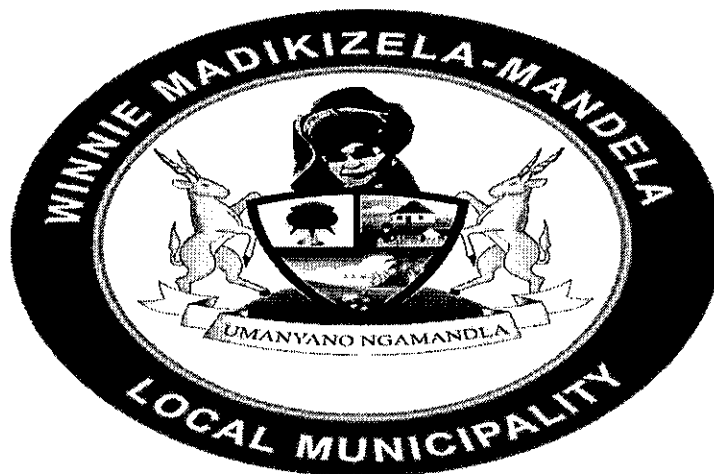


WINNIE MADIKIZELA MANDELA LM LOCAL MUNICIPALITY



EMPLOYEE BENEFITS AND CONDITIONS POLICY

Approved by the COUNCIL on:

13 MAY 2022

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1. PREAMBLE

The following guidelines on employment have been provided for application of fair and consistent employment practice within the Municipality.

These policies are necessary to enable employee to contribute towards the attainment of the Municipal Organisational Strategic objectives.

The Human Resource policies have been compiled in an enabling spirit and sets out the policy relating to employment within the Municipality. It is therefore important that these policies be perceived as an enabling tool, to facilitate employee management within the Municipality.

2. DEFINITIONS

- 2.1. **Calendar Year:** means from Calendar up to and including 31 December of the same year.
- 2.2. **Municipal Manager:** means the Accounting Officer of the Municipality, irrespective of designation of the post occupied by that official, as appointed by the Municipality or his / her lawfully appointed nominee acting in that capacity or a person duly delegated to authority to perform tasks assigned to the Municipal Manager.
- 2.3. **Municipality:** means the Municipality and includes any committee thereof or employee of the Municipality acting in accordance with the powers which have been vested in the Municipality and which have been delegated to such committee or employee.
- 2.4. **Deductions from Salaries:** means to all amounts deductible from the employees' salaries compliance with the law and paid over to whom they are due.
- 2.5. **Dependants:** are defined as:-
 - 2.5.1. The wife of the member including common law spouse;
 - 2.5.2. The husband of the wife (member) if she is the breadwinner;
 - 2.5.3. The child/children of the member;
 - 2.5.4. A member's unmarried child above the age of 21 whom as a result of a mental or physical defect is dependant;
 - 2.5.5. Any dependent children up to age 25, who are full-time students attending a university or recognised college of higher education, provided a certificate from such university or college is produced each year;

- 2.6. **Employee:** means any person other than independent contractor who:
- 2.6.1. Works for the Municipality and who receives, or is entitled to receive, any remuneration ; and
 - 2.6.2. In any manner assists in caring on or conducting the business of the Municipality, and
 - 2.6.3. “employed” and “employment” have corresponding meanings
- 2.7. **Medical Aid Scheme:** means the association or membership to a scheme that provides medical coverage for employees and their dependant
- 2.8. **Overtime:** means that a portion of any period which an employee works at the workplace for his/her employer during any week or any day , as the case may be, which is in excess of the respective ordinary hours of work prescribed for such employee.
- 2.9. **Policy:** means a document setting out an organisational position on a particular issue.
- 2.10. **Retirement:** refers to the termination of employment because of age, number of years in the Municipality or ill health.
- 2.11. **Salary:** means any payment in money that the Municipality shall pay any employee for service rendered to it.
- 2.12. **Travel and Subsistence:** describe the cost of spending on business **travel**, meals, hotels, sundry items such as laundry (though usually only on long trips) and similar ad hoc expenditures.
- 2.13. **Allowance:** an amount of money granted by an employer to an employee in circumstances where the employer is certain that the employee will incur business related expenditure on behalf of the employer, but where the employee is not obliged to prove or account for the business expenditure to the employer. The US dollar shall be an applicable currency for international travel.

