

LEPELLE-NKUMPI LOCAL MUNICIPALITY



2026-2027 SUBSISTENCE AND TRAVEL POLICY

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1. PREAMBLE

It is essential that representatives of the municipality from time to time travel to other cities and towns in order to establish and maintain links and relationships with other municipalities, government bodies, and other parties, institutions and organizations operating in the sphere of local government. It is important for representatives to broaden their knowledge and understanding of and compare local experiences in local government transformation, innovation and change in the rest of the country, and this can effectively be done only through the medium of personal contact with a wide range of local government stakeholders.

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

Note: This policy should be read together with National Treasury MFMA Circular No.82 on Cost Containment Measures.

2. PURPOSE

2.1 The purpose of the policy is to regulate the payment of subsistence and travel allowance for all delegates and representatives of the Lepelle-Nkumpi Municipality.

3. OBJECTIVES

3.1 To encourage a culture of saving costs for the Municipality

3.2 To regulate the attendance of workshops and meetings by officials on behalf of the Municipality

3.3 To avoid fruitless and wasteful expenditures

3.4 To set out the basis for the payment of accommodation, subsistence and travel allowance for the purpose of official travelling and to maintain control over travel and accommodation expenses.

3.5 To provide quality travel services

4. LEGISLATIVE FRAMEWORK

- Municipal Systems Act 32 of 2000
- Municipal Structures Act 117 of 1998
- Basic Conditions of Employment Act 75 of 1997
- Labour Relations Act 66 of 1995
- Employment Equity Act 55 of 1998

- Lepelle-Nkumpi Policy on Delegations of Powers

5. DEFINITIONS

All terminology of this policy shall bear the meaning as in applicable legislation

- 5.1 **“Travel and subsistence Allowance”** an amount paid employee who travel on official business
- 5.2 **“Employee”** a person who is hired to provide services to a company in exchange for compensation
- 5.3 **“Official distance”** distance in kilometres travelled by an employee in execution of official duties

6. SCOPE OF APPLICATION

This policy shall apply to all officials and representatives of the municipality.

7. RESPONSIBILITIES OF REPRESENTATIVES

- 7.1 Every representative who travels on the business of the municipality must comply with this policy to the latter and in spirit.
- 7.2 Representatives who travel on the business of the municipality must appreciate, at all times, that they are ambassadors for 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.

8. SUBSISTENCE AND TRAVEL ALLOWANCE

- 8.1 A subsistence and travel allowance is an amount of money paid by the municipality to a representative to cover meals and travel expenses (including reasonable gratuities);
- 8.2 A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing.
- 8.3 All travel and subsistence claims must be submitted to Payroll by the 06th of every month, if the 06th falls within a weekend or a public holiday, the due date for submission should be the next working day.

8.4 All travel and subsistence allowances will be reimbursed on the 15th of the each month.

9. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

9.1 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.

9.2 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, the entertainment of external business associates or contacts or other parties must be claimed against the entertainment allowance.

9.3 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.

9.4 In cases where employees will be required to travel for funeral purposes, an exemption from the Municipal Manager must be sought for the use of common transport provided by the municipality.

9.5 For the purposes of a subsistence allowance, a representative shall mean:

9.5.1 municipal manager

9.5.2 heads of departments

9.5.3 Audit Committee members

9.5.4 any other official specifically authorised to represent the municipality on a *particular occasion*

9.5.5 any official who is a member of a recognised professional institution and is granted permission to attend meetings and conferences of such institution.

10. ACCOMMODATION COSTS

- 10.1. Representatives who travel on the business of the municipality, where the business unavoidably entails one or more nights to be spent away from home, may stay in at least a minimum three star hotel, motel, guesthouse or bed and breakfast establishment. An amount determined in the Cost Containment Circular from National Treasury shall be payable for accommodation.
- 10.2. The actual cost of accommodation will be borne by the municipality, subject inclusive of breakfast for the accommodation itself in respect of domestic travel.
- 10.3. Any additional costs will be to the account of the municipal representative and must be paid upon checking out, failing which the amount will be deducted from the representative's salary.
- 10.4. If the cost of accommodation does not include breakfast, a subsistence allowance as per SARS rates shall be payable.
- 10.5. If a representative stays with a relative or friend, an accommodation allowance as per SARS rates may be claimed, together with a sleep out allowance.
- 10.6. The recoverable cost of accommodation for international travel and subsistence allowance will be limited to the tax free allowances for international travel as determined by the Income Tax Act.
- 10.7. In the case of both domestic and international travel, the day of departure and the day of return each qualify for a subsistence allowance.
- 10.8. For purposes of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.

