ANNEXURE P

TRAVELLING AND SUBSISTENCE POLICY

2026/2027

GOVAN MBEKI MUNICIPALITY

UTLANYELWE UKUKHULA

APPROVED BY COUNCIL ON: 27 MAY 2026

COUNCIL RESOLUTION NUMBER: A085/05/2026

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POLICY REGARDING PAYMENT OF TRAVELLING AND SUBSISTENCE ALLOWANCE

Introduction

It is needed that representatives of the municipality from time to time travel to another municipalities/cities/towns on official business (meetings, seminars, workshops, conferences, training, purchasing/procurement of goods/services, etc.)

To ensure sound, uniformity and proper administration of all regulations regarding travelling and subsistence for officials and councilors as well as their attendance of conferences, workshops and meetings, formulation and up keeping of a comprehensive policy is essential.

This policy details the approval and payment of a subsistence and travel allowance for the purpose of official travelling.

1. **Responsibilities of Representatives who travel on business of the Municipality**

1.1 Every representative who travels on the business of the municipality must comply with this policy in letter and in spirit.

1.2 Representatives who travel on the business of the municipality must appreciate, at all times, that they are ambassadors for the municipality, and that their actions, conduct and statements must be in the best interest of the municipality, and that they must comply with any specific mandates they have been given.

2. **Definition of a Travelling and Subsistence Allowance**

A Subsistence Allowance is an amount of money given by the municipality to a representative to cover the following expenses:

2.1 Accommodation and meals;

2.2 Transportation Cost if no official vehicle is provided by the municipality

2.3 Incidentals Expenses (including refreshments, snacks, non-alcoholic drinks, etc).

(The above excludes any personal recreation, such as visits to the cinema, theatre or night club, or sight-seeing, etc.)

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3. Other Definitions

3.1 **"Delegate"** any councilor or any official that received permission to attend an official visit as contemplated in Section 7 of this policy

3.2 **"Council"** means the Council of Govan Mbeki Local Municipality

3.3 **" Councillor"** means a councilor elected to serve on the Council

3.4 **"Govan Mbeki boundaries"** means the area determined by the National Demarcation Board for the municipal area known as (MP 307)

3.5 **"Per night"** when staying overnight

3.6 **"Official visit"** means the attendance of meetings, seminars, congresses, workshops, training courses or any other event that a delegate attends in his/her official capacity for which prior approval has been obtained and includes the attendance of meetings of institutes by councilors and /or officials that have been selected to serve on the management structures of such institutes.

3.7 **"Representative means"** means Councilors and officials of the municipality.

4. Up Keep of Policy

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

4.1 Should the council's approach to the policy change.

4.2 Should new legislation by means of laws, ordinance and or regulations require adjustments to the policy.

4.3 When adjustments to the inflation rate necessitate adjustments to the tariffs, which should be considered annual with the income/expenditure budget.

5. Responsibility for the Up Keep of Policy

The responsibility for the administration up keep of the policy is as follows:

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5.1 Adjustment to tariffs: Chief Financial Officer
5.2 Other adjustment: Director Corporate Services

6. Accountability

6.1 Delegates/ representatives to any conference, workshop or meeting must ensure that they attend, arrive on time and attend until the conclusions of such event, failing which the Council will take the necessary steps to recover all expenses incurred by the Council, to enable such delegate/representative to attend, provided that such delegate /representative be afforded the opportunity to submit reasons for not being able to be present from commencement to conclusion of such an event.

6.2 Delegates/representatives to any conference, workshop or meeting must prepare a report in writing to give account of the event to the Municipal Manager in the case of all officials, to the Executive Mayor in the case of Members of Mayoral Committee and to the Speaker in the case of all councilors.

7. Entitlement to a Travelling and Subsistence Allowance

7.1 A representative can 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.

7.2 Entertainment of external business associates or contacts or clients or potential investors or potential clients will be fully reimbursed subject to prior approval.

7.3 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.

7.4 A representative of the municipality must first obtain the appropriate approval of his or her travelling and subsistence allowance as provided in this policy before embarking on the trip.

7.5 No travelling and 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 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.

