



Ephraim Mogale Local Municipality

2011/12 Medium Term Revenue and Expenditure Framework (MTREF) Policy Review

TRAVEL AND SUBSISTENCE POLICY

TRAVEL AND SUBSISTENCE POLICY

1. DEFINITION:

EPHRAIM MOGALE

means any area within the radius of the Municipal Boundaries as it exist after the 2000 Local Government Elections.

Fruitless and wasteful expenditure

means any expenditure that was made in vain and would have been avoided had reasonable care been exercised.

Designated Driver

-
means an official of the municipality driving an official, municipal vehicle to transport passengers to a meeting or any other official event.

Incidental expenditure

means expenditure in respect of tips for table and room service, reading material, private telephone. Calls, snacks and non-alcoholic beverages, payable in circumstances where actual expense are not claimed

2. PURPOSE:

The purpose of the policy is:

- 2.1 To encourage a culture of saving costs for the Council.
- 2.2 To regulate the attendance of workshops and meetings by Councillors and Officials on behalf of the Municipality.
- 2.3 To avoid fruitless and wasteful expenditures
- 2.4 To sets out the basis for the payment of accommodation, subsistence and travel allowance for the purpose of official travelling and to maintain control over travel and accommodation expenses and to maximize travel service.

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3. TRAVELLING ALLOWANCES:

3.1.1. Road Transport

3.1.1.1 Councillors and Officials delegated to attend the same function shall at all times attempt to reduce the cost to Council by using one vehicle where circumstances permit.

3.1.1.2 When a Council owned vehicle is used, the driver will be responsible for the payment of all traffic fines related to reckless and negligent driving, speeding and none usage of safety belt. The fine will be paid by Council and the paid amount will be deducted from the individual's salary.
The Council will only be responsible for the payment of all traffic fines related to the roadworthiness of the vehicle used.

3.1.1.3 When a privately owned vehicle is used, the actual kilometres shall be paid in accordance with the following tariffs:

Councillors	Department of Transport Tariffs
Section 57 Managers	Department of Transport Tariffs
Divisional Managers	Department of Transport Tariffs
Officials who are not receiving a fixed monthly allowance	Applicable SARS rate as approved by the minister of finance.(R3.05)

3.1.1.4 Officials not receiving a fixed travel allowance shall utilize Council vehicles unless prior arrangements were made with the relevant Manager for the use of privately owned vehicles.

3.1.1.5 Officials and Councillors, excluding the Mayor receiving a fixed monthly travel allowance may not use Council owned vehicles except for ceremonial purposes as determined by the Municipal Manager.

3.1.1.5 Officials who receive fixed travelling allowance shall not claim for the 500km travelled within the Municipal boundaries, but may claim in excess of 500km in a particular month and a log book must be kept.

3.1.1.6. Council shall at all times ensure that all employees who do not have their own means of transportation and are not receiving a fixed monthly travel allowance utilizes a means of transportation provided by Council only.

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3.1.2. Air Transport:

3.1.2.1 Every attempt shall be made to use the most cost effective mode of transport.

3.1.2.2 All flights for Councillors and Officials shall be in Economy Class, unless another class of travel is specifically authorized by the Municipal Manager, as the case may be.

3.1.3 Hired Vehicles:

3.1.3.1 Attempt should be made to be cost effective when considering hiring vehicles.

3.1.3.2 No vehicles with an engine capacity of higher than 1600cc may be hired except in cases where the hiring of a minibus will prevent the hiring of more than one Sedan vehicle.

3.1.3.3 The Mayor shall be allowed to hire a vehicle equivalent to that of the Mayoral car.

3.1.3.4 If an official or Councillor does not have a drivers licence, arrangement should be made from car rental services provider for a driver at an additional costs, and this can only be authorized by the Municipal Manager.

3.1.4. Fixed Travel Allowance:

3.1.4.1. An application for a fixed travel allowance will be approved by the Municipal Manager from a unit manager given the nature of the duties for the applicant or a special project that requires temporary travel allowance if it constitutes sound financial management.

