



CAR, SUBSISTENCE AND TRAVEL POLICY: FINANCIAL MANAGEMENT 2026/2027

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PREAMBLE

1. It is essential that representatives of the municipality from time to time travel to various places in order to establish and maintain links and relationships with other municipalities, government bodies, and institutions operating in in the local government sphere. It is important for representatives to broaden their knowledge and understanding of and compare local and international experiences in local government transformation, innovation and change.

DEFINITION

<i>"Council"</i>	means the Council of the Municipality and includes any political structure, political office-bearer or employee of the Municipality lawfully acting in its stead.
<i>"Day"</i>	means a period of 24 hours measured from the time when the employee normally commences work
<i>"Debt"</i>	means an amount of money owed and payable to the Municipality arising out of a liability or obligation to pay.
<i>"Director"</i>	means an employee of the Council who, in terms of a Council's resolution or an Act, is directly responsible to the Municipal Manager for the administration of a department, section or branch of the Council's service, or is acting in such capacity.
<i>"Employee"</i>	means a person who works for, or renders a service to, the Municipality regardless of the form of his/her employment contract, and in respect of which any factor enumerated in section 200A(1) of the Labour Relations Act applies.
<i>"Employer" or "Employers"</i>	refers to employers/ municipalities within the registered scope of the SALGBC (South African Local Government Bargaining Council); further- more shall the employer have the meaning assigned to it in the MSA, No. 32 of 2000, namely means the municipality employing a

	person as a municipal staff member; and means the same as Council.
<i>"Line Manager"</i>	refers to the person with direct authority and/or responsibility over subordinates in their respective directorates, departments, divisions and sections.
<i>"Month"</i>	means one calendar month.
<i>"Municipal Manager"</i>	includes a person appointed or acting in his/her position or in Terms of power delegated in writing to him/her by the Municipal Manager.
<i>"Municipality"</i>	means the Maruleng Municipality, a municipality established in terms of section 12 of the Municipal Structures Act, 1998 (Act 117 of 1998), as amended.
<i>"Overpayment"</i>	means any payment made to an employee in error – a payment in error is one where there is no legal basis for such payment irrespective of the nature of the source of the error.
<i>"Pay" or "Payment"</i>	means the monetary compensation due to an employee for services rendered to the Council including the salary, housing benefits, allowances, bonuses and payment for overtime.
<i>"Payroll Administration"</i>	means transactions arising out of the application of statutory provisions, collective agreements, conditions of service, arbitration awards, court orders and approved policy directives.
<i>"Payroll Calendar"</i>	means the annual calendar which informs the monthly payroll cycle and which sets out the key dates in the payroll cycle and process.

“Payroll Systems”

means the system used to administer or process all payroll and personnel administration related transactions.

“Remuneration”

means any payment in money or in kind, or both made or owing to any person in return for that person working for any other person, including the municipality.

“Salary”

means an employee’s usual monetary compensation for services rendered to the Council in terms of the appropriate notch on his salary scale or a fixed amount of money, that excludes any allowance, bonus, housing benefit, payment for overtime or monetary fringe benefit.

“Underpayment”

means any payment not made to an employee where there exists a legal obligation on the part of the Municipality to make the payment.

LEGAL FRAMEWORK

2. This policy should be read in conjunction with the latest National Treasury circulars on motor vehicle and related costs as well as legislation governing the payment of allowances to officials as and councillors, including the following:
 - (a) Municipal systems act 32 of 2000
 - (b) Municipal financial management act 56 of 2003

SCOPE AND APPLICATION

3. The policy is applicable to all representatives of the municipality.

For the purpose of this policy a representative shall mean:

- (a) Mayor
- (b) Speaker
- (c) Members of the mayoral committee
- (d) Other councillors specifically authorised to represent the municipality on a particular occasion
- (e) Municipal Manager
- (f) Head of Department

- (g) Any other official specifically authorised to represent the municipality on a particular occasion
- (h) Any official who is a member of a recognised professional institution and is granted permission to attend meetings/ conference of such institution

OBJECTIVES OF POLICY

- 4. The objective of this policy is set out the basis for the payment of subsistence and travel allowance for the purposes of official travelling.

CAR ALLOWANCE FOR COUNCILLORS AND OFFICIALS

- 5. Provisions are made through this policy for the payment of a car allowance to councillors and officials at rates as approved by the municipality for the utilisation of a private vehicle in the execution of official duties. Implementation and limitations of the policy are determined by cost advantages and economic considerations.

