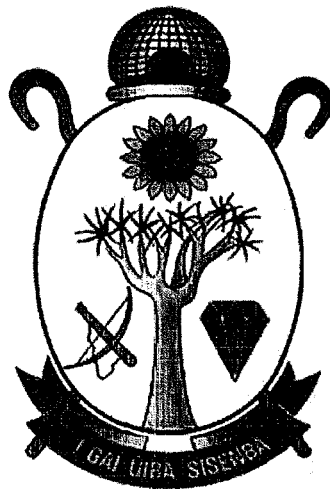


NAMA KHOI MUNICIPALITY



SUBSISTENCE AND TRAVEL POLICY

2023/2024

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1 PREAMBLE

It is essential that representatives of the Municipality from time to time travel outside their ordinary workplaces to establish and maintain links and relationships with other entities, government bodies, and regional, African and international institutions operating in the municipal sphere to broaden their knowledge and understanding, compare local and international experiences, and to enhance the good name of the Municipality. The need to travel must however be balanced with the need to contain costs.

2 PURPOSE

This Policy aims to set out the basis for the payment of subsistence and travel expenses related to authorised travel for official municipal business.

3 SCOPE OF APPLICATION

This Policy applies to all councillors, senior managers and other staff members of the Municipality. This Policy must be read together with the –

- (a) Vehicle Allowance Policy for Councillors and Senior Managers, and
- (b) Vehicle Allowance Policy for Staff Members.

4 LEGISLATIVE AND POLICY FRAMEWORK

The legislative and policy framework for this Policy includes:

- Constitution of the Republic of South Africa Act, 1996
- Basic Conditions of Employment Act 75 of 1997
- Income Tax Act 58 of 1962
- Labour Relations Act 66 of 1995
- Local Government: Disciplinary Regulations for Senior Managers, 2010
- Local Government: Municipal Finance Management Act 56 of 2003
- Local Government: Municipal Staff Regulations, 2021
- Local Government: Municipal Structures Act 117 of 1998
- Local Government: Municipal Systems Act 32 of 2000
- National Treasury: Municipal Cost Containment Regulations, 2019
- National Treasury: Notices relating to Rates for Travel and Subsistence
- Remuneration of Public Office Bearers Act 20 of 1998
- South African Local Government Bargaining Council: Collective Agreements
- Nama Khoi Municipality Delegation Policy

- Nama Khoi Vehicle Allowance Policy for Councillors and Senior Managers
- Nama Khoi Vehicle Allowance Policy for Staff Members

5 DEFINITIONS

In this Policy, unless the context dictates otherwise –

“authorised travel” means travel authorised in terms of clause 8.1 for official municipal business;

“Chief Financial Officer” means a person designated in terms of section 80(2)(a) of the Local Government: Municipal Finance Management Act 56 of 2003;

“collective agreement” refers to a collective agreement entered into by the South African Local Government Bargaining Council that applies to the Municipality and employees of the Municipality in terms of the Labour Relations Act 66 of 1995;

“Council” means the Municipal Council of Nama Khoi Municipality established in terms of section 157(1) of the Constitution;

“councillor” means a member of the Council of the Nama Khoi Municipality and includes, but is not limited to, the Mayor and the Speaker;

“day” means working day, i.e. Monday to Friday excluding public holidays, unless indicated otherwise by the context;

“dentist” means a person registered as a dentist in terms of the Health Professions Act 56 of 1974;

“Disciplinary Regulations for Senior Managers” means the Local Government: Disciplinary Regulations for Senior Managers, 2010;

“employee” means any person, excluding an independent contractor, who works for the Municipality and who receives, or is entitled to receive, any remuneration;

“grievance” means a complaint by an employee or group of employees against another employee and/or any act or omission of the Municipality which adversely affects an employee in the employment relationship excluding an unfair dismissal, a written allegation of misconduct, or any other dispute which is regulated by a separate procedure in a collective agreement;

“HRM Unit” means the Human Resources Management Unit of the Municipality;

“Mayor” means the councillor elected as the executive mayor of the Municipality in terms of section 55 of the Municipal Structures Act 117 of 1998;

