



EASTERN CAPE
LIQUOR BOARD

ECLB COST CONTAINMENT MEASURES 2023

13 10 2023

1. TRAVELLING IN GENERAL

1. The authorising official must satisfy him/herself of the following, prior to approving travel requests:
 - a) The necessity to travel, limited to official business trips in support of the institution's mandate;
 - b) the number of travellers;
 - c) the benefit to the institution;
 - d) other alternatives to travelling (e.g. Teams, video conference, tele-conference); and
 - e) compliance with the entity's subsistence and travel policy.
2. Travel bookings must not be based on personal preferences for a particular travel service provider and must consider impartially rates and fares available as well as ensure competitiveness and cost effectiveness.
3. Compliance with the institution's S & T Policy is the responsibility of **all officials**, travellers, appointed service providers and any other person involved with travel related matters.
4. Everyone is therefore required to ensure that requests comply with requirements prior sending them through for approval.



1. TRAVELLING IN GENERAL cont...

5. Everyone must exercise good and ethical judgement when incurring, authorising and approving travel expenses.
6. In order to ensure business continuity and protect the interests of the institution, provision will be made for travellers that are not allowed to travel together on official business trips.
7. Travellers must safeguard the entity's information and assets while travelling on official business and must avoid compromising on security.
8. Use of virtual platforms for meetings and engagements both internally and externally is encouraged.
9. **Travelling for non-core activities must requiring overnight stay or flights must be approved by the CEO.**



2. AIR TRAVEL

1. Air travel (including travel to neighbouring and regional countries) should only be undertaken after remote communication tools, such as teleconferencing and video conferencing, have been considered.
2. Consideration should be made prior approval of air travel in line with these cost containment measures.
3. Economy travel must be used for all travellers except for :-
 - a. Air travel is for more than 5 hours
 - b. Travellers with disabilities
 - c. Travellers with special needs based on medical grounds (medical report submitted for such consideration/s)
 - d. When economy class flights are not available, and no other applicable flights are available
 - e. where the business class ticket is the same price or cheaper than the economy class ticket to the same destination.
4. No additional costs must be incurred by the entity
5. International travel must be approved by the CEO or Board in instances where CEO will also be travelling.



2. AIR TRAVEL cont...

6. Business class tickets for international travel may only be purchased for the following persons, unless the person elects to fly economy class:
 - a. The CEO;
 - b. Members of the CEO's executive committee that report directly to the CEO;
 - c. Non-executive members serving on any Governance Committee of the entity;
 - d. Instances referred to in 3 above; and
 - e. for a traveller accompanying a person entitled to travel at a higher class if the traveller is required to maintain contact with that person for business purposes.

7. Changes to air tickets

- a. Must be kept at minimum to mitigate incurrence of fruitless and wasteful expenditure
- b. Borne by the entity in instances where changes are because of changed business requirements or circumstances outside the traveller's control and should be justifiable, otherwise will be treated as fruitless and wasteful expenditure



3. GROUND TRANSPORTATION

1. Consideration should be made prior approval of air travel in line with these cost containment measures, after remote communication tools, such as teleconferencing and video conferencing, have been considered.
2. Where more than one traveller/official is attending the same event or meeting, they must co-ordinate the renting of cars or shuttle services in order to reduce the cost.
3. Travelling must be co-ordinated to minimise risk as well as reducing costs to the entity
4. The traveller must take every precaution to safeguard a rental or institutional vehicle against damage, theft or irregular use while driving it and when it is parked.
5. Accident and damage claims for car hire should be managed with excess waivers and insurance obtained at booking stage; for ECLB vehicle per policy.
6. Fines and penalties incurred are for the traveller's account.



3. GROUND TRANSPORTATION cont...

7. Traveller must book a rental vehicle for the period that it is actually required for official business and must be used for official business purposes.
8. Traveller must return the rental vehicle within the specified rental period.
9. Prior approval must be sought from the approving official prior changes being made in line with business travel. Additional costs not duly approved will be recovered from the traveller.
10. Only the designated driver is allowed to drive the rental vehicle at any time.
11. Any extra charges not approved by the entity will be recovered from the traveller.
12. Category B or equivalent to mini, economy or compact manual vehicle is booked for all employees except for the Board and the CEO who may hire a higher-class vehicle unless they elect to use a lower-class vehicle.
13. The hiring of an automatic or higher-class vehicle for any other Traveller must be approved by the CEO or delegated official.