3.1.4.2. All travel allowances approved as per clause 3.1.4.1. will be calculated at a maximum of 750km per month.

4. SUBSISTENCE ALLOWANCES:

4.1 Day Trips:

i) When an official spend longer than SIX (06) HOURS away from his/her normal workplace and outside of the Ephraim Mogale Local Municipality's area of jurisdiction, a subsistence allowance of Eighty Five Rands(R85.00) only shall be payable per day. These tariffs are in accordance with the guidelines from the South African Revenue Services (SARS).

NB: * No proof of expenditure shall be required **and**

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* Councillors are excluded from receiving payment of subsistence allowance as stipulated in Section 167 of the Municipal Finance Management Act, 2003 as such expenditure will be regarded as irregular and recoverable.

4.2 Overnight Trips:

4.2.1 When staying overnight, all reasonable direct expenses incurred relating to the accommodation will be payable in respect of domestic travel.

4.2.2 If the cost of accommodation does not include breakfast or dinner, it will be paid separately upon submission of proof of such expenditure on return to the office.

4.2.3 If the distance related to an official journey exceeds 100km or the starting time on the day of the event/meeting is scheduled earlier than 9:00 in the morning of the subsequent day, a delegate may stay overnight, subject to the approval of the journey by the relevant Unit Manager for subordinate personnel and Municipal Manager for Section 57 personnel.

4.2.4 An overnight allowance of R110.00 shall be payable for spending a night away from home on a business trip.

OR

A delegate will be given R286.00 per day when he or she stays overnight elsewhere without having to produce a proof of expenditure.

(Elsewhere means anywhere except for places which the Municipality will have to book and pay accommodation for the delegate.)

4.3 Accommodation

Officials and Councillors should stay at affordable hotels , Lodges and at Guesthouses. Higher graded form of accommodation shall be considered subject to approval by the Municipal Manager.

4.4 INTERNATIONAL DESTINATIONS:

4.4.1 Accommodation costs for trips abroad shall be paid directly by the Municipality, and shall not exceed US\$350 per day.

4.4.2 A subsistence allowance of FOUR HUNDRED RANDS R400.00 per day shall be payable for trips within the African Continent and US\$215 per day for trips overseas. (Constant consultation with SARS and Foreign Affairs will be kept to deal with such cases from time to time).

4.4.3 The day of departure and the day of return each qualify for a subsistence allowance.

5. PERSONS INVITED FOR INTERVIEWS:

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Travelling cost shall be the only cost incurred by the Municipality in terms of the AA running cost to any candidate invited for an interview who resides outside the boundaries of the municipality upon completion of a Subsistence and Travelling Claim Form.

The Municipal Manager may approve payment for accommodation of any candidate invited for an interview as per request by the Unit Manager heading the department in which the vacancy exist and such booking shall be done by the Municipality.

6. TOLL FEES AND PARKING:

The actual cost of toll fees and cost of parking incurred while on official trips shall be reimbursed only upon submission of proof of expenditure.

7. ADVANCE PAYMENT:

An advance payment for subsistence and travelling will only be paid for International Trips and must be arranged with the Finance Department few days in advance.

Notwithstanding the above:

Designated drivers may draw an advance for fuel, toll fees, *etc* to a maximum of R500 per return trip, only if the Municipal fuel card is not available.

8. SUBMISSION AND PAYMENT OF CLAIMS

8.1 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization in writing must still be obtained from the Municipal Manager for Unit Managers; relevant Unit Managers for Divisional Managers, Other officials within the department shall obtain approval from the Unit Manager upon recommendations from the relevant Divisional Managers. In the absence of the relevant Unit Managers the Municipal Manager shall grant such approvals.

8.2 Claims must be submitted not later than 60 days from the date of the trip. Claims received after this period shall be rejected, unless condoned by the Municipal Manager.

