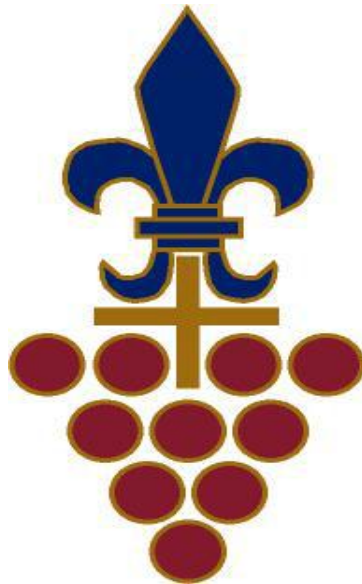


STELLENBOSCH MUNICIPALITY



TRAVEL AND SUBSISTENCE POLICY

2013/2014

Table of Contents

	Page
1. OBJECTIVE	1
2. TRAVEL	1
3. SUBSISTENCE	3
4. ACCOMMODATION	5
5. TRAVEL & SUBSISTENCE ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS	5
6. AUTHORISATION	6
7. COUNCIL DELEGATES	6
8. REFUND	6
9. TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM	7

1. OBJECTIVE

It is essential that representatives of this municipality from time to time travel to other cities and towns in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government.

2. TRAVEL

2.1 Responsibilities of Representatives who travel on Business of the Municipality

- a) Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.
- b) Representatives who travel on the business of the municipality must take note that their actions, conduct and statements must be in the best interest of the municipality, and they must comply with any specific mandates they have been given.

2.2 Car Rental, Travel Costs and rates

- a) Only A or B category vehicles may be rented, unless it is more cost-effective to hire any other category (for example, when the number of representatives involved could justify the hire of a micro-bus).
- b) 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 authorization 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.
- c) All flights by representatives of the municipality shall be in economy class and should be, unless another class of travel is specifically authorized by-
 - (i) the executive committee, with regard to Holders of Public Office and the Municipal Manager, or
 - (ii) the Municipal Manager, with regard to officials and applicants for interviews.
- d) Flights may only be undertaken for travel outside the Western Cape Province. All travel inside the Western Cape Province must be by vehicle unless the situation is such that an official or councilor must attend another engagement on the same day of which travelling by vehicle is impractical and/or justified by merit to and approved by the Municipal Manager or Executive Mayor as appropriate
- e) Parking and toll fees ñ actual cost will be reimbursed after the submission of proof.
- f) If a representative utilises his or her personal motor vehicle inside the boundaries demarcated for the municipality he or she will be **not be** reimbursed.

- g) An employee who receives a car allowance/ essential user scheme cannot make use of a council-owned vehicle for official business, unless the business necessitates accompanying the Executive in CI and CI 2 WC when on official business. The potential use of council-owned vehicles by councilors is regulated by the Remuneration of Public Office Bearers Act and applicable to full and non-full-time councillors.
- h) If a representative has to utilize his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will be reimbursed as follows:

i) Part-time Councillors

Official distances travelled in **excess of 500 kilometers** in a calendar month may be claimed. The reimbursement will be made according the running cost as per official AA Schedules applicable at the time.

ii) Full-time Councillors:

Official distances travelled in **excess of 750 kilometers** in a calendar month may be claimed. The reimbursement will be made according the running cost as per official AA Schedules applicable at the time.

iii) Officials with car allowances:

Official distances travelled in **excess of 750 kilometers** in a calendar month may be claimed. The reimbursement will be made according to the running cost as per the official AA Schedules applicable at the time.

iv) Officials without a car allowance

Shall be reimbursed at a rate of R3.16c per official kilometer travelled. 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, 8 000 in any tax year, reimbursement for the excess kilometers over 8 000 shall be taxed for PAYE purposes. If the cost exceeds that of an air ticket, the lesser amount will be paid. Vehicle claims must be submitted by the 7th calendar day of the following calendar month, after the end of the previous calendar month that is being claimed for. All vehicle claims should be pre-approved. The physical address for the authorised travel shall clearly be indicated on the travel claim form. All travel claims shall be accompanied by a distant travel map obtainable from the internet. *Claims for a specific calendar month not claimed in the following calendar month will be forfeited. The official will have no right to claim for reimbursement for late submitted claims.*

v) Members of a Committee: established in terms of applicable legislation:

Shall be reimbursed according to the running cost as per the official AA Schedules applicable at the time. Only kilometers travelled in excess of 50 kms per meeting, will be reimbursed. Members should clearly indicate the physical address of the departure on the travel claim. Members of committees should submit their travel claims within 5 working days after their meeting. Claims submitted after the cut-off period will not be processed. The member will also have no right to claim a reimbursement for claims submitted after the stated cut-off period.

vi) Essential User Scheme:Transportation Allowance:

Officials who are in receipt of an Essential User Transportation Allowance will be reimbursed according the official Costs Tables of the 'Essential User Scheme: Transport Allowance' circulars of SALGBC applicable. Official kilometers travelled outside the boundaries demarcated for the municipality, and in excess of the monthly maximum kilometers will be reimbursed according the running cost as per official AA Schedules applicable at the time.

vii) Substantive documentation required for travel claims (All councilors, Officials with car allowances, Essential User Scheme users)

A logbook acceptable to SARS reflecting official kilometers per month must be kept and provided for reimbursement. Vehicle claims must be submitted by the 7th calendar day of the following calendar month, after the end of the previous calendar month that is being claimed for. All vehicle claims should be pre-approved. The physical address for the authorised travel must clearly be indicated on the travel claim form. *Claims for a specific calendar month not claimed in the following calendar month will be forfeited. The official will have no right to claim for reimbursement for late submitted claims.*

- i) Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimize traveling expenses.
- j) For the purpose of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.

