



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF  
ROADS AND TRANSPORT**

**FINANCIAL CONTROL MEASURES  
(SUBSISTENCE AND TRAVELLING COST  
ALLOWANCES)**

**POLICY**

## **TABLE OF CONTENTS**

	<b>Page</b>
1. Background, purpose, and scope of application	3
1.1 Background	3
1.2 Purpose	3
1.3 Scope of application	3
2. Subsistence and travel	3
3. Government (GG) and subsidized motor vehicles	5
4. Accommodation and flight	5
5. Advance payments to officials	6
5.1 Advance on salary	6
5.2 Advance on subsistence and travel (s & t)	6
6. Loans and other	7
7. Overtime	7
8. Departmental entertainment	7
9. Standby allowances	8
10. Closing	8
11. Policy Review	8

## **1. Background, purpose and scope of application**

### **1.1 Background**

The PFMA requires that provincial departments draw supplementary policies and regulations to improve financial management in the public sector.

Section 38(1) a & b provides that the accounting officer of a department:

- i. Must ensure that the department has and maintains effective, efficient and transparent systems of financial and risk management and internal control;
- ii. Is responsible for the effective, efficient, economical and transparent use of the resources of the department.

It is in this light that the finance division developed a policy on financial control measures, to improve our financial efficiency management.

### **1.2. Purpose**

- i. To prescribe financial control measures towards efficient and effective utilization of resources; where such controls are not governed by applicable prescripts.
- ii. To reimburse an officer or employee who, in the interest of the department, is absent from his headquarters on official duty within the existing framework in respect to subsistence expenses, and an officer or employee who, works outside working normal hours.
- iii. To provide guidelines and ensure uniformity in the handling and transacting of subsistence and travelling allowances, GG and subsidized vehicle usage, accomodation and meals, advances, overtime, departmental entertainment, and standby allowances.

### **1.3 Scope of application**

This policy is applicable to all employees of the Department of Roads and Transport to the extent indicated in different items.

## **2 Subsistence and travel**

An officer is entitled to reimbursement of expenses incurred in respect of official duty away from his/her area of jurisdiction.

- a. Where an officer is away on duty for a period over 24 hours: His or her reasonable actual expenditure plus the payment of a separation allowance - applicable fixed tariff to compensate for his/her incidental expenditure.
- b. With all other instances, proof of purchase must be submitted with each S&T (out-of-pocket expenses) claim. No claims without supporting documents will be entertained .
- c. During an official trip, an officer may only claim actual and reasonable expenses incurred; the maximum amounts which will be refunded or paid for by the government for meals will be determined and distributed on the first day of each financial year.
- d. The costs of alcohol beverages, private telephones, more than three meals per day, tips for waiters/waitress, room services fees and dry cleaning expenses, will not be refundable.
- e. S &T will also not be entertained when duty is performed in area of jurisdiction. An area of jurisdiction is described as: -
  - i. The headquarters of the district in which an officer is stationed – for officers in districts.
  - ii. For provincial inspectors, the boundaries of the Traffic Station at which the officer is stationed.
  - iii. For head office personnel, any place in Polokwane.

#### **Outside the Republic of South Africa**

- a. Claims for official duty performed outside the borders of the Republic of South Africa, shall be accompanied by a letter of approval authorized by the Member of Executing Council/Head of Department. The letter shall state the purpose of the trip, a list of delegates, the countries to be visited, etc. Payment for expenditure incurred shall be at applicable tariff and shall include the following:
  - b. Daily allowances, accommodation and meals, laundry, tips, public transport, airport tax, bank charges, exchange rates, and, rental of cars. This will be calculated based on the provisions of the financial manual published from time to time by the Department of Public Service Administration.
  - c. Calculation of period of absence starts from the time the official departs from home or office (whichever is the latest), to the time the official returns to the office or home (whichever is the earliest).
  - d. The exchange rate used for the calculation, will be the rate as on the first day of the trip or rate on the day of exchange.

### **3. Government (GG) and subsidized motor vehicles**

- a. GG vehicles used by provincial Inspectors will be allowed to travel a maximum of 3000 kilometres per month.
- b. All other GG vehicles will be allowed to travel a maximum of 2000 kilometres a month.
- c. All officers with subsidized vehicles will be allowed to travel and be paid up to a maximum of kilometres as stated by their subsidy contract. The Senior Manager responsible for the Programme or District should authorise all trips and the authorisation should be attached to the claims.
- d. At least a Senior Manager or District Managers should sign approvals of all the claims for the subsidised vehicles. Manager may only recommend for approval. Claims should be submitted on monthly basis including the nil reports for cash flow control purposes. The claims should be detailed and clearly indicate the private kilometres.
- e. All users of GG vehicles and subsidised vehicles who, foresee that they will unavoidably / inevitably exceed the maximum kilometres allocated per month (including contract km) should apply in writing, and fully motivate and seek approval. Applications must be approved by Programme / District (Senior) manager and/ or by the General Manager responsible for the Chief directorate.
- f. All trips travelled by owners of subsidized vehicles for visiting friends, from home to work, and those trips undertaken without having their itineraries approved, are private and unofficial.
- g. The kilometres travel by both GG and subsidized vehicles will strictly be monitored and controlled by the transport officers.
- h. Senior managers and managers shall be accountable to audit for trip authorizations.

