



HGDA Farmers Market, Erf 2226, Portion 27 Ellerton Farm, Ixopo,
Tel:039 834 2470/ 039 834 1362

REMUNERATION POLICY

Approved Date: 31/03/2023	Effective Date: 01/04/2023
Review Date: 06/01/2023	Signature:

1. DEFINITIONS

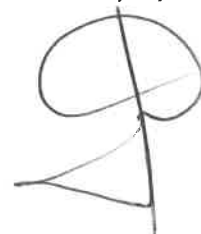
- 1.1 CRITICAL SKILL: is any skill classified as a critical skill for any post in terms of the Staff Retention Strategy
- 1.2 DEPARTMENT: is a structural unit within the Agency headed by a manager
- 1.3 EARNER: is any person who is entitled to earn an income from the Agency in terms of and legal obligation to the Agency
- 1.4 MIDDLE MANAGER: is any management position of the Agency falling within the post levels other than Section 56/57 managers
- 1.5 SCARCE SKILL: is any skill classified as a critical skill for any post in terms of the Staff Retention Strategy

2. PREAMBLE

Having realized a need for the development and implementation of a Remuneration Policy the Agency hereby formulates a policy to be known as a "Remuneration Policy". This policy is intended to provide an operational framework and context in respect of remuneration of Agency employees and any person defined as an earner in this policy. This will further create a legitimate framework for transacting all remuneration related activities in respect of earners. In so doing, the Agency will be providing a normative and value system within which earners will be remunerated by the Agency.

3. PURPOSE

- 3.1. To provide policy requirements for remuneration of all earners within the Agency.
- 3.2. To create an internal legitimate framework for remuneration practices within the Agency.
- 3.3. To formalize payment of basic salaries and benefits to all Agency Employees.
- 3.4. To create a holistic culture of consistency in the course of remunerating Employees.
- 3.5. To create a systemic mechanism for remunerating Employees according to their ranks within the Agency.
- 3.6 To convert all Fixed Term Contracts (FTC) to permanent employment contracts with company benefits on a personal-to-incumbent basis.
- 3.7. To eliminate a lack of uniformity in remuneration practices in respect of all Categories of Employees, Experiential Trainees.



4. APPLICATION OF THIS POLICY

- 4.1. This policy will apply to all Employees.
- 4.2. This policy will apply to interns, experiential trainees and on-the-job-trainees.
- 4.3. This policy will also apply to both temporary and fixed contract employees of the Agency.
- 4.4. This policy will not apply to service and goods providers to the Agency and third parties.
- 4.5. This policy will not apply to any other person of which an act of remunerating him or her will constitute the breach of this policy and the law.

5. LEGAL FRAMEWORK AND REQUIREMENTS

- 5.1. This policy is premised on all relevant provisions of the Basic Conditions of Employment Act (75 of 1997) as may be amended and relevant Regulations and Notices issued by the Department of Labour from time to time.
- 5.2. It is further anchored on the legal provisions of the Labour Relations Act (66 Of 1995) in terms of sections 27 and 28.
- 5.3. This policy will also further provide provision and authority by the CEO to convert all Fixed Term Contracts (FTC) to permanent contracts of employment as personal-to-incumbent basis, which will also include all benefits as a strategy to retain and attract skilled employees.
- 5.4. This policy will be implemented in terms of the objects of other relevant sister policies within the Agency.
- 5.5. This policy shall be implemented in compliance with the requirements of the Collective Agreements concluded by the parties to the South African Local Government Bargaining Council, relevant employment contract, letter of appointment, performance contract and any applicable law.

6. PROVISIONS FOR REMUNERATION OF PERMANENTLY EMPLOYED GENERAL EMPLOYEES

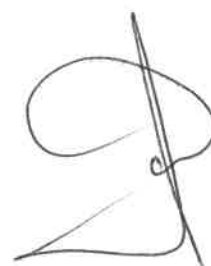
- 6.1. All employees shall be remunerated salaries and customary fringe benefits applicable in the local Government sector as follows:
 - 6.1.1. Basic Salary
 - 6.1.2. Medical aid
 - 6.1.3. Pension/Provident Fund
 - 6.1.4. Housing subsidy
 - 6.1.5. Group funeral scheme
 - 6.1.6. Service bonus/13th cheque
- 6.2. Payment of basic salaries, medical aid contributions, pension contributions and housing subsidy must be transacted in terms of the applicable Wage and Salary Collective Agreement.
- 6.3. The Agency shall pay 50% of the monthly group funeral scheme contribution.