3. LEGAL FRAMEWORK

- 3.1. Basic Conditions of Employment Act No. 75 of 1997;

3.2. South African Local Government Bargaining Council Consolidated Main Collective Agreement on Wages and Salaries;

3.3. Municipal Finance Management Act No. 56 of 2003;

3.4. Labour Relations Act No. 66 of 1995;

4. SCOPE OF THE POLICY

4.1. This policy shall apply to all employees and Councillors of the Municipality respectively.

5. OBJECTIVES OF THE POLICY

5.1. To maintain a common standard of benefits for WMMLM;

5.2. To assist employees to maintain a good living standard so as to increase their quality of working life;

5.3. To ensure that the municipality adheres to legislative commitment;

5.4. To boost employee productivity and morale.

6. MEDICAL AID

6.1. The objective of the scheme is to provide financial help to meet the medical expenses incurred by an employee and his dependants. It is a form of insurance policy against illness and hospitalisation.

6.2. Unless otherwise expressly agreed, membership of the medical aid scheme is optional as a condition of employment for all permanent employees, in full-time or part-time employment.

6.3. Employees who are already registered as dependents on their spouse's medical aid schemes may be exempted from belonging to the Municipality's medical aid scheme, if proof is submitted in writing to Human Resource.

7. MEDICAL AID GENERAL RULES

- 7.1. Employees should apply for medical aid on their first month of appointment for immediate cover; employees who fail to join will be subjected to a waiting period of three (3) months or more depending on the scheme rules.
- 7.2. Employee contributes a monthly amount (equivalent to 40%) of the total contribution) and the Municipality contributes the remaining 60% up to the maximum agreed upon at the Bargaining Council;
- 7.3. The employee as well as his dependants is covered by the scheme and the monthly contribution depends on the number of dependants included in the scheme, the employee's salary and the scheme he/she selects;
- 7.4. All employees enjoy the same benefits irrespective of income. The benefits are detailed in the Medical Aid Rules;
- 7.5. New employees will have a choice whether to join a new Medical Aid or continue with his/her existing Medical Aid or join anyone that he/she prefers.

8. PENSION/RETIREMENT FUND

- 8.1. Subject to any collective agreement an employee appointed permanently or for a fixed term in a position in the permanent establishment, must become and remain a member of, and contribute to, a retirement fund recognised by the Municipality and registered in terms of the Pension Funds Act 1956.
- 8.2. Pension/provident fund is compulsory to all permanent employees of the municipality starting on the 1st month of appointment.
- 8.3. Employee has a right to their choice of pension/ provident from the SALGBC registered funds
- 8.4. Contribution to pension/provident fund are as follows as stipulated in the main collective agreement and shall be revised as such:-
 - a) Employees contribute 9% of their pensionable salary
 - b) Employer will contribute 18% of employees pensionable salary

9. HOME OWNER ALLOWANCE

- 9.1. The monthly home owner allowance is determined at the national level. The monthly home owner allowance is revised on the first day of each quarter based on the weighted average interest rate levied by the five biggest financial institutions as on 1 January, 1 April, 1 July and 1 October.
- 9.2. Any employee appointed on the permanent establishment and who has completed her/his period of probation may participate in the Municipality's home-owner's allowance scheme, subject to compliance with the qualifying conditions at the date of application for participation and during the full period of such participation.
- 9.3. The qualifying conditions are as follows –
 - 9.3.1. the employee's spouse or life partner may not receive a similar allowance in respect of the same or another property;
 - 9.3.2. the property in respect of which the employee applies to participate in the scheme must be-
 - a) registered in her/his name or jointly in her/his and her/his spouse's or life partner's name; or
 - b) constructed on premises in respect of which the employee and her/his spouse or the employee's spouse or life partner has obtained a leasehold in terms of a statute; or
 - c) obtained by way of a deed of sale which will lead to registration of the property in the name of the employee, or the employee and her/his spouse or life partner or the employee's spouse or life partner;
 - 9.3.3. the employee must ordinarily occupy the property.
- 9.4. No homeowner's allowance may be paid in respect of a property registered in the name of a company, trust, close corporation or similar legal entity.
- 9.5. The homeowner's allowance payable to an employee is calculated on the balance of the total amount of the mortgage bonds registered against the property in respect of which the application is made minus any amount of such a mortgage not taken up by the employee.
- 9.6. The Municipality must pay the first instalment on a mortgage bond on the date it is due. Subsequent instalments must thereafter be paid not later than the first day of every month until the sooner of any of the following dates –

