDE GREATER GUYANI MUNICIPALITY AREA.

(a) No travelling costs will be paid by the municipality in respect of case of public office bearers or officials using vehicles provided by the municipality.

(b) A return journey will be calculated from the Greater Guyani Municipality head office to a place of destination, except for part-time councillors.

(c) The rate to be used for travel claim per kilometre, for re-imbursment travel allowance, shall be the rate determined by fuel tariffs set from time to time by the National Department of Transport Circular No. 6 of 1977 (Transport Handbook on Tariffs for the use of Motor Transport as amended; and Private).

(d) The distance for which the reimbursement applies, must be the shortest distance between municipality's head offices and the location where the official business is to be transacted.

(e) The distance to be travelled should not be more than 550km for a single trip by road.

(f) When planning a trip, the responsible head of department must ensure that the most cost-effective mode of travelling is utilized.

(g) If air travel and car rental is available and is calculated to be cheaper than travelling by road vehicle, the representative shall be required to travel by air.

(h) Calculation must be made prior to undertaking the travel.

#### 11. DESTINATIONS OUTSIDE OF SOUTH AFRICA BUT WITHIN AFRICA

(a) If representatives are required to travel outside of South Africa the actual cost of accommodation will be borne by the municipality.

(b) If a representative is attending an occasion to which he or she has been invited and the host provides suitable accommodation, the municipality will not pay the cost of accommodation.

(c) Depending upon the circumstances regarding the provision of meals included in the charge by the accommodation establishment that the representative is staying at, incidental allowances will be paid at a rate to be determined by Department of Labour or SARS.

(d) If the accommodation establishment provides three meals per day but only some of the meals, or none of the meals, are included in the daily rate but constitute additional costs, the representative shall be entitled to claim the subsistence allowance according to rates above, depending upon which meals are not included in the daily rate.

(e) If a representative is attending an occasion to which he or she has been invited and the host provides any meals, he or she will not be paid a subsistence allowance, as illustrated above, in respect of such meals that the host provides, subject to there being no health or religious circumstances preventing the representative eating any meals provided by the host.

(f) If a representative stays with a relative or friend, no accommodation allowance may be claimed, but can claim the daily subsistence allowance provided for above.

(g) Notwithstanding anything to the contrary, the accommodation and subsistence costs enumerated in United States dollars above shall only be payable from the time that the representative boards an aircraft or ship for departure from South Africa until the time that the representatives rights on South African soil again.

(h) Any accommodation or subsistence costs arising from the representative travelling from his or her domicile to the point of international departure, or returning from the point of international departure to his or her domicile, shall be paid in South African Rand.

(i) The daily subsistence allowance shall be claimed by the representative not later than five (5) days before departure and shall be paid in South African Rand calculated at the prevailing rand / US dollar exchange rate, it being the responsibility of the representative to make arrangements to enable him or her to have the funds available in the country of destination and in the currency of the country of destination.

(j) If the trip concludes before the anticipated date, excess Subsistence and Travelling must be reimbursed to the Greater Giyani Municipality.

## 12. DESTINATIONS OUTSIDE OF SOUTH AFRICA

(a) If representatives are required to travel outside of South Africa but within the Continent of Africa the actual cost of accommodation will be borne by the municipality.

(b) If a representative is attending an occasion to which he or she has been invited and the host provides suitable accommodation, the municipality will not pay the cost of accommodation.

(c) If a representative is attending an occasion to which he or she has been invited and the host provides any meals, he or she will not be paid a subsistence allowance, as illustrated in section D, in respect of such meals that the host provides, if there are no health or religious circumstances preventing the representative eating any meals provided by the host.

(d) Notwithstanding anything to the contrary, the accommodation and subsistence costs enumerated in United States dollars above shall only be payable from the time that the representative boards an aircraft or ship for departure from South Africa until the time that the representatives rights on South African soil again. Any accommodation or subsistence costs arising from the representative travelling from his or her domicile to the point of international departure or returning from the point of international departure to his or her domicile, shall be paid in South African rand.

