AMAHLATHI LOCAL MUNICIPALITY

SUBSISTANCE AND TRAVEL ALLOWANCE POLICY

Council Resolution Number	Approved Date
Ordinary Council Meeting	28 May 2026
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CLLR. N. Mlahleki

Speaker

NAME OF POLICY – SUBSISTENCE AND TRAVEL ALLOWANCE POLICY	
Policy Number	
Policy Name	Subsistence and Travel Allowance Policy
Policy Status	
Version	
Date of Approval	30 May 2018
Date of First Implementation	01 July 2018
Date Last Amended	
Date of Next Review	May 2019
Purpose	1.1. The purpose of this policy is to regulate how traveling and subsistence costs are paid to staff members and Councillors required to undertake approved Council business which involves incurring expenses for travel, lodging, meals and other costs for attending conferences, meetings, seminars, training and conducting other Council business.
Aims and Objectives	
Policy Custodian	Corporate Services Department
Related Policies and Legislation	
Approving Authority	Council
Applicability	
Policy Benchmark and References	
Stakeholders Consulted	Employees

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1. POLICY STATEMENT

This policy assumes a mutual trust between Amahlathi Local Municipality and its Officials and Councillors. The Municipality expects to reimburse Officials and Councillors for all reasonable costs the Officials/Councillors may incur on behalf of the Municipality. The Officials/Councillors are expected to use good judgment in the expenditure of public funds, which he/she has been entrusted with.

2. PURPOSE

2.1. The purpose of this policy is to regulate how traveling and subsistence costs are paid to staff members and Councillors required to undertake approved Council business which involves incurring expenses for travel, lodging, meals and other costs for attending conferences, meetings, seminars, training and conducting other Council business.

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

2.3. The policy facilitates reasonable payment made by the municipality are for actual and necessary expenses incurred for municipal business.

3. SCOPE AND APPLICATION OF THE POLICY

3.1. This policy is applicable to all employees, councillors and any other council representative so designated by the Municipality.

3.2. This policy shall be operative from the date the Amahlathi Local Municipality Council approves it thus replacing all other existing policy in this regard.

3.3. This policy shall be read in conjunction with other municipal policies and procedures and pieces of legislation

4. Principles

4.1. This directive is to ensure that Municipal employees and Councillors adhere to procedures when arranging for travel, lodging and other expenses and that they

are paid for reasonable expenses incurred for travelling, conferences, meetings and meals because of conducting authorised municipal business.

4.2. In all areas, not just in economic pricing, the employee or councillor is responsible for exercising good judgement in requesting, arranging and making a trip. It should be thoroughly planned well in advance.

4.3. Personal business should not be mixed with official business if it will result in additional cost to the municipality or lost time, or if it will harm the Municipality's interest in any way.

4.4. Employees travel may be authorised for conducting municipal business of local, non-local and international travel activity such as the business meetings, conferences, and training sessions. Payments for conference registrations, hotels, airfares, etc may not be to officials and Councillors but directly to the institution and travel agency.

4.5. An individual may not authorise or approve reimbursement for his/her own travel; the responsible manager in the department must approve claim forms. Senior managers will obtain authorisation from the Municipal Manager who in turn will obtain approval from the Mayor. The councillors will obtain authorisation from the Speaker.

4.6. Employees and councillors must claim for the actual kilometres travelled for the official trip.

4.7. Employees and councillors must use the details of the used vehicle to travel regardless of the vehicle registered with the Municipality.

4.8. All employees and councillors must receive express authorisation from the responsible manager or political office for all travel and conferences. Such authorisation shall be authorised subject to availability of annual travel budget, and approval by the municipal manager. No travel may be undertaken if the funds are insufficient in the budget for such travel.

4.9. For all employees, a report upon return from the official trip must be attached to the claim form failing which no payment will be made.

5. DEFINITIONS

"Employee" means all employees and contract employees designated to represent Amahlathi Municipality at an authorised meeting, training session, or conference.

"Councillor" means member of the municipal council.

"Local travel" means official travel performed within jurisdiction of the municipality.

