



Department of Public Works, Roads and Transport
MPUMALANGA PROVINCIAL GOVERNMENT

TRAVELING AND SUBSISTENCE POLICY

Issue:5.0
Responsible Sub-Programme:Financial Accounting
Date of Approval.....21/08/2023.....

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ABBREVIATIONS

AA	Accounting Authority
AO	Accounting Officer
CFO	Chief Financial Officer
DDG	Deputy Director General
DPSA	Department of Public Service and Administration
GMT	Government Motor Transport
HOD	Head: Public Works Roads and Transport
KM	Kilometers
PFMA	Public Finance Management Act, 1999 (Act No.1 of 1999)
T & S	Travel & Subsistence
VAT	Value Added Tax
PSCBC	Public Service Co-coordinating Bargaining Council

DEFINITIONS

Accounting Officer	means	a person mentioned in Section 36 of the Public Finance Management Act, 1999 (Act No.1 of 1999) and includes any person acting as the Accounting Officer;
Chief Financial Officer	means	An official who is directly accountable to the accounting officer as per Treasury regulation.
Allowance	means	a remuneration or reward awarded to an employee to compensate costs related to official duties;
Department	means	a Department of Public Works, Roads and Transport;
Designated Representative	means	an employee nominated to represent the Department or Programme or Sub-Programme;
Domestic Trip	means	an official trip travelled within the Republic of South Africa;
Employee	means	a person employed by the Department in terms of Public Service Act, 1994 (Proclamation No. 103 of 1994);
Foreign Trip	means	an official trip travelled outside the Republic of South Africa;
Month	means	a period extending from the first to the last day of the month, both days inclusive, of any one of the 12 months of a year;
Official Trip	means	an authorized trip undertaken by an employee for the execution of duties to the benefit of the Department;
Travel and Subsistence	means	expenses describing the cost of spending on travel and subsistence; and
Traveler	means	An official traveling on an official business trip of the Department.

1. INTRODUCTION

- 1.1. Chapter 8 of Treasury Regulations, 2005, issued in terms of Section 76 of PFMA provides that an Accounting Officer of an institution must ensure that internal procedures and internal control measures are in place for approval and processing of payments.
- 1.2. The overarching goal is to ensure effective, efficient and economical use of resources and to ensure that proper financial and accounting measures are in place to achieve financial prudence.

2. OBJECTIVES

The objectives are:

- 2.1 To ensure consistency and provide procedures, rules, regulations and guidelines with regard to the payment and processing of Travel and Subsistence claims in the Department; and
- 2.2 To ensure that internal controls are in place to provide reasonable assurance that all expenditure incurred by the Department in relation Travel and Subsistence is necessary, appropriate, paid promptly and adequately recorded and reported on.

3 REGULATORY FRAMEWORK

- 3.1 Public Finance Management Act, 1999 (Act No. 1 of 1999);
- 3.2 Public Service Act, 1994 (Act No. 103 of 1994);
- 3.3 Public Service Co-ordinating Bargaining Council (PSCBC) – Resolution No.3 of 1999; and
- 3.4 Treasury Regulations, 2005;

4 SCOPE OF APPLICATION

The policy shall be applicable to all the employees and prospective employees of the Department.

5 POLICY STATEMENT

5.1 DOMESTIC TRIPS

5.1.1 ACCOMMODATION

- 5.1.1.1 Only approved and authorized service providers shall be utilized;
- 5.1.1.2 Trip authorization forms shall be authorized according to the delegations of powers;
- 5.1.1.3 The traveler shall be responsible to notify the service provider of any cancellation of reserved accommodation as soon as the confirmation facts are established;
- 5.1.1.4 The traveler is responsible for any fruitless expenditure incurred due to a no-show or late cancelation where it was within the traveler's ability to cancel the booking in time;
- 5.1.1.5 Core staff to political office bearers falls within the category of all other employees that are booked at a maximum three (3) star grading facility;
- 5.1.1.6 In case where accommodation establishment does not offer meal facilities, the travel agency shall book the room only. The Travelers may claim the actual expenditure for the meals (not exceeding the maximum daily amount and must be accompanied by receipts as supporting evidence).
- 5.1.1.7 The AO/AA or delegated official may only approve domestic accommodation cost that exceed the maximum allowance rates under the following circumstances:
 - a. During peak holiday periods
 - b. When the demand is high and the accommodation establishment are sold out
 - c. The accommodation that is still available is higher than the maximum allowance rates. In this case the Travel Agency will book the most reasonable option and retain a record of why the maximum was exceeded.

