



GEORGE MUNICIPALITY

TRAVEL AND SUBSISTENCE POLICY AND PROCEDURES

2024/25 Draft



71 York Street, George | PO Box 19, George, 6530



044 801 9111



www.george.gov.za



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1. OBJECTIVE / PURPOSE

The purpose of this policy is to lay down general rules for the payment of subsistence and travelling allowances or costs for the attendance of approved events outside the Municipal area of George.

To create a guideline wherein the compensation for travelling and subsistence costs incurred or deemed to be incurred on behalf of George Municipality (GM) can be handled in a practical, sensible, organized and effective manner.

This policy sets out the basis for the payment of a subsistence and travel allowance for the purposes of official travelling.

2. GENERAL SPECIFICATIONS

- 2.1 The contents of this policy will not be regarded as conditions of employment but as reimbursement for travelling and subsistence expenditure incurred or deemed to be incurred for the attendance of events for official purposes.
- 2.2 Any Councilor must have the approval of the Executive Mayor or his delegate for the attendance of events for which compensation is claimed. Any staff member must have the approval of the Director or his delegate and any Director must have the approval of the Municipal Manager or his delegate for the attendance of events for which compensation is claimed. Claims are only payable if sufficient provision is made for it on the budget.
- 2.3 Any claim must be submitted on the official claim form with the necessary vouchers where specific expenses are claimed.
- 2.4 Any claim containing false information will lead to disciplinary steps being instituted and payments thus made may be recovered from any money payable by the Municipality to the person who submitted the claim.
- 2.5 All efforts should be made to minimize the costs for the Municipality i.e. by travelling together in one vehicle, minimizing overnight stay where possible, etc.
- 2.6 A claim for subsistence and travelling cannot be made at the Municipality as well as another institution for attending the same event. Such action shall lead to disciplinary action.
- 2.7 Sufficient documentation must be attached to the application for the trip e.g., official invitation, agenda or program, itinerary, details of sponsor and amount, etc.
- 2.8 Every representative who travels on the business of the Municipality must comply with this policy in letter and in spirit.
- 2.9 Representatives who travel on the business of the Municipality must appreciate, at all times, that they are ambassadors of the Municipality, that their actions, conduct and statements must be in the best interests of the

Municipality, and that they must comply with any specific mandates they have been given.

- 2.10 Consistent with the Municipality's performance monitoring and evaluation objectives, the Municipal manager will ensure that a database of all representatives and officials travelling is kept.
- 2.11 The policy is further formulated to achieving the following:
- 2.11.1 To establish a fixed base for travelling and subsistence arrangements for Councillors and employees.
 - 2.11.2 To accommodate the unique travelling and subsistence needs within the GM.
 - 2.11.3 To lay down a policy on the usage of official vehicles as well as private vehicles in terms of the transport allowance scheme.
 - 2.11.4 To establish a fixed framework for the attendance of official meetings, congresses, seminars and external training sessions outside the jurisdictional area of the George Municipality.
 - 2.11.5 To avoid or limit night travelling as far as possible.
- 2.12 Accommodation, flights and vehicle rental arrangements will be based on the most cost-effective option in relation to the proximity of the venue, traffic, availability and other cost factors. Due to impracticality, the stipulations of the Supply Chain Policy may be disregarded in this matter.
- 2.13 This policy must be read with the Cost Containment policy.

3. REFERENCE

This Policy must be read in conjunction with any of the Municipality's approved related policies, practices and standard operating procedures addressing specific issues essential for a full understanding of this Policy and which are not dealt with adequately herein.

4. LEGAL FRAMEWORK

This policy is developed and guided by the following:

- 4.1 South African Revenue Services (SARS)
- 4.2 Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
- 4.3 South African Local Government Association (SALGA)
- 4.4 Remuneration of Public Office Bearers Act, 1998 (Act No. 20 of 1998)
- 4.5 Income Tax Act, 1962 (Act No. 58 of 1962).
- 4.6 Municipal Finance Management Act, 2003, Municipal Cost Containment regulation, 2019.

5. DEFINITIONS

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning: -

“Accounting Officer”	The person appointed by the Council as Municipal Manager in terms of section 82 of the Municipal Structures Act, 1998 (Act 117 of 1998) and as defined in the Municipal Finance Management Act, 2003 (Act 56 of 2003), including any person acting in that position or to whom authority is delegated;
“business travelers”	The travel undertaken for work or business purposes, as opposed to other types of travel, such as for leisure purposes or regularly commuting between one's home and workplace.
“Calendar month”	A calendar month is a full month from the first day of the month until the last day of the month
“Council”	The Municipal Council, as referred to in section 157 of the Constitution of the Republic of South Africa, 1996; and section 18 (3) of the Municipal Structures Act, 1998 (Act 117 of 1998)
“Councilor”	A member of the George Municipal Council.
“Courses”	A series of lessons in a particular subject
“Director”	An official appointed by the Council in terms of section 56 of the Municipal Systems Act, 2000 (Act 32 of 2000) to head a Directorate of the Municipality
“Employee’s family”	Includes the employee’s spouse or life partner, sibling, parent, parents-in law, grandparent, child, grandchild, adoptive parent and adoptive child
“Exceptional Circumstances”	Events or problems which you did not expect and which stop you being able to perform to the best of your abilities in your studies (For example bereavement, unexpected personal or family problems or illness might be considered as an exceptional circumstances.)
“Executive Management Team”	Officials appointed in terms of Section 82 of the Local Government Structures Act, 1998 (Act 117 of 1998) (Structures Act) and section 56 of the Local Government Municipal Systems Act, 2000 (Act 32 of 2000).

