

EHLANZENI DISTRICT MUNICIPALITY

TRAVEL AND SUBSISTENCE POLICY

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1. SCOPE OF APPLICATION

1.1 This policy is applicable to:

1.1.1 All Councillors of Ehlanzeni District Municipality

1.1.2 All officials of Ehlanzeni District Municipality

1.1.3 Applicants for employment interviews, travelling on official business and as such are formal Councillor/officials of Ehlanzeni District Municipality.

2. USE OF AIRLINES

2.1 For domestic trips both major and low-cost airlines may be utilised.

2.2 For international trips all major airlines may be utilised.

2.3 Preference will be given to airlines which operate direct flights between KMIA and the destination.

2.4 The Executive Mayor, Mayoral Committee members, Speaker, Municipal Manager and the Executive Management Team (EMT) and officials shall travel by means of economy class on both international and national flights at the best available fare to the airport closest to the authorised destination, plus the relevant first class rail, motor coach or boat fare, or any reasonable combination thereof necessary to complete the journey to the said destination.

2.5 In all other cases, the most economical airfare shall be paid for all members of the Council and for officials of the municipality who travel by air abroad and within the boundaries of South Africa to the airport closest to the authorised destination, plus the relevant first class rail, motor coach or boat fare, or any reasonable combination thereof necessary to complete the journey to the said destination; provided that, in the case of all member of the Council and all Municipal officials, where there are:

2.6 Time constraints and/or when economy class flights are not available, business class may be authorised by the Executive Mayor or Municipal Manager or their nominees.

2.7 Physical and/or medical reasons (supported by the submission of a letter from a registered medical practitioner) why a member of council or an official may not travel in economy class, the Executive Mayor or Municipal Manager or their nominee may authorise travel by means of business class.

3. USE OF VEHICLES

3.1 Hired vehicles

3.1.1 Shall be applied for, quantified and paid for by the Municipality.

3.1.2 Only officials/Councillors with a valid South African driver's licence may hire vehicles; where the Councillor/official who is not in possession of -

such licence hires a vehicle, he or she may be held personally liable for all damages; the responsibility and related costs of obtaining an international driving permit, where required, rests with the Councillor/official.

3.1.3 Only “A”, “B” and “C” category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle, for example, when the number of representatives involved could justify the hire in advance by the Executive Mayor or Municipal Manager. Category “F”, “G” and “H” may only be rented for the Executive Mayor, Speaker, the Chief Whip of Council, Municipal Manager and Managers directly reporting to the Municipal Manager.

3.1.4 For physical handicapped Councillors/officials who are only able to drive a particular type of vehicle and those in possession of a driver’s licence restricted to automatic vehicles: the most suitable vehicle.

3.2 Private Vehicles

3.2.1 The boundaries of Ehlanzeni District Municipality shall be used to determine payment for travel outside such boundaries by means of private transport for officials who are in receipt of a fixed transportation allowance, or where such an allowance has been factored into the total cost of employment package of the official concerned. In such cases, only the applicable cost per kilometre will be paid as updated from time to time. Should the destination of the trip be outside the boundaries of the Municipality, the distance for the cost per kilometre will be measured from place of residence or place of work, whichever is relevant by use of Google Maps.

3.2.2 Those employees who are not in receipt of a travel allowance shall be reimbursed according to the latest prescribed SARS km tariff calculated from their place of work.

3.2.3 Those employees who are in receipt of Motor Vehicle Allowance shall be reimbursed according to the latest prescribed SARS km tariff. The travelling distance shall be calculated from their place of work.

3.2.4 Councillors using private transport outside the boundaries of Ehlanzeni District Municipality will be reimbursed according to the guidelines issued by the relevant National Department as updated from time to time.

3.2.5 A Councillor/official who uses private transport shall be paid the lower of the following two:

3.2.5.1 Cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economic and practical means of transport; or

5.2.5.2 Actual cost per kilometre as determined according to the rate applicable to the Councillor/official, on condition that such person may not claim subsistence costs for a longer period than would have been applicable in the case of air travel.