“Municipal Cost Containment Regulations” means the National Treasury: Municipal Cost Containment Regulations, 2019 issued in terms of the Local Government: Municipal Finance Management Act 56 of 2003;

“Municipal Finance Management Act” means the Local Government: Municipal Finance Management Act 56 of 2003 and includes all Regulations issued in terms of the Act;

“Municipal Manager” means the Municipal Manager contemplated in section 54A of the Local Government: Municipal Systems Act 32 of 2000;

“Municipal Staff Regulations” means the Local Government: Municipal Staff Regulations, 2021;

“Municipality” means the Nama Khoi Municipality;

“National Treasury notices” means any notices relating to rates and conditions for travel and subsistence issued by National Treasury in terms of the Local Government: Municipal Finance Management Act 56 of 2003;

“official municipal business” means an approved activity or approved activities that are directly linked and integral to the functioning of the Municipality as prescribed by law and referred to in relevant approved policies;

“Regulations on Appointment and Conditions of Employment of Senior Managers” means the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014;

“SALGBC” means the South African Local Government Bargaining Council;

“SARS” means the South African Revenue Service;

“Section 56 Manager” means a manager directly accountable to the Municipal Manager as contemplated in section 56 of the Local Government: Municipal Systems Act 32 of 2000;

“senior manager” includes the Municipal Manager and Section 56 Managers;

“staff member” for purposes of this Policy, means any person, who, in a permanent or temporary capacity, works for the Nama Khoi Municipality and who receives, or is entitled to receive, any remuneration, but excludes senior managers and independent contractors; and

“year” means the period 1 January to 31 December unless indicated otherwise by the context; staff members appointed in terms of section 56 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000).

6 GUIDING PRINCIPLES

- 6.1 All councillors, senior managers and other staff members must comply with the norms and procedures contained in this Policy prior to, during and after embarking on authorised official municipal business.
- 6.2 All councillors, senior managers and other staff members must be mindful of the need to contain costs when considering travelling on official municipal business. If travel is deemed to be essential, only the most cost- and time-effective means of travel must be utilised.
- 6.3 All councillors, senior managers and other staff members who embark on authorised travel for official municipal business are, subject to the provisions of this Policy, allowed to apply for travel related benefits and expenditure as contemplated in this Policy.
- 6.4 All councillors, senior managers and other staff members who have embarked on authorised travel for official municipal business must, subject to the rates payable by the Municipality and the provisions of this Policy and on submission of a valid claim, be paid or reimbursed for travel-related benefits and expenditure.

7 CATEGORIES OF SUBSISTENCE AND TRAVEL BENEFITS AND COSTS

7.1 SUBSISTENCE BENEFIT

- 7.1.1 A subsistence benefit per day or part of a day must be paid if a councillor, senior manager or other staff member embarks on authorised travel for official municipal business for a day or part of a day.
- 7.1.2 Only one subsistence benefit is payable per day, irrespective of the number of trips undertaken during the day.
- 7.1.3 The day of departure and the day of return each qualifies for a subsistence benefit.

- 7.1.4 All personal expenses not elsewhere covered in this Policy, including meals, must be covered by the subsistence benefit.
- 7.1.5 A subsistence benefit may be claimed without the councillor, senior manager or other staff member having to furnish proof of expenses.
- 7.1.6 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may claim a subsistence benefit.
- 7.1.7 A subsistence benefit may be claimed in advance before embarking on authorised travel. The subsistence benefit advance must, in order to facilitate its timely payment, be claimed at least five working days before embarking. Alternatively, a subsistence benefit may be claimed after the conclusion of the authorised travel.
- 7.1.8 No subsistence benefit is payable, and no councillor, senior manager or other staff member is entitled to the benefit if the trip or travel is not related to the official business of the Municipality.
- 7.1.9 Subsistence benefits in the case of international travel may be subject to different provisions as determined by National Treasury.

7.2 ACCOMMODATION COSTS

- 7.2.1 A councillor, senior manager and other staff member who embarks on authorised travel for official municipal business may claim accommodation costs to stay in a hotel, motel, guesthouse or bed and breakfast establishment only in instances where such business unavoidably entails one or more nights to be spent away from his or her place of residence or where the return trip exceeds 500 kilometres.