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- 6.4. The membership of the group funeral scheme shall be automatic and compulsory to all permanent employees of the Agency.
- 6.5. The service bonus/13th cheque shall be paid to the employee on the anniversary of his/her appointment.
- 6.6. The salary notch increases shall not be automatically payable and shall be payable as outcome of the individual performance assessment conducted in terms of the performance management policy of the Agency.
- 6.7. The salary structure for the permanently employed general employees shall be implemented as determined by the South African Local Government Bargaining Council(SALGBC) from time to time.
- 6.8. The post level/grade will be the sole determinant of the payable salary scale to the position filled by the Agency.
- 6.9. The Agency will pay salary scales based on its category as determined from time to time.
- 6.10. Change or departure from paying a particular salary notch will be an exclusive preserve of the CEO on the ultimate advice from the Corporate Services Department informed by a motivation from the respective Manager of the concerned Department.

7. PROVISIONS FOR REMUNERATION OF MIDDLE MANAGERS AND SECTION 56/57 MANAGERS

- 7.1. The middle managers shall be remunerated in terms of enhanced staff retention mechanism within the Agency with reference to the SALGBC salary structure.
- 7.2. Their remuneration shall be based on a clustered package of ranking system according to the level of responsibility and generic location of the position in the organizational charter.
- 7.3. The post levels or grades for these shall be bench marked against those of the sister institutions with the same or similar size, characteristics and relevant comparable factors with reference to the prevailing South Local Government job evaluation system.
- 7.4. Jobs of the same and similar amount of responsibility shall be allocated the monetary value of remuneration with reference to the SALGBC salary structure.
- 7.5. The remuneration for these positions shall be based on the recommendations from scientific research conducted by an independent service provider with a track record in rendering remuneration research services.
- 7.6. Total remuneration package shall be payable in respect of these positions as a key strategic element for enticement, retention and optimization of job satisfaction.
- 7.7. The total remuneration packages which will be total cost to the employer and shall include the following components:
- 7.7.1. Basic salary
 - 7.7.2. Pension/ Provident Fund Contribution
 - 7.7.3. Medical Aid Contribution
 - 7.7.4. Travelling Allowance
 - 7.7.5. Housing Subsidy
 - 7.7.6. Group funeral scheme

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7.7.7. Cell Phone Allowance

7.7.8. Non-Mandatory Performance Bonus

- 7.8. Notwithstanding contents of clause No 6.8, an employee concerned may add or cut the basic components within the confines of a legally acceptable remuneration package covered by the Agency's remuneration system.
- 7.9. The basic salary may be structured as long as all figures structured for add up the total remuneration package.
- 7.10. The travelling allowance shall constitute an indispensable component of the total remuneration package policy with a threshold of 25 to 33% of the total remuneration package.
- 7.10.1 This allowance is applicable in the event of the use of your own private vehicle for business purposes which is in use and on the premises whilst on duty and daily basis.
- 7.10.2 The Income Tax Act No.58 of 1962 allows taxpayers who receive or who opts to structure their package with a travel allowance, to claim a deduction for the use of their private vehicles for business purposes.
- 7.11. Market related annual salary increase shall be affected with reference to the average CPIX for a consecutive 12 month-period and the across-the-board annual salary increase for general employees in the South African Local Government undertaking.
- 7.12. Each employee will be required to submit a breakdown of her or his total remuneration package within seven calendar days upon assumption of duty or change of remuneration in case of newly appointed and existing employees respectively.
- 7.13. The breakdown of the total remuneration will not include the non-mandatory performance bonus.
- 7.14. The payment of performance bonus will be determined in terms of the Performance Management Policy and 2006 DPLG/COGTA regulations.
- 7.15. The wage differentials amongst the five categories of management positions shall range between 10 and 35%.

