

Blouberg Municipality



CHAPTER 18: TRAVEL ALLOWANCE POLICY

STATUS: As approved on the 29 May 2025

1. PREAMBLE

The Blouberg Municipality acknowledges the fact that managers and staff members in certain occupational categories require transport to effectively carry out duties assigned to them, and thereby provide travel allowance to facilitate their work.

2. PURPOSE

The objective of this policy is to create uniform standards across the Municipality to regulate the travel allowance for staff members who qualify and utilise the benefit, and councillors.

3. SCOPE OF APPLICATION

This policy applies to all staff members of the Municipality.

4. LEGISLATIVE AND POLICY FRAMEWORK

- Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996)
- Municipal Systems Act, 2000 (Act No. 32 of 2000)
- Municipal Structures Act, 1998 (Act No. 117 of 1998)
- Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- Labour Relations Act, 1995 (Act No. 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- South African Local Government Bargaining Council: Collective Agreements
- Income Tax Act, 1962 (Act No. 58 of 1962)

5. DEFINITIONS

All terminology used in this policy shall bear the same meaning as in the Regulations or applicable legislation, or as defined and / or explained in the Glossary of Terminology in the Human Resources Policies Manual.

6. PROBLEM STATEMENT

The abuse of traveling and subsistence results in a municipality spending more funds in this areas at the compromise of basic service delivery to the communities of Blouberg Municipality.

7. POLICY PROVISIONS

7.1 Travel allowance for managers and staff members

7.1.1 All councillors and senior managers receive a total remuneration package from the Municipality that includes a transport allowance of not more than twenty-five percent (25%) of the annual total remuneration package. A councillor or senior manager has the discretion and may include a transport allowance in the total remuneration package.

7.1.2 Some staff members qualify to receive a transport allowance of up to twenty-five percent (25%) of their annual basic salary, for the purchase of a private vehicle to use in official duties, based on their duties as per their job descriptions.

7.1.3 A councillor or senior manager that elected to include a transport allowance within the total remuneration package structure, or a staff member who receives a transport allowance, shall meet the following requirements:

- (a)** At all times provide motor vehicle of suitable type and condition for the proper discharge of duties.
- (b)** A logbook acceptable to the South African Revenue Service (SARS) shall be kept recording the official and private kilometres travelled.
- (c)** The travel allowance shall be included in the IRP5 for purposes of accounting to SARS.
- (d)** On Income Tax Assessment, a manager or staff member or a Councillor receiving travel allowance shall account to SARS for the use of the travel allowance.

7.2 Reimbursement allowance for travel

7.2.1 In addition to the travel allowance as provided for under clause **7.1** above, staff members other than a councillor, senior manager or staff member receiving a travel allowance may be reimbursed for actual expenditure incurred for the Municipality's business travel purposes.

7.2.2 Such official distances travelled shall be reimbursed in accordance with the applicable tariffs prescribed by the national Department of Transport from time to time. Provided: Staff member or a Councillor is reimbursed to the value of expense incurred; incurred the expenditure on the instruction of the Municipality; and delivered proof of the expenditure incurred.

7.3 Official business travel

- 7.3.1** Official or business-related travel is travel for any purpose that directly relates to Municipal duties of a councillor, senior manager, or staff member and excludes travelling between the place of residence and ordinary place of work.
- 7.3.2** Full-time councillors who are allocated offices at the Municipal precinct shall have their ordinary place of business at the Municipal precinct.
- 7.3.3** Part-time Proportional Representative Councillors shall similarly have ordinary place of business at the municipal precinct, unless deployed to a specific ward.
- 7.3.4** Part-time Proportional Representative Councillors deployed to a specific ward shall have their ordinary place of business in that ward.
- 7.3.5** Part-time Ward Councillors shall have their ordinary place of business at their respective wards (ward office/home).

7.4 Qualification requirements to a reimbursement for travel

- 7.4.1** A reimbursive travel allowance may only be extended to councillors and senior managers, and staff members who receive travel allowance, once they have exceeded a reasonable threshold or benchmark of their monthly business kilometres.
- 7.4.2** All travel on business of the Municipality shall be approved as such before a manager or staff member is entitled to claim for the reimbursive travel allowance.
- 7.4.3** No travel claim shall be paid, and no councillor, senior manager or staff member shall be entitled to the reimbursement, if the travel is not related to official business of the Municipality.

7.5 Control measures on staff members receiving travel allowance

- 7.5.1** Staff members are to provide proof of availability of suitable vehicles on the request of the HRM Unit. If not, the affected staff members' travel allowance shall be stopped until such vehicle is available / provided.
- 7.5.2** In the event that it can be shown that the staff member has received the travel allowance without having the requisite vehicle available, the overpayment of the allowance for the identified non-qualifying period shall be recovered from the staff member's salary.
- 7.5.3** Staff members shall inform their Head of Departments immediately if they do not have a vehicle available.