Accommodation : R1 500-00 per night

Daily allowance :R450-00 (SARS tariffs)

Kilo's : R4-00 per kilo (remains unchanged as previous financial year)

- 7.2.2 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may book accommodation or claim accommodation costs.

- 7.2.4 If exceptional circumstances dictate that a councillor, senior manager or other staff member needs to book accommodation whilst travelling on official municipal business, such accommodation costs may only be reimbursed if proof of expenditure and written demonstration of necessity are submitted and approved.
- 7.2.5 The actual cost of accommodation will be borne by the Municipality, subject to a maximum set out in the rates contemplated in clause 9.
- 7.2.6 If the cost of accommodation includes the provision of breakfast, the subsistence benefit must be adjusted accordingly per day in respect of domestic travel.
- 7.2.7 If a councillor, senior manager or other staff member stays with a relative or friend, no accommodation costs may be claimed. In such event, the applicable subsistence benefit may be claimed.
- 7.2.8 Where it is not necessary for an overnight stay on any travel on official municipal business, an accommodation benefit may not be claimed. In such an event the applicable subsistence benefit per day may be claimed.
- 7.2.9 Accommodation costs in the case of international travel may be subject to different provisions as determined by National Treasury.

7.3 CAR RENTAL COSTS

7.3.1 Car rental is, in the case of motor vehicle travel originating from the Municipality, subject to the availability of vehicles falling under the –

- (a) Vehicle Allowance Policy for Councillors and Senior Managers;
- (b) Vehicle Allowance Policy for Staff Members; and
- (c) Fleet Control Policy.

Only the most cost effective of the options may be authorised.

7.3.2 Only Group A or B vehicles may be rented, unless –

- (a) it is more cost effective to rent a more expensive vehicle (e.g. when the number of councillors, senior managers and/or other staff members involved justify the renting of a micro-bus); or
 - (b) a different yet suitable rental vehicle is authorised based on the prevailing road conditions.
- 7.3.3 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may book car rental or claim car rental costs.
- 7.3.4 Bookings for car rental must be made through a travel agent duly appointed by the Municipality.
- 7.3.5 If exceptional circumstances dictate that a councillor, senior manager or other staff member needs to rent a vehicle whilst travelling on official municipal business, such rental costs may only be reimbursed if proof of expenditure and written demonstration of necessity are submitted and approved.
- 7.3.6 Not more than two councillors, senior managers and other staff members embarking on authorised travel for official municipal business may travel together in the same vehicle, except where the Municipal Manager authorises in writing a deviation from this arrangement.

7.4 AIR TRAVEL COSTS

- 7.4.1 The following classes of authorised air travel for official municipal business apply:
 - (a) South African destinations: Economy class.
 - (b) Other destinations in Africa: Economy class.
 - (c) International flights: Economy class. Business class may only be utilised for international flights that exceed five hours when specifically authorised by a resolution of Council.
- 7.4.2 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may book air travel.

7.4.3 Bookings for air travel must be made through a travel agent duly appointed by the Municipality.

7.4.4 Not more than two councillors, senior managers and other staff members embarking on authorised travel for official municipal business may travel together on the same flight, except where the Municipal Manager authorises in writing a deviation from this arrangement.

7.5 OTHER TYPES OF TRANSPORT COSTS

7.5.1 A councillor, senior manager or other staff member may utilise other forms of land transport, including public transport, trains, buses, shuttles, taxis, boats and ferries where such a form of transport will be more cost- and time-effective than car rental or air travel.

7.5.2 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may book other types of transport or claim other types of transport costs.

7.5.3 Bookings for other types of transport must, where possible, be made through a travel agent duly appointed by the Municipality.

7.5.4 If it is not possible, cost effective or practical for a councillor, senior manager or other staff member to make such a booking through a travel agent, such other types of transport costs may only be reimbursed if proof of expenditure and written demonstration of necessity are submitted and approved.

7.6 TRAVEL RELATED CONTINGENCIES COSTS

7.6.1 Travel related contingencies, such as travel insurance, passport costs, visa costs, vaccinations, medication, parking and toll fees that are directly linked to and necessitated by authorised travel must be covered by the Municipality.

