



INGQUZA HILL LOCAL MUNICIPALITY

SUBSISTENCE AND TRAVELLING POLICY

2026/27

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REVIEW HISTORY

LAST REVIEW DATE	SUMMARY OF CHANGES
May 31, 2025	<ul style="list-style-type: none"> No amendments
June 30, 2025	<ul style="list-style-type: none"> Paragraph 10.5 – Increase of dinner limit from R300 to R350
May 31, 2026	<ul style="list-style-type: none"> Included paragraph 10.6, relating to dinner that is not provided in the establishment where the accommodation is provided.

1. Definitions

For purposes of this policy, employee means all permanent and contract employees designated to represent the Ingquza Hill Local Municipality at an authorized meeting, training session, or conference. This policy also applies to Councilors unless otherwise amended or subject to other policies set forth in a resolution adopted by the Municipality council.

For the purposes of this policy statement, the word "travel" is used to denote activities of individuals in connection with authorized attendance at conferences, meetings, seminars and training, including necessary transportation thereto and there-from. Travel is further delineated as local or non-local as defined below.

“Constitution” means the Constitution of the Republic of South Africa, Act No. 106 of 1996;

- “Council”** means the elected council of the Ingquza Hill Local Municipality, in accordance with chapter 3 of the Municipal Structures Act, No. 117 of 1998;
- “Councillor”** means a councillor of the Municipality;
- “Mayor”** means the Mayor of the Ingquza Hill Local Municipality as provided for in the Municipal Structures Act;
- “Government Gazette 31915”** means the Government Gazette notice no. 31915 of 2009,
- “HOD”** means a head of department / manager appointed in terms of section 56 of the Municipal Systems Act, No. 32 of 2000.
- “Incidental costs”** means small and relatively minor expenses (includes refreshments, for example, drinks, snacks etc.)
- “Municipality”** means the Ingquza Hill Local Municipality;
- “Municipal Manager”** means the Municipal Manager of the Ingquza Hill Local Municipality.
- “Municipal Structures Act”** means the Local Government: Municipal Structures Act, No. 117 of 1998;
- “Municipal Finance Management Act (MFMA)”** means the Local Government: Municipal Finance Management Act (Act No. 56 of 2003);
- “Representative”** in terms of this policy means any employee, councillor, a mayoral Committee member, the Speaker or Mayor of the Ingquza Hill Local Municipality.
- “Speaker”** means the Speaker of the Municipality as provided for in the Municipal Structures Act;
- “Foreign travel”** means to travel outside the borders of South Africa (the common rand

monetary area) without changing one's permanent residential address;

“National travel” means travelling within the borders of South Africa (the common rand monetary area) without changing one's permanent residential address;

“SARS” means the South African Revenue Service;

“Subsistence Allowance” means a subsistence allowance given to an official or councillor on any accommodation, meals and other incidental costs while such recipient is by reason of the duties of his or her office or employment obliged to spend at least one night away from his or her usual place of residence in the Republic.

“Subsistence and Travel Allowance (S&T)” means an S&T allowance received before the trip for an amount provided for in this policy within the limits set by the Municipality in terms of SARS guidelines

“Travel Allowance” means an allowance paid to an official or councillor in respect of travelling expenses for business purposes

1. Introduction

All official subsistence and travel must be in the best interest of the Ingquza Hill Local Municipality and beneficial to the municipality. Travel should only take place if the business being attended to cannot be conducted in another way, such as telephonically, in writing, etc.

2. Purpose

2.1 The purpose of the subsistence and travel allowance policy is to provide guideline for the reimbursement of councillors and employees for unforeseen and incremental expenses that are necessarily incurred whilst away on official municipal business;

2.2 The approach towards expenditure of this nature should be that costs must be minimised where possible. The policy of Ingquza Hill Local Municipality is that councillors and employees should not enrich themselves; therefore, the overriding consideration is that employees must be in the same financial position on their return as they were before the trip.

2.3 Matters not specifically dealt within this policy must be clarified with the Municipal Manager prior to an employee undertaking a trip.

3. Qualifying Criteria

Subsistence is meant for Ingquza Hill Local Municipality employees/councillors who are absent from their usual place of residence on official duties for at least a day and part thereof.

4. Delegation of Authority

Approval/authorisation of subsistence and travel claims must always be granted by the Head of Department, in the case of councillors by Municipal Manager.