3. GROUND TRANSPORTATION cont...

14. A traveller is permitted to accept a higher category of rental vehicle if such an upgrade is offered free of charge. A traveller is, under no circumstances, allowed to demand such an upgrade.
15. A Traveller must verify and complete the Quality Check Card prior to leaving the Car Rental premises, both on collection and return of the rental vehicle. A traveller must ensure that all scratches, dents, windscreen cracks, and chips are marked on the Quality Check Card and signed off by the Car Rental attendant. Failure to complete the Quality Check Card could result in the traveller being held personally liable for any damages.
16. Shuttle and transfer services from a traveller's residence or place of work to and from the airport may be used when:
 - a. If an ECLB vehicle and, or, driver is not available;
 - b. If the cost of such a service is lower than the cost of renting a vehicle;
 - c. If the use of public transport is not readily available or impractical; or
 - d. If the cost of the claimable kilometres and parking/long term parking are higher than the cost of a shuttle service.
 - e. the accommodation establishment does not provide a complementary shuttle service/transfer service between the airport and the accommodation establishment



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3. GROUND TRANSPORTATION cont...

17. Parking and Toll Fees

- a. ECLB reimburse the traveller for toll fees while on an approved official business trip. Claims must be accompanied by the relevant proof of payment or original receipts.
- b. The traveller must consider the most cost effective and safe parking option when parking at airports.
- c. The ECLB will reimburse the traveller for parking fees while on an approved official business trip.

18. The ECLB shall bear its own damage and accident risks related to the material damage to a vehicle (institution's vehicle or rental vehicle). If a traveller sustains bodily injury or death arising from a motor vehicle accident in South Africa, an official will be entitled to the benefits provided for and prescribed in COIDA. Travellers may also be entitled to claim from the Road Accident Fund.



4. ACCOMMODATION

1. Consideration should be made prior approval of air travel in line with these cost containment measures, after remote communication tools, such as teleconferencing and video conferencing, have been considered.
2. The institution shall provide accommodation for officials who are required to perform official business duties away from their normal place of work per the ECLB policy for subsistence and travelling.
3. Domestic accommodation selected must not exceed the maximum allowable rates as prescribed by National Treasury. Any exceptions to this rule must be approved by the CEO or delegated official.
4. Travellers are personally responsible for settling all extras on the accommodation bill, such as telephone, mini-bar items and liquor, prior to checking out.
5. Travellers are responsible for checking Accommodation bills for accuracy and signing them off prior to checking out.



4. ACCOMMODATION cont...

7. If the traveller fails to check out and not settle the additional charges and not sign the bill, the Institution will settle the account, and if the traveller is found liable, recover the amount from the traveller.
8. In cases where the accommodation establishment does not offer meal facilities, **room only option must be used**. The traveller may claim expenditure for the meals not exceeding the maximum daily amount.
9. Some accommodation establishments 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 traveller may not request or demand cash from an accommodation establishment in lieu of the meal cost included in the institution's travel accommodation voucher. **Such action is misconduct and must be dealt with in terms of the institution's Disciplinary Policy.**
10. Employees encouraged to use private accommodation to reduce costs to the entity as well as ins and outs where possible.



4. ACCOMMODATION cont...

11. Accommodation shall only be provided for the duration of the conference or event taking place, as well as one day before and, or after such event only if circumstances necessitate this. Should a traveller request to stay longer at a particular venue/hotel, the costs shall be for the personal account of the traveller
12. The maximum allowable rates are per star grading and type (room only, bed-and-breakfast or dinner-bed-and-breakfast) for domestic accommodation within which a traveller is allowed to be accommodated in accordance with his or her organisational level or position within the institution.
13. The standard class of domestic accommodation must be a three-star establishment or equivalent accommodation establishment, unless approved otherwise by the CEO or delegated official.
14. The CEO, Members of the CEO's executive committee that report directly to the CEO and Non-executive members serving on any Governance Committee of the entity; may stay in a four-star establishment or equivalent accommodation establishment, unless the person elects to stay in a lower graded establishment:



4. ACCOMMODATION cont...

15. In exceptional cases the CEO or delegated official may approve a deviation from above with justifiable reasons and accurately recorded for audit purposes.
16. No-shows and cancellations are the responsibility of the traveller to inform the establishment booked in as well as the service provider used, any fruitless and wasteful expenditure incurred will be dealt with in line with the framework.
17. Additional expenditure is for the traveller's account

4. ACCOMMODATION cont...



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Vouchers Includes	Band 1	Band 2	Band 3
	Room Only Tourism Levy	Room & Breakfast Tourism Levy	Room, Breakfast & Dinner Tourism Levy
VAT	VAT		VAT 2x non-alcoholic beverages at Dinner

Graded Hotel or Boutique Hotel

1 Star	R630	R780	R1 000
2 Star	R980	R1 120	R1 350
3 Star	R1 190	R1 310	R1 530
4 Star	R1 360	R1 470	R1 700
5 Star	R2 280	R2 401	R2 740