10.1 Rates set for Domestic Hotel Accommodation

Accommodation Grid			
Voucher Includes	BAND 1	BAND 2	BAND 3
	Room Only	Bed & Breakfast	Dinner, Bed and Breakfast
	Tourism Levy	Tourism Levy	Tourism Levy
	VAT	VAT	VAT
			2 x soft Drink at Dinner
Graded Hotel	BAND 1	BAND 2	BAND 3
1 Star property	R580.00	R710.00	R810.00
2 Star property	R650.00	R800.00	R925.00
3 Star property	R1,100.00	R1,200.00	R1,400.00
4 Star property	R1,250.00	R1350.00	R1,550.00
5 Star property	R 2,100.00	R2,200.00	R2,500.00
Bed & Breakfast or Guest House	BAND 1	BAND 2	BAND 3
1 Star property	-	R180. 00	R270.00
2 Star property	-	R250.00	R350.00
3 Star property	-	R400.00	R520.00
4 Star property	-	R600.00	R750.00
5 Star property	-	R 800.00	R975.00
S&T Allowance	BAND 1	BAND 2	BAND 3
Breakfast	R120.00	-	-
Lunch	R120.00	R120.00	-
Dinner	R150.00	R150.00	-
Total as per TP	R390.00	R270.00	-
S&T Claims accepted based on Travel Policy, detail include Parking, Laundry and Wi Fi			
Important Note: All other costs incurred are for the individuals account.			
Note: Consideration should be given to include such a table in policies.			

11. SUBSISTENCE ALLOWANCES

11.1 Meals And Incidental Costs

When an official pays for overnight accommodation and meals away from his/her normal workplace and outside of the Lepelle- Nkumpi Local Municipality 's area of jurisdiction, re-imbursement of such costs shall be payable as per applicable annual SARS determination.

11.2 Overnight Trips

An overnight allowance as per per annual applicable SARS determination SARS rates shall be payable for a night away from home on a business trip. An amount as determined by SARS rates will be payable for sleep out.

12. CAR RENTAL AND OTHER TRAVEL COSTS

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 representatives involved could justify the hire of a micro-bus).

12.1 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 representative can demonstrate that vehicle rental was reasonably but unexpectedly necessitated by the circumstances.

12.2 All flights by representatives of the municipality shall be in **economy class**, unless another class of travel is specifically authorized by the mayor or executive committee, as the case may be.

13. CLAIMING OF KILOMETERS TRAVELLED

- 13.1 Kilometres will only be claimed in excess of 20 kilometres return.
- 13.2 Office bound workers will only be allowed to travel up to a maximum of 650 kilometres per month
- 13.3 Field workers will be allowed to travel to a maximum of 1200 kilometres per month
- 13.4 Any kilometres travelled in excess of the approved allocation will be motivated and recommend by the head of department before approval by the acting municipal manager
- 13.5 The destination of the trip should be the name of the place of destination and not the name of a hotel, or a department, or a municipality (e.g not from **Lebowakgomo to Protea Hotel**) but be "from **Lebowakgomo to Polokwane (Protea Hotel)**
- 13.6. Point of departure for the payment of travel allowance is the employee workstation or shortest distance to be travelled, actual kilometres travelled to be claimed
- 13.7 Employees with car allowances and who are required to work overtime during weekends and holidays will be entitled to claim travel from home to work and from work to home.
- 13.8 Employees without car allowance who are required to work overtime will be provided with a municipal vehicle if they are authorised drivers and if they are not authorised drivers they will be collected from home to work and from work to home.
- 13.9 Reimbursement of kilometres will be at an amount prescribed by the Department of Transport. The rates used for kilometres travelled are issued every month by the Department of Transport and can be accessed from the Pay Roll Office.