FIXED CAR ALLOWANCE

- 6. Car allowance for councillors shall be determined in accordance with remuneration of public office bearers act (act no 20 of 1998). Upper limits of salaries, allowances and benefits of different members of municipal councils, as gazetted annually by the Department of Cooperative Governance and Traditional Affairs (COGTA)
- 7. Car allowance for the municipal manager and senior managers shall be determined in accordance with regulations on appointment and conditions of employment of Senior Managers. The municipal manager and directors will have the latitude to structure their car allowances in terms of their packages.
- 8. Car allowances for other employees shall constitute 30% of the basic salary of employees occupying car allowances bearing positions.
- 9. The allowances referred to here-above is intended for incumbents of posts on job levels 1 to 6 and technicians, such incumbents qualify for a monthly car allowance, without proof of distance travelled. It is thus a requirement that the incumbents should have private transport available on a daily basis for the execution of official duties.
- 10. Notwithstanding the latter, a car allowance may be granted by the municipal manager to any other level if the merits of the duties and responsibilities as per job description dictate and meet the requirements in terms of procedure for application and granting car allowance.

11. An employee who is appointed as Personal Assistant to the Mayor (Political Office bearer) will receive car allowance as a benefit on appointed fixed term contract of employment linked to the term of office of the public office bearer (NOT TERM OF COUNCIL), provided that:
- 11.1. The employee has a valid driver's license;
 - 11.2. A privately owned vehicle must be available on a daily basis;
 - 11.3. No official vehicle of the Maruleng municipality may be utilized by the beneficiaries of car allowance as a driver or a passenger.
12. An appointed Personal Assistant to the Mayor (Political Office bearer) who received a car allowance benefit, who might be appointed to the other position within the Municipality that are non-car allowance bearing position, will upon appointment of the position forfeit the car allowance from the date of appointment.
13. The payment of a fixed monthly car allowance is however subject to the following conditions:
- (a) That no official transport be provided to such incumbents
 - (b) That the maximum distance prescribed be not exceeded
 - (c) That residence to place of work journeys not form part of the allowance
 - (d) That all other requirements considered in this policy are complied with
 - (e) Where the local circumstances justify or require that in respect of a certain class of employee the restrictions contained in this scheme be relaxed, with the recommendation of the head of department and approval of the municipal manager

LIMITATIONS WITH REGARDS TO MONTHLY TRAVELLING

14. All employees allocated a car allowance shall be allowed to travel to a maximum of 2500 kilometres per month. Only in exceptional cases shall an employee be allowed to exceed the allowed km travelled per month. The additional kilometres not exceeding of 500km subject to the approval of the municipal manager prior to departure.
15. Inspection of cars will be done randomly and employees and councillors need to adhere to the request to bring the cars for inspection.
16. Submission of Enatis documents to be submitted annually (1 July).
17. Use google maps for kilometres travelled except for fieldworkers.

ADHOC CAR ALLOWANCE IN RESPECT OF TEMPORARY AND CASUAL OFFICIAL JOURNEYS

18. Ad hoc car allowances are payable in cases where temporary or casual official journeys are undertaken by means of private transport
19. An employee occupying a car allowance-bearing position and who temporarily occupies another car allowances-bearing position for a period exceeding working days should from the first day and for as long as he/she temporarily acts in such position, be paid an additional car allowance based on the difference between the car allowance applicable to his/her own position and the one payable in terms of the position in which he/she is appointed is appointed to act.
20. An employee who does not occupy a car allowance-bearing position, when acting temporarily in the place of an employee who does occupy a car allowance-bearing position for a period exceeding 10 working days should, if such employee provides a private vehicle for the period during which he/she so acts, receive the car allowance based on the allowance applicable to such a position
21. Any employee to whom the above mentioned paragraphs do not apply and who on the instructions of a head of department provides casual transport in the service of the municipality should only be paid travelling costs for the actual kilometre distance travelled at a traffic approved by the department of transport for use of private vehicle in the execution of official duties. All employees must submit proof of vehicle registration (enatis) documents on an annual basis the beginning of each financial year to Human resources.

PAYMENT OF FIXED CAR ALLOWANCES

22. These payments refer to the fixed amount which is payable monthly to the incumbents of posts on job levels referred to under paragraph 6 and 7 above. The basis for calculation and payment is the portion of the basic monthly salary of the incumbent in line with paragraphs 3 to 5 above.