- d. When officials are required to stay over in the accommodation establishment where the Official Business is conducted to avoid additional travelling cost; and
 - e. If there is an operational requirement.
- 5.1.1.8 Some accommodation establishment do not offer meal facilities and will provide meal vouchers in lieu of the meal which can be redeemed at facilities with which the establishment have made arrangements. The traveler shall not request or demand cash from an accommodation establishment.
- 5.1.1.8 (a)Such action is a misconduct and must be dealt with in terms of the Departmental disciplinary policy. In exceptional cases, where the accommodation establishment offers cash because there is no alternative, it may be accepted.
- 5.1.1.9 Domestic overnight accommodation for travelers is limited to instances where the distance travelled exceed 300 kilometers on a return journey (150km each way from place of work to the destination, if the meeting / conference/ workshop is held over a number of days, or the event finishes after hours.
- 5.1.1.10 Traveler may make use of public transport such as Uber, Gautrain, taxi, municipal bus services, etc. or shuttle services when travelling to and from the airport if it is safe and more cost effective than the cost of car rental and, or, the cost of parking and, or, kilometres claimed.
- 5.1.1.11 Expense for meals may not be paid to the Travelers if meals are already included in the accommodation rate or conference fee.
- 5.1.1.12 Domestic overnight accommodation shall be categorized as per annual national treasury guidelines and circulars as amended from time to time.

5.1.2 TRAVELING

- 5.1.2.1 Each traveler should obtain prior approval from the delegated official for any official trip;
- 5.1.2.2 Travelers should plan the official trips, obtain approval, and make bookings/reservations at least seven (7) working days prior traveling;
- 5.1.2.3 When a booking is made in less than seven (7) working days from the date of departure, a detailed motivation should be prepared by the traveler and presented to the Chief Financial Officer or delegated official for approval. At the District Office the detailed motivation for deviation must be approved by the District Head;
- 5.1.2.4 The number of employees traveling on official duty for the same matter shall be limited to three (3) unless otherwise approved in advanced by the relevant Accounting Officer or delegated authority;
- 5.1.2.5 In cases where more than one traveler is attending the same event or meeting, they shall co-ordinate the renting of cars or shuttle services in order to reduce the cost. This provision also applies to SMS officials using their own vehicle or MMS that has structure for a vehicle allowance.
- 5.1.2.6 The traveler should at all time share the knowledge gained for the benefit of the Department;
- 5.1.2.7 Air traveling booking should be approved at least seven (7) working days before departure. Any changes to a flight booking shall be at the traveler's cost.

5.1.3 CONDITIONS FOR CLAIMING TRAVELING AND SUBSISTENCE EXPENSES [DOMESTIC TRIPS]

- 5.1.3.1 Actual expenses for periods less than twenty-four (24) hours shall be paid according to the rates determined by the Department's annual financial circular; and
- 5.1.3.2 Valid proof of expenses shall be required and only maximum meal amount shall be considered.

5.1.4 CONDITIONS FOR TRAVELING AND SUBSISTENCE [DOMESTIC TRIPS]

An employee who travels on official duty outside a radius of forty (40) km (single trip) shall be reimbursed the actual expenditure incurred on meals and traveling.

5.1.4.1 ADDITIONAL AND RELATED ITEMS THAT CAN BE CLAIMED

The following shall be paid when actual expenses are claimed, provided that an invoice/receipt with a date, time and specification of the service/goods is attached to the claim:

- 5.1.4.1.1 Accommodation expenses (to be determined by the Department's directive from time to time);
- 5.1.4.1.2 Laundry expenses (but not dry cleaning expenses); and
- 5.1.4.1.3 Parking cost and toll fees;
- 5.1.4.1.4 Public Transport expenses;
- 5.1.4.1.5 Flight expenses (motivation shall be attached);
- 5.1.4.1.6 Airport taxes (motivation shall be attached);
- 5.1.4.1.7 Rental of cars (motivation shall be attached);
- 5.1.4.1.8 Cost of meals (if not included in the accommodation voucher)

5.1.4.2 ITEMS EXEMPTED FROM CLAIMING

The following shall not be claimed or reimbursed as actual expenses incurred on Traveling and Subsistence:

- 5.1.4.2.1 Meals when an employee is traveling on official duties less than a radius of forty (40) km (single trip);
- 5.1.4.2.2 Liquor or any alcoholic beverages;
- 5.1.4.2.3 Private telephone calls at places of accommodation;
- 5.1.4.2.4 More than three meals per day;

- 5.1.4.2.5 Lunch, if travelled less than forty (40) km radius from work stations;
- 5.1.4.2.6 Tips or gratuities for waitering staff included in the bill for meals;
- 5.1.4.2.7 Room service or tray service;
- 5.1.4.2.8 Fees incurred to access the health club or fitness center of accommodation establishment;
- 5.1.4.2.9 Any other expenses not directly linked to official business;
- 5.1.4.2.10 Sweets (chocolate, bubblegum, cigarettes etc.); and
- 5.1.4.2.11 Raw meat excluding biltong.