5. Account settlement

5.1 The contracted in-house travel agency will settle actual bed and breakfast accounts, all air travel, and leasing of vehicles. While other expenses such as laundry are for the individual employee's account. The following expenditure is repayable to the employee subject to proof being provided;

- Parking fees;
- Meals;
- Toll fess
- Taxi fare
- Fuel costs (only for a municipal or hired vehicle).

5.2 Employees will be reimbursed laundry expenses only if the stay is longer than five days;

6. Application for travel approval

All official trips are to be authorized prior to traveling, this is compulsory for both local and non – local travel.

7. Documentation

The following supporting documentation needs to be attached to the claim before it can be processed for payment:

- (a) A memo from the H.O.D. explaining the purpose of the trip and the reason / need for the official to travel in their own car where applicable. The memo must clearly give authority for the official to travel.
- (b) An itinerary and / or program and / or invitation must be attached and must be approved by the H.O.D. / Municipal Manager before the trip is undertaken.
- (c) Finance officials will print out a print screen from either www.infosights.co.za or Google maps confirming the *approximate* distance travelled and which is being claimed by the official to check the reasonability of the claim.
- (d) Attendance register for internal meetings/ where there is no attendance register the HOD should confirm the attendance.
- (e) A printout of the monthly circular from the Department of Transport for tariffs is used in the calculation of the travel claim.
- (f) An accurately completed and properly approved (signed) S&T claim form.
- (g) An eNatis printout showing engine capacity, ownership details, vehicle type, and vehicle registration number upon a claim is required.

8. Expenses not paid by the Municipality

Ingquza Hill Local Municipality will not reimburse claimant for personal expenses such as laundry, barbering, valet service, in-room movies, gratuities for porters and other service persons, or personal telephone calls. Alcoholic beverage costs are not reimbursable.

9. Accommodation and travel arrangements

Accommodation and travel arrangements must be made via contracted in-house travel agencies or a service provider selected from the supplier database through Supply chain Management Office. The agencies will make the most economical arrangements with the hotel groups, motorcar rental companies and airlines as per the cost containment regulations published by National Treasury.

10. Accommodation

10.1 If an employee or a councillor is outside the borders of Ingquza Hill Local municipality in a distance exceeding 500 Kilometres and the event or meeting or workshop attended ends after 13:00 on the last day, the councillor or employee must be accommodated.

10.2 If an employee or a councillor is outside the borders of Ingquza Hill Local municipality within a distance 500 Kilometres but above 200 Kilometres and the event or meeting or workshop attended ends after 15:00 on the last day, the councillor or employee must be accommodated.

10.3 Own Accommodation is allowable at a fixed daily allowance of R1000.00 only (subject to prior approval by the Municipal Manager. (No additional reimbursement will be paid in respect of own accommodation and meals as this amount is intended to cover all expenditure incurred). This daily allowance should be reviewed annually and should be in line with a tariff that is used by Government Departments currently.

10.4 All accommodation will not be greater than a standard four (4) star hotel or bed and breakfast. Only the Accounting Officer may approve accommodation cost that is not a four star hotel or B&B under the following circumstances:

(a) During peak holiday periods.

(b) When South Africa is hosting an event in the country or in a particular geographical area that results in an abnormal increase in the number of local and/or international guests in the country or in that particular geographical area.

(c) In the case where in that particular geographical area a four (4) star hotel or less is not available. In this case a deviation must be prepared and approved by the relevant parties.

10.5 Where the hotel or bed and breakfast offers dinner and stipulates a rand value limit, the employee or councillor will be entitled to that dinner to a maximum of R400.00 including soft drinks.

10.6 Where the employee or councillor prefers dinner that is not provided in the establishment where the accommodation is provided, the same dinner limit will apply, and the claim for it will be included in the subsistence and travelling claim. Supporting documentation must be provided for such dinner.

10.7 The municipality will only pay for accommodation costs for employee and councillor to the nearest of the venue for conference, workshop and school not in different town.

10.8 Government Gazette will be taken into account for Councillors who are studying. Accommodation and re-imburement will be done in line with gazette for councillors who are studying. An affordable accommodation will be considered (including B&B's) when making bookings for employees.