- 9.6.1. the term of the mortgage expires; or
 - 9.6.2. the mortgage had been discharged; or
 - 9.6.3. the employee's employment with the Municipality is terminated for whatever reason; or
 - 9.6.4. until twenty years has expired from date of the first instalment.
- 9.7. A home owner's allowance is discontinued on the date on which any disqualifying change appears.
- 9.8. The amount of the home owner's allowance payable to an employee is such amount as the bargaining council may determine from time to time.
- 9.9. An employee who receives a home owner's allowance must in writing and irrevocably authorise the Municipality to deduct the full amount of the compulsory instalment on such bond from her/his salary and to pay same, together with the employer's contribution, over to the relevant institution.
- 9.10. An employee may authorise the Municipality to deduct and pay over to the relevant institution an amount equal or higher than the compulsory instalment on her/his mortgage bond. Such an authorisation may only be given or changed once during every six-month period.
- 9.11. An employee who participates in the home-owner's allowance scheme must report to the Senior Manager: Corporate Service any changes during the period that she/he receives the allowance that may affect the payment or amount thereof.
- 9.12. Whenever the amount paid to an employee is found to be incorrect due to –
- 9.12.1. the overpayment thereof, the amount of the overpayment must be recovered on the employee; or
 - 9.12.2. the underpayment thereof, the amount of the underpayment must be paid to the employee or the mortgager.

10. HOME RENTAL ALLOWANCE

- 10.1. An employee appointed on the permanent establishment, who has successfully completed her/his probation period and who complies with the qualifying conditions may receive a rental allowance.
- 10.2. To qualify for a rental allowance –
 - 10.2.1. the employee together with his/her spouse/life partner (if any) and one or more of their minor dependents (if any) must ordinarily reside in the residence concerned;
 - 10.2.2. the employee's spouse/life partner (if any) may not receive a similar benefit from her/his employer;
 - 10.2.3. the employee must, together with her/his application for participation in the scheme, submit written proof by way of a signed rental agreement or sworn affidavit of her/his landlord of the fact that she/he is renting a residence and the amount of rental payable to the landlord; and
 - 10.2.4. the employee may not receive any other housing benefit from the Municipality.
- 10.3. A rental allowance is payable to the employee together with her/his salary for each month.
- 10.4. An employee may not receive a rental allowance in respect of any residential property in which she/he or her/his spouse/life partner has any interest as owner or mortgager, whether individually or together with one or more third parties.
- 10.5. An employee shall forfeit her/his rental allowance if it is found in any disciplinary proceedings, or she/he admits, that she/he -
 - 10.5.1. received any benefit under this scheme whilst she/he did not comply with the qualifying conditions; or
 - 10.5.2. was paid an amount under the scheme to which she/he was not entitled; or
 - 10.5.3. did not immediately declare that any amount paid to her/him under the scheme was paid to her/him in error.
- 10.6. A rental allowance is equal to the current payable allowance subject to the annual wage increase as per the Consolidated Bargaining Council Agreement.