5.2 SUBMISSION OF TRAVELING AND SUBSISTENCE CLAIMS

- 5.2.1 All travel and subsistence claims shall be submitted to the Financial Accounting Section at Head Office and District Offices within thirty (30) days after the month of traveling;
- 5.2.2 Claims submitted later than sixty (60) days, after the end of each month of traveling shall be accompanied by a letter of motivation approved by the CFO; and
- 5.2.3 Claims submitted later than ninety (90) days, after the end of each month of traveling shall be regarded as invalid unless accompanied by a letter of motivation approved by the Accounting Officer or delegated authority.

5.3 PAYMENT OF CLAIMS

- 5.3.1 All approved claims shall be processed within seven (7) working days;
- 5.3.2 All electronic payments shall be paid on the 4th day from the date of the supplementary run;
- 5.3.3 Any claim that does not meet the requirements as indicated in "Annexure A" of the claim form shall be referred back to the claimant with an indication of the problem; and
- 5.3.4 Returned and corrected claims shall be resubmitted to the Financial Accounting Section within seven (7) days.

5.4 FOREIGN TRIPS

5.4.1 APPLICATION AND APPROVAL

- 5.4.1.1 All foreign trips shall be authorized by the Executive Council;
- 5.4.1.2 An application for advances shall be submitted to the Financial Accounting Section accompanied by a copy of the trip approval from the Executive Council, stating the purpose of the trip, list of delegations, countries to be visited and other relevant documentation;
- 5.4.1.3 Advances shall be paid using the currency rate of the country to be visited;
- 5.4.1.4 All advances shall be cleared within twenty (21) days after undertaking the official trip. If the traveler fails to do that, the full amount will be deducted from the traveler's salary
- 5.4.1.5 If the advance is more than the claim, the difference shall be deducted from the traveler's salary in one amount or the amount can be paid in cash by the traveler
- 5.4.1.6 Advances shall be cleared by the Financial Accounting Section and should be accompanied by actual receipts or invoices, Executive Council approval and other relevant documentation; and
- 5.4.1.7 Conditions, settlement and the calculation of advances shall be as stipulated in the Departmental Advance Policy.

5.4.2 CONDITIONS FOR CLAIMING SUBSISTENCE AND TRAVELING ALLOWANCE [FOREIGN TRIPS]

An official shall be reimbursed the actual expenses for a period less than twenty-four (24) hours or longer than twenty-four (24) hours if the hosting country/ies is not paying for the following items:

- 5.4.2.1 Daily allowances
- 5.4.2.2 Accommodation
- 5.4.2.3 Laundry
- 5.4.2.4 Official telephone calls
- 5.4.2.5 Public Transport

5.4.2.6 Airport taxes

5.4.2.7 Rental of cars (motivation to be supplied)

5.4.3 EXEMPTIONS FOR TRAVELLING AND SUBSISTENCE [FOREIGN TRIPS]

The following shall not be claimed or reimbursed as actual expenses incurred on foreign trips:

5.4.3.1 Liquor or any alcoholic beverages

5.4.3.2 Private telephone calls

5.4.3.3 More than three meals per day

5.4.3.4 Sweets (chocolate, bubblegum, cigarette, etc)

5.4.3.5 Raw meat excluding biltong

5.4.4 CALCULATION OF THE PERIOD OF ABSENCE

5.4.4.1 The calculation starts from the time the official departs from place of residence to the time the official returns to place of residence or to the office;

5.4.4.2 The calculation can also start from the office up to the time the official returns to the office or place of residence; and

5.4.4.3 Only daily allowance of the final destination is calculated.

5.4.5 CONDITIONS FOR PAYMENT OF DAILY ALLOWANCES

5.4.5.1 For every full hour in excess of twenty-four (24) hours, or in excess of a multiple twenty-four (24) hours, the daily allowance shall be paid at a rate determined by DPSA; and

5.4.5.2 The exchange rate as on the first day of the trip or the rate on the day of exchange shall be used for the calculation.