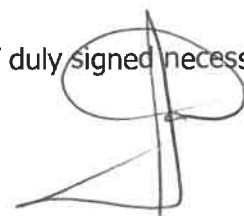
8. PROVISIONS FOR REMUNERATION OF SHORT TERM/FIXED TERM CONTRACT EMPLOYEE AND EXPERIENTIAL TRAINEES

- 8.1. Employees contemplated in this section shall be remunerated not less than the prevailing monthly minimum wage within the South African Local Government sector.
- 8.2. Employees appointed in terms of particular job levels/ranks/grades or posts shall be remunerated the relevant and applicable basic salary.
- 8.3. Experiential trainees will be remunerated a monthly stipend in terms of the provisions of the relevant Agency policy affecting their appointment.
- 8.4. Fringe benefits will not be paid to this category of employees and experiential trainees due to their nature of employment and appointment respectively.
- 8.5. There will be no formal pay structure for this category of earners.

9. GENERAL PROVISIONS IN RESPECT OF REMUNERATION



- 9.1. There shall be no employee of the municipality who will be paid below minimum wage as decided upon by the SALGBC from time to time
- 9.2. Payment of higher salary other than the one payable in relation to a particular position and the relevant salary notch may be transacted within the structure of the salary scales after approval by the CEO.
- 9.3. Payment of a salary package with departure from the payable remuneration package for the positions of the same level or grade, will be done after extensive research on merits of such payment.
- 9.4. Employees earning such special package as contemplated in clause No 10.4. shall earn such income on a personal-to-incumbent basis.
- 9.6. All monies earned by any employee on personal-to-incumbent shall never be regarded as payable across the board except for any other emoluments (benefits/allowances falling outside the salary structure).
- 9.7. The payment of the remuneration shall be done on the basis of a valid letter of appointment or a contract of appointment.
- 9.8. No remuneration shall be transacted after the letter of appointment or contract of employment has lapsed unless any emolument or pay is due in terms of the expired letter of appointment and contract of employment.
- 9.9. All implementation of statutory deductions shall be implemented with prior notification of the employee for at least a period of fourteen (14) calendar days.
- 9.10. Non mandatory emoluments like over time, pay for work on Sunday and public holiday, standby allowance, subsistence and travelling reimbursement allowance, annual leave encashment request and shift allowance shall be paid upon submission of a duly approved claim to the Human Resources Division.
- 9.11. Pro rata service bonus shall be paid to all employees who have served a notice period for voluntary termination of services, reasons of death, left the service on retirement, on medical boarding, operational grounds, and those whose contracts of employment have expired.
- 9.12. No pro rata service bonus will be paid to an employee who has been dismissed on grounds of misconduct.
- 9.13. Annual leave pay shall be transacted in full compliance with the legal requirements.
- 9.14. A determination of daily rate of pay shall be calculated as follows:
- 9.14.1. Annual salary divided by twelve months=Y
 - 9.14.2. Y divided by 4.33 weeks=X
 - 9.14.3. X divided by 5 days=Z
 - 9.14.4. Z equals to a daily rate
- 9.15. All earners will be appraised in advance prior to effecting changes in their earnings in payroll in writing by the Human Resources Division.
- 9.16. All emoluments including claims for re-imbursement with tax implications will be transacted through the payroll on a monthly basis.
- 9.17. All claims for non-mandatory payments or reimbursement falling within a particular month shall be paid in the succeeding month of business, subject to approval and submission of such claim to the Human Resources Division before the cut-off date for submission of payroll inputs.
- 9.18. Leave encashment, refunds, claims additional or salary increase and any other due emolument shall be paid through the payroll subject to meeting payroll inputs submission deadlines.
- 9.19. An employee who has failed to serve a notice period in respect of termination of employment will forfeit the monetary value of his or her income from her/his annual leave pay or pro rata bonus or performance bonus or a combination of these emoluments equivalent to the required length of notice period not served provided there is no agreement for a shorter term of notice/ no notice at all.
- 9.20. No salary advance shall be paid by the municipality to any earner.
- 9.21. No advance pro rata bonus shall be paid to any employee of the Agency.
- 9.22. No payment of any kind of earning shall be transacted without submission of duly signed necessary documentation of original nature.