ADJUSTMENT OF CAR ALLOWANCES

23. Where the car allowance is specified percentage of the basic salary, the calculation thereof is adjusted in line with the basic salary from time to time. The adjustments should be effective from the first day of the month in which the amendment of the basic salary becomes effective.

SUSPENSION OF CAR ALLOWANCES

24. Should an employee occupying a car allowance-bearing position be transferred at his/her own request to another position not bearing any travel allowance, no car allowances should be payable from the date of transfer.
25. Should any employee who occupies a car allowance bearing position be transferred by the municipality to a non-car allowance bearing position without such employee requesting such transfer, the municipality should give such an employee six (6) months' notice of the reaction of the car allowance, during which period of 6 months the employee should continue to receive the car allowance.
26. Should the municipality decided to retract an employee's car allowance , the municipality should give such an employee six (6) months written notice of such retraction during which period of six (6) months the employee should receive the car allowance, provided that the employee's vehicle is not utilised in the execution of officials duties during this period. All employees may be requested frequently to avail their vehicles for inspection of actual kilometres or existing of vehicles.

VEHICLE CHOICE AND PURCHASE PRICE

27. With due regard to the limitations contained in this policy , the choice and price of the vehicle to be purchased by the employee for daily use on behalf of the municipality, should rest with the employee, provided it is suited to the conditions of work.
28. An employee occupying car allowance bearing position will be responsible for arranging finance for the purchase of a vehicle to be utilised for the execution for official duties.
29. Employees in receipt of permanent transport allowances shall at all times provide motor vehicles of suitable types and conditions as predefined and approved by the overall heads of department concerned for the proper discharge of their duties.
30. Car allowances recipients must submit documents to corporate services the details of the vehicle that will be used for official travelling and such details should include model, engine capacity and registrations, details of the vehicle should be updated with corporate services as often as they might change.
31. Inspection of cars be implemented on annual basis.

INSURANCE COVER FOR VEHICLES

32. Every employee receiving a car allowance should take out a comprehensive vehicle insurance, which covers him/her against any fire, theft, accident and consequential damage in respect of the particular vehicle.

ATTENDANCE OF MEETING AND EVENTS BY OFFICIALS AND COUNCILLORS

33. The following provisions shall apply:

33.1. The municipal manager may authorise the attendance of seminars, congresses, symposiums, courses and related events and to authorise the delegates that should represent the municipality at any meeting as mentioned above, and approve expenses for such meetings.

33.2. That the municipal manager be granted authority to approve visits to any venue in South Africa by any municipal employee, provided that the attendance of such meetings by the municipal manager or any employee are due to their respective positions that they represent and that such attendance be taken as official service.

33.3. The costs to attend such meetings and courses should be budgeted for

33.4. Council delegates or representatives to any conference, workshop, meeting or related event must ensure that they arrive on time and remain in attendance until the end of such event, all allowances and costs related to the attendance of the event by such delegate or representative may not be paid by the municipality or if already paid, may be recovered by the mayor, council, municipal manager, senior manager, or duly authorised delegate as the case may be.

ACCOMMODATION COSTS

34. 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 a hotel, motel, guesthouse or bed and breakfast establishment.
35. The actual cost of accommodation will be borne by the municipality, subject to a maximum of R1 530 per night for accommodation itself in respect of domestic travel. Where such accommodation is available, the rate for a single room will be payable.
36. Procurement of accommodation and meals for nanny and the baby for employees who are on duty after maternity leave or adoption leave be implemented until the baby has twelve (18) months after that period the benefit lapse.

37. If a representative stays with a relative or friend or arranges own accommodation, no accommodation allowances will be paid, but the representative may claim the applicable subsistence allowance in terms of paragraph 39 below. *An employee opting out of accommodation arranged by the municipality shall not be compensated for accommodation costs or any additional travelling resulting from opting out of accommodation arranged by the municipality.*
38. Where delegates or representatives attend a conference, workshop, meeting or related event outside three hundred and fifty kilometres and such conference, workshop, meeting or related event is expected to end after 15H00 on a specific day, the delegate or representative may, upon request, be booked accommodation for that day. Procure accommodation for drivers when accompanying employees to attend meetings.