7.6.2 All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may apply for, take out or order such travel related contingencies or claim for travel related contingency costs.

7.6.3 Applications for, taking out and ordering of travel related contingencies must, where possible, be made through a travel agent duly appointed by the Municipality.

- 7.6.4 If it is not possible, cost effective or practical for a councillor, senior manager or other staff member to apply for, take out or order such a contingency through a travel agent, such travel related contingency costs may only be reimbursed if proof of expenditure and written demonstration of necessity are submitted and approved.

7.7 EXPENSES RELATED TO EXTERNAL PARTIES

7.7.1 ENTERTAINMENT OF EXTERNAL PARTIES

7.7.1.1 Entertainment of external business associates, contacts, clients, potential investors or potential partnerships falls outside the scope of the subsistence benefit contemplated in clause 7.1, and must be separately reimbursed, subject to written approval, in the case of –

- (a) the Mayor, by the Speaker;
- (b) the Speaker, by the Mayor;
- (c) other Councillors, by the Speaker;
- (d) the Municipal Manager, by the Mayor;
- (e) Senior Managers, by the Municipal Manager; and
- (f) other staff members, by the Municipal Manager,

if the relevant councillor, senior manager or other staff member qualifies for an entertainment allowance.

7.7.2 PERSONS INVITED FOR INTERVIEWS

7.7.2.1 No subsistence benefits or expenses may be paid to any candidate invited for an interview.

7.7.2.2 Travelling expenses at applicable rates may, subject to approval by the Municipal Manager, be paid if such candidate has to travel more than 50 kilometres from his or her place of residence to attend the interview.

8 ADMINISTRATIVE ARRANGEMENTS

8.1 AUTHORISATION FOR TRAVEL

8.1.1 Any travel on official municipal business must be authorised in writing by the Municipality before any travel-related bookings may be made, any expenses may be incurred, and any travel may commence.

8.1.2 A request for authorisation must include a concept travel plan and budget. The concept travel plan and budget must be based on the most cost- and time-effective means of travel.

8.1.3 A request for authorisation to travel on official municipal business must, in the case of –

- (a) the Mayor, be submitted to and considered by the Council;
- (b) the Speaker, be submitted to and considered by the Council;
- (c) other councillors, be submitted to and considered by the Council;
- (d) the Municipal Manager, be submitted to and considered by the Mayor;
- (e) senior managers, be submitted to and considered by the Municipal Manager; and
- (f) other staff members, be submitted to and considered by the Municipal Manager.

8.1.4 When considering a request for authorisation to travel the following factors must be taken into account:

- (a) The nature and necessity of the official municipal business to be attended to;
- (b) The number of councillors, senior managers and staff members envisaged to attend to such business; and
- (c) The suitability of more cost- and time-effective alternatives to travelling, such as a virtual meeting.

- 8.1.5 If travel is deemed to be essential, only the most cost- and time-effective means of travel may be authorised.
- 8.1.6 Subsistence and travel benefits and costs to be incurred must be available on the approved budget of the Municipality for any travel to be authorised.
- 8.1.7 An authorisation, if granted, must specify which categories of subsistence and travel benefits and costs have been approved (i.e. subsistence benefits, accommodation costs, car rental costs, air travel costs, other types of transport costs and travel related contingencies).
- 8.1.8 The Chief Financial Officer must publish a standard Request for Authorisation to Travel Form to be completed by councillors, senior managers and other staff members.

8.2 CLAIMS PROCEDURE

- 8.2.1 Bookings and payments for accommodation, car rental, air travel, other types of transport and travel related contingencies must, subject to the exceptions provided for in this Policy, be made through a travel agent duly appointed by the Municipality. All travel on official municipal business must be authorised as contemplated in clause 8.1 before a councillor, senior manager or other staff member may request the travel agent to make a booking or apply for, take out or order a travel related contingency. The Municipality must directly pay the travel agent in line with the provisions of the Supply Chain Management Policy.
- 8.2.2 A claim for –
 - (a) an advance subsistence benefit must be submitted to the HRM Unit at least five working days before embarking on the authorised travel; and
 - (b) a subsistence benefit not claimed in advance and a reimbursement as contemplated in this Policy must be submitted to the HRM Unit by not later than the fifth working day of the following month.
- 8.2.3 Each claim must be accompanied by –
 - (a) the written authorisation for travel contemplated in clause 8.1; and
 - (b) in the case of a reimbursement, proof of such expenditure and written demonstration of necessity.