- 9.23. Photo copies of payroll input shall only be accepted under exceptional circumstances and in case of input with financial implications, such photo copy must be accompanied by an affidavit signed by a Commissioner of Oath.
- 9.24. Each Department shall make annual budgetary provisions for filling posts as approved in terms of the organogram and Organizational Establishment and Job & Evaluation policy.
- 9.25. Any applicable backpay shall be deductible of all statutory requirements like pension, tax, medical aid and UIF.
- 9.26. The structure of the total remuneration package will be valid for a period of 12 months subject to review within the same period should any change is affected on any of the elements of the structure.

10. PROVISIONS FOR RETENTIONAL REMUNERATION OF STAFF

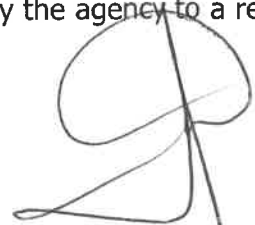
- 10.1. Under exceptional circumstances, the CEO shall approve extra remuneration for a critical skill or scarce skill employee as defined in the Remuneration and Skills Development policies of the Agency.
- 10.2. Extra remuneration will be in the form of monthly scarce skills or critical skills allowance.
- 10.3. The scarce skills or critical skills allowance payable in terms of this policy shall not exceed 35% of the employee's basic salary.
- 10.4. For the purpose of payment of this allowance to a total remuneration package earning employee, 60% of his or her total remuneration package shall be deemed to constitute a basic salary.
- 10.5. All allowances payable in terms of this policy shall be non-pensionable but taxable in terms of the law.

11. REQUIREMENTS FOR PROVISION, MAINTENANCE AND MANAGEMENT OF A HITECH REMUNERATION SYSTEM

- 11.1. The Agency shall provide a new generation payroll management system.
- 11.2. This particular system shall be there to provide all payroll solutions in so far as modern payroll requirements are concerned.
- 11.3. The payroll management system shall be fully compliant with the requirements of the law in so far as they affect the remuneration of earners within the Agency.
- 11.4. Nothing illegal and unauthorized or not approved by a person who has the power to do so shall be transacted or performed in the payroll management system.
- 11.5. The technological payroll management system shall not be subjected to force pay means and mechanism in order to override the entrenched systems for payment of emoluments.
- 11.6. The payroll management system shall be used as the most reliable system for calculation of earnings.
- 11.7. The Corporate Services Department shall procure, provide, maintain and manage the payroll management system.
- 11.8. The Corporate Services Department shall make necessary budgetary allocations on an annual basis for the provision and maintenance of a modern and reliable payroll management system.

12. SUBSISTENCE ALLOWANCE

- 12.1 A subsistence is an amount of money as contemplated in Part 15 paid by the agency to a representative to cover the following expenses:

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12.1.1 meals, including reasonable gratuities, except where meals are included in the accommodation rate; and

12.1.2 Incidentals such as refreshments, snacks, drinks and newspapers.

12.2 A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre or nightclubs, or sightseeing.

13. ENTITLEMENT TO A SUBSISTENCE AND TRAVEL ALLOWANCE

13.1 A representative may claim a daily subsistence allowance as provided in this policy on the understanding that all authorised personal expenses are covered by the subsistence allowance. No further expenses, with the exception of certain business expenses such as travel and accommodation expenses (see below), may be claimed.

13.2 The subsistence allowance may be claimed only if the necessary authorisation for the trip has been obtained, and if the appropriate form has been completed and submitted by the claimant.

13.3 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 has an entertainment allowance, this entertainment of external business associates or contacts or other parties must be claimed against the entertainment allowance.

13.4 A representative of the municipality must claim his or her subsistence allowance, as provided in this policy, after returning from any official trip.

13.5 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 Agency.

13.6 All travel on business of the municipality must be approved as such before a representative is entitled to a subsistence allowance.

14. ACCOMMODATION COSTS

14.1 Representatives who travel on the business of the Agency, 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.

14.2 The actual cost of accommodation will be borne by the Agency. A representative may use 4-star accommodation, but if 4-star accommodation is not available, 5-star accommodation may be used. If neither 4-nor 5 -star accommodation is available, then the next lowest grade 6 star or 3 star of accommodation available shall be used.