8.3 Claims must be authorized by the relevant Unit Managers.

8.4 An agenda or invitation must be attached to the claim, where available.

8.5 Toll gate parking costs *etc* shall be reimbursed if the vouchers are attached to the claim.

8.6 Payments of travel and subsistence will be as follows:

8.6.1 All claims received by the finance department between the 04th of a month and/ including the 16th of the month will be paid with the monthly salaries.

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- 8.6.2 All claims received by the finance department between the 17th of a month and/ including the 3rd of the succeeding month will be paid by the 6th of the subsequent month.
- 8.7 In the event that an individual was granted permission to attend a function/event/workshop/meeting/training at the cost of the Municipality but could not attend and no valid reason could be provided, costs incurred by Municipality shall be claimed from the individual's salary.

CERTIFICATE OF ENDORSEMENT:

The Agreement to this Policy shall come into effect on the date of endorsement and shall cease only in the event where such changes/variations has been reduced to writing and been signed by the Accounting Officer. Unless in the event where any changes in any applicable Act, Legislation or Bargaining Council Main Agreement has jurisdiction to supersede.

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TRAVEL AND ACCOMODATION APPROVAL FORM

(Invitation to be attached as proof)

Name		
Date of trip		
Purpose of trip		
Number of official(s)		
Name of attendee(s)	(1) _____ (2) _____ (3) _____ (4) _____ (5) _____	
Number of days to be spent		
Number of nights to be spent		
State whether using own vehicle or Council		
Particulars of vehicle: (Provide full particulars if you are using own vehicle and only the Make and Registration number for Council vehicle)	(1) Vehicle Make: _____ (2) Year Model: _____ (3) Engine Capacity: _____ (4) Registration Number: _____ (5) Purchase Price: _____	_____ _____ _____ _____

NB:

Receipt of invitation/identification of duties or functions to be performed elsewhere is not an automatic authorization to attend such a workshop / event. The required authorization or permission must still be obtained.

**Signature Applicant
Manager**

Div. Manager

Unit Manager / Municipal

Date

Date

Date

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**CLAIM FOR TRAVEL/SUBSISTANCE FOR OFFICIALS AND
COUNCILLORS**

(COUNCIL RESOLUTION _____) where applicable

NAME:		P NUMBER	
POSITION OF CLAIMANT:			
VEHICLE MODEL:			
REG NO:			
ENGINE CAPACITY:			
PURCHASE PRICE:			
OWN	OFFICIAL	MARK WITH X	

CLAIM FOR TRAVEL COSTS

DATE	FROM	TO	ROUTE AND PURPOSE OF TRIP	KM

OVERNIGHT ALLOWANCE

DATE BOOKED IN:		DATE BOOKED OUT:		TOTAL NIGHTS:
DAY ALLOWANCE (6 HOURS AND / OR MORE)				
DEPART		RETURN		ROUTE AND PURPOSE
<i>Date</i>	<i>Time</i>	<i>Date</i>	<i>Time</i>	

I, the undersigned, hereby certify that this claim submitted, is in respect of actual distances travelled for official purposes and/or actual period taken into effect.

Signature Applicant

Unit Manager

APPROVED. MUNICIPAL MANAGER

DATE

DATE

DATE

NB: Claims must be submitted for payment within 60 days in terms of Clause 8.2 of the Policy.

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FOR FINANCE DEPARTMENT USE

CALCULATIONS:

AIR TICKET _____ @ R _____ R _____

TRAVEL COST (per AA tariffs or _____ km @ R _____ km
Dept of Transport) R _____

OVERNIGHT ALLOWANCE _____ @ R 90.00 per night R _____

DAY ALLOWANCE _____ @ R 73.50 per day R _____

OTHER COSTS (Toll gates etc) _____ @ R _____ R _____

CHEQUE AMOUNT: R _____

DEBIT VOTE NO: _____

APPROVED: _____
CHIEF FINANCIAL OFFICER

DATE: _____