



FETAKGOMO LOCAL MUNICIPALITY

TRAVEL AND SUBSISTANCE POLICY

1. DEFINATION:

- Fetakgomo Local Municipality - 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 has 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 trips 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 waste expenditures.
- 2.4 To sets out the basis for the payment of accommodation, subsistence and travel allowance for the purpose of official traveling and to maintain control over travel and accommodation expenses and to maximize travel service.

3 TRAVELLING ALLOWANCE

- 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 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 kilometers shall be paid in Accordance with the following tariffs:

| | |
|----------------------------|--|
| Councillors | Department of Transport Tariffs |
| Section 57 Managers | Department of Tariffs |
| Divisional Managers | Department of Tariffs |

| | |
|--|---|
| Officials who are not receiving a fixed monthly allowance | AA running costs plus purchase price |
|--|---|

- 3.1.1.4 Official not receiving a fixed travel allowance shall utilize council vehicle unless prior arrangements were made with the relevant Manager for the use of privately owned vehicles.
- 3.1.1.5 Officials and councilors 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.
- 3.1.1.6 Officials who receive fixed traveling allowance shall not claim for the 500km traveled within the Municipal boundaries, but may claim excess of 500km in a particular month and a log book must be kept.

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 flight for councilors and officials shall be in Economy Class, unless another class of travel is specially authorized by the Municipal Manager, as the case may be.

3.1.3 Hired Vehicle:

- 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 Vehicles.
- 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 for a driver at an additional costs, and this can only be authorized by the Municipal Manager.

4. SUBSISTANCE ALLOWANCE:

4.1 Day Trips:

When an official spend longer than **SIX(06) HOURS** away from his/her normal workplace and outside of the Fetakgomo Local Municipality's area of jurisdiction , a subsistence allowance of **SEVENTY THREE AND FIFTY CENTS(R 73.50c)** 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

*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.

OR

A delegate will be given R 240.00 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 book and pay accommodation for the delegate***)

4.3 Accommodation

Officials and Councillors are only allowed to stay at a **THREE (03) STAR Hotels**, Lodges and at Guesthouses. Higher graded form of accommodation shall be considered subject to approval by the Municipal Manager.

4.4 INTERNATIONAL DESIGNATION

- 4.4.1 A subsistence allowance of **FOUR HUNDRED RANDS R400.00** per day shall be payable trips within the African Continent and US\$215 per day for trips overseas. (***Constant consultant with SARS and Foreign Affairs will be kept to deal with such cases from time to time***).
- 4.4.2 Accommodation for trips abroad shall be paid directly by the Municipality, and shall not exceed US\$350 per day.
- 4.4.3 The day of departure and the day of return each qualify for a subsistence allowance.

5. PERSONS INVITED TO INTERVIEWS:

Traveling cost shall be the only cost incurred by the Municipality in terms of the AA running cost to any candidate invited for an interview upon completion of a Subsistence and Traveling 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 PARKING:

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

7. ADVANCE PAYMENT

An advance payment or subsistence and traveling 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. SUBSISTANCE AND PAYMENT OF CLAIMS

8.1 An invitation to attend a workshop, meeting or related even 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 agendas 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 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 by the 6th of the month will be paid with the monthly salaries.

8.6.2 All claims received by the finance department between the 7th 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.