- 8.2.4 Failure to submit a claim timeously results in the claim not being reimbursed.
- 8.2.5 A councillor, senior manager or other staff member must, subject to the provisions of this Policy and after submission of a valid claim, be paid or reimbursed within a period not exceeding 30 calendar days.
- 8.2.6 The Chief Financial Officer must publish a standard –
- (a) Subsistence Benefit Advance and Claim Form; and
 - (b) Reimbursable Travel Expenses Claim Form,
- to be completed by councillors, senior managers and other staff members.

8.3 TERMS AND CONDITIONS

- 8.3.1 Councillors, senior managers and other staff members representing the Municipality at conferences, workshops, meetings, courses or other events must ensure that they arrive on time and attend on a full-time basis until the conclusion of such event.
- 8.3.2 If any councillor, senior manager or other staff member fails to comply with the clause above without good cause, the Municipal Manager must recover all travel and subsistence benefits and disbursements paid to enable the councillor, senior manager or other staff member to attend such conference, workshop, meeting, course or other event, provided that such councillor, senior manager or other staff member be afforded the opportunity to submit written reasons for not having been able to be present on a full-time basis from the commencement to conclusion of such conference, workshop, meeting, course or other event.
- 8.3.3 Every councillor, senior manager and other staff member who travel on official municipal business must, at all times, act as ambassadors for the Municipality and ensure that –
- (a) their actions, conduct and statements are in the best interests of the Municipality; and
 - (b) they comply with any specific mandates given to them.

9 DETERMINATION OF RATES PAYABLE BY MUNICIPALITY

- 9.1 The Chief Financial Officer must publish and regularly update the rates payable by the Municipality in terms of the categories of subsistence and travel benefits and costs contemplated in this Policy.
- 9.2 The rates payable by the Municipality must –
- (a) be aligned to National Treasury notices, the Municipal Cost Containment Regulations, and relevant SARS prescripts; and
 - (b) distinguish between domestic, African and international travel.
- 9.3 The rates payable by the Municipality may not exceed the rates contained in the National Treasury notices and the Municipal Cost Containment Regulations.

10 REPORTING REQUIREMENTS

- 10.1 Consistent with the Municipality's performance monitoring and evaluation objectives, the Municipal Manager must keep a database of the authorised travel on official municipal business of all councillors, senior managers and other staff members.
- 10.2 The Municipal Manager must report to Council, in a format and for the periods prescribed, all expenses relating to subsistence and travel as contemplated in this Policy.

11 GRIEVANCES

- 11.1 Staff member grievances must be managed in terms of the grievance procedure in the collective agreement.

12 MISCONDUCT

- 12.1 If there is evidence of any misconduct, dishonesty or intentional wrongdoing with regard to any provision of this Policy, the Municipality must institute disciplinary proceedings in terms of the disciplinary procedure in the collective agreement or the Disciplinary Regulations for Senior Managers, as the case may be.

13 CONFLICT

13.1 In the event of a conflict between this Policy and the Municipal Staff Regulations or a collective agreement or the Regulations on Appointment and Conditions of Employment of Senior Managers, as the case may be, the latter prevails.

14 DELEGATIONS

14.1 The delegation of any power, function or duty provided for in this Policy must be performed in terms of the Delegation Policy.

15 RESPONSIBILITY FOR IMPLEMENTATION

15.1 The Municipal Manager accepts overall responsibility for the implementation of this Policy.

16 MONITORING AND EVALUATION

16.1 The Head of Corporate Services must carry out the monitoring and evaluation of this Policy's implementation.

17 REVIEW AND AMENDMENTS

17.1 The Council –

- (a) must review this Policy on an annual basis; and
- (b) may amend this Policy during the course of any specific year.

18 EFFECTIVE DATE

18.1 This Policy becomes effective upon approval thereof by the Council.

19 POLICY APPROVAL

Authorised by Speaker :C/R Kritzingar

Signature:

Date:

Approved by Council: 28 June 2023