“Executive Mayor”	The Executive Mayor of the George Municipality elected in terms of section 55 of Municipal Structures Act, 1998 (Act 117 of 1998).
“Holder of public office”	Is any member of a municipal council, a member of a provincial House of Traditional Leaders and a member of the Council of Traditional Leaders.
“Incidental cost”	Expenses which are not necessarily incurred in performing the duties of employment whilst away on business (e.g. telephone cost, laundry cost, drinks, tips etc.).
“Meals”	Any food / refreshment that an employee is entitled to whilst on official Council business away from the workplace.
“Month”	A Period of 28 consecutive days or four weeks
“Municipality”	George Municipality (GM) established in terms of sections 12 and 14 of the Structures Act.
“Municipal official”	In relation to a municipality or municipal entity, means: <ol style="list-style-type: none"> 1. An employee of a municipality or municipal entity; 2. A person seconded to a municipality or municipal entity to work as a member of the staff of the municipality or municipal entity; or 3. A person contracted by a municipality or municipal entity otherwise than as an employee.
“Occasion”	Any occasion outside the area of jurisdiction of the Council including a meeting, conference, congress, seminar, training course, training program, workshop, discussions or any other occasion to which a person is delegated to by the Council or by the delegated authority.
“Official duty”	Approved official council business / activities.
“Official transport”	The official transport specifically provided by Council for the use of the Executive Mayor, Councillors and Officials to attend official occasions. Where a person is delegated to attend an occasion on behalf of the Council, spouses are allowed to accompany the person and may travel within the official transport provided.

“Overnight allowance”	An allowance determined by Council from time to time which will be payable only if the person is away from his place of work for a period longer than 12 hours, calculated from 18:00 to 06:00. This will only be applied where an occasion is attended at a venue outside the Municipal boundary of GM.
“Partial sponsored trip”	Where a portion of the total cost is sponsored by a donor or third party. (For the purposes of this policy such proportion of the total cost of the trip to be included in the application form).
“Person”	A person appointed by the Council and also duly elected and appointed Councillors.
“SARS”	South African Revenue Services.
“Subsistence allowance”	A subsistence allowance is an amount of money paid by the Municipality to a traveler for expenditure incurred in respect of personal subsistence and incidental costs for example refreshments, snacks, drinks and newspapers but excludes any personal recreation, such as visits to a cinema, theatre or nightclubs or sight-seeing.
“Travel Allowance”	A travel allowance is any amount paid to an employee in respect of travelling expenses for business purpose.
“Traveler”	Any Councilor or official travelling away from his or her normal place of domicile and employment on the official business of the George Municipality
“Weekdays”	Mondays to Fridays as well as single days over weekends on which occasions take place.
“Weekends”	Saturdays and Sundays except when an occasion takes place on a Saturday or a Sunday in which case it shall be deemed as a weekday

6. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

- 6.1 A representative may claim a daily subsistence allowance as provided in this policy with the understanding that all authorised personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses, may be claimed.
- 6.2 The subsistence allowance may be claimed without the representative having to furnish proof of expenses.

- 6.3 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). If a representative of the Municipality has an entertainment allowance, this entertainment of external business associates or contacts or other parties must be claimed against the entertainment allowance.
- 6.4 A representative of the Municipality may claim his or her subsistence allowance, as provided in this policy, before embarking on any official trip. The subsistence allowance must, in order to facilitate its timeous payment, be claimed at least three working days before the planned trip. Exceptions will be considered, provided that the requests are accompanied with the relevant documentation.
- 6.5 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.
- 6.6 For the purposes of a subsistence allowance, a representative shall mean:
- Executive Mayor;
 - Deputy Executive Mayor;
 - Speaker;
 - Chief Whip
 - Full time Councillors;
 - Other Councillors specifically authorised to represent the Municipality on a particular occasion;
 - Municipal manager;
 - Directors;
 - Any other official specifically authorised to represent the Municipality or its employees on a particular occasion; and
 - Any official who is a member of a recognised professional institution and is granted permission to attend meetings and conferences of such institution.

7. RULES GOVERNING ATTENDANCE OF CONGRESSES, SEMINARS AND WORKSHOPS BY THE FOLLOWING DELEGATES:

7.1 Councillors:

A list of congresses and seminars to be attended should be considered annually together with the compilation of the Operational Budget, to enable the Municipality to assign a Councillor delegate per event for that specific financial year and budget accordingly.

After the delegates have been assigned, Councillors may, due to unique personal circumstances, change assignments. In such cases, the Executive Mayor or the Municipal Manager shall be informed of the change.

Should the Director: Corporate Services not compile, together with the Executive Mayor, such a list for a specific Municipal financial year, the attendance of any Councillor of congresses and seminars shall be pre-approved by the Executive Mayor. The same applies for the attendance of any other meeting where delegates of the Municipality are invited to.

The Executive Mayor should take into account the value to be added to GM in relation to the total cost of a Councillor attending, taking into account the cost of attendance, being travelling and subsistence, accommodation and registration fees.

