



A Better Place for All

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DR NKOSAZANA DLAMINI ZUMA LOCAL MUNICIPALITY

TRAVEL & SUBSISTENCE: POLICY

Date Approved:	21 MAY 2024
Effective Date:	2024-2025

1. PURPOSE

The objective of this policy is to set out the basis for the payment of subsistence and travel allowance for the purposes of official traveling.

2. SCOPE OF APPLICABILITY

The policy is applicable to all employees and councilors of Dr. Nkosazana Dlamini-Zuma Municipality.

3. DEFINITIONS

3.1 "Employer" means the Dr. Nkosazana Dlamini-Zuma Municipality.

3.2 "Employee" means a person employed by the employer to carry out certain duties and responsibilities in return for remuneration.

3.3 "Council" means the council of Dr. Nkosazana-Dlamini Zuma Municipality.

3.4 Breakfast means meals taken between 06h00 and 10h00

3.5 Lunch means meals taken between 12h00 and 14h00

3.6 Subsistence Allowance means money paid to an employee traveling on the company's business to cover the cost of travel, lodging, and meals. Laundry, and other associated expenses

3.7 Domestic travel means travel within South Africa and the Southern African Development Economic Community (SADEC),

3.8 International travel shall mean travel to any country other than South Africa and the SADEC countries.

4. PRINCIPLES

4.1 Responsibilities of representatives who travel on the business of the municipality

4.1.1 Every representative who travels on the business of the municipality must comply with this policy.

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

5. SUBSISTENCE AND TRAVEL ALLOWANCE

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

- Meals and Incidental cost
- All business-related travel.

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

5.3 Acceptable proof of expenditure shall include the following:-

- A handwritten receipt of payment on a printed format clearly indicating the name and business address of the establishment on whose behalf the receipt is issued. Such a receipt must be stamped where possible.
- A handwritten receipt of payment on a piece of paper on which the name and business address of the establishment on whose behalf the receipt is issued has been stamped in indelible stamp pad ink.

5.4 No room service charges or gratuities will be paid for.

6. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

- 6.1 Entertainment of external business associates or contacts or clients or potential investors or potential clients falls outside the scope of the subsistence allowance and will be separately reimbursed (subject to prior approval where applicable).
- 6.2 No subsistence allowance will be paid, and no representative will be entitled to a subsistence allowance, if the trip or travel is not related to the official business of the municipality. All travel on the business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.
- 6.3 For the purposes of a subsistence allowance, a representative shall mean:-
- Municipal Manager
 - Heads of Department
 - Officials specifically authorized to represent the municipality on a particular occasion.

7. ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE

- 7.1 Representatives who travel on the business of the municipality, where the business is unavoidable and entails two or more nights to be spent away from home, may check inn in a hotel, guesthouse, or bed-and-breakfast in a rating of Grade 3 establishment, however in circumstances where Grade 3 establishment is not allocated permission should be granted by the Municipal Manager to use any alternative accommodation.
- 7.2 Representatives who travel on the business of the municipality, where the business is unavoidable may only book where the trip exceeds **500km** on return.
- 7.3 The actual cost of accommodation will be borne by the municipality, subject to a maximum of **R2300.00** (Two Thousand and Three Hundred Rand) 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.
- 7.4 If the cost of accommodation includes, as it often does, the provision of breakfast, a subsistence allowance of meals (Dinner) shall not exceed an amount of **R200.00** (Two Hundred Rand) only per night or government rates, where the government rate is not applicable dinner cost shouldn't exceed **R250.00** (Two Hundred and Fifty Rand) only on domestic travel.
- 7.5 A daily allowance of **R169,00 (One Hundred and Sixty-Nine Rand)** per day, will be payable to an employee who is to spend at least one night away from his or her usual place of residence on Municipal business.

- 7.6 If an employee/councilor stays in a place of the relative or friend, an accommodation allowance of **R800.00 (Eight Hundred Rand only)** per night.
- 7.7 Employees traveling internationally will be insured by the municipality to cover the following:-
- Medical costs
 - Personal liability
 - Personal accident
 - Baggage
- 7.8 Employees intending to travel to any SADEC country may request the Mayor to approve a higher accommodation, if the representative can motivate such an increase in the light of prevailing exchange rates in such country or countries.

8. CAR RENTAL AND OTHER TRAVEL COSTS

- 8.1 Only "Group J" for Municipal Manager, Sec 56 Managers, "Group D" and 'Group B" for all other employees below Sec 56 category, unless it is more cost-effective to hire a more expensive vehicle (for example, when the number of representatives involved could justify the hire of a micro-bus) or a vehicle is required for a particular terrain.
- 8.2 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 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.
- 8.3 All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorised by the Mayor or Municipal Manager, as the case may be.
- 8.4 International travel to the meetings or events will only be approved if it is considered critical to attend the meeting or event, and only the officials that are directly involved with the subject matter will be allowed to attend the meeting or event.
- 8.5 If the employee has to utilize his or her personal motor vehicle for business purpose, he/she will be reimbursed at the rate per kilometer as per Department of Transport or any other maximum amount prescribed from time to time by the South African Revenue Service. The distance to which the reimbursement applies, must be the shortest distance between the municipality's offices and the location where the official business is to be transacted. If the total number of kilometers for which such reimbursement

is received exceeds 8000 km in any tax year, reimbursement for the excess kilometers over 8 000 km must be taxed for PAYE purposes.

- 8.6 All toll fees and parking fees will be reimbursed upon the submission of receipts.
- 8.7 Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimize traveling expenses.
- 8.8 Council will not provide any insurance cover for privately-owned vehicles used for official purposes.
- 8.9 The personal belongings of representatives will not be insured at the municipality's cost.

9. SUBSISTENCE AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS

9.1 If a candidate has to travel from outside the Harry Gwala District jurisdiction to attend interviews the Municipality shall reimburse the traveling costs incurred by the candidate using the DOT rates upon verification by the Finance Department.

AUTHORISATION

9.1 For purposes of implementing this policy:-

- Only the Municipal Manager/Acting Municipal Manager or delegated officials may authorize any travel to be undertaken by officials, subject thereto that the expenses to be incurred are on the approved budget of the relevant department;

9.2 An invitation to attend a workshop, meeting or related event is not an automatic authorisation to attend such workshop or event. The required authorisation must still be obtained from the Municipal Manager or the HOD as the case may be.

10. LEGAL REQUIREMENTS

10.1 In terms of section 66 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) the accounting officer of the municipality must report to the Council, in the format and for the periods prescribed, all expenses relating to staff salaries, allowances and benefits, separately disclosing (inter alia) travel, subsistence and accommodation allowances paid. (This is done through the Annual Financial Report).

10.2 Representatives will be held liable for any unauthorised expenses as well as expenditure where there is no acceptable documentary proof. In addition to that disciplinary steps will be taken against the employee/councilor.

- 10.3 No payment will be made for subsistence and travel, without submission of acceptable required documentary proof. The Finance Department must request the representative to submit all signed forms authorizing the trip together with proof (attendance register where possible) before payments is effected.

11. COUNCIL APPROVAL AND EFFECTIVE DATE

Approval of Policy by Council and Effective date: -----



MUNICIPAL MANAGER

21 MAY 2024

DATE