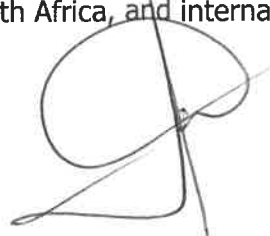
14.3 Accommodation shall be provided on a "dinner, bed and breakfast" basis. If dinner or breakfast are not available at the establishment, the CEO may authorise the payment of a supplementary subsistence allowance on an "ad hoc" basis in such amount as he/she deems appropriate to cover the costs of such meals.

14.4 All accommodation must, unless it is impractical to do so, be reserved through a travel agent appointed by the Agency for this purpose.

14.5 If a representative stays with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance as provided in 12.1

14.6 The permissible cost of accommodation allowances for international travel shall be in an amount determined by the CEO on an "ad hoc" basis.

14.7 For purposes of this policy, domestic travel shall mean travel within South Africa, and international travel shall mean travel to any country other than South Africa.



- 14.8 If a representative requires special accommodation facilities due to such representative suffering from any disability, the CEO may authorise such additional expenditure as may be required to cover additional costs associated with such special facilities.
- 14.9 Tips to any service attendant shall be treated as a private or personal expense and therefore shall not form part of the municipal account.
- 14.10 Any other cost not included in the quotation voucher shall be treated as private or personal expense and therefore shall not form part of the municipal account.
- 14.11 Cost of meals shall not exceed the approved amount as per the quotation voucher and therefore any additional expenses shall be the liability of the representative.
- 14.12 The cost of meals shall be based on the market related rates as obtained from one food provider to another.

15. AMOUNT OF SUBSISTENCE ALLOWANCE

- 15.1 Where it is not necessary to sleep over in connection with any travel on Agency business, no accommodation costs will be paid, but a subsistence allowance of R200, 00 per day may be claimed and this amount may be supplemented by the supplementary subsistence allowance provided for in 5.3 in the circumstances contemplated in that section.
- 15.2 If a representative stay with a relative or friend, no accommodation allowance may be claimed, but the representative may claim a subsistence allowance of R350, 00 per day and no additional or supplementary allowance over and above this amount will be payable.
- 15.3 If a representative travels on the business of the agency for a day or part of a day, a subsistence allowance of R 200, 00 per day or part of a day is payable for trips outside area of jurisdiction of the Agency and no more than this amount shall be payable per day, irrespective of the number of trips undertaken in such day.
- 15.4 A daily rate of R85.00 of subsistence allowance will be payable to any Agency functionary for attendance of a Training Session outside the area of jurisdiction of the Agency.
- 15.5 The recoverable cost of subsistence allowances for international travel shall be in an amount determined by the CEO on an "ad hoc" basis.
- 15.6 In the case of both domestic and international travel, the day of departure and the day of return each qualify for a subsistence allowance.

16. CAR RENTAL, AIR TRAVEL AND OTHER TRAVEL COSTS

- 16.1 Only group "C" or "D" 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).
- 16.2 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 Agency 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.
- 16.3 All flights by representatives of the Agency shall be in economy class, unless, in the case of emergencies, another class of travel is specifically authorised, by the Mayor in the case of travel by the CEO, and by The CEO in the case of travel by other officials of the Agency unless in emergency circumstances do not



permit.

16.4 Wherever possible, the best airways Service Provider shall be used for air travel.

16.5 Reservations for rental cars and air travel must be made through a travel agent appointed by the Agency for this purpose.

16.6 If a representative has to utilise his or her personal motor vehicle outside the boundaries demarcated for the Agency he or she will:

16.6.1 If he or she does not have a fixed monthly traveling allowance, be reimbursed at the applicable rate prescribed by the Department of Transport from time to time.

16.6.2 If he or she has a fixed monthly traveling allowance, be reimbursed at a flat rate determined by the Department of Transport for privately owned vehicles based on the engine capacity of the vehicle; provided that in the case of a Board member, the Managers reporting directly to the CEO, the first 500 km covered in any month shall not be reimbursed, and in the case of other representatives, the first 350 km in any month shall not be reimbursed.

16.6.3 The payment of a fixed monthly travelling allowance shall be suspended without any period of grace; if an Agency official earning a fixed monthly travelling allowance is without possession of a vehicle for a period exceeding three consecutive months at any given time.

16.7 The distance to which the reimbursement applies, must be the shortest distance between the Agency's offices and the location where the official business is to be transacted.