Any attendance by Councillors not specifically budgeted for shall be pre-approved by the Executive Mayor.

7.2 Municipal Manager

Although the Municipal Manager has to attend certain congresses/seminars either officially or as a member, he may also attend other congresses/seminars and should indicate during the budget meeting, which congresses/seminars he intends to attend for approval during the budget process.

Attendance by the Municipal Manager of congresses and/or seminars not specifically budgeted for shall be pre-approved by the Executive Mayor [\(in consultation with the Chief Financial Officer\)](#).

7.3 Directors and employees

Director and employees as holders of specific positions may attend a congress or seminar. Employees should be rotated to enhance capacity building on a broader base in the Municipality.

Should a Director not attend a specific congress/seminar, the Director shall resolve on the employee-delegation.

Attendance by the Director of congresses and/or seminars not specifically budgeted for shall be pre-approved by the Municipal Manager.

Attendance of employees shall be pre-approved by the relevant Director.

7.4 Executive member of institutes/Study Groups

It may occur that employees are elected to serve on Executive Committees or study groups of Institutions or funds. As this is a special privilege for the employee concerned and the public image of the Municipality is extended at the same time, such an employee will, regardless of his salary level, also be delegated to attend a specific congress/seminar, provided that no more than three employees as ruled above shall attend any congress/seminar.

Employees who are elected on Executive Committees or study groups of institutes or funds, and such election was approved by Council, should be free to attend the meetings of the institute concerned, provided that travelling and subsistence allowance and special leave with remuneration be limited to one institute per employee only.

7.5 SALGA, NMU and other Working Groups

In cases where Councillors or employees serve on any advisory committee of SALGA or NMU Council, permission is granted to such Councillor or employees to attend one or more than one-day workshops or advisory committee meetings, provided that such delegations are limited to two persons and attendance is limited to ten days per year.

Where attendance exceeds the ten-day limit, the Municipal Manager and Executive Mayor must approve the attendance for employees and Councillors respectively.

Where Institutions pay for the expenditure to attend the occasion, Council will not reimburse the person and the request for attendance must indicate as such.

NOTE: It is impossible to budget for all workshops to be attended during a financial year. Every Director must budget an additional amount for the attendance of workshops that cannot be foreseen during the budget process.

8. SUBSISTENCE ALLOWANCE:

The following extract from the SARS “Guide for employers in respect of allowances” as published annually has reference:

*“Subsistence Allowance
Reference to the Act:*

Section 8 (1) (a) read with Section (1) (c) of the Income Tax Act No. 58 of 1962.

Meaning

A subsistence allowance is any allowance given to an employee or a holder of any office for expenses incurred or to be incurred in respect of personal subsistence and incidental costs (for example, drinks).

Important

Compensation or an allowance paid to employees who reside far away from their normal place of employment or who do not spend the night away from home is not regarded as a subsistence allowance and is subject to employees' tax. This also applies in the case of a labour broker.

Amounts deemed to be expended:

Section 8(1)(c) prescribes that the employee shall be deemed to have actually expended a certain amount (daily expenses in respect of meals and /or incidentals 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 period during which the employee is absent from his / her usual place of residence:

- *Only incidental costs per SARS guide*
- *Meals and Incidental costs per SARS guide*
- *The rates are for guidance purposes only. The rates for each tax year will be published by notice in the Gazette.*

The approval of any claim for subsistence allowances is subject to the availability of the necessary funds on the applicable Operational Budget.

8.1 OVERNIGHT

The general rule is that overnight costs will not be paid by the Municipality for attendance of seminars, congresses or meetings within the Municipal area.

If a person is delegated to attend a seminar/meeting and have to travel outside the George Municipality area, the following subsistence allowance is payable to Councillors and employees, subject to the conditions as specified below:

- only if the person is away from his place of work for a period longer than 12 hours, calculated from 18:00 to 06:00 (meal and incidental cost)

The subsistence allowance will be paid in accordance with the non-taxable rate as prescribed yearly by SARS and as it is intended for abnormal circumstances it will not form part of any remuneration package.

Instances where a subsistence allowance is claimed for a part of a day the allocation will be implemented as follows:

- 0 – 4 hours: 40 %;
- 4 – 8 hours 70%; and (Exceeding 4)
- 8 – 12 hours 100%. (Exceeding 8)

The period or time of absenteeism will be calculated from the time of departure from George until the time of return to George after attendance of the occasion.”

If the cost of accommodation includes, as it often does, the provision of breakfast, the subsistence allowance will not be reduced.

If the cost of accommodation includes dinner, only incidental costs will be payable.

8.2 DAY COST (NON-SLEEP-OVER):

All Subsistence Allowances payments will be in accordance with the non-taxable rate as yearly prescribed by SARS.

An allowance will from time to time be payable if the person is away from his place of work (will only be applied when an employee attends a venue outside the municipal boundary) but will not stay over-night. The allowance will be determined as follows:

- Absence of 0 – 4 hours: R650.00
- Absence of 4 – 12 hours: R1200.00
- Absence of more than 12 hours: R25300

8.3 WORK IN DMA (UNIONDALE/HAARLEM) OR GEORGE AREA:

No day cost will be paid to an employee for official duties/training/meetings held within the DMA/George area.