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7.6 If the distance of the venue is 200 km or less from Govan Mbeki Municipality and the event commences at 09h00 or later, such representative should leave in the morning of the date of such event.

8. Accommodation costs and subsistence allowance

8.1 Delegates 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 or guesthouse

8.2 If an Official or Councillor is away from his workplace longer than 5 hours, delegated to attend meeting, seminar, workshop, conference or have to work outside the area of Govan Mbeki Local Municipality they will be entitled to incidental cost allowance of R 184 (SARS rates) (Day or Night).

8.3 If a delegate is required to stay overnight in a hotel, motel, guest house or bed and breakfast establishment, the actual cost of accommodation will be borne by the municipality, subject to the following maximum amounts per overnight stay:

- Executive Mayor R3000
- All Councillors: R 2500
- All officials: R2000

8.4. If a delegate stays with a relative, friend or organize they own accommodation an amount of R 1000.00 (all-inclusive will be paid).

8.5. In order to qualify for a subsistence allowance, the employee must be required to spend at least one night away from his usual place of residence.

8.6. Travel claims must include proof of attendance, such as an attendance register and brief report detailing the purpose of travel.

8.7. Travel reimbursement will be based on the kilometres travelled to the venue, verified through Google Maps.

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9. Incidental Cost (Subsistence Allowance)

9.1. **Officials** that are required to pick up or drop items out of town will be paid the daily rate plus overtime.

10. Miscellaneous Expenses

10.1 The maximum that may be claimed where miscellaneous expenditure is incurred for official visit by councilors and officials outside the Govan Mbeki Municipality boundaries subject to the submission of documentary proof of expenditure is as follows:

10.4.1.1. Parking fees;
10.4.1.2. Toll fees;
10.4.1.3. Bus fares/Taxi fares;

11. Travelling Cost

11.1 Officials (excluding section 56 managers) receiving travelling allowance

- If an **Official, who receives a travelling allowance and officials on packages** utilize his/her personal motor vehicle outside the boundaries demarcated for the Govan Mbeki Municipality he/she will be reimbursed at per kilometer for the distance to and from such destination based on the **running cost.**

- The actual kilometers travelled will be payable using **AA -tables** at the applicable rate based upon the running cost of the vehicle used, with a maximum 3000cc vehicle.

11.4. Officials (excluding section 56 managers) not receiving travelling allowance

- If an **Official, who do not receives a travelling allowance** utilize his/her personal motor vehicle for the Govan Mbeki Municipality in compliance to section 7 (Adhoc Travelling, applications and claim) of the vehicle and travelling allowance policy of the municipality he/she will be reimbursed at per kilometer for the distance to and from such destination based on the **AA -tables Running plus Fixed Cost Rate per kilometer, as follows:**

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Fixed cost: an amount per kilometer, as indicated on the AA-tables for the vehicles that travel an annual distance of 15 000 km, based on the lowest of purchase price of the vehicle used or the employee annual salary plus

The average total leaded **running cost** per kilometer, based on the engine cubic capacity of the vehicle concerned, with a maximum of 3000cc, as indicated in the AA-tables.

11.5. Section 57 employees

Section 57 Managers will be paid according to the tariffs determined by the Department of Transport from time to time for use of privately owned vehicles for official visits outside the Govan Mbeki Municipal Boundaries

11.6. Councilors

- Official distance travelled will be reimbursed according to the tariffs payable for privately owned vehicles as prescribed by the department of Transport from time to time.

- For the purposes of claiming a logbook/sheet acceptable to the South African Revenue Services reflecting the official and private kilometers travelled per month bust be kept and submitted monthly to the Chief Financial Officer for reimbursement.

12. Domestic and International Flights

12.4. The Executive Mayor may travel by means of business class at the best available fare.

12.5. Councilors, Municipal Manager, Section 56 Managers and officials as delegated may travel by means of economy class at the best available fare.

12.6. In the case of group bookings, scheduled and sponsored tours or travelling with delegates from National/Provincial Government or from any other government institution or private sector on official approved trips, such councilors and officials may travel by means of the same class as the members of the delegations which they accompany.

