



COST CONTAINMENT POLICY

CONFERRING

**Department of Community Safety and Transport
Management Travel Cost Containment Policy
Effective Date: 01 September 2024**

Department of Community Safety and Transport Management

Policy on Cost Containment Related to Hosting and Attendance of Conferences

Effective Date: 01 September 2024

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1. Purpose

The purpose of this policy is to establish guidelines and procedures to ensure the effective, efficient, and economical management of resources in both the hosting of and attendance at conferences, workshops, seminars, and related events by the Department of Community Safety and Transport Management. This policy aligns with the National Treasury Instruction No. 01 of 2024/2025 and other relevant Treasury Instructions, ensuring compliance with government-wide cost containment measures.

2. Scope

This policy applies to all officials and employees of the Department of Community Safety and Transport Management involved in the planning, hosting, and attendance of conferences, workshops, seminars, and related events. The policy covers both domestic and international events and applies to all levels of the department.

3. Definitions

- **Conference:** A formal meeting for discussion, typically one where participants come together to discuss specific topics or issues related to the department's mandate.
- **Workshop:** A meeting at which a group of people engage in intensive discussion and activity on a particular subject or project.
- **Seminar:** A meeting for discussion or training, often in an academic or professional setting.
- **Cost Containment:** Measures implemented to control and reduce unnecessary expenditure, ensuring that all spending provides value for money.

4. Principles

The following principles guide the implementation of this policy:

1. **Value for Money:** All expenditures related to conferences and similar events must demonstrate value for money, ensuring that the costs incurred are necessary, justified, and provide the best possible outcome for the department.
2. **Transparency and Accountability:** All activities and decisions related to the hosting and attendance of conferences must be transparent and subject to appropriate levels of approval and oversight.
3. **Compliance with Treasury Instructions:** All expenditures must comply with the relevant National Treasury Instructions and guidelines, particularly those related to cost containment.
4. **Minimization of Costs:** The department shall minimize costs associated with conferences by selecting the most cost-effective options for venues, catering, and other related expenses.

5. Hosting of Conferences

5.1 Justification for Hosting

- Conferences hosted by the department must be justified by demonstrating that they are essential for achieving departmental objectives.
- A formal business case must be prepared, outlining the purpose, expected outcomes, and estimated costs. The business case must be approved by the Accounting Officer or a delegated official before any commitments are made.

5.2 Venue Selection

- Preference should be given to government-owned venues and facilities to minimize costs. Where government venues are not available, the department must select venues that offer the best value for money.
- The use of high-end or luxury venues is prohibited unless justified by exceptional circumstances and approved by the Accounting Officer.

5.3 Catering and Refreshments

- Catering services should be limited to light refreshments (e.g., tea, coffee, water) and modest meals where necessary. The use of luxury or high-cost catering services is prohibited.
- The department must ensure that catering expenses are kept to a minimum and comply with the cost containment guidelines.

5.4 Travel and Accommodation for Hosted Conferences

- Travel and accommodation expenses for conference attendees must comply with the department's travel policy and cost containment measures.
- The number of officials attending hosted conferences should be kept to the minimum necessary to achieve the conference objectives.

5.5 Conference Materials and Gifts

- The production of conference materials (e.g., brochures, folders, and stationery) should be kept to a minimum and, where possible, distributed electronically.
- The provision of conference gifts or tokens is not permitted unless they serve a specific, justifiable purpose and are approved by the Accounting Officer.

5.6 Table of Maximum Allowable Rates for Hosting Conferences

The following table outlines the maximum allowable rates per person for hosting conferences. These rates include the conference package, food, and beverages, but exclude costs for other services:

Star Rating of Facility	Maximum Allowable Rate Per Person (Inclusive of VAT)
3 Star	R500.00 per person per day
4 Star	R600.00 per person per day
5 Star	R700.00 per person per day

Excluded Costs: The following items are excluded from the above rates and must be approved separately by the Accounting Officer or relevant authority:

- **Specialized Audio-Visual Equipment:** Costs for equipment beyond the standard facilities provided by the venue, such as advanced sound systems, projectors, and video conferencing equipment.
- **Decor and Theming:** Any costs related to the decoration or theming of the conference venue.
- **Specialized Technical Support:** Costs for technical support personnel or services beyond the standard support provided by the venue.
- **Transportation for Attendees:** Any transportation costs, including shuttle services, are not covered by the conference package rates.