"Non-Local travel" means official travel outside the jurisdiction of Amahlathi Local Municipality.

"International travel" means travel to any country other than South Africa.

"Subsistence" means money and time spent outside the normal workplace to perform municipal duties.

"Travelling" means moving from departure to the destination to represent the municipality or perform duties.

6. LEGISLATIVE FRAMEWORK

- Basic Conditions of Employment Act No. 75 of 1997
- Labour Relations Act, No. 66 of 1995
- Collective Agreement on uniform conditions of service by SALGBC
- Local Government: Municipal System Act No. 32 of 2000 (as amended).
- Local Government: Municipal Structures Act No. 117 of 1998.
- Local Government: Municipality Demarcation Act No. 27 of 1998;
- Local Government: Municipal Finance Management Act No. 56 of 2003

7. General Expense Policy and Procedure

7.1 Employee Expenses

7.1.1 The Departmental Head may reject a request for reimbursement if in his/her opinion the expense was inconsistent with, in violation of, the municipal policy, or the employee did not travel on municipal business interest.

7.2 Travel and Subsistence Arrangements and Claims

7.2.1 Travel Reimbursements

The claimant is entitled to reimbursement for necessary and reasonable travelling expenses while on official municipal non-local and international travel.

7.3. Application Process for Travel Approval

7.3.1. All official trips, local, non-local and international shall be pre-authorised prior to travelling taking place. Failure to obey this instruction may result in disciplinary action being taken by the responsible line manager.

7.3.2. Senior managers must receive travel approval from the Municipal Manager.

7.3.3. Official travel by the Councillors must be recommended by the office of the Speaker and approved by the office of the Mayor.

7.3.4. Official travel by the Municipal manager must be approved by the Mayor.

7.3.5. Submitting a travel form for travel approval indicates the employee's intentions to travel. The employee must make the effort to attend the event or meeting as stated in the travel form. If the travel must be cancelled, the employee must make every effort to withdraw all pre-arranged registrations and bookings. If the municipality suffers financial costs because of failure to comply with this instruction, the municipality may view this conduct as negligence and may take disciplinary action against the employee.

7.3.6. All travel expenses shall be paid on a reimbursement basis and shall be claimed and reimbursed in accordance with the allowance rates stipulated in section 5 hereunder

7.4. **Travel Arrangements**

7.4.1. Departmental heads are responsible for making all travel arrangements such as air travel, accommodation, car hire, via an internal own departments' secretary once the relevant travel documentation is submitted, received and approved.

7.4.2 Finance department will activate all payments of accounts, including bookings, hotels and guest houses and parking fees on receipt of approved travel documentation. To determine the actual claimable costs, refer to section 6 & 7 hereunder.

7.5. Travelling

7.5.1. Travelling costs include, but not limited to, airplane, train, bus and taxi fares, bridge tolls, parking and car rentals. Generally, the most direct and commonly travel routes should be taken. Other routes may be authorised when official business require their use. If the official or Councillor takes an indirect route or stops along the way for personal reasons, he/she will not be reimbursed for non-business expenses.

7.5.2. Selection of carrier, reservations and ticketing should be arranged as early as possible to obtain the greatest discount. Ground transport and nearby airports are preferred if the total fares are lower.

7.5.3. The Departmental Head must use own discretion to determine if travelling by air is cheaper than driving, by acquiring quotes in advance to make this determination.

7.5.4. Air travel on Municipal business shall be on economy class. Air travel should not be used if the destination is only two hours by ground transportation.

7.5.5. A private vehicle may be used in lieu of air travel if this option is better for the municipality, taking into consideration the additional time spent driving. Prior

approval with the Departmental head is required before a private vehicle is used. Kilometres travelled must be documented by the traveller.

NB: The total documented kilometres and all travel expenses incurred cannot exceed the airfare amount. The airfare amount will be the most economical rate that the municipality will be able to negotiate less any airport taxes payable and VAT payable.

7.5.6. When using a private vehicle, appropriate travel kilometres reimbursement shall be processed. All travel claims shall be submitted reflecting the departure and the destination point at the appropriate workstation. Any fuel, damages, required service, or repairs to personal vehicles during the trip will be the individual's responsibility as these costs are included in the per kilometre cost reimbursement.