3.2.6 A claim submitted by a Councillor or a municipal official, when travelling outside the municipal area of Ehlanzeni District Municipality with private transport on official municipal affairs, will be considered for re-imbursement, subject to the following conditions:

3.2.6.1 That the trip is for an approved official event;

3.2.6.2 That no other municipal transport was available at the time of the travel, as confirmed with the Executive Mayor, relevant Manager or Municipal Manager;

3.2.6.3 That the use of a private transport is pre-approved by the Executive Mayor, relevant Manager or Municipal Manager.

4. DOMESTIC TRAVEL, SUBSISTENCE AND ACCOMMODATION

When travelling to a destination outside the boundaries of Ehlanzeni District Municipality in circumstances requiring absence from the office for longer than 24 hours, the following may be utilised and claimed: (the time of departure from residence or office up until the time of arrival back at residence or office shall be used for purposes of calculating the length of absence):

4.1 Accommodation

4.1.1 Councillors/officials who travel on the business of the municipality, where the business unavoidably entails one or more night to be spent away from home, may stay in a 3 or 4 star hotel, motel, guest house or bed and breakfast establishment and the actual cost of accommodation will be borne by the municipality.

4.1.2 If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager or the Executive Mayor

4.1.3 The location of the accommodation should not be more than 20km from the venue of the event, unless approved by the Municipal Manager or Executive Mayor.

4.2 Subsistence and Meals Allowance

4.2.1 A daily subsistence allowance will only be applicable where official business unavoidably entails one or more nights to be spent away from home.

Section 8(1)(c) of the Income Tax Act 58/1962 prescribes that the employee shall be deemed to have actually expended a certain

amount (daily expenses in respect of meals and/or incidental costs) where the employee is absent from his/her usual place of residence:

- Where the accommodation to which the allowance or advance relates is in the Republic, an amount equal to the following is deemed to be expended for each day or part of a day in the
 - Only incidental costs – R134; or
 - Meals and incidental costs – R435
- If a Councillor/official stays with a relative or friend, an accommodation allowance of R 650 may be claimed, but the Councillor/official may not claim a subsistence allowance per day as per this policy.

4.2.2 Claims for meals for official entertainment of guests by full-time councillors and the executive management team are to be dealt with as claims against the relevant “entertainment allowance” provision of the relevant Cost Centre.

Where special circumstances exist which necessitate a deviation from the above restrictions, the prior approval of the Executive Mayor or Municipal Manager or their nominees are to be obtained.

5. MISCELLANEOUS EXPENSES

Items that may be considered for approval, where expenditure is incurred within the boundaries of the Republic of South Africa during a period of absence is as follows: -

- 5.1 Parking/bus fares: subject to proof of payment being provided;
- 5.2 Toll fees: subject to proof of payment being provided;
- 5.2 Taxi fare: subject to proof of payment being provided.

6. TRAVEL AND SUBSISTENCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS

- 6.1 Travelling costs to attend an interview shall be reimbursed if the applicant’s place of residence is outside Ehlanzeni District Municipality’s Municipal boundaries, according to the latest prescribed SARS km tariff, calculated from their place of residence.
- 6.2 Air tickets and booking of accommodation for applicants invited for interviews, must at all times be arranged by the Human Resources Department, in accordance with the stipulations and upper limits as prescribed in this policy.
- 6.3 Booking of rental vehicles on behalf of applicants, as well as reimbursement of claims by applicants in this regard, is strictly prohibited.
- 6.4 A daily subsistence allowance as per this policy will only be applicable where the interview entails one or more night to be spent away from home, with the understanding that all personal expenses are covered by the subsistence allowance. No further expenses may be claimed.