5.4.6 WHAT IS CLAIMED IF THE HOST DEFRAYS EXPENSES

- 5.4.6.1 If the host party defrays a part of the expenses, written proof from the host for that portion of costs should be attached to the claim; and
- 5.4.6.2 If the host daily allowance is more than the official's Departmental daily allowance, the official shall receive the benefit of the higher allowance.

5.4.7 SETTLEMENT OF ADVANCE

- 5.4.7.1 If an official fail to settle the outstanding advance for the second time, another request of advance from him/her shall be prohibited; and
- 5.4.7.2 In finalizing the advance, interest should be deducted in the first open salary month without any notice as per the Departmental Debt Management Policy.

5.5 CELLPHONE CLAIMS

- 5.5.1. Cellphone claims shall be substantiated by a valid tax invoice issued by the relevant service provider and an approved application form;
- 5.5.2. All cellphone claims shall be submitted within thirty (30) days after the end of each month;
- 5.5.3. All cellphones older than thirty (30) days shall be treated as indicated in paragraph 5.2.1 to 5.2.3 of this policy; and
- 5.5.4. All cellphone claims shall be signed by an applicant and approved by relevant Responsibility Manager or Director.

5.6 BASIS FOR PROCESSING OF CLAIMS

- 5.6.1 Only claims that comply with the following requirements of this policy shall be processed:
 - 5.6.1.1 Claims completed correctly and with full details;
 - 5.6.1.2 Claims signed by the claimant, certified by the supervisor and approved by responsibility manager or duly delegated authority; and
 - 5.6.1.3 All the necessary supporting documents attached to the claim as annexures.

6. ROLES AND RESPONSIBILITIES

- 6.1. The Accounting Officer shall be responsible for the effective and efficient internal implementation of this policy as part of internal controls within the department.
- 6.2. The Chief Financial Officer has to ensure prudent financial management in the department
- 6.3. All officials in the Department shall be required to adhere to this policy and execute their duties in line with its implementation.

7. MONITORING AND EVALUATION

The Financial Accounting Section shall monitor and evaluates the implementation of this policy.

8. POLICY REVIEW

- 8.1. The policy must be reviewed every three years or as and when there are changes in legal frameworks, organizational developments, political and economic trends.
- 8.2. When there are changes on the envisaged outputs of the Medium Term expenditure Framework as well as outcomes of monitoring and evaluation.

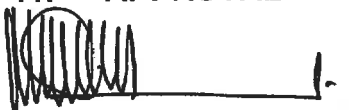
9. DEVIATIONS

Any deviation from this policy shall be subject to the approval of the Accounting Officer or delegated authority. The Department shall comply with all regulations as and when issued by the Treasury.

10. IMPLEMENTATION DATE

This policy comes into effect from the date of approval by the Accounting Officer.

11. APPROVAL



MC MOROLO

HEAD: DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT

DATE : 21/08/2023

ANNEXURE A

REQUIREMENTS FOR SUPPORTING DOCUMENTS FOR THE PROCESSING OF CELLPHONE, SUBSISTENCE AND TRAVELLING CLAIMS PAYMENTS

1. The following attachments and documents form part of the fuel claim:
 - 1.1 **Official use of a government vehicle** – trip authority and log sheet.
 - 1.2 **Official use of a subsistence vehicle** – approved itinerary and benchmark from GMT.
 - 1.3 **Scheme B** – approved to use private vehicle.
2. An invitation letter to attend courses, official function, meetings.
3. Proof of purchase (receipts/statement in case of toll fees) with machine printed dates if they are from the machines.
4. Hand written receipts should have a VAT registration stamp on the back.
5. Dates on receipts should correspond with dates on the log sheet and itineraries.
6. The trip description, purpose, departure and arrival time should be indicated on the description page.
7. Written amount of claim.
8. Correct and clearly written claimant name, date of claim and PERSAL number.
9. All designated signatories should sign where applicable.
10. Personal records shall be used as advised on the system (PERSAL) and in case of any changes communication should be directed to Human Resource (Recruitment Sub-Programme).
11. Code 0526 which is taxable shall be used for officials who did not attach receipt as proof of purchase (Traffic Officers/ Inspectorate).
12. Standby and Nightshift allowances, as approved with name list or duty roster should be attached on the claim.
13. An approval letter (approved application form) should be attached to a cellphone claim
14. Original invoices from the provider should be attached to a cellphone claim.

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