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13. Car rental and other travel costs

13.1 Only "A" or "B" category vehicles may be rented, unless it is more cost-effective to hire a more expensive vehicle (for example when the number of delegates involved could justify the hire of a micro-bus).

13.2 Car rental must be approved as part of the travel package before the trip is embarked on.

13.3A delegate who rents a vehicle whilst travelling 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 delegate can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.

13.4. All flights by delegates of the Municipality shall be in economy class, unless another class of travel is specifically authorised by the Speaker or Municipal Manger, as the case may be.

13.5. If there are more than four delegates, two vehicles –or a combi, may be hired.

13.6. Delegates may use the hired vehicles for private journeys in the vicinity of the seminar/workshop.

13.7. All accounts for hired vehicles shall be certified as correct by the delegate hiring the vehicles before submitting it to the Chief financial Officer for payment.

13.8. All reservations for car rentals are done by the Chief Financial Officer at a car rental agency or the relevant travel agency and be arranged prior to departure.

13.9. 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 authorization will only be reimbursed for the cost of the vehicle rental if proof of expenditure can be produced and the represented by the circumstances.

13.10. Employees may utilize e-hailing or taxi services where necessary for official duties at seminar/ workshops. Such expenses will be reimbursed upon submission of valid proof of payment, in line with the Municipality's financial procedures.

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14. Overseas Travel

14.1. The daily allowance will be calculated per days spent from the day of arrival at the destination until the day of return.

14.2. The daily allowance is to cover for all meals, transport cost, official telephone, internet calls and other incidental cost which may occur.

14.3. An advance to defray meals and incidental cost: US $ 190 per day

15 Approval

In accordance with the delegated powers, the approval of the attendance of meetings is vested in the Executive Mayor, Municipal Manager and Section 57 Managers for workshops, seminars, conferences, congresses and similar and special visit which are in the interest of the council, provided that the necessary funds are available.

15.1 Approval by Executive Mayor for attendance by:

- Executive Mayor
- Chief Whip
- Speaker
- MMC's
- All other councilors
- Municipal Manager

15.2Approval by the Municipal Manager for the attendance by:

- All Section 56 Managers

15.3Approval by the Section 56 Managers for attendance by:

- All officials in the directorate
- Only the Director or his/her nominee may authorize any travel to be undertaken by officials, provided the expenses to be incurred are on the approved budget of the relevant department and funds are available.

15.4An invitation to attend a workshop, meeting, conference, training or related event is not an automatic authorization to attend such a workshop or event. The required authorization must be obtained from the Executive Mayor, Municipal Manager or the Director as indicated above. Relevance and value for money should be key considerations.

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15.5 Official visit in countries other than South Africa will be subjected to prior approval by the Mayoral Committee provided that the expenses to be incurred has been provided for on the budget and that the visit be reported to the next Council meeting by the Executive Mayor on the nature of and expenses incurred.

16. General

No claim will be honoured by Govan Mbeki Municipality if submitted 31 days after the trip or after incurring the expenditure.

Example of a log sheet

LOGSHEETS FOR OFFICE BEARERS IN TERMS OF GOVERNMENT GAZETTE NO. R1227 DATED 18 DECEMBER 2007, SECTION 6 (a) (ii) AND SECTION 9 (a) (ii)

SURNAME AND INITIALS: | **EMPLOYEE NUMBER**

DEPARTMENT: | **DESIGNATION**

VEHICLE DETAIL: | **MONTH:**

(DATES)

FROM	TO	ACTIVITY	VENUE	KM
A. Total kilometres travelled this month				
B. Kilometres applicable in terms of Vehicle Allowance Scheme				

Initial: ____________

C. Kilometres that maybe claimed (A –B)		TOTAL

AMOUNT CLAIMED: 0 KM X rate = R 0000

SIGNATURE **DATE**

To be completed by the authorising person:

I, in my capacity as ____ hereby confirm that the above-mentioned employee/Councillor was required to travel to the areas and for the purpose as indicated in his/her official capacity in the discharge of his/her duties.

SIGNATURE **DATE**

Mr. E.N. Maseko
Municipal Manager

Date

Initial: ________