(e) The daily subsistence allowance shall be claimed by the representative not later than five (5) days before departure and shall be paid in South African rand calculated at the prevailing rand / US dollar exchange rate, it being the responsibility of the representative to make arrangements to enable him or her to have the funds available in the country of destination and in the currency of the country of destination.

### 13. TRAVEL AND CAR RENTALS

- (a) All official domestic airfares and car rental will be paid by the municipality.
- (b) If more than one representative is travelling on a specific trip, they shall share one rented car for up to four passengers or, if there are a greater number, hire a microbus.
- (c) If the party is too large to be accommodated by a microbus, the minimum number of vehicles which can comfortably accommodate the party will be hired.
- (d) Car rental must be approved as part of the travel package before the trip is embarked on.
- (e) A representative who rents a vehicle whilst travelling 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 representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.
- (f) All hired vehicles must be insured with comprehensive cover.

### 14. AUTHORIZATION

- (a) For purposes of implementing this policy, the Delegation Policy of Council will govern the authorization of travel.
- (b) An invitation to attend a workshop, meeting or related event is not an automatic authorisation to attend such workshop or event.
- (c) The required detailed trip authorisation must still be obtained from the applicant's immediate supervisor or a relevant delegated senior official to the applicant.
- (d) 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.
- (e) If any representative fails to do so, Council 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.
- (f) For internal control purposes on kilometres travelled and claimed, a list of kilometres for frequently travelled destinations is attached and shall apply.
- (g) Apps for google maps and distance calculator shall be used to determine the kilometres travelled in cases where the destination is not on the list.
- (h) Trip authorisation must have approved weekly plan as supporting document

### 15. SUBMISSION AND SUBSEQUENT PAYMENT OF SUBSISTENCE AND TRAVEL CLAIMS

- (a) Subsistence and travel claims must be submitted to the relevant claims office at within three (3) months after the return date for undertaking the official trip.
- (b) Claim must be supported by the following documents:

- (i) Nomination letter or Invitation letter with clear instruction to attend by immediate supervisor or delegated official
- (ii) Trip Authorization signed by Immediate Supervisor
- (iii) Completed Claim Form
- (iv) Attendance Register or Confirmation Letter by immediate supervisor or delegated official
- (v) Relevant Invoices (for parking, accommodation, and toll gates)

(c) A predetermined list of kilometres to be claimed for frequently visited places is attached and forms part of the policy for internal control purpose. In cases where the destination is not



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**SIGNED BY:**

**MAYOR: Cllr Zitha T.**

**Signature**



**Date**

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The policy will be reviewed as and when required but within a cycle of three (3) years.

**17. POLICY REVIEW**

The policy must be implemented from the date of approval by the Council.

**16. IMPLEMENTATION**

- (g) Payments shall be processed in the payroll system and paid twice per month.
- (f) Reimbursements of claims shall be done on the 15<sup>th</sup> and the last day of every month.
- (e) Submission due date for subsistence and travel claims shall be on or before the 10<sup>th</sup> of every month for the payment of the 15<sup>th</sup> or and on or before the 25<sup>th</sup> for the end of the Month payment or last day of the week if the 15<sup>th</sup> or last day of the Month is a public holiday or a weekend.
- (d) Excess kilometres claimed must have detailed information confirmed or approved by an immediate supervisor or relevant delegated official.
- (c) Reimbursements of claims shall be done on the 15<sup>th</sup> and the last day of every month.
- (b) included in the list, google maps or distance calculator (apps or website) shall be used to determine the kilometres travelled.

DESTINATION	KILOMETRES (return trip)
Tzaneen	220
Modjadjiskloof	190
Karibu Leisure Resort	180
Tzaneen Country Lodge	196
Phalaborwa	220
Maruleng	340
Makhado	220
Malamulele	90
Thohoyandou	178
Musina	430
Mokopane	450
The Ranch Hotel, PIK	380
Polokwane	330
Nkwanakwa	210
Lenyene	240
Lephalale	770
Belabela	670

Burgersfort	510
Thabazimbi	930
Lebowakgomo	420
Pretoria	890
Centurion	910
Midrand	920
Kempton Park	930
Boksburg	950
Johannesburg	1020
Nelspruit	650
Middelburg	890
OR Tambo International Airport	930
Rustenburg	1050