16.8 Private vehicles may be used only in the absence of other suitable transport or if the use of private vehicles would be cheaper than using other means of transport.

16.9 A person entitled to claim for reimbursement of transport costs in terms of this policy is required to use any vehicle whose engine capacity does not exceed 5 litres, should a person use a vehicle whose engine capacity exceeds 5 litres will be reimbursed at the rate applicable to a 5 litres engine capacity

16.10 A person may use any vehicle registered with the Department of Transport in South Africa regardless of ownership provided that person is a licensed Driver of that vehicle.

16.11 It will be incumbent upon the municipal official concerned to verify the factual usage of the vehicle in respect of which transport claim is made against

16.12 When a private vehicle is used, by Officials/Board member receiving fixed traveling shall be required to complete a log book provided by the Agency for the trip, detailing the date, vehicle registration number, opening odometer reading, closing odometer reading, the point of departure and point of arrival and distance travelled; each entry must be signed by the Driver.

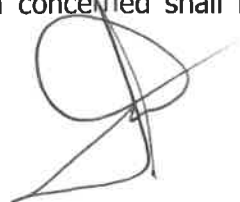
16.13 Where possible representatives must travel together, up to a maximum of four in a vehicle, to minimise travelling expenses.

16.14 If it is not practical to use rental cars, air travel or private vehicles, or if the use of such modes of transport would, in the opinion of the CEO, entail excessive expense, the CEO may require that alternative modes of transport, such as buses and trains, be used, subject to such conditions and limitations as the CEO may on an ad hoc" basis stipulate.

16.15 If a representative requires special travel facilities due to such representative suffering from a disability the CEO may authorise such additional expenditure as may be required to cover additional costs associated with such special facilities.

16.16 If a person who chooses to use road transport with the privately owned vehicle the person shall be reimbursed the lesser of the costs of driving to the destination or flying to the destination.

16.17 If travelling with a private vehicle requires additional time then the person concerned shall make necessary arrangements in terms of applying for necessary leave of absence.



16.18 Any person receiving a fixed monthly traveling allowance is not entitled to drive a municipal vehicle; unless there is a prior authorization by the CEO under exceptional circumstances.

16.19 Any person receiving a fixed monthly traveling allowance is not entitled to use an agency vehicle; as a transport mode unless there is a prior authorization by the CEO under exceptional circumstances.

17. SUBSISTENCE AND TRAVEL ALLOWANCES FOR PERSONS INVITED FOR INTERVIEWS AND ANY OFFICIAL MUNICIPAL BUSINESS

17.1 No subsistence costs will be paid to any candidate invited for an interview.

17.2 No subsistence costs will be paid to any person invited for/attending any official agency business, if distance travelled to and from is less than 50 km

18. AUTHORISATION OF OFFICIAL TRIPS TO BE UNDERTAKEN

18.1 For purposes of implementing this policy:

18.1.1 Only the CEO may authorise any travel to be undertaken by Managers

i) Managers shall recommend and CEO shall authorise travel for staff in their departments for trips outside the Harry Gwala District.

ii) Travel by the CEO may be approved by the mayor on the recommendation of the Chief Financial Officer;

iii) Travel by Board members may be authorised by the CEO on the recommendation of the CFO.

18.2 Travel may be authorised only if provision for such travel is made in the applicable departmental budget.

18.3 An invitation to attend a workshop, meeting or related event is not an automatic authorisation to attend such workshop or event. Authorisation must still be obtained from CEO.

18.4 Notwithstanding other provisions of section 9 of this policy, a belated submission of a written trip authorisation request will be condoned in request of all local official trips undertaken within the area of jurisdiction of the Agency

18.4.1 Definition of Agency business is as follows:

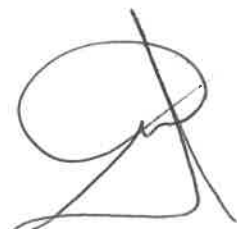
i) Representation of the Agency in any event or meeting or function.

ii) Internally organized or arranged event/function/meeting with an invitation from the Chief Accounting Officer.

iii) Non- Agency business is constituency work and any other function/event/meeting attended not in representation of the Agency.

