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PROVINCIAL TREASURY CIRCULAR NO. 28 OF 2024

TO:

DIRECTOR-GENERAL: OFFICE OF THE PREMIER OF MPUMALANGA

**HEADS OF DEPARTMENTS
CEOs OF THE PUBLIC ENTITIES
CFOs OF DEPARTMENTS AND PUBLIC ENTITIES**

**THE CHIEF DIRECTORATE: SUSTAINABLE RESOURCE MANAGEMENT
THE CHIEF DIRECTORATE: ASSETS AND LIABILITIES MANAGEMENT
THE CHIEF DIRECTORATE: FINANCIAL GOVERNANCE**

**ANNUAL PRICE INCREASE AWARDED TO TRAVEL AGENTS PARTICIPATING IN
TRANSVERSAL TENDER MPPT 002/22/03**

1. OBJECTIVE

The objective of this circular is to inform all participating Government Departments and Public Entities about the annual price increase awarded to Travel Agents under transversal tender MPPT 002/22/03.

2. BACKGROUND

In terms of the service level agreement signed with the 6 (six) following travel agents:-
annual price increases are granted in line with CPI.

- City of Choice Travel an Tours
- Dana Agency
- ZAPG Travel and Tours
- Vakasha Travel
- Lets Cruize Travel
- Big Sky Country Trading

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3. FINANCIAL IMPLICATIONS

With effect from 1 June 2024, a CPI price increase of 5.2% is granted for travel service fees. The 5.2% is not applicable on percentages previously negotiated for:-

- long stay bookings
- conferencing
- corporate gifts/flowers

Item	Transaction Type	6 TMC's recommended price	CPI Increase 5.2%	New price schedule
1	Air Travel – International	666.00	34.63	700.63
2	Air Travel – Regional	412.49	21.45	433.94
3	Air Travel – Domestic	260.55	13.55	274.10
4	Air Travel – International (Re-issue)	286.42	14.89	301.31
5	Air Travel – Regional (Re-issue)	237.97	12.37	250.34
6	Air Travel – Domestic (Re-issue)	198.64	10.33	208.97
10	Car Rental – Domestic	213.12	11.08	224.20
11	Car Rental – Regional	233.63	12.15	245.78
12	Car Rental – International	261.84	13.62	275.46
13	Transfers/Shuttle – Domestic	187.29	9.74	197.03
14	Transfers/Shuttle – Regional	220.98	11.49	232.47
15	Transfers/Shuttle – International	272.87	14.19	287.06
16	Accommodation – Domestic	225.72	11.74	237.46
17	Accommodation – Regional	276.66	14.39	291.05
18	Accommodation – International	302.10	15.71	317.81
19	Bus/Coach Bookings	187.62	9.76	197.38
20	Train bookings – International	209.88	10.91	220.79
21	Visa Assistance (Provision of documents and advice)	355.10	18.47	373.57
22	Courier services for travel documentation (visa & passports)	157.94	8.21	166.15
24	Parking bookings	83.68	4.35	88.03
25	Cancellations	77.28	4.02	81.30
27	After Hours Services	249.74	12.99	262.73
30	Travel Lodge card Reconciliation	200.00	10.40	210.40

ALTERNATIVE TRANSACTION FEE FOR

Item	Transaction Type	6 TMC's recommended price	CPI Increase	New price schedule
1	Long stay bookings for a person (as a % fee total cost for period longer than 10 nights)	12.00%	-	12.00%
2	Conference Transaction Fee (as a % of the Total turnover of the event)	12.00%	-	12.00%
3	Corporate gifts / flowers or other services as a % of the cost of the transaction	12.00%	-	12.00%

4. ROTATION OF SERVICE PROVIDERS

Please note that all participating service providers must be rotated equally among all participating departments and Entities.

5. PAYMENTS DUE TO SERVICE PROVIDERS

All invoices received from service providers must be paid within 30 days of receipt according to the signed service level agreements.

6. ENQUIRIES

For any clarity required kindly contact Mr. S Mpila on (013 766 8711), alternatively on email SJMpila@mpg.gov.za

Kind regards,


 MS GUGU MASHITENG
 HEAD: PROVINCIAL TREASURY
 DATE: 6/06/2024