7.5.4 Furthermore, the staff member shall face disciplinary action and / or incapacity proceedings relating to their non-compliance with this provision and inability to perform their duties due to them not having the requisite vehicle.

7.5.5 Where the staff member continued to receive the allowance without complying with the above qualifying requirements, they shall be charged with fraud.

7.5.6 Staff members who are in receipt of existing travel allowances which they enjoyed from their previous post and who are appointed to promotional posts that do not have travel allowances attached to them shall have their existing travel allowance discontinued from the time that they take up the duties of the new promotional post.

7.6 Measures for claiming travel reimbursement

7.6.1 The duly prescribed claim form shall be fully completed by a councillor, senior manager or staff member.

7.6.2 The prescribed form shall be submitted, within predetermined dates, to the salaries or payroll section of the Finance department or the duly delegated official, to be considered for reimbursement.

7.6.3 A claim for a travel reimbursement shall be supported by:

- (a)** A logbook /log sheet acceptable to SARS, recording the official kilometres travelled in a defined month.
- (b)** Any relevant supporting documentation.

8.ACCOMMODATION AND SUBSISTENCE ALLOWANCE

(1) DESTINATIONS OUTSIDE THE AREA OF JURISDICTION OF BLOUBERG LOCAL 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 subsistence allowance.

(2) DESTINATIONS WITHIN THE AREA OF JURISDICTION OF THE BLOUBERG LOCAL MUNICIPALITY

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

9. CANDIDATES AND EXTERNAL PANEL MEMBERS INVITED FOR INTERVIEWS

- (a) No subsistence allowance, travelling cost, accommodation costs or meal costs will be paid to any candidate invited for an interview and such shall be stated in a letter inviting the candidate for an interview.
- (b) A re-imbusement travel allowance shall be paid only to external panel member(s) invited for shortlisting meeting and interview.

10. 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 alights 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 Blouberg Local Municipality.

11. 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.

12. SUBSISTENCE ALLOWANCE AND TRAVEL CLAIM

- (a) Subsistence allowance – Breakfast R200.00; Lunch R250.00 and Dinner R300.00.
- (b) All official - related travel.
- (c) A subsistence 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.
- (e) Drivers of political principals (i.e. the Mayor and Speaker) are allowed to claim traveling Kilometres from their place of stay.

13. ALLOWABLE KILLOMETRES TO BE CLAIMED

13.1 Below are the maximum kilometres allowed for claim per month by Councillors, Senior managers and municipal staff; -

CATEGORY	MAXIMUM KM`S
All Councillors	1500 KM`S
All Municipal Employees	1500 KM`S

14. DOCUMENTS REQUIRED TO CONFIRM OWNERSHIP OF VEHICLE USED FOR OFFICIAL PURPOSES

14.4 Both officials and councillors are required to submit the following documents to prove ownership of the Vehicle used for official purposes: -

- (a) Vehicle ownership papers in the name of the official or the Councillor.
- (b) In special cases the ownership shall be confirmed by submitting the following documents: -
 - (i) written agreement between the Seller and the buyer- of which the buyer should be the official or Councilor or
 - (ii) Proof of payment that the buyer has paid the vehicle in full or proof that the buyer is the one paying the instalment to the bank or the dealer; and
 - (iii) A sworn affidavit by the buyer (i.e. official or Councillor) confirming that the agreement is in existence and that he is in position of the vehicle which is used for official travelling).

15. Roles and responsibilities

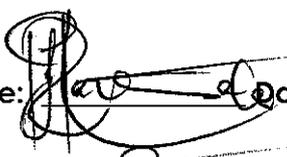
- i The Municipal Manager or his / her delegated assignee(s) accept overall responsibility for the implementation and monitoring of the policy.
- ii The financial implications related to implementing this policy shall be qualified and quantified by Human Resource Management in consultation with the Chief Financial Officer.

16. POLICY MONITORING AND EVALUATION

- 1.2 This policy shall be implemented and effective once recommended by the Local Labour Forum and approved by Council.
- 1.3 Non-compliance to the stipulations contained in this policy shall be regarded as breach of Code of Conduct, which shall be dealt with in terms of the Code of Conduct.
- 1.4 Head of Corporate Services shall carry out the monitoring and evaluation of the policy's implementation.

17. POLICY APPROVAL

This policy was formulated by HR Management in consultation with the Local Labour Forum.

Authorised by Municipal Manager: Signature:  Date: 29/05/2025

Recommended by Portfolio Committee
on Corporate Services: Signature:  Date: 29/05/2025

Approved by Speaker of Council: Signature:  Date: 29/05/2025