- **Accommodation:** The cost of accommodation for attendees is separate and must be managed under the department's travel and accommodation policy.
- **Additional Entertainment or Recreational Activities:** Any costs related to entertainment or recreational activities planned as part of the conference.

6. Attendance of External Conferences

6.1 Approval for Attendance

- Attendance at external conferences must be directly related to the official duties of the attendee and must contribute to the department's objectives.
- A formal request to attend a conference must be submitted and approved by the relevant authority before any commitments are made. The request must include the conference agenda, estimated costs, and expected benefits.

6.2 Minimization of Costs

- Only the minimum number of officials necessary to achieve the department's objectives should be approved to attend external conferences.
- Conference attendance within the country should be prioritized over international conferences, unless the latter is deemed essential and provides significant benefits to the department.

6.3 Travel and Accommodation for External Conferences

- All travel and accommodation arrangements for external conferences must be made in accordance with the department's travel policy and the National Treasury's cost containment guidelines.
- Officials should consider virtual participation in external conferences as an alternative to physical attendance, where feasible.

6.4 Coordination and Representation

- The department shall restrict the number of officials attending the same external event, conference, consultation, or meeting to reasonable and necessary representation.
- When multiple officials attend the same external event, efforts must be made to coordinate travel and accommodation to minimize costs, including sharing transportation where possible.



- Attendance at international conferences or events requires prior approval from the Accounting Officer or delegated authority. The approval must consider the necessity of the event for the department's objectives and the overall cost implications.

6.5 Table of Maximum Allowable Rates for Attending External Conferences

The following table outlines the maximum allowable rates per person for attending external conferences:

Expense Category	Maximum Allowable Rate Per Person
Registration Fees	As per actual cost, subject to approval
Accommodation	As per department's travel policy and Treasury rates
Incidental Expenses	R150.00 per day
Transportation	Economy class airfare, shuttle, or standard vehicle rental as per department's travel policy

Note: These rates are inclusive of VAT and are subject to approval based on the specific needs and budget constraints of the department.

7. Reporting and Accountability

- The department must maintain accurate records of all conferences hosted or attended, including detailed expenditure reports.
- An annual report on conference-related expenditures must be submitted to the Accounting Officer, detailing the costs incurred, the outcomes achieved, and any cost savings realized.

8. Compliance and Monitoring

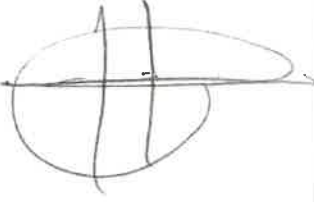
- The department's Internal Audit Unit will periodically review compliance with this policy and report any findings to the Accounting Officer.
- Non-compliance with this policy may result in disciplinary action and/or the recovery of costs where appropriate.

9. Review of Policy

This policy shall be reviewed annually or as required to ensure its continued relevance and alignment with national cost containment measures and departmental objectives.

10. Effective Date

This policy is effective from 01 September 2024 and applies to all conferences hosted or attended by the Department of Community Safety and Transport Management from this date forward and approval by the Accounting Officer.

Accounting Officer	Signature	Date
Dr. Hans Kekana		30/08/2024





national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

TO ALL: ACCOUNTING OFFICERS OF DEPARTMENTS AND CONSTITUTIONAL INSTITUTIONS

ACCOUNTING AUTHORITIES OF PUBLIC ENTITIES LISTED IN SCHEDULE 3 TO THE PFMA

HEAD OFFICIALS OF PROVINCIAL TREASURIES

NATIONAL TREASURY INSTRUCTION No. 1 OF 2024/2025

REVISED COST CONTAINMENT MEASURES

1 PURPOSE

The purpose of this National Treasury instruction is to prescribe revised cost containment measures for departments, constitutional institutions and public entities listed in Schedule 3 to the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999).

