



BLOUBERG LOCAL MUNICIPALITY

POLICY ON TRAVEL AND SUBSISTENCE

TABLE OF CONTENTS

| CONTENT | PAGE |
|---|------|
| 1. Purpose..... | 2 |
| 2. Scope | 2 |
| 3. Objectives..... | 2 |
| 4. Preamble..... | 2 |
| 5. Legislative Framework..... | 2 |
| 6. Timeframe..... | 2 |
| 7. Definitions..... | 3 |
| 8. Principles..... | 3 |
| 9. Roles and Responsibility..... | 3 |
| 10. Policy directive and procedures..... | 3 |
| 11. Reimbursement Allowance..... | 4 |
| 12. Traveling by officials not receiving fixed traveling allowance..... | 5 |
| 13. Policy Review..... | 6 |



1. PURPOSE

The purpose of this policy is to create an organized and effective framework to enable employees and councillors to attend official business of the council, and to cover reasonable expense therefore, by paying the relevant travelling and subsistence allowance, within specifically approved stipulations

2. SCOPE

This policy applies to all the councillor and officials of the Blouberg municipality, excluding the mayor, whose travelling and subsistence arrangement shall be as per council approved SALGA mayoral Handbook

3. OBJECTIVE

Subject to the provision of the standard conditions of service and any other Bargaining council agreements the objective of this policy are as follows:

- To define framework for controlling and managing travelling of officials and politicians
- To define criteria of accommodation types, travelling classes according to grade or levels of employees and politician
- To control financial aspects related to traveling and accommodation of officials and politicians
- To outlines responsibilities of municipal representatives who travel on business of the municipality
- To define legislative requirement pertaining to travelling and subsistence in relation with Municipal Finance Management Act 56 of 2003

4. PREAMBLE

Most of the duties and programmes relating to the business of the Blouberg Municipality require extensive travelling by officials and councillors to be properly executed. In the process the said officials and councillors have to be reimbursed for excess kilometre travelled each month and to be paid subsistence and travel costs. For proper accounting and management of resources availed for these travels, travel and subsistence policy is essential

5. LEGAL FRAMEWORK

- In terms of section 153(b) of the constitution of the Republic of South Africa a municipality must participate in national and provincial development programmes. Section 63 of the same alludes to the government recognition of national and provincial organizations representing municipalities. Therefore, subsistence and travel costs will be charged to the Municipality for attendance of government programmes, professional institutes gathering, workshops and training that have relevance to the promotion of development local government in accordance with the delegation policy of the Municipality
- Section 66 of the Municipal Finance Management Act No. 56 of 2003, obliges the accounting officer of the municipality to report to the council, in the formant and for the periods prescribed (for example, on monthly or quarterly basis), all expenses relating to:
 - Staff salaries
 - Allowances
 - And benefits, (separately disclosing among others, travel, subsistence and accommodation allowance paid)

6. TIMEFRAMES



6.1 This policy becomes effective after approval by the Council and on a date determined by the Mayor by official notice published and displayed on the Municipality's noticeboards

6.2 Revision of the policy shall take place as a result of the following circumstances

- When the policy, in whole or part, falls short of serving the interests of the council
- When new legislation require review of the policy
- When adjustment to the inflation rate necessitates adjustments to the tariffs, which should be considered annually with the income/ expenditure budget.

7. DEFINITIONS

- Council means the council of Blouberg Municipality
- Delegate means or includes any employees or councillor who is authorized to attend congress and conferences as an employee or councillor of the Blouberg Municipality
- Employee means an employee of Blouberg Municipality irrespective of the nature of his employment contract and includes interns.
- Policy or this policy means the travel and subsistence policy.
- Senior Managers means the municipal manager and manager reporting directly to the Municipal in terms of section 57 of the Local Government: Municipal System Act, 32 of 2000
- Senior manager means the municipal manager and managers reporting directly to the Municipal Manager in terms of section 57 of the Local Government: Municipal system Act, 32 of 2000

8. PRINCIPLES

The following are the principles that govern the implementation and use of this policy

- Promotion of professional ethics
- Promotion of efficient, economic and effective use of resources
- Accountability
- Transparency and openness

9. ROLES AND RESPONSIBILITY

9.1 Delegates

- To comply with the travel and subsistence policy
- To be ambassadors for the Municipality that is their action and conduct must be to the benefits of the municipality
- To comply with any specific mandate they have been given
- To inform the chief financial officer of cancellation of the planned event and to repay any monies received in advance within two days

10. POLICY DIRECTIVE AND PROCEDURES

10.1 Approval

- No travel or subsistence allowance is due unless attendance of an event was approved by the relevant authority as follows

| DELEGATED PERSON | APPROVES FOR |
|---------------------|--|
| Mayor | Municipal Manager, EXCO members |
| Speaker | All other councillors |
| Municipal Manager | Director, Officials in the Dept. of the MM |
| Directors | Officials in the Department |
| Executive committee | Across border travels and occasion longer that 31 days |