7.5.7. The Municipal vehicles may be used if available where the employees and Councillors travelling are not entitled to travelling allowance. If refuelling is necessary, the employee may request reimbursement for any fuel purchases. The employee is responsible to check the vehicle for safety and damages before travelling, using the standard checklist.

7.6. Car Rental

7.6.1. Rental vehicles, at the municipal expense, may be obtained when an employee or Councillor is on municipal business and other modes of travel are not available, too costly, or impractical. Prior approval by the Municipal Manager is required before booking for rental vehicles are confirmed.

7.6.2. Only "A", "B", "C" and "D" 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).

7.6.3. If two or more employees are attending the same meeting or Conference and a vehicle is needed for municipal business, only one vehicle may be rented at municipal expense. Car rental insurance should be included in the rental agreement. The employee is responsible to carefully examine the rented vehicle for existing damages and record/report these damages to the rental agency before leaving the parking area.

7.7. Accommodation

7.7.1. Employees and councillors who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, shall be booked in accommodation establishments in the following categories:

1. Mayor, Speaker, Chief whip & EXCO members: 3–5-star hotel
2. All other Councillors, Municipal Manage, Senior Managers & Managers: 3-4star hotel;
3. All other staff: 3-star guest house or bed and breakfast

7.7.2. Claims exceeding the above are subject to proper motivation to the Municipal Manager for authorization. The payments for overnight accommodation will be paid directly through bookings to the place of accommodation.

7.7.3. Requests for payment of reservation must be submitted at least 4 days before departure to enable the administration of the process by the appointed Travel Agent. Where such accommodation is available, the rate for a single room will be payable.

7.7.4. Where an employee makes his/her own accommodation arrangements, the applicable rate payable shall be a fixed daily allowance of R500.00 (no invoice required). The allowance awarded in the case of private accommodation shall include meal expenses and no other subsistence and daily allowance claim will be allowed.

7.7.5. Reimbursement is allowable for lodging expenses associated with attendance at out-of-area conference or meeting. Overnight lodging expenses associated with meeting attendance within a 100-kilometre radius of Amahlathi Local Municipality may be authorised if the overnight stay is justified based on early morning or late hour attendance requirements. Such overnight stay shall be pre-authorised by the relevant manager or Municipal manager. The cost of accommodation shall be reimbursed or paid directly by the municipality.

7.7.6. Where an event starts on or before 09h00 on the first day, accommodation can be arranged for the previous night when a delegate must travel for more than 250 km. Where an event concludes after 16h00, delegates can arrange for accommodation when a delegate must travel 250 km or more to reach his/her place of residence.

7.7.7. The accommodation should be economical but practical; staying at a hotel recommended for the conference even if slightly expensive than others in the area.

7.7.8. If rooms are not available, an alternative hotel in proximity to the location of the conference or meeting should be selected.

7.7.9. The costs of the alternative hotel shall not exceed the costs expended at the hotels recommended by the conference. Due care must be taken in making alternative arrangements. In general, the employees must stay at a reasonably priced accommodation available, consistent with the goals and purpose of the conference or meeting. The Head of Department is duly authorised to check if good judgement was exercised in the selection of the lodge in question.

7.7.10. Making early reservations for lodging is encouraged to take advantage of lower costs and avoid higher costs that may occur. If prior payment is required to hold a reservation, Finance department may forward the payment to the hotel

prior to the trip. The employee is responsible to cancel the unused reservation; failure to do so may result in the employee being responsible for the charge unless circumstances requiring cancellation were reasonably beyond his/her control and subject to the approval of the Municipal Manager.

7.8. Meals

7.8.1. For local travel, the municipality will not pay for meals unless it is part of the registration fee.

7.8.2. If the cost of accommodation paid excludes the provision of breakfast, a meal subsistence allowance of **R120 (SARS rates)** will apply in respect of domestic travel, subject to the submission of an invoice or receipt for the cost of the accommodation and the cost of the meal. A meal subsistence allowance is not applicable when an employee or councillor claims the amount of a day trip.