2 APPLICABILITY

This Treasury instruction applies to all departments, constitutional institutions and public entities listed in Schedule 3 to the PFMA (herein called "institution" or institutions").

3 BACKGROUND

- 3.1** An accounting officer and accounting authority must implement control measures to ensure that all expenditure in their institutions is necessary, appropriate, cost-effective, recorded and reported.
- 3.2** An accounting officer and accounting authority must ensure that all employees are mindful of the current economic realities and need to intensify efforts to improve efficiency in spending by reducing non-essential expenditure.
- 3.3** This Treasury instruction contains the cost containment measures relating to consultants, hosting and attendance of local or international conferences and guidelines for travel and subsistence.

4 COST CONTAINMENT MEASURES

4.1 ENGAGEMENT OF PROFESSIONAL SERVICE PROVIDERS (CONSULTANTS)

- 4.1.1** An accounting officer and accounting authority, when appointing and managing consultants and consultancy projects, must ensure that—
- (a) consultants are only used, if the required capacity, skills, or expertise do not exist in their institution; and
 - (b) value for money is achieved when making use of consultants.
- 4.1.2** Consultants must be appointed in accordance with the procurement processes, subject to negotiations.

4.2 COST CONTAINMENT MEASURES RELATED TO HOSTING AND ATTENDANCE OF CONFERENCES

4.2.1 Hosting of conferences (within the borders of South Africa)

4.2.1.1 An accounting officer and accounting authority may host conferences if the expenditure related thereto are at market related rates and determined in an internal policy of the institution.

4.2.1.2 If the expenditure for hosting of a conference exceeds the rate referred to in paragraph 4.2.1.1, the accounting officer or accounting authority may approve a higher rate on reasonable grounds. The deviation from the rate approved by the accounting officer or accounting authority in the internal policy must be recorded in a register kept by the institution at the end of each quarter and recorded in its annual report at the end of each financial year.

4.2.1.3 The motivation for the accounting officer or accounting authority to approve a rate higher than the rate in the internal policy must, as a minimum, contain–

- (a) the nature of the conference;
- (b) targeted audience;
- (c) total number of anticipated delegates;
- (d) negotiated attendance cost per person;
- (e) breakdown of the conference expenditure;
- (f) how the conference furthers the mandate of the institution; and
- (g) how the conference contributes to strategic partnerships with stakeholders.

4.2.2 Attendance at conferences hosted by professional bodies and other government or non-governmental organizations (within the borders of South Africa)

4.2.2.1 Employees of institutions may attend conferences hosted by professional bodies and other government or non-governmental institutions held within the borders of South Africa if expenditure related to their attendance is approved by the accounting officer or accounting authority in line with the internal policy of the institution.

4.2.2.2 The expenditure approved must include–

- (a) conference registration costs;
- (b) any other expenditure in relation to the conference; and
- (c) incidental costs.

4.2.2.3 Expenditure, referred to in paragraph 4.2.2.2, must exclude costs related to travel and accommodation. An accounting officer and accounting authority must ensure that air travel and accommodation arrangements are in line with internal travel policy of the institution, referred to in paragraph 4.3.

4.2.2.4 When considering the approval of expenditure for the attendance of a conference, an accounting officer and accounting authority must consider as minimum criteria whether–

- (a) the conference is aligned to the performance agreement or personal development of the employee;
- (b) the conference will benefit the employee in the performance of duties in the institution;
- (c) the objective of the conference relates to a function of the institution; and
- (d) budgeted funds are available to meet expenditure related to the employee's attendance of the conference.

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Revised Cost Containment Measures

4.2.2.5 Employees of institutions must make every effort to take advantage of early registration discounts by seeking the required approval to attend the conference timeously.