Graded Bed & Breakfast, Country House or Guest House

1 Star	R350	R530	R740
2 Star	R540	R710	R920
3 Star	R980	R1 150	R1 350
4 Star	R1 090	R1 260	R1 460
5 Star	R1 300	R1 480	R1 680

Graded Self-Catering

Band 1	Band 2	Band 3
1 Star		R630
2 Star		R980
3 Star		R1 190
4 Star		R1 360
5 Star		R1 570

Maximum for Meals

Breakfast	R 120
Lunch	R 170
Dinner	R 190
Maximum	R 480



5. EXPENSE MANAGEMENT & REIMBURSEMENT

1. Subsistence and travel reimbursements are made in line with the entity's subsistence and travel policy
2. Travellers are expected to:
 - a. exercise good judgment with respect to expenses;
 - b. spend the Institution's money as carefully and judiciously as they would their own; and
 - c. report all expenses and advances promptly and accurately with required documentation.
3. Subsistence allowances are not to:
 - a. enable a traveller to entertain;
 - b. compensate a traveller for any discomfort; and
 - c. supplement a traveller's salary.
4. All claims in respect of S&T, where a travel advance was issued, must be submitted for reconciliation within 10 days after the traveller has returned to the place of work.
5. In the event that a claim is less than the travel advance, the traveller must repay the difference within five working days after being informed of the amount owing to the institution or the amount will be deducted from the traveller's salary, subject to applicable prescripts.

5. EXPENSE MANAGEMENT & REIMBURSEMENT cont...

6. In the event that the business trip is cancelled, the traveller must repay the full advance within seven days after the cancellation or the amount will be deducted from the traveller's salary, subject to applicable prescripts.
7. Kilometre travel claims must be based on actual distance travelled.
8. Google maps can be accessed on the web to determine the distance and the traveller must attach the kilometre calculation to the claim form setting out the expenditure claimed to verify that the kilometres claimed are reasonable. The traveller may attach proof of a reputable map (e.g. Google maps), confirming the distance travelled.
9. Kilometre travel claims must be submitted within 30 days after the traveller has returned to the place of work or as per the ECLB policy.
10. All claims for S&T must, where possible, be submitted within 30 days from the date of the traveller's return. Claims older than 30 days may be rejected and not paid by the institution.

5. EXPENSE MANAGEMENT & REIMBURSEMENT

cont...

11. The following expenses may not be claimed:

- a. Tips or gratuities for waiting staff included in the bills for meals;
- b. Room service or tray service;
- c. Alcoholic beverages;
- d. Consumable items taken from mini bars in an accommodation establishment;
- e. Personal phone calls;
- f. Private travelling;
- g. Internet connectivity for private purposes at accommodation establishments, airports and other public places;
- h. Overweight and, or over-limit baggage expenses, unless it is due to official business purposes;
- i. Fees incurred to access the health club or fitness centres of accommodation establishments; and
- j. Any other expenses not directly related to official business.

6. ECLB COST CONTAINMENT MEASURES PER INSTRUCTION NOTES

1. **Engagement of professional service providers (Consultants)** – can be done when an appropriate gap analysis has been done, are not performing responsibilities of an appointed individual and their appointment is more cost effective e.g. Internal Audit, ICT Professional Service Providers and State Attorneys
2. **Catering for meetings** – Provided for Board and Governance Meetings, recruitment interviews, hearings as well as internal meetings lasting for more than 5 continuous hours. **Requests for catering in all instances must be approved by the CEO.**
3. **Alcohol expenses** – not allowed.
4. **Expenses on newspapers and other related publications** – newspaper bought for Senior Management only
5. **Expenses on advertising** – adverts for one newspaper insert annually, licensing related advertisement in terms of the act, vacancies and procurements

6. ECLB COST CONTAINMENT MEASURES PER INSTRUCTION NOTES cont...



6. **Hiring of venues** – Government owned facilities to be used except for when they are not available
7. **Social functions and corporate branded items are not allowed**
8. **Cellular phones and data facilities** – Allocation is based on the nature of the employee's work.
10. **Attendance at external conferences within the borders of SA** - Approved by the CEO

6. ECLB COST CONTAINMENT MEASURES PER INSTRUCTION NOTES cont...

The key focus of the cost containment instruction notes include:

- a. Admin fees
- b. Catering
- c. Communication
- d. Consultants and professional services
- e. Entertainment
- f. Consumable supplies
- g. Subsistence and travelling
- h. Venues and facilities
- i. Rental and hiring
- j. Non-core expenditure