7. INTERNATIONAL TRAVEL, SUBSISTENCE AND ACCOMMODATION

- 7.1 When travelling in countries other than in South Africa on specially authorised Municipal business, the expenses actually incurred for accommodation and official transport will be payable.
- 7.2 The daily subsistence allowance is to cover all meals, transport for private use and other incidental costs, this subsistence allowance for international travel will be in accordance with the Department of Public Service and Administration's list of Daily Allowances for Official Visits abroad, as amended by the department from time to time.
- 7.3 No additional claim in respect of such costs will therefore be paid, except for entertainment by full-time Councillors or the Municipal Manager, of official guests, clients, potential clients, investors or potential investors which is to be dealt with as "entertainment allowance" claims.

8. SPONSORED TRIPS

8.1 LOCAL SPONSORED TRIPS

- 8.1.1 A trip shall be regarded as sponsored when the full/partial cost of the trip is borne by an institution other than Ehlanzeni District Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.
- 8.1.2 Travelling and Subsistence payable by Ehlanzeni District Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

9. INSURANCE

- 9.1 Councillors/officials where the necessary travel and special leave forms have been duly authorised by the delegated official will be insured by the municipality in terms of its current approved policies, practices and standard operating procedures. The insurance shall cover, inter alia, the following:
 - 9.1.1 Medical expenses and assistance services;
 - 9.1.2 Personal accident, included death and disability, as well as repatriation and evacuation;
 - 9.1.3 Luggage;
 - 9.1.4 Travel documents;
 - 9.1.5 Personal liability; and
 - 9.1.6 Cancellation, curtailment, and default on travel and accommodation.
- 9.2 Insurance cover is only for the period that the Councillor/official is away from home or place of work on a trip relating to municipal business.
- 9.3 Private vehicles and contents thereof will not be covered under this Policy.

- 9.4 Hired vehicles are automatically covered for both Super Waiver Damage and Theft by the vehicle rental company.

10. GIFTS AND PROMOTIONAL GOODS

- 10.1 Where appropriate, the Councillor/official may give gifts.
- 10.2 The gifts in question shall be provided by the municipality, through the appropriate department.
- 10.3 Suitable promotional and marketing products shall be supplied, on request, by the appropriate department of the Municipality.

11. AUTHORISATION

- 11.1 For purposes of implementing this policy:

- 11.1.1 Only the Municipal Manager may authorize any travel to be undertaken by Managers reporting directly to the Municipal Manager, or payments to be made for persons invited for interviews, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by managers concerned.

- 11.1.2 Only the Executive Mayor may authorize any travel to be undertaken by Councillors and/or the Municipal Manager, provided the expenses to be incurred are on the approved budget of the municipality.

- 11.1.3 Only Managers may authorize any travel to be undertaken by employees in the respective Department, but provided the expenses to be incurred are on the approved budget of the municipality.

- 11.1.4 Authorization as per paragraph 11.1.1, 11.1.2 and 11.1.3 must be obtained prior to an occasion by any Councillor/official who travels on the business of the municipality.

- 11.2 An invitation to attend a workshop, meeting or related event is not an automatic authorization to attend such workshop or event. The required authorization must still be obtained from the Municipal Manager or Executive Mayor or Managers as the case may be.

12. COUNCIL DELEGATES

Municipal delegates or Councillors/officials to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any Councillor/official fails to do so, the Executive Mayor, the Municipal Manager or Manager as the case may be, may recover all allowances and disbursements paid to enable such delegate or Councillor/official to attend such event, provided that such delegate or Councillor/official is afforded to opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

13. OTHER

- 13.1 Accommodation, flights and vehicle rental arrangements will be based on the most cost effective option in relation to the proximity of the venue, traffic, unavailability and other cost factors. Due to impracticality, the stipulations of the Supply Chain Policy may be disregarded in this matter.
- 13.2 In the event of payments made by officials for travelling and accommodation, refunds will only be made on condition that the expense was pre-approved in accordance with the stipulations of this policy and that all aspects of this policy have been complied with.
- 13.3 The travel and subsistence policy will be reviewed on an annual basis as it is part of the budget related policies.