4.2.3 Attendance of conferences and study tours (outside South Africa)

4.2.3.1 An accounting officer and accounting authority may grant approval for employees to attend conferences hosted by professional bodies, other government, or non-governmental institutions (external conferences), held outside the borders of South Africa.

4.2.3.2 The expenditure referred to in paragraph 4.2.3.1, must include–

- (a) conference registration costs;
- (b) any other expenditure in relation to the conference; and
- (c) incidental cost.

4.2.3.3 The expenditure referred to in paragraph 4.2.3.2 exclude costs related to air travel and accommodation. An accounting officer and accounting authority must ensure that air travel and accommodation arrangements are in line with the travel policy of the institution, referred to in paragraph 4.3.

4.2.3.4 When considering the approval of expenditure for the attendance of a conference, an accounting officer and accounting authority must consider as a minimum whether–

- (a) the conference is aligned with the performance agreement or personal development of the employee;
- (b) the conference will benefit the employee in the performance of duties in the institution;
- (c) the objective of the conference relates to a function of the institution; and
- (d) budgeted funds are available to meet expenditure related to the employee's attendance of the conference.

4.2.3.5 Employees of institutions must make every effort to take advantage of early registration discounts by seeking the required approval to attend the conference timeously.

4.3 COST CONTAINMENT MEASURE RELATED TO TRAVEL AND SUBSISTENCE

4.3.1 An accounting officer and accounting authority must develop and implement a travel policy–

- (a) considering the National Travel Guideline (NTG), attached as Annexure A, which is non-binding; and
- (b) which is in line with the Institution's operational requirements.

4.3.2 For effective and efficient payment of travel related expenditure, a credit or debit card lodged with a travel agency for purposes of payment for travel and accommodation related expenditure, provided for in Treasury Regulation 15.10.3.5(a) or 31.2.7(a), may be used as a method of payment.

5 EFFECTIVE DATE

This Treasury Instruction takes effect on 1 September 2024.

6 REPEAL OF NATIONAL TREASURY INSTRUCTION

This Treasury Instruction repeals:

- (a) National Treasury Instruction No. 03 of 2017/2018 on Cost Containment Measures for departments, constitutional institutions and public entities listed in

National Treasury Instruction No. 1 of 2024/2025

Revised Cost Containment Measures

Schedules 2 and 3 to the Public Finance Management Act (PFMA), 1999 (Act No.1 of 1999);

- (b) National Treasury SCM Instruction No. 06 of 2022/2023 – National Travel Framework; and
- (c) National Treasury SCM Instruction No. 07 of 2022/2023 – Cost Containment related to Travel and Subsistence.

7 DISSEMINATION OF INFORMATION CONTAINED IN THIS TREASURY INSTRUCTION

7.1 Accounting officers of national departments are requested to bring the contents of this Treasury Instruction to the attention of all:

- (a) accounting officers of constitutional institutions that receive transfers and subsidies from its vote; and
- (b) accounting authorities of Schedule 3 public entities that report to the executive authority responsible for the public entity.

7.2 Head officials of provincial treasuries are requested to bring the contents of this Treasury Instruction to the attention of all accounting officers of departments and accounting authorities of public entities in their respective provinces.

8 AUTHORITY FOR THIS INSTRUCTION

This Treasury Instruction is issued in terms of sections 76(4)(b) of the PFMA.

9 CONTACT INFORMATION

9.1 Enquiries on cost containment measures relating to travel and subsistence including the National Travel Guideline, may be directed to:

Phale Naake

Director: Strategic Procurement – Government Travel Services

Office of Chief Procurement Officer

Phone: 012 315 5883

E-Mail: phale.naake@treasury.gov.za / cpo@treasury.gov.za

9.2 Enquiries on cost containment measures relating to consultants and conferences may be emailed to cagqueries@treasury.gov.za:



DUNCAN PIETERSE
DIRECTOR-GENERAL

DATE: 21/06/24