There may be circumstances as per paragraph above, that such limitations may be impractical. For example, in instances where the attendance is required over a number of days, or there is a risk to the health of the official or councillor and the cost vs benefit considerations can warrant such expenditure, these expenditures, including subsistence, must be approved by the Accounting Officer or delegated official.

When an employee is absent from his/her usual place of work for more than 12 hours then paragraph 8.1 should be applied.

When an official is authorised to travel to/from DMA/George using his/her private vehicle may claim ad hoc kilometres according to the prescribed rate from SARS if he/she does not participate in any vehicle schemes (e.g. perk/essential).

8.4 COURSES:

8.4.1 Where an organisation other than the Municipality pay a sitting allowance, or accommodation, no day allowance nor accommodation costs, will be payable to the Councillor or employee.

8.4.2 Where an employee attends a course, and have to stay over for a period outside the municipal area, the following will apply:

- i. Course period not exceeding a calendar month OR month OR part of a month
A subsistence allowance will be payable in accordance with the non-taxable rate as yearly prescribed by SARS
(Example: duration of course is six months but the official only attend 1 week of each month)
- ii. Course period being a calendar month OR for a period longer than a month, being absent from the workplace *Should the course start or end during a calendar month the above-mentioned allowance will be applied pro rata.

A fixed subsistence allowance of R 76,75100.00 will be payable per month, where accommodation is paid by council but excluding meals.

No allowance will be payable where accommodation and meals are paid by council.

(Example: Course is 11 months and the official needs to attend each day of the month for 11 months)

- 8.4.3 If a municipal vehicle is used for employee/s attending courses longer than a month or calendar month to return home for a visit but limited to one (1) visit a calendar month, fuel and tollgate fees (if applicable) will be paid.

Employee/s attending courses on a continues bases longer than a month or calendar month and using a municipal vehicle, may return home once a calendar month. Fuel and toll gate fees (if applicable) may be claimed back, with providing the necessary documentation.

- 8.4.4 All efforts should be made to minimize the costs for the Municipality, especially in periods exceeding calendar month or a month related to travel expenditure and accommodation i.e. monthly rental rates and employees traveling together etc.

- 8.4.5 All miscellaneous expenses (i.e. electricity and cleaning materials) that will/may be incurred by an official related to their accommodation will be for the department to determine and approved based on the availability of budget/funds.

- 8.4.6 No subsistence allowance or accommodation will be paid to an official whom attends the same/similar course for a second time due to failure or non-attendance of the course during the first-time attendance of the course.

Excluding exceptional circumstances, approved by the AO with providing the necessary documentation. (Sick certificate/death certificate)

- 8.4.7 Monthly attendance register from the institution should be submitted to the respective department by the employee attending the course. Failure to not attend any part of the course will result in the subsistence allowance for the period of non-attendance, to be recovered from the employee.

8.5 SUBSISTENCE AND TRAVEL ALLOWANCES –FOR EXTERNAL PARTIES (INCLUDING INTERVIEWS, DISCIPLINARY HEARINGS, ETC.)

Subsistence and travelling costs to be paid to any candidate invited for an interview will be handled as stipulated in the Recruitment policy of GM.

Persons invited for any other purposes / process e.g. disciplinary hearings etc, will be reimbursed at the applicable SARS tariffs.

9. ACCOMMODATION EXPENDITURE

(Read with Cost Containment Policy par 13)

The approval of any claim for accommodation expenditure is subject to the availability of the necessary funds on the applicable Operational Budget.

The general rule is that accommodation expenditure will only be paid if a person has to stay overnight when the duration of such congress, seminar, course,

meeting or workshop is more than one day or 12 hours and the delegates have to stay overnight

A person can stay overnight when:

- a) the duration of such congress, seminar, course, meeting or workshop is more than one day and the delegates wish to stay overnight; or
- b) the duration of such congress, seminar, course, meeting or workshop is for one day or less and delegates must leave before 06:00 in order to reach the destination in time or will return after 19:00 and will be out of office for more than 6 hours and the delegates wish to stay overnight instead of travelling to the venue and back on the same day.

When staying overnight:

- a) The actual cost of accommodation for domestic travel will be expended by the Municipality, subject to the following extract from the MFMA Circular No. 97 on Cost Containment, and updated as per OCPO SCM Instruction No. 07 of 2022/2023:

Voucher includes	BAND 1	BAND 2	BAND 3
	Room Only Tourism Levy VAT	Bed & Breakfast Tourism Levy VAT	Dinner, Bed and Breakfast Tourism Levy; VAT 2 x non-alcoholic beverages at dinner
Graded Hotel, Boutique Hotel, Lodge or Resort			
	BAND 1	BAND 2	BAND 3
1 Star	R 590 630	R 730 R780	R 855 R1 000
2 Star	R 920 980	R 1 050	R 1 230
3 Star	R 1 420 1 190	R1 120	R1 350
4 Star	R 1 275 1 360	R 1 230	R 1 400
5 Star	R 2 440 2 280	R1 310 R 1 380 R1 470 R 2 250 R2 401	R 1 530 R 1 550 R1 700 R 2 500 R2 740
Bed & Breakfast, Country House or Guest House			
	BAND 1	BAND 2	BAND 3
1 Star	R 3 350 350	R 495 R530	R 630 R740
2 Star	R 540 540	R 670	R 830
3 Star	R 920 980	R710	R920
4 Star	R 1 020 1 090	R 1 080	R 1 230
5 Star	R 1 225 1 300	R1 150 R 1 180 R1 260 R 1 385 R1 480	R1 350 R 1 330 R1 460 R 1 530 R1 680
Self-Catering			
	BAND 1	BAND 2	BAND 3
1 Star	R 590 630		
2 Star	R 920 980		
3 Star	R 1 420 1 190		
4 Star	R 1 275 1 360		
5 Star	R 1 475 1 570		
Meals			
	BAND 1 All Bands	BAND 2	BAND 3