10.9 This stipulation applies to **ALL** employees and councillors.

11. Travel

11.1 Air travel arrangements.

11.1.1 Local

- (a) All local air travel must be undertaken in the economy class. This stipulation applies to **ALL** employees and councillors. Only when a single flight is going to take five (5) hours or more that an employee or councillor can utilise a Business Class flight.
- (b) Notwithstanding the provisions of the paragraphs (a) the accounting officer may approve business class travel for employees with disabilities or for those with special needs.
- (c) The accounting officer may not, under any circumstances, purchase air tickets for first class travel.
- (d) Only travellers with a valid South African driver's licence may hire vehicles; where the traveller who is not in possession of such licence hires a vehicle, he or she may be held personally liable for all damages and may be subject to disciplinary action by Council; the responsibility of obtaining an international driving permit, where required, rests with the traveller
- (e) For all travellers and individuals or a group of up to 4 (four) persons: (1600cc engine capacity, with air conditioning).
- (f) A person who uses the private transport shall be paid the cash equivalent of the avoided air ticket cost, which would have been paid in the event of air travel being the most economical and practical means of transport, on condition that such person may not claim subsistence costs for longer period than would have been applicable in the case of air travel.

11.1.2 International

All Municipal employees including councillors will travel using economy class except if the flight is more than five (05) hours using the Municipality's method of payment. If you make booking arrangements, and other arrangements would have been less costly to the Municipality, you may have to reimburse the Municipality the difference.

To the extent feasible, air travel must be properly planned to ensure that restricted airline tickets are used as opposed to the more expensive flexible tickets.

12. Vehicle Hire

Ingquza Hill Local Municipality is encouraged to continue considering own fleet first, where viable, prior to hiring of vehicles;

- 12.1 Ensure the hiring of vehicles from a category below Group B or an equivalent class. The Accounting officer may permit employees to accept up-graded group of hired vehicles if such an up-grade is offered for free or at a lower charge than Group B.

13. Taxi, Bus and Train

In case where a local taxi was used, a letter from the H.O.D. must be submitted confirming the details of the trip and taxi fare. A taxi fare will be determined by a standard rate charged by the Taxi Associations around Ingquza Hill Local Municipality area. The actual cost of travelling by bus, train or shuttle may be claimed and proof of expenditure is required provided that it is not included by the contracted in-house Travelling agent.

14. Privately owned vehicles

- a Prior approval for using a privately owned vehicle is required. Employees/Councillors attitude towards this kind of expenditure should however, be that cost must be minimised. Where more than one employees are travelling to the same destination, they utilise one vehicle instead of each using their individual vehicles. It is advised that in this case the vehicle of the senior / higher level official be utilised. It is only applicable when the meeting is seating only for one day at most.
- b The claim will only be limited to the owner of the vehicle.
- c Reimbursement for the expenditure incurred in the use of privately owned vehicles should be at the rates as determined from time to time. Such rates should however not be less than the Department of Transport rates. These rates will be adjusted on a monthly basis to accommodate fluctuating running costs.
- d In cases where a Municipal employee or councillor needs to claim traveling re-imburement with a vehicle other than the ones they use during the normal course of duties, such is not permitted.

15. Transport to the airport

- a When attending conferences, symposia, workshops, etc. employees must first establish if the conference organisers have not made prior arrangements for conference delegates to be collected and returned to the airport;
- b Shuttle services where available must be utilised wherever possible. and
- c Employees may either drive or be taken to the airport and the distance travelled (as well as on return from the airport) may be claimed. In cases where a taxi must be taken to and from the airport, a slip must be obtained as proof of expenditure.

16. Refund for use of privately owned vehicles

- (a) Where an employee prefers to use his personal vehicle instead of air travel for a municipal trip for personal convenience, the employee should be reimbursed the lesser of:
- The current rate for kilometres driven for the municipal portion of the trip; or
 - The lowest equivalent airfare plus vehicle hire based on the date and time of the day the employee would normally make the trip.
- (b) Any additional hours of travel resulting from the employee opting to utilise his own vehicle, must be outside normal working hours.
- (c) The above also applies to external people coming for interviews.

17. Private telephone calls

- a. Personal calls should be for the individuals account.