### **4. Accommodation and flight**

- a. All official trips must be approved by the HOD or by a delegated official, on a rank not lower than a Senior Manager, for any stay over accommodation and flights.
- b. No overnight accommodation will be provided to officials (to leave a day before, or to sleep-over a night after), attending meetings where the total distance per single trip does not exceed 350 kilometres (e.g. from Head Office to Pretoria, Johannesburg or anywhere in the Province), unless the meeting starts at 7H30 to 8h30 in the morning or finished at 6H00 and later.

- c. Exceptions to the above-mentioned provision must be fully motivated to the HOD.
- d. The MEC, HOD, Senior Management and officials accompanying them, may fly first class, and stay in 4 star hotels and above on official trips.
- e. All other officials may fly commercial class and stay in 3 star hotels and below on official trips. Anything above 3 star hotel accommodation, and above commercial flight should be economically viable and approved by the HOD or appropriately delegated official.
- f. Telephone calls, fees charged on room service and bar services during a stay in the hotel is for the personal account of the officer, and must be settled before an officer leaves the hotel. If telephone accounts are not settled before the invoice is received at the department, then such accounts will be recovered from the officer's salary.

## **5. Advance payments to officials**

### **5.1 Advance on Salary**

- a. The department shall avoid the granting of advances on salaries as much as possible and make use of the facility of supplementary salary payments provided in Persal.
- b. Where circumstances justify making an advance, the Head of Department must approve the transaction.
- c. The required amount should be limited to the amount earned, i.e. monetary value of days already worked during that particular month.
- d. The advance should in no way be recovered in instalments, but as a whole from the immediate following salary month.

### **5.2 Advance on Subsistence and Travel (S & T)**

- a. An advance for subsistence and travel may be given on request to cover for S & T, and other incidental expenses, when an official is absent from his/her headquarters.
- b. Advances in respect of S & T should not exceed the estimated total expenses during the period of the officer's expected absence. In the case of a visit abroad, a realistic advance may be granted.

- c. The officer must within 30 days of return, submit a claim to make good the advance, failing which, the whole amount of the advance shall be deducted from the following immediate salary month.

## **6. Loans & other**

- a. The underlying principle is that the department may not sacrifice the provision of services to the nation for advancing / loaning individuals who can always look for alternative means to finance their private needs.
- b. In exceptional instances (such as death of immediate family member, study purposes, disaster, etc), the HOD may approve that a loan be granted from government funds.
- c. Interest shall be levied at the ruling rate.

## **7. Overtime**

This item is subject to the overtime policy under development by the Human Resources Management sub-directorate.

- a. All directorates and regions must submit motivations and calculations with regard to overtime remuneration. Approval must then be obtained from the C.F.O. before such overtime can be performed.
- b. No ex-post-facto approval for overtime will be considered.
- c. Overtime remuneration may not exceed 50% of the official's gross remuneration on a particular month.
- d. Overtime will be worked up to a maximum of 16 hours per month, and up to 45 hours during peak period (Festive season and Easter weekend).
- e. Item d. above shall not apply to chauffeurs.
- f. Item d. above shall also not apply to other officials, where the maximum of 16 hours per month was reached in preceding and prior months.

## **8. Departmental Entertainment**

- a. The extent (length period) and constitution (members attending) of a departmental meeting may justify that meals be provided during such meetings.
- b. Meeting with stakeholders outside the department may be provided with meal subject to approval by the Head of Department

- c. When meals must be provided during meetings, written approval must be obtained before such meeting takes place from the Head of Department.  
**No ex-post-facto will be entertained on this matter.**

#### **9. Standby allowances**

- a. Only officials deployed with Breakdown services, accident response unit, and VIP fleet support, shall be entitled to standby allowance when they are on standby, at an applicable rate.
- b. Standby allowance pay is regulated
- c. When an officer on standby responds to a call, he or she shall be entitled to overtime remuneration from the minute he/she leaves home until the minute that he/she returns home.

#### **10. Closing**

It will benefit our objective course if we embrace these measures to improve our financial efficiency, effectiveness and control.



**11. Policy Review**

The policy will be reviewed annually or when is necessary.

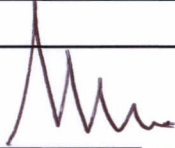
**ENDORSED**

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**HEAD OF DEPARTMENT**

18/02/09  
**DATE**

Note: This policy document is a blue print of the original policy that was approved by Head of Department Ben Mehale on 29.04.03.