1-Star Breakfast	R 110 R120	R—	R—
2-Star Lunch	R 160	R 160	R 160
3-Star Dinner	R170	R 180	R—
	R 180		
	R190		
Total	R 4500 R480	R 340	R 160

Please note that the above excludes parking expenses and may be claimed separately by travelers

Where such accommodation is available, the rate for a single room will be payable.

- b) If the accommodation costs, including bed and breakfast (excluding parking) exceed the maximum amounts in (a) above per night, the Municipal Manager, in the case of employees, or the Executive Mayor, in the case of Councillors, may approve accommodation at a higher rate, on the condition that it is reasonable based on the availability of suitable accommodation in relation to costs involved. **A report must be submitted to the Sec 80 committee when costs exceed the limit.**
- c) **Any additional costs** incurred whilst staying overnight is for the account of the employee or Councillor. Should the amount be included on the invoice to GM, the account must be settled at the Hotel and **invoices must be submitted to the Finance Department within 2 days after attendance.** The differences will be deducted from the salary of the Councillor or employee who stayed overnight.
- d) If a representative stay with a relative or friend, an accommodation allowance of **R750.00 per night** may be claimed.
- e) The payments for overnight accommodation for Councillors and officials should be paid directly through bookings to the preferred place of accommodation e.g. hotels, guesthouses etc. Request for payment of reservations should be submitted by the relevant Councillor or official at least **3 working** days before departure to enable administration to process the payment beforehand so as to not cause inconvenience to the person staying overnight. (Payment is on a Monday or Thursday).
- f) GM will as a general rule not issue any cheque payments for the payment of hotel accommodation and the payment will be made directly to the preferred hotel or guest house. In legitimate cases where amounts are paid by Councillors or officials to hotels or quest houses, the Council will reimburse the paid amounts on submission of the relevant documentation.
- g) Actual toll gate fees are payable on submission of a claim and **proof of payment**. Toll gate fees not to be included on IRP 5 and is not taxable.
- h) **The original invoice from the hotel or guesthouse must be submitted and returned to the Finance Directorate** within **two working days** after attendance. Failure to comply with this stipulation will result in the VAT that could have been claimed by the Municipality, to be recovered from the relevant person that stayed overnight.

- i) **Each traveller should negotiate Government rates as far as possible with various hotels and guest houses frequently used.**
- j) If the venue of an official meeting requires that a delegate be forced to make use of the only accommodation the total expenses with regard to accommodation will be paid by the Council.
- k) Cognisance must be taken of the fact that the selection of inexpensive or alternative accommodation does not necessary institute a saving. The cost of additional travelling, vehicle rental, parking and time involved must be taken in consideration subject to the submission of the necessary documentary proof.
- l) Any official who involves themselves in the destruction/damage to any property, whether it is Hotel property or private establishments rented by the Council he/she will be held accountable for the damages incurred to that property. The expenses in repairing the damaged property, will be deducted from the official's salary to reimburse the proprietor of the property.
- m) In the event of any trip being cancelled for any reason, it will remain the responsibility of the official/councillor to ensure that all expenses incurred related to the cancelled trip is refunded to council. Any expenditure not recovered for any travel and subsistence and/or accommodation will need to be recovered from the relevant official/councillors salary.

10. TRANSPORT ARRANGEMENTS:

- 10.1 The Council reserves the right to determine, on cost effective grounds, the means of transport when a person is delegated by the Council to attend an occasion.
- 10.2 Should four or less persons be delegated to attend the same occasion **only one vehicle may be used and travelling costs will be payable for one vehicle only**. Should a delegation consist of five to eight persons the travelling costs for an additional vehicle shall be payable if a second vehicle is used.
- 10.3 The Executive Mayor and Deputy Mayor who attend the same function shall travel in different vehicles.
- 10.4 A person who is delegated to attend an occasion at a centre which is serviced by a recognised and registered airline shall be afforded the opportunity to make use of air transport.
- 10.5 A person delegated to attend an occasion presented over a continuous period of time (for example training) will be entitled to a travelling allowance as determined in order to enable the person to visit normal home once a month within the duration of the occasion - International occasions excluded.

11. TRAVELLING ALLOWANCE / EXPENDITURE:

(Read with Cost Containment Policy)

The approval of any claim for travelling allowances is subject to the availability of the necessary funds on the applicable Operational Budget.