3. SUBSISTENCE

3.1 Subsistence Allowance

A daily subsistence allowance is an amount of money paid by the municipality to a representative to cover the following expenses-

- a) meals (including reasonable gratuities);
- b) Incidental cost such as refreshments, snacks, drinks, telephone and newspapers.

A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing. No further expenses may be claimed.

3.2 Entitlement to a Subsistence Allowance

- a)** A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorized personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses (see below), may be claimed.
- b)** A daily subsistence allowance will only be applicable where-
 - (i)** official business unavoidably entails one or more nights to be spent away from home.
- c)** A representative of the municipality must claim his or her subsistence allowance, as provided in this policy before embarking on any official trip, with the exception where such claim reaches the creditors section at least three days before the trip; in which case such claim must be submitted after the event. Such a claim must be accompanied by details of the conference or workshop or emailed/faxed invitation.
- d)** 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 business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.
- e)** For the purpose of a subsistence allowance, a representative shall mean-
 - (i)** mayor or executive mayor, as the case may be
 - (ii)** deputy-mayor
 - (iii)** speaker
 - (iv)** members of the executive committee or mayoral committee, as the case may be
 - (v)** other councillors specifically authorized to represent the municipality on a particular occasion
 - (vi)** municipal manager
 - (vii)** directors
 - (viii)** any other official/representative specifically authorized to represent the municipality on a particular occasion
 - (ix)** any official or councilor who is a member of a recognized professional institution and is granted permission to attend meetings and conferences of such institution.
- f)** A subsistence allowance of:
 - an amount equivalent to R303.00 per day .
- g)** The subsistence allowance of international travel will be the lesser of:
 - (i)** an amount equivalent to the rates as determined by the SARS , at the beginning of 1 July every year.

Or

(ii) US\$190 per day where the exchange rate of ZAR is more than 5:1 in relation to the currency of the destination country; and

(iii) US\$100 per day where the exchange rate of ZAR is less than, or equal to 5:1 in relation to the currency of the destination country;

4. ACCOMMODATION

4.1 Accommodation Costs

- a) Representatives who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in a hotel, motel, guesthouse or bed and breakfast establishment.
- b) The actual cost of accommodation will be borne by the municipality, subject to a maximum of 3 star rating for the accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
- c) If no such accommodation is available, higher rating accommodation can be used subject to the prior approval of the Municipal Manager.

If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance at an amount equivalent to the rates as determined by the SARS, at the beginning of 1 July every year.

5. TRAVEL AND SUBSISTANCE ALLOWANCES FOR APPLICANTS INVITED FOR INTERVIEWS

- a) Traveling costs at R2 per kilometer may be paid if the applicant has to travel more than 100km (in total) to attend the interview.
- b) 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 Supply Chain Management Policy as well as the stipulations and upper limits as prescribed in this policy.
- c) Booking of rental vehicles on behalf of applicants, as well as reimbursement of claims by applicants in this regard, is strictly prohibited.
- d) A daily subsistence allowance of R200 will only be applicable where the interview entails one or more nights 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.

6. AUTHORISATION

6.1 For purposes of implementing this policy:

- a) **Only the Municipal Manager** may authorize any travel to be undertaken by Directors, or, but provided the expenses to be incurred are on the approved budget of the relevant department. Claims by other officials to be authorized by directors concerned.
- b) **Only the Director Corporate and Strategic Service or the Municipal Manager** may authorize payments to be made for persons invited for interviews, but provided that the expenses to be incurred are on the approved budget.
- c) **Only the Executive Mayor together with the municipal manager** may authorize any travel to be undertaken by Holders of Public Office, , but provided the expenses to be incurred are on the approved budget of the municipality.
- d) **Only Directors** may authorize travel to be undertaken by employees in the respective Directorate, but provided the expenses to be incurred are on the approved budget of the municipality.
- e) Authorization required as per paragraph a), b) and c) must be obtained prior to an occasion by any representative who travels on business of the municipality.
- f) Officials attending courses financed from council's training budget or LGSETA do not qualify for the subsistence allowance. Traveling will be reimbursed in these cases.

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 director as the case may be.

7. COUNCIL DELEGATES

Council delegates or representatives to any conference, workshop or meeting must ensure that they arrive on time and attend until the conclusion of such event. If any representative fails to do so, all allowances and disbursements paid to enable such delegate or representative to attend such event may be recovered if the municipal manager believes that grounds exist to so act, provided that such delegate or representative is afforded the opportunity to submit reasons for not being able to be present from the commencement to conclusion of such event.

8. REFUND

In any instance where a delegate did not attend business as approved in accordance with this policy, any expenditure incurred by the council should be refunded by the representative.

9. TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM

The official Travel and Subsistence Allowance claim form, as prescribed by the Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications. The approved form should reach the creditors office 3 days before the intended day of departure.