TRAVELLING COSTS

39. Where private transport is used, an amount payable should be calculated using the Department of Transport tariffs, substantiated by:
- 39.1. Record of the distance travelled for officials journeys in the form of travel; log sheets aligned to SARS requirements. **See Annexure 1 to this copy,**
- 39.2. Authorisation to attend seminars, congresses', symposiums, courses and other meetings as the case may be (nomination attend)
- 39.3. Authorisation to travel (trip authorisation) **See annexure 2 to this policy**
- 39.4. Proof of attendance of seminars congresses', symposiums, courses and other meetings as the case may be (such as attendance register, feedback report. etc)
- 39.5. A duly completed, substantiated and approved travel claim form submitted to Payroll Administration within 60 days of the end of the month in which travelling takes place and payment effected within the payroll run of those 60 days. See annexure 3 to this policy. **See annexure 3 to this policy**
- 39.5.1. The claims are valid for 60 days after the month of travelling irrespective of expenditure comments or motivational letters from Municipal Manager.

39.5.2. Employees are allow to submit travel claims prior in order to rectify their claims and resubmit during that period.

39.6. For the purpose of travel record as per stipulation 39.1. above, kilometres logged must be in line with the official **Reference Schedule of Distance between Maruleng Municipality's Main Offices and various Municipal Facilities and Service Points as well as the Destination Points within and outside the Municipal Area.** Reliable geographical positioning instruments (GPI), may be used to validate distance not covered in the relevant annexure to tis policy and to amend affected entries on travel claim submitted for payment of travelling costs. **See annexure 5 to this policy**

39.7. Falsification of travel and related records is an offence carrying the same sanction as other fraudulent acts in terms of the municipality's code of conduct for officials.

39.8. An employee nominated to attend a meeting by the municipal manager must further obtain trip authorisation from the senior managers for proper coordination and monitoring of departmental personnel.

40. Where more than one councillors/employees chose to travel together when attending a meeting at the same venue, only the owner of the vehicle so used should be paid travelling costs. The following limitations do however apply:

40.1. Senior manager and an official reporting directly to that head of department may not travel together in one car at any time.

40.2. Municipal manager and senior manager may not travel together in one car any time.

40.3. Not more than two senior managers may travel together in one car at any time.

40.4. Not more than two councillors or political office-bearers may travel together in one car at any time.

41. For the purpose of defining the distance for which travelling costs may be claimed the following will be applicable:

41.1. All travel between the representative's place of residence and the office where the representative normally reports for duty will be for the account of the representative

41.2. All travel within the town where the representative normally reports for duty will be for the account of the representative.

41.3. All travelling done outside the town where\ location where the representative normally reports for duty will be claimable, counting from the actual point of departure, subjects to any other provisions of this policy.

AIR TRANSPORT

42. Air transport should only be used when it is more cost effective than land transport. Unless availability of air transport is prohibitive, all flights by representatives of the municipal shall an economy class, from the nearest airport (domestic or international, as the case may be)

SUBSISTENCE ALLOWANCE

43. A subsistence allowance should be paid to any employee that is representing the municipality at an approved official meeting or who is attending the official courses that have been approved by the municipal. The allowance payable should be in accordance with the Determination of the daily amount in respect of meals and incidental costs for purposes of section 8 (1) of the Income Tax Act. Allowances payable should be as follows:

43.1. Increment of Subsistence allowance will be determined by Gazetted Determination provided this is applicable only where accommodation included and\or the meeting provides meal.

43.1.1. Provide subsistence allowance as per the gazette determination for lunch if not covered during training and proof of payment required for payment processing.

43.2. The cost of meals and incidental costs, an amount equal to the actual amount spent subject to a maximum as per the gazette determination per day in respect of meals and incidental cost for purposes of section 8(1) of the income tax, 1962 (ACT NO. 58 OF 1962) and such reasonable cost must be paid on submission of original receipts/ invoices. See **annexure 4 to this policy.**

43.3. The allowance shall be revised annually in line with the tax law amendments.

CAR RENTAL AND OTHER TRAVEL COSTS

44. 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 obtained prior authorisation will only be reimbursed for the cost of the vehicle rental if proof expenditure is produced and the representative can demonstrate that the vehicle rental was reasonably but unexpectedly necessitated by the circumstances.

44.1. Employees are responsible for refuelling expenses, which will be reimbursed by the department on submission of proof of expense and inclusive of attachment of original tollgates slips.