If persons are delegated, nominated or invited to attend any congress, seminar, meeting or workshop outside the Municipal area, the following travelling allowance is payable:

- 11.1 If official transport is provided, petrol, oil and other vehicle costs paid by the person whilst using the official vehicle, provided that **legitimate documentation** is submitted.
- 11.2 The Municipal Manager, Section 56 (Director), Councillor or an employee with a structured cost to Council contract may only claim for official distances travelled **outside the demarcated municipal areas** in respect of approved journeys where they utilize their own private vehicle for official duties. The compensation is payable in accordance with the tariffs prescribed by the National Department of Transport from time to time.
- 11.3 For employees on the essential users and the perk schemes, the rules of the specific schemes will apply.
- 11.4 For all other employees not on these schemes, the amount expended on business is deemed to be the actual distance travelled, multiplied by the prescribed rate per kilometre fixed by the Minister of Finance annually. (SARS Guide)
- 11.5 If a transport allowance scheme vehicle is used or a transport allowance is paid, the running cost is payable in accordance with AA-tariffs for the specific vehicle used, based on the actual cash purchase price of the vehicle used and based on the following principle:
 - Owner only –running cost;
 - Owner plus 1 – running cost + 25 % additional;
 - Owner plus 2 – running cost + 50 % additional;
 - Owner plus 3 – running cost + 75 % additional.
- 11.6 Before any official not receiving a transport, allowance may use a private vehicle for official purposes, the Director must authorize the utilization of the private vehicle for official purposes. The Municipality is not liable for any traffic penalties or damages that may be inflicted to or by the employee when using his private vehicle for official purposes.
- 11.7 Travelling by air:
 - Delegates to congresses, seminars, courses, meetings or workshops are remunerated for travelling costs at the rate of the most economical normal return air ticket plus hired vehicle.

- Delegates to congresses, seminars, courses, meetings or workshops which are held at destinations where it is impractical to travel by air can make use of official transport arrangements, provided that the Municipal Manager (for officials) or the Executive Mayor (for Councillors) authorise use of private transport at the prescribed rates.
- When an economic class ticket is not available, a business class ticket may be used after approval by the Municipal Manager/Executive Mayor, subject to the travel agency normally used by GM submitting substantiating proof that an economic class ticket is not available.

Should an employee or Councillor elect to travel business class in the event of an economic class ticket being available, the difference in cost is for the account of the Councillor or employee and will be deducted from his/her salary without notice.

- Parking fees, tollgate fees and traveling cost (UBER/taxi/train/bus) between airport, accommodation and venue, as well as freight, if necessary, will be paid by the municipality provided that satisfactory written proof and invoices are submitted for costs not directly paid by the Municipality. Claims should be submitted for payment within 30 days after travel (with relevant supporting documents). Lock-up garages may be utilised at the cost of the Municipality.
 - Where shuttle services are provided between accommodation establishments and airports, preference should be given to that service,
- 11.8 If travelling by luxury bus, the cost of a return-ticket, may be refunded if the claim (with relevant supporting documents) is submitted within 30 days after travelling.
- 11.9 If proof of toll gate fees paid is submitted, the amount will be refunded, if the claim (with relevant supporting documents) is submitted within 30 days after travelling.
- 11.10 In respect of journeys further than **450km radius from George** and subject to the starting and closure time of the seminar/workshop to be attended, **an extra day shall be allowed for travelling purposes to and from the venue**, based on the anticipated travelling time from home on the forward journey. Should the anticipated travelling time, the additional booking-in time, registration etc. should necessitate departure from home before 06h00, the Municipal Manager may approve earlier departure the day before the commencement of the event to be attended. In the case of return trips, 19h00 are taken as a reasonable time to be back home, taking into account the availability of transport to the home of the employee concerned.
- 11.11 In the event where a Councillor or official prefers to use a vehicle as opposed to a flight (plane) he/she be accorded an amount equal to an economic class flight ticket applicable for that trip, plus the cost of the rental vehicle, i.e. the said amount shall be used by the Councillor or

employee for all expenses incurred during the trip e.g. toll gates, parking fees, kilometres travelled etc. Subsistence allowance will only be calculated from the time of the departure and return time of the flight that in normal instances would have been applicable.

11.12 Any Councillor or official, who receives a travelling allowance, will not be allowed to use an official vehicle within the jurisdiction of GM.

11.13 **Travelling costs are paid from George Civic Centre / Uniondale-Haarlem Office's to the destination/accommodation and return to George**, only during working hours. In instances where proof can be submitted that additional travelling had to be undertaken or parking fees had to be paid by the employee or Councillor cost will be refunded upon receipt of documentation approved by the relevant authorised signatories,

11.14 When it proves impracticable for an employee on the essential scheme, or more beneficial for the Municipality, that the employee's vehicle be used when travelling outside the jurisdiction of the Municipality official transport may be used when available and approved by the relevant Director.

11.15 Whereas it is expected from Councillors to be reasonable with travelling claims within the George Municipal area as such, a more lenient approach must be adopted towards those Councillors from the rural wards in respect of their claims to attend meetings and functions of Council, in George.

11.16 For all travel claims submitted, the Google distance calculator should be used to determination the distance travelled.

12. TRAVELLING ALLOWANCE PAYABLE TO COUNCILLORS IN TERMS OF THE REMUNERATION OF PUBLIC OFFICE BEARERS ACT;

The Remuneration of Public Office Bearers Act: Determination of upper limits of salaries, allowances and benefits of different members of Municipal Councillors as per promulgated in Government Gazette.

NOTE: A PROCEDURE MANUAL TO MANAGE THE SUBMISSION AND AUTHORISATION OF CLAIMS BY COUNCILLORS STILL NEED TO BE APPROVED.