18. Insurance

Employees travelling locally will be insured as follows:

- (a) Vehicle hire: Leased vehicles will be adequately self-insured as part of the deal reached with the in-house travel agency. Employees travelling in these cars will therefore be guided by the prior arrangement entered into with car hiring agency;
- (b) Private Vehicles: Privately owned vehicles are for the employees own account and it is therefore their responsibility to see that they are adequately insured while used for official travel; and
- (c) Personal effects: The personal effects of an employee travelling locally will not be insured by Ingquza Hill Local Municipality. Only municipal assets and equipment under the care, custody and control of the traveller will be insured

by the municipality. It stands therefore that, obtaining insurance cover for the employee's effects becomes his/her own prerogative.

19. Expenditures in Excess of Allowable Expenses

- a. If the claimant incurs expenses in excess of the allowable amounts for meals or lodging, and he/she wishes to be reimbursed for such expenses, he/she will need to prepare a memorandum of explanation and submit it for the necessary approval. Expenses will be reviewed for reasonableness based on price differentials in different cities. All expenses must be clearly substantiated prior to reimbursement. Unnecessary or exorbitant expenses will be disallowed.

20. Foreign Travel

20.1 Approval of Foreign Travel

- a. Council approval must be obtained for all employees prior to foreign travel.
- b. The following supporting documentation needs to be attached to the claim before it can be processed for payment:
 - i. A memo from the H.O.D. / Speaker / Mayor explaining the purpose of the trip and the reason / need for the official to travel in their own car where applicable. The memo must clearly give authority for the official to travel.
 - ii. An itinerary and / or program must be attached and must be approved by the H.O.D. and the Municipal Manager before the trip is undertaken.

20.2 Account settlement

- a. The in-house travel agencies will settle bed and breakfast accounts, air travel expenses and leasing of vehicles;

- b. All other expenditure must be settled by the employee.
- c. Courses/training abroad and visits on invitation to foreign countries must be approved by the Municipal Manager who must seek a Council Resolution prior.
- d. Expenses such as air travel should be paid through a contracted in-house travel agency.

20.3 Expenses paid by Ingquza Hill Local Municipality

The following expenses are payable by Ingquza Hill Local Municipality:

- a) Accommodation;
- b) Meals;
- c) Travelling expenses;
- d) Air-tickets
- e) Car Hire/ Shuttle services

20.4 Daily Allowance

- a. In addition to any other expenditure that may be refunded to a claimant in terms of section 23 (above), employees travelling to foreign countries qualify for a daily allowance as determined by SARS in Government Gazette No. 40660. This is over and above the expenditure incurred for municipal purposes;
- b. The allowance should be utilised to defray small expenses for which receipts are not available as well as other personal expenses. With the exception of this daily allowance, Ingquza Hill Local Municipality's funds may, under no circumstances be used for personal expenses.

20.5 Where no proof of expenditure exists

- (a) An amount not exceeding the SARS daily rate for foreign travel per day or part thereof is deemed to be expended for each day or part thereof in the period during which the employee is away (in foreign countries) from his/her usual place of residence. This measure is to be used only where no documentation is available.

20.6 Expenses not payable by Ingquza Hill Local Municipality

Expenses incurred in respect of the following items are not payable by Ingquza Hill Local Municipality but will be deducted from the daily allowance:

- a) Room service at hotels;
- b) Movies, videos, other television channels provided by hotel at extra cost;
- c) Unforeseen expenditure not for municipal purposes;
- d) Purchased clothes;
- e) Dry cleaning (unless trip is five days or longer; and
- f) Payment for excess on personal luggage

21. Insurance for Foreign Travel

- (a) Employees travelling to foreign countries will be adequately insured at the municipal cost by the contracted in-house travel agency. The insurance cover will include the following:
 - (i) Medical;
 - (ii) Personal Liability;
 - (iii) Cancellation and curtailment;
 - (iv) Personal accident; and
 - (v) Luggage.

22. Responsibility for formulation and administration of travel procedures

- a. The formulation and administration of the travel and subsistence policy and procedures is the responsibility of the Budget and Treasury Department.

23. Validity & Payment of Claims.

- a. The travelling and subsistence claim must be submitted for payment to finance within 3 months from the date of travelling.
- b. Claims submitted after 3 months of travelling shall not be paid and shall be forfeited by the claimant

24. ADOPTION OF THE POLICY

Policy adopted by Council of Ingquza Hill Local Municipality for implementation.

Approved by Resolution number..... on this 29 MAY day of

2026



CLLR S.B. VATSHA

SPEAKER OF THE COUNCIL