19. ATTENDANCE OF CONFERENCE, WORKSHOP OR MEETING

19.1 Board members 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, CEO, 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.

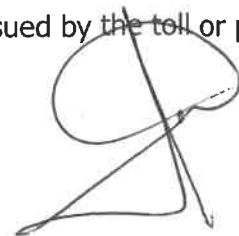


20. APPROVAL SUBSISTENCE AND TRAVELLING CLAIMS

- 20.1 Only the CEO shall approve any S&T Claim/s submitted by the Managers.
- 20.2 Managers shall recommend any S&T Claim/s submitted by their staff with CEO's approval.
- 20.3 CEO shall approve any monthly S&T Claim submitted by the staff in their departments for trips outside the Harry Gwala District that are in excess of R 2 500.00 per claim.
- 20.4 S&T Claim/s submitted by the CEO shall be approved by the mayor on the recommendation of the Chief Financial Officer;
- 20.5 S&T Claim/s submitted by the Board members shall be recommended by the CFO and approved by the CEO.
- 20.6 Travel may be authorised only if provision for such travel is made in the applicable departmental budget.
- 20.7 The claimant shall be informed of his/her claim should it be approved with changes or disapproved by the person responsible to approve the claim within 7 calendar days of approval or disapproval.

21. PROCEDURES FOR CLAIMS AND PAYMENT THEREOF ETC

- 21.1 The CEO may prescribe procedures (including time limitations) and forms for:
 - 21.1.1 The application for authorisation to travel;
 - 21.1.2 The claiming of subsistence allowances and expenses;
 - 21.1.3 The making of reservations;
 - 21.1.4 A privately owned vehicle log book;
 - 21.1.5 Any other matter or thing which is necessary in order to give effect to the provisions of this policy.
- 21.2 Such procedures must be recorded in writing and made available to staff and Board members.
- 21.3 The CEO may amend, withdraw, substitute or supplement such procedures and forms.
- 21.4 All such procedures in force at any time shall be deemed to form part of this policy at such time.
- 21.5 A copy of the invitation or the first three pages of the agenda or programme for the event to be attended by the representative must be attached to a copy of a completed trip authorization form.
- 21.6 A copy of an approved trip authorization form with its annexure/s must be attached to any S&T Claim form.
- 21.7 A copy of the relevant extract from the log book, in the case of the use of a private vehicle, shall be submitted when a claim is made for travel reimbursement signed by both the claimant and his/her immediate Superior.
- 21.8 Claims for toll and parking fees must be accompanied by valid receipts issued by the toll or parking authority.

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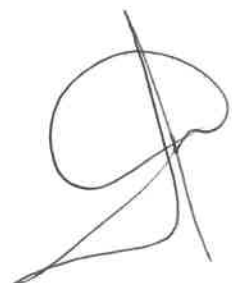
- 21.9 Claims may be submitted by a representative only once a month, after that representative has completed all of his/her trips for the month,
- 21.10 The representative ideally must submit subsistence and travel claims within 3 days at the end of each month.
- 21.11 All S&T claims not submitted within a period of three (3) months after inception/trip or shall be forfeited.
- 21.12 All S&T claims not submitted within the same financial year except the claim pertaining to the last month of the financial year will be automatically forfeited.
- 21.13 Recommendation and approval transactions shall be performed in the Department in which the employee is attached to irrespective of the reason for official travelling.
- 21.14 The S&T expenses of any employee shall be defrayed from the relevant vote of the department in which the employee is appointed irrespective of the reason for official travelling.
- 21.15 Reimbursements for travel claims and subsistence allowances shall be made through normal payroll procedures, and shall be subject to any deductions that may be required for tax purposes.

22. COMMENCEMENT

- 22.1. This policy will come into effect on the date of adoption.

23. INTERPRETATION OF THIS POLICY

- 23.1. All words contained in this policy shall have an ordinary meaning attached thereto, unless the definition or context indicates otherwise.
- 23.2. Any dispute on interpretation of this policy shall be declared in writing by any party concerned.
- 23.3. The CEO shall give a final interpretation of this policy in case of a written dispute.
- 23.4. If the party concerned is not satisfied with the interpretation, a dispute may then be pursued with the South African Local Government Bargaining Council/ Arbitration.

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