13. ACCOUNTABILITY:

If any Councillor and/or employee is delegated to attend a seminar/meeting/workshop and they have received the necessary allowances, and anything should happen that they are not able to attend, **that money shall be paid back immediately to GM**. If this is not done, the money paid will be deducted **from his/her salary** and such a person is guilty of misconduct and will be charged accordingly.

Delegates to any workshop, conference, meeting or seminar must ensure that they arrive on time and attend until the conclusion of such event, failing which

the Municipal Manager in the case of employees and the Executive Mayor in the case of Councillors must take the necessary steps to recover all or part of the costs incurred by GM to afford the delegate the opportunity to attend, provided that such delegate be afforded the opportunity to submit written reasons for not being on time or leaving before conclusion.

Should a Councillor or official not attend a seminar/meeting/workshop or fail to cancel his/her attendance in time, any cancellation fee or cost incurred as a result of the non-attendance or late cancellation will be recouped from the salary of the delegate, provided that such delegate be afforded the opportunity to submit written reasons for not attending or not cancelling.

Should a delegated employee or Councillor misplace an air ticket or bus ticket that has been paid for by GM and the ticket cannot be replaced free of charge as a result of it not yet being used, the said delegate will be responsible for replacing the lost ticket, provided that such delegate be afforded the opportunity to submit written reasons as to why the loss should be paid again for by GM. In the absence of valid reasons, the expenditure will be regarded as fruitless and will be recovered from the delegate should GM have replaced the ticket.

14. VISITS ABROAD:

14.1 Applications for official trips abroad are handled in terms of the in the absence of the country's currency on the list, the equivalent to US Dollars will be paid.

The daily substance allowance is to cover all meals, transport for private use, telephone calls and other incidental costs which may occur.

Accommodation expenses are not included in the day allowance

14.2 Visits abroad must be pre-approved in terms of the system of delegations of Council and all expenditure pertaining to the visit abroad must approve by the Municipal manager.

14.3 Accommodation for international travel must be equivalent to hotel accommodation used by business travellers but in the case of attendance of a conference the conference hotel may be used or the most convenient hotel nearest to the conference venue.

14.4 Traveling cost such UBER or similar/taxi/train/bus between the airport, accommodation and venue will refunded by the Municipality provided if satisfactory written proof and invoices are submitted for costs. Claims should be submitted for payment within 30 days after travel.

14.5 Council will reimburse the costs of visas for countries to be visited in accordance with the official visit.

14.6 Before the delegate leave South Africa, the travel agency normally utilized by Council may be requested to submit substantiating proof should the delegate believe that the subsistence allowance mentioned in 13.4 above will not be enough for subsistence costs in the country to be visited. The Municipal

Manager must approve such higher allowance before the delegate leaves the country.

- 14.7 The cost incurred for the exchange of Rand value to Foreign Currency can be claimed by the official/councillor from Council.

15. RENTING OF VEHICLES:

(Read with Cost Containment Policy par 12)

Should a delegate of the Municipality have to attend a seminar/congress/meeting and travels by air, train or bus to the destination, a vehicle may be rented from an acknowledged vehicle hire company for official journeys regarding the seminar/congress/meeting, subject to the following conditions:

- 15.1 Only travellers with a valid South African drivers' licence may rent a vehicle;
- 15.2 Only "B" 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 of a micro-bus).
- 15.3 Car rental must be approved as part of the travel package before the trip is embarked on. A representative who rents a vehicle whilst travelling 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.
- 15.4 If there are more than four attendees (delegates and spouses), two vehicles or a microbus, may be rented.
- 15.5 Delegates may use the rented vehicle for private journeys in the vicinity of the seminar. However, private journeys exceeding the free kilometres/day (maximum provided by the rental company) provided by the rental company will be for the account of the delegate using the vehicle and will be deducted from the salary of the delegate using the vehicle as such.

16. AUTHORISATION

- 16.1 The authority to delegate Councillors and officials to attend an occasion to centres within the Republic on Municipal business:
- 16.2 The acting or delegated municipal official cannot sign for his or her own claim.

DELEGATED PERSON	APPROVAL BY
Executive Mayor	Municipal Manager
Speaker, Chief Whip, Executive Mayoral Committee	Executive Mayor

Councillors	Executive Mayor (in absence of Mayor the Deputy Mayor)
Municipal Manager	Executive Mayor
Directors	Municipal Manager
Deputy Directors, Senior Managers & Managers	Municipal Manager or Relevant Director (budget holder)
Officials	Municipal Manager or relevant Director (budget holder)

- 16.3 Authorisation can only be done provided the expenses to be incurred are on the approved budget of the relevant Directorate.
- 16.4 The executive Mayor will travel on municipal business, provided the expenses to be incurred are on the approved budget of the Municipality.
- 16.5 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 or Executive Mayor.
- 16.6 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, the Executive Mayor or the Municipal manager, as the case may be, may recover all allowances and disbursements paid to enable such delegate or representative to attend such event, 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.

17. RESPONSIBILITY OF THE DIRECTORS:

The Directors recognize and accept the responsibility to see to it that recommendations to the Municipal Manager around travel and subsistence arrangements shall comply with the criteria as recommended in the policy.

18. DOCUMENTATION:

When applying for travel and subsistence allowances, the prescribed travelling form shall be completed in full.

Copies of the agenda of the specific meeting must be attached to the application.