7.8.3. If the costs of accommodation paid exclude the provision for dinner, an amount of **R180.00** (SARS rates will apply) The allowance is not applicable when a representative claims the amount for a day trip and when used private lodging.

7.9. Travel outside the Republic of South Africa

For travel outside the Republic of South Africa, a daily allowance shall be paid in rands to enable the official to purchase the equivalent daily allowance in foreign currency. The rates prescribed by SARS will apply when calculating and converting the allowance.

7.10. Parking

All parking claims for reimbursement will only be considered when Councillors and employees have produced a cash slip or receipt.

7.11. Toll gate Fees

All toll gate claims for reimbursement will only be considered when Councillors or employees produce a cash slip or receipt.

7.12. Unclaimable Travel Expenses

7.12.1. The Municipality will not reimburse the claimant for personal expenses such as valet service, barbering, in –room service and movies, gratuities for porters and waiters, personal calls and alcoholic beverages.

7.12.2. Spouses and guests are allowed to accompany the employee or Councillor on municipal travel and at conferences, seminars, and meetings when using private transportation.

7.12.3. Spouses and private guests are not allowed to accompany the employees and/or Councillors in a Municipal vehicle unless they are guests of the municipality on official business. A trip authority form shall be signed before travelling is undertaken.

7.12.4. If the claimant is travelling on behalf of another public agency, eg: SALGA, that agency is expected to handle all expenses, unless otherwise authorised by the Council. The Municipality is not responsible for any expenses, including advances and reimbursements. The exception to this rule being where the official or Councillor serving in a committee of a public agency such as professional associations, which does not provide travel expenses.

7.13. Travel as Part of Delegation

If the employee or Councillor has been invited to attend an event as part of a delegation in any scope of government, he/she is able to claim Travel and Subsistence after the event has taken place in accordance with the allowable travel and subsistence rates in section 5 hereunder.

8. ALLOWABLE TRAVEL AND SUBSISTENCE RATES

8.1 Transport – Private Vehicles

8.1.1 Reimbursement shall be actual kilometres travelled multiplied by the applicable rate as determined by (Department of Transport) Rate.

9. MONITORING AND EVALUATION

The policy must be monitored and evaluated from time to time to test if the rationale for which it was created remains relevant. There is no hard and fast rule as to when the policy should be evaluated.

10. REVIEWING A POLICY

Amahlathi Local Municipality Policies are subject to review, as and when necessary. As the review date approaches it is important to plan the process. To some extent it can help to see this as a shortened version of the full development process because it is important to ask if many of the same fit for the purpose. Inevitably, the demands of the organisation can change over a year, and it is important to consider whether the policy needs to be amended to reflect these changes. It is also essential to galvanise views from across the municipality about the success of the policy, what has worked and what hasn't and consider where there may be gaps and identify any newly emerging needs or issues.

It may be necessary to plan a communications exercise or the intranet to generate discussion and feedback. For practice related policies it will be essential to create some dialogue with relevant stakeholders to gain their views.

If because of the review, essential aspects of the policy are changed it will again be important to run a similar communications exercise as occurred in the initial implementation of the policy, this will need to be used to highlight any key changes.

11. DEVIATION CLAUSE

A deviation clause in the Policy offers an escape route in the event of unforeseen circumstances such as danger to life, emergency situations or an instruction from National / Provincial Government and District Municipality. It creates flexibility and enables performance outside the otherwise rigid confines of the policy. Approval for deviation must however be approved by the Municipal Manager or Council as the case may be.

12. DISPUTE RESOLUTION

Any dispute arising out of the implementation of policy shall be referred to the South African Local Government Bargaining Council (SALGBC) or any other structure established for that purpose in terms of the Labour Relations Act.

13.ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by Amahlathi Local Municipality Council for implementation.

Effective from (Date)_____

Approved by Resolution Number _____ on this the _____ day of 20_____

_____ _____

DR. Z. SHASHA **DATE**
MUNICIPAL MANAGER

_____ _____

CLLR N. MLAHLEKI **DATE**
SPEAKER