13.10 If the total number of kilometres for which a reimbursement is received exceeds 8000 in any tax year, reimbursement for the excess kilometres over 8000 must be taxed for PAYE purposes”.

13.11 The attached schedule of distances (Annexure A) will be used to determine the kilometres travelled per destination. Heads of Departments have a responsibility to check and verify the credibility of the kilometres claimed against the attached schedule of distances prior to approval of the travel claim. For those destinations that are not indicated on the schedule, claimants are required to use the distance calculator by Google Maps.

13.12 The schedule of distances provides for the minimum and maximum kilometres per destination to enable calculation within a town or city.

13.13 Subsistence and travel claims be submitted within two (02) months, employees who fail to do so will result in claim being forfeited.

14 TRAVEL ALLOWANCES FOR A REPRESENTATIVE NOT ON THE CAR ALLOWANCE SCHEME (UTILISING OWN CAR FOR OFFICIAL BUSINESS)

14.1 Prior approval must be obtained from the Municipal Manager or head of the department before a representative can utilise own vehicle for official business. Such representative shall be reimbursed at an amount prescribed from time to time by the Department of Transport.

15. AUTHORISATION

15.1 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 manager or head of the department, as the case may be.

15.2 All Claims should be verified and approved as follows, provided the expenses to be incurred are on the approved budget of the relevant department.

Claimant	Approval of Claim
Municipal Manager	The Mayor
Head of Departments	The Municipal Manager

All Managers	Head of Departments
All Staff Members	Head of Departments /Delegates

15.3 Prior to any approval of an S&T claim , the following should be carefully checked and verified :

15.3.1 The validity and strategic nature of the trip ;

15.3.2 The kilometres travelled;

15.3.3 The validity of the supporting documents as contemplated in section (1) of this document ;

15.3.4 The tariffs used;

15.3.5 The number of nights slept out;

15.3.6 The calculations on the claim.

15.4 Departments responsible for approval of claims are required to keep copies of approved claims for reference purposes when the next claim is submitted. This will assist in mitigating the risk of claiming twice for one official trip.

15.5 Head of Departments are required to check the budgetary provisions in the Travel and Subsistence votes of their relevant departments to ensure that funds are available for the payment of the claims. This should be done prior to any approval of a trip to be undertaken.

15.6 No cancellation, alterations, or tippex shall be allowed on the form.

15.7 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 municipal manager may recover all allowances and disbursements paid to enable such delegate or representative. A delegate or representative will be afforded the opportunity to submit reasons for not being able to attend such event."

16. DOCUMENTS TO BE ATTACHED

16.1. All official trips undertaken and nights slept out must be supported by the following :

16.1.1 An Invitation or Agenda of the meeting/training schedule or Programme /Course content (in case of a workshop, seminar, training, etc.)

16.1.2 Attendance Register / approved motivation in cases where an attendance register is not attached.

16.1.3 An Out of Office/ Trip Authorization form must be attached for any official trip to be undertaken and must be approved prior to the undertaking of any trip. It can also be used in cases such as submission of official documents to other stakeholders, inspection of projects, consultations with other departments etc.

16.2 Out of pocket and toll road expenses must be supported by original invoices.

16.3 Purpose of the official trips undertaken must be clearly described.

17. LEGAL REQUIREMENTS

In terms of Section 66 of the Municipal Finance Management Act No. 56 of 2003 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.

18. REVIEW, MONITORING AND AMENDMENT OF THE POLICY

For purposes of expenditure monitoring, the finance division shall on a monthly basis submit an expenditure report to determine whether the municipality does sustain the policy.

The policy shall be reviewed and monitored as and when necessary.

Document Name: TRAVEL AND SUBSISTENCE POLICY

Approved by:

Date	28 May 2026
Resolution Number	6.2.1.05.2025/2026
Signature	