10.2 Booking

- Booking arrangement for event, transport and accommodation are the responsibility of the department to which delegates belong
- All councillors bookings are the responsibility of the department of corporate services

10.3 Subsistence allowance

- A subsistence allowance shall be a fixed amount as per SARS or Treasury Regulations
- In determining the allowance council shall seek to cover the cost of meal on route and or in between, reasonable gratuities, refreshment, newspapers and sleep out inconvenience
- Subsistence allowance for international trips shall be claimed at least three days before planned or one day after an unplanned trip
- The allowance shall be paid into the delegate's official bank account when trip approval and the prescribed travel and subsistence forms have been fully signed
- The allowance is forfeited if not claimed within the three years of its accrual as per prescription act.
- Where meals are not served or have not been included in the accommodation booking arrangement delegate may purchase their own meals and claim costs subject to the SARS, Treasury regulation
- Delegates on international travels shall be entitled to an international subsistence allowance
- The exchange rate multiplied by the equivalent south Africa currency allowance per day

10.4 AIR TRAVELS

- Travel by air is only available for destinations considered far enough as to justify air transport by the accounting officer of the Municipality. Time required and or available for the trip, safety and comfort shall also be considered when this decision is made
- Travel by air allowance for the mayor is actual cost of a business class air ticket of SAA or applicable other airline or as determined in the SALGA mayoral Handbook
- Travel by air allowance for other officials and councillor is actual cost of an economy class air ticket of the SAA or applicable other airline
- All airfare shall be opened at a travelled agency and the following procedure shall be observed
 - Approval by the mayor municipal manager or directors within the delegated powers
 - An official air face order form will be requested by the relevant departments and issued by the department of the chief financial officer
 - Bookings will be done by department and the order form will be submitted to the travel agency as authorization
 - Payment shall be effected against an invoice issued by the travel agency

10.5 ROAD TRAVEL

Travel by road allowance shall include running costs determined in terms of rates of the Department of Transport and parking and toll gate chargers.

11. Reimbursement allowances



- 11.1.1 Travel allowance is payable for any daily official travel above 20 kilometres per trip including approved official travel within the municipal jurisdiction.
- 11.1.2 Travel and Subsistence claims must be authorized by the relevant Unit Managers/Head of Department and / or Municipal Manager.
- 11.1.3 Subsistence & Travel claims must be submitted not later than 90 days from the date of the trip, Claims received after this period shall be rejected, unless condoned by the Municipal Manager.
- 11.1.4 Payment for travel and subsistence claims shall be processed through payroll and paid electronically into a designated account of an official or office bearer along with the official or office bearer's salary/remuneration.
- 11.1.5 Only payment for travel and subsistence allowance of persons who are not municipal officials or office bearers may be processed through other payment options and timelines.
- 11.1.6 Payment for travel and subsistence allowance will be tax deductible and declared as benefit accrued to an employee in accordance with applicable tax guidelines.
- 11.1.7 Only duly authorized officials and office bearer's travel and subsistence claims submitted on or between the 05th and 30th each month shall be considered for payment during the next pay period for that month.
- 11.1.8 Travel and subsistence claims received after the 05th of the month will be processed for payment during the subsequent salary month.
- 11.1.09 In the event an official or office bearer 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.
- 11.1.10. If a delegate opts to stay at a private accommodation instead of a council paid accommodation, allowance as per SARS regulation and/or AA rates per day shall be payable
- 11.1.12 Expenses relating to parking expenditure may be claimed.

12. Travelling by officials not receiving fixed travelling allowance.

- 12.1 Officials not receiving a fixed travel allowance shall utilize council vehicles for their official delegation.
- 12.2 Officials shall only be granted a council vehicle if they poses a valid driver's license, the municipality reserves the right to test any official that it contemplates issuing a municipal vehicle to satisfy itself that the person is able drive and will not endanger his/her own life or damage council property or that of others and expose himself / herself and / or council to various claims and damages.
- 12.3 Officials not receiving a fixed travel allowance may only travel and claim using their private vehicles upon prior approval by the relevant director.
- 12.4 If a delegate has to utilise his or her personal motor vehicle he or she will be reimbursed at the rates determined by the Department of Transport.
- 12.5 The distance, to which the reimbursement applies, must be to the shortest distance between the municipality's offices and the location where the official business is to be transacted.

Monthly traveling limit

| DELEGATED PERSON | APPROVES FOR |
|-------------------|--------------|
| Mayor | |
| Speaker | |
| Councillors | |
| Municipal Manager | |
| Directors | 2 500 |



| | |
|-----------------|------|
| Other employees | 2000 |
|-----------------|------|

13. POLICY REVIEW

The policy will be reviewed annually in order to ensure it remains responsive and relevant

| | |
|-----------------------------------|--|
| Signature: | |
| Initials and Surname: | |
| Designation: | |
| Council Resolution Number: | |
| Council Date: | |