

**TSANTSABANE LOCAL MUNICIPALITY SUBSISTENCE AND TRAVEL
ALLOWANCE POLICY 2026/27**



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Subject: Subsistence and Travel Allowance Policy

Date:

Council Resolution: ITEM SCM/2026

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PART 1: 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;
"Chief Financial Officer"	The person appointed in terms of section 80(2)(a) of the MFMA and includes any person acting in that position or to whom authority is delegated;
"Constitution"	The Constitution of the Republic of South Africa, Act No. 106 of 1996;
"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);
"Councillor"	A member of the Tsantsabane Municipal Council;
"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.
"Mayor"	The Mayor of the Tsantsabane Municipality elected in terms of section 48 of Municipal Structures Act, 1998 (Act 117 of 1998);
"Municipality"	Tsantsabane Municipality, established in terms of sections 12 and 14 of the Structures Act;
"Municipal Finance Management Act (MFMA)"	Local Government: Municipal Finance Management Act (Act No. 56 of 2003) as amended;
"Traveller"	Any councillor or official traveling away from his or her normal place of domicile and employment on the official business of the Tsantsabane Municipality;
"Subsistence allowance"	A subsistence allowance is an amount of money paid by the municipality to a traveller for expenditure incurred in respect of personal subsistence and incidental costs (e.g., refreshments, snacks, drinks and newspapers but excludes any personal recreation, such as visits to a cinema, theatre or nightclubs or sight-seeing; (as defined and set by SARS)
"Travel Allowance"	A travel allowance is any amount paid to an employee in respect of travelling expenses for business purpose;

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PART 2: PURPOSE OF THE POLICY

- To provide for the circumstances under which claims can be lodged for accommodation, subsistence and travelling.
- To provide for the amounts that can be claimed and other incidental matters.
- To set out conditions and authorizations required for travelling.
- To encourage a culture of saving costs to Council.

PART 3: RESPONSIBILITIES OF REPRESENTATIVES WHO TRAVEL ON BUSINESS OF THE MUNICIPALITY

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

Consistent with the municipality's performance monitoring and evaluation objectives, the municipal manager will ensure that a database of all representatives and official travelling is kept.

PART 4: SUBSISTENCE AND TRAVEL ALLOWANCE

A subsistence and travel allowance are an amount of money paid by the municipality to a representative to cover the following expenses:

- Meals (including gratuities);
- incidentals such as refreshments, snacks, drinks and newspapers;
- and all business-related travel.

A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing, pay movie channels or personal telephone usage or alcohol.

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PART 5: ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

- 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 (see below), may be claimed. The subsistence allowance may be claimed without the representative having to furnish proof of expenses.
- 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 had to entertain external business associates or contacts or other parties, the representative must claim expenditure against the entertainment allowance. The Municipal Manager is the only person who can approve the expenditure of representative.
- A representative of the municipality must 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 (3) working days before the planned trip.
- In cases where it is impossible to claim subsistence allowance beforehand, payment will be allowed after the event on authorization by the Municipal Manager.
- 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 by the Municipal Manager as such before a representative is entitled to a subsistence allowance.
- For the purposes of a subsistence allowance, a representative shall mean:
 - mayor _ other councillors specifically authorised to represent the municipality on a particular occasion _ municipal manager _ directors _any other official specifically authorised to represent the municipality on a particular occasion/training.
 - Any official who is a member of a recognised professional institution and is granted permission to attend meetings and conferences of such institution.

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A representative delegated in terms of council policy to attend matters relevant to council will be entitled to an allowance for subsistence as determined by SARS:

- (a) Incidental costs: R 184 per day excludes meals and is paid regardless whether the representative stays overnight or not. No receipts are required.
- (b) The cost of meals and incidental costs, an amount of R595 per day. No receipts are required.
- (c) Should the representative choose to, actual costs for meals may be claimed, provided original receipts are provided on submitting the claim and where the meal claimed for is not provided with accommodation or at meeting, conference, workshop attended (proof to be provided that meal, e.g., lunch will not be served).

PART 6: ACCOMMODATION COSTS AND SUBSISTENCE ALLOWANCE

- 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 an hotel, motel, guesthouse or bed and breakfast establishment.
- The actual cost of accommodation and meals and gratuities will be borne by the municipality. Where such accommodation is available, the rate for a single room will be payable.
- If the municipality bears the actual cost of accommodation and meals, representatives may claim an incidental allowance as determined by the Minister of Finance.
- If a representative stays with a relative or friend, an amount of R595 per night may be paid. No proof of expenditure is required.
- Where the recipient is, by reason of the duties of his or her office or employment, obliged to spend a part of a day away from his or her usual place of work or employment, a reimbursement or advance for expenditure actually incurred by the recipient is exempt if the recipient is allowed by his or her principal to incur expenditure on meals and other incidental costs for that part of a day, and the amount of the reimbursement does not exceed R100 per day.

PART 7: CAR RENTAL AND OTHER TRAVEL COSTS

- 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).
- 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

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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.

- All flights by representatives of the municipality shall be in economy class, unless another class of travel is specifically authorised by the mayor or municipal manager, as the case may be.
- If a representative has to utilise his or her personal motor vehicle outside the boundaries demarcated for the municipality he or she will be reimbursed at the Department of Transport's tariffs per kilometre.
- Shuttle cost will be paid to representatives on proof of payment after an event has been attended. The Municipal Manager will approve any travel by shuttle.
- Toll fees and parking costs will be paid to representatives on proof of payment after an event has been attended. The Municipal Manager will approve.
- The distance to which the reimbursement applies, must be the shortest distance between the municipality's offices and the location where the official business is to be transacted. If the total number of kilometres for which such reimbursement is received exceeds 8 000 in any tax year, reimbursement for the excess kilometres over 8 000 must be taxed for PAYE purposes
- Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimise traveling expenses

PART 8: SUBSISTENCE ACCOMMODATION AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS

- No subsistence costs will be paid to any candidate invited for an interview.
- Travelling costs according to the latest prescribed SARS km tariff, calculated from their place of residence may be paid if the candidate's place of residence is outside the Tsantsabane municipal boundaries.
- Where public transport is used the municipality shall incur the costs of such transport. R60 per day
- Air tickets and booking of accommodation for applicants invited for interviews, must at all times be arranged by the Human Resources Department, in accordance with the stipulations as prescribed in this policy.

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- Booking of rental vehicles on behalf of applicants, as well as reimbursement of claims by applicants in this regard, is strictly prohibited.
- No further expenses may be claimed.

PART 9: AUTHORISATION

For purposes of implementing this policy:

- Only the Municipal Manager may authorise any travel to be undertaken by Directors, or payments to be made for persons invited for interviews, but provided the expenses to be incurred are on the approved budget of the relevant department.
- Only the Mayor may authorise any travel to be undertaken by any councillor, or the municipal manager, but provided the expenses to be incurred are on the approved budget of the municipality.
- Only Directors may authorize any travel to be undertaken by employees in the respective Directorate, but provided the expenses to be incurred are on the approved budget of the municipality.

Authorization must be obtained prior to an occasion by any traveller who travels on the business of the municipality.

- 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; Mayor or Director, as the case may

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 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.

PART 10: 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.

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PART 11: TRAVEL AND SUBSISTENCE ALLOWANCE CLAIM FORM

The official Travel and Subsistence Allowance claim form, as prescribed by Chief Financial Officer must be used with regard to Travel and Subsistence Allowance applications.

PART 12: REVIEW OF POLICY

This policy shall take effect on the date stipulated in the Council resolution and may be reviewed by council on an annual basis or as and when required.

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