19. UP-KEEP OF POLICY:

Adjustments to the policy shall take place under the following circumstances:

- Should the Municipality's approach to the policy change;
- Should new legislation and/or regulations require adjustments to the policy;

Adjustments to the inflation rate should be considered annually with the operational budget.

20. LEGAL REQUIREMENTS – COUNCIL POLICIES:

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.

21. SPONSORED TRIPS

21.1. LOCAL SPONSORED TRIPS

21.1.1 A trip shall be regarded as sponsored when the full/ partial cost of the trip is borne by an institution other than the George Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.

21.1.2 Traveling and Subsistence payable by the George Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts

21.2. INTERNATIONAL SPONSORED TRIPS

21.2.1 A trip shall be regarded as sponsored when the full/ partial cost of the trip is borne by an institution other than the George Municipality. Such sponsored proportion of the total cost of the trip must be declared in the application for the trip.

21.2.2 Traveling and Subsistence payable by the George Municipality will be calculated as the difference between the amounts claimable per this policy less the monetary value of the sponsored amounts.

22. INSURANCE

22.1 Travelers (Councillors and 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:

22.1.1 Medical expenses and assistance services;

22.1.2 Personal accident, including death and disability, as well as repatriation and evacuation;

22.1.3 Personal liability; and

22.1.4 Cancellation, curtailment, and default on travel and accommodation.

22.2 Insurance cover is only for the period that the traveler is away from home or place of work on a trip relating to Municipal business.

22.3 Private vehicles and contents thereof will not be covered under this Policy.

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

DRAFT

As approved by Council at the Council meeting which was held on ??? May 20242.

Signed at GEORGE on the day of **June 20242**.

.....
Municipal Manager

DRAFT

GEORGE MUNICIPALITY : TRAVELING AND SUBSISTENCE COSTS

PAYABLE TO _____

FOR ATTENDANCE OF _____

AT: _____

ON: _____

	PARTICULARS OF COST CALCULATIONS	PER MOTOR VEHICLE COUNCIL <input type="checkbox"/> TRAVELING TOGETHER <input type="checkbox"/> OWN <input type="checkbox"/>	PER AEROPLANE
1	Names of Councillors/personnel traveling together: _____		
	Departure from George	date: _____ time _____	date _____ time _____
	Arrival back in George	date _____ time _____	date _____ time _____
	Duration of absence	_____ days _____ hours	_____ days _____ hours
2	OVERNIGHT ACCOMODATION (Ref S&T Policy nr 8.1)		
	Please indicate option: <input type="checkbox"/> Own Accommodation <input type="checkbox"/> Hotel		
2,1	Own accommodation		
a)	_____ nights @ R750.00 per night (taxable by SARS)	-	Claiming: <input type="checkbox"/> YES <input type="checkbox"/> NO = _____
	Subsistence Allowance		
b)	_____ nights @ R522,00 per night		= _____
c)	Part of a day @ R161.00	0 - 4 hours: 40% 4 - 8 hours: 70% and (Exceeding 4), 8 - 12 hours 100% (Exceeding 8)	= _____ = _____
2,2	Subsistence for Arranged accommodation		
a)	_____ nights @ R522,00 per night		= _____
b)	Part of a day @ R161,00,	0 - 4 hours: 40% 4 - 8 hours: 70% and (Exceeding 4), 8 - 12 hours 100% (Exceeding 8)	= _____ = _____
c)	S&T policy (clause 8.4.2) fix rate - R6 750 p/m or R250 p/d for attending a course longer than a month = _____		
2,3	Reimbursement to official - Accommodation		
	= _____		
3	DAY COSTS (NON SLEEP-OVER) (Ref S&T Policy nr 8.2)		
3,1	Absence of 0 - 4 hours out of George (R50,00) = _____		
3,2	Absence of more than 4 - 12 hours out of George (R100,00) = _____		
3,3	Absence of more than 12 hours out of George (R250,00) = _____		
4	TRAVELING COSTS		
4,1	PER MOTOR VEHICLE		
	Please indicate: <input type="checkbox"/> Perk <input type="checkbox"/> Essencial <input type="checkbox"/> No scheme <input type="checkbox"/>		
a)	Capacity of vehicle (e.g 2L): _____	<input type="checkbox"/> Petrol <input type="checkbox"/> Diesel	
b)	Distance from George to destination = _____ km x 2 = _____ km	x cost per kilometer	≈ _____ = _____
c)	Traveling together (Only applicable to Councillors, Directors and perk scheme)		
	Owner plus 1 : running cost + 25% additional	<input type="checkbox"/>	= _____
	Owner plus 2 : running cost + 50% additional	<input type="checkbox"/>	= _____
	Owner plus 3 : running cost + 75% additional	<input type="checkbox"/>	= _____
4,2	PARKING AND TOLLFEES EXPENSES = _____		
	(No advance claims, supporting documentation must be attached)		
4,3	PER AEROPLANE (Attach supporting documentation) = _____		
	Aeroplane ticket @ discounted tariff		
4,4	MOTOR VEHICLE HIRE (Attach supporting documentation) = _____		
	= _____		
TOTAL PAYABLE			= _____
5	Ukey to be debited : _____		Balance available = _____
6	APPLICANT:		
	SIGNATURE	PERSONEEL NO.	
5	Authorised by Director : _____		