AUTHORISATION

For purposes of implementing this policy

45. Only the municipal manager may authorise any travel to be undertaken by senior managers and payments to be made to persons invited to interviews, but provided the expenses to be incurred are on the approved budget of corporate services department.
46. Only senior managers or their authorised delegates may approve any travel to be undertaken by officials in their respective departments. But provided the expenses to be incurred on the approved budget of their respective departments.
47. Only the mayor or council, as the case may be, may authorise any travel to be undertaken by the speaker, chief whip, any councillor or the municipal manager, but provided the expenses to be incurred are on the approved budget of the municipality.
48. The municipality manager may approve any travel to be undertaken by the mayor, and the mayor may approve his/her own travel on municipal business provided that the mayor reports to the following council meeting on the nature of and reason for such travel and expenses incurred, but furthermore provided the expenses to be incurred are on the approved budget of the municipality.

An invitation to attend workshop, meeting or related event is not an automatic authorisation to attend such workshop, meeting or event. The required authorisation must still be obtained from the mayor, council, municipal manager, senior managers or duly authorised delegate, as the case may be.

TRAVELLING COSTS FOR JOB INTERVIEW

49. The travel allowance paid to candidates should be the same as for the municipality's officials, limited to the actual kilometres travelled and a vehicle with an engine capacity of 2,000 cc.

PROCEDURE FOR APPLICATION AND GRANTING CAR ALLOWANCE

50. Prior to the granting of a car allowance to employees who do not qualify by virtue of their respective posts in terms of paragraph 9 above, the following have to be met:

50.1 An official application and motivation by the employee and directorate must be submitted to the corporate services department. The application must be approved by the Municipal manager. An employee must have one thousand seven hundred kilometres in an average of three months consecutive period. **See annexure 5 to this policy.**

50.2 Subsequent to the approval of the application by the municipal manager the corporate services department will write a letter of proof that the employee qualifies for the allowance, which the employee may use when purchasing a vehicle.

50.3 The following documents must be submitted to the HR division before the allowance can be paid out:

- (i) Certified copy driver's license
- (ii) Contract or proof of purchase or ownership of vehicle

51. A car allowance will be paid to employees qualifying in terms of paragraph 9 without a prior application; and others be provided the requirements listed under 50.1 to 50.3 above are met.

TARIFFS

52 The chief finance officer, in consultation with the municipal manger and human resource management, shall determine the tariffs from time to time based on CPIX and applicable regulatory requirements, and inform all employees through appropriate means of communications available to the municipality.

BUDGET AND RESOURCES

53. The financial and resources implications related to the implementation of this policy should be qualified and quantified by Corporate Services.

ROLES AND RESPONSIBILITIES

54. The municipal manager or his/her delegate assignee accepts overall responsibility for the implementation and monitoring of the policy.

PENALTIES

55. Non-compliance with any of the stipulations contained in this policy will be regarded as misconduct, and will be dealt with in terms of the Disciplinary Code.

DISPUTE RESOLUTION

56. Any dispute arising from this policy due to ambiguous wording or phrasing must be referred to the local labour forum for adjudication. Resolutions from the local labour forum shall be incorporated into the policy.

COMMENCEMENT

57. Irrespective of the date on which the policy is signed by the municipal manager, the policy comes into effect on the date of its adoption by council.

POLICY REVIEW

58. The policy will be revised on annual basis.

Resolution Number	SC07/05/2026
Version	10
Compiled by	Human Resources
Date Approved	28/05/2026
Effective Date	01/07/2026
Signature	

ANNEXURES

ANNEXURE 1: TRAVEL LOG SHEETS

ANNEXURE 2: TRIP AUTHORISATION

ANNEXURE 3: SUBSISTENCE AND TRAVEL CLAIM FORM

ANNEXURE 4: DETERMINATION OF THE DAILY AMOUNT IN RESPECT OF MEALS AND INCIDENTAL COSTS FOR PURPOSES OF SECTION 8(1) OF THE INCOME TAX ACT, 1962 (ACT NO. 58 OF 1962)

ANNEXURE 5: REFERENCE SCHEDULE OF DISTANCES BETWEEN MARULENG MUNICIPALITY'S MAIN OFFICES AND VARIOUS MUNICIPAL FACILITIES AND SERVICE POINTS AS WELL AS OTHER DESTINATION POINTS WITHIN AND OUTSIDE THE MUNICIPAL AREA.