11. TRAVELLING AND SUBSISTENCE EXPENDITURE

- 11.1. The objective of this is to provide guidelines for making business journey, within reason, as economical as possible for the Municipality as they are undertaken in the interest of the Municipality.
- 11.2. The amounts quoted in this section are maximum amounts that are payable, and the approach to expenditure of this kind is that costs should be kept to a minimum.
- 11.3. An employee shall undertake an official journey by the most economical means with due regard to available means of transport, routes and duration. The means of transport shall be as follows:
 - 11.3.1. Company vehicle (through flexible vehicle benefit scheme);
 - 11.3.2. Municipal owned transport, if available;
 - 11.3.3. Public transport, if available and/or practical; and
 - 11.3.4. Private transport.
- 11.4. The Municipal Manager may authorise (as per official journeys) an employee to undertake an official journey or part thereof, by any means of transport irrespective of whether it is the most economical means or not, if the Municipal Manager is satisfied that the public and Municipality interest will be better served thereby, or if it is in the interest of the official or employee's health. The Municipal Manager may require the submission of a supporting medical certificate where this is deemed necessary.
- 11.5. Ideally for all travel and accommodation the Municipality's recognised travel agent must be commissioned.
- 11.6. Whenever someone has been delegated to attend a meeting outside his/her hometown outside the jurisdiction of Winnie Madikizela Mandela LM, the following items will be paid:
 - 11.6.1. Where the person must sleep over and opting to stay privately he/she be paid R600.00 per night and claim the out of town allowance as per the SARS Regulations per night allowance.
 - 11.6.2. An Employee/councillor should state prior to utilizing your private accommodation in order to avoid double booking.
 - 11.6.3. Whereby a venue for a workshop has been organised by the Municipality also known as block booking, private accommodation arrangements will not be considered.

- 11.7. When booked for by the Municipal Council an out of town allowance as per the SARS Regulations will be payable per night ;
- 11.8. In exceptional cases which will have to be approved by the Municipal Manager, a maximum amount of R250.00 per day will be paid to reimburse staff for meals consumed and will only be paid upon submission of receipts;
- 11.9. Accommodation will be booked in a 3 star hotel unless prior approval by the Municipal Manager has been given;
- 11.10. All alcohol will be for employee's personal account;
- 11.11. All claims will be paid on actual distance from the office;
- 11.12. Where public transport is used, the actual cost must be refunded upon submission of a receipt. As taxis do not issue receipts, payments will be refunded on a list of fixed tariffs to be compiled in conjunction with taxi association;
- 11.13. Councillors attending District Council will be paid by the District Council according to its policy document.

12. COUNCILLORS TRAVELLING ALLOWANCE

- 12.1. Councillors travelling allowance is calculated at 25% of the total annual remuneration package;
- 12.2. Councillors cannot claim for trips that are within the jurisdiction of Winnie Madikizela Mandela LM.
- 12.3. A Councillor may utilise a council owned vehicle when performing a ceremonial function as determined by the Municipal Council concerned;
- 12.4. Councillors claim forms must be approved by Chief Whip with consultation with the Municipal Manager.
- 12.5. In order to avoid wasteful expenditure councillors who attend in the same institution should utilise one vehicle and the owner ONLY that should claim for travel.

13. FIXED TRAVELLING ALLOWANCE FOR EMPLOYEES

13.1. GUIDING PRINCIPLES

- 13.1.1. No official transport will be made available to employees who receive a fixed travelling allowance for the execution of their official duties, except where emergency operational activities;
- 13.1.2. Employees who receive a fixed travelling allowance are for the full cost of maintenance, insurance, licensing and registration of their vehicles;
- 13.1.3. The choice and type of vehicle used by the beneficiary should comply with the purpose and requirement for the execution of the employee's official duties;
- 13.1.4. In order to qualify for the allowance, the employee must be in possession of a valid drivers' license and a vehicle under their name and or spouse. In the instance that the vehicle belongs to a spouse, a marriage certificate must be furnished;
- 13.1.5. A vehicle registered in the Travelling Allowance Scheme of council should be available every time it is needed to carry out Council's official duties. If not available due to minor or major mechanical problems, it should only be for a period not exceeding one month. Should the problem exceed one month, the employee must arrange for an alternative transport excluding Council Vehicle to perform his/her duties. Failure to get an alternative transport within six months, the beneficiary will be withdrawn from the Vehicle Allowance Scheme.
- 13.1.6. Any other exceptions which is not indicated above will be dealt with on merit.

13.2. DETERMINATION OF TRAVELLING ALLOWANCE AMOUNTS

- 13.2.1. Positions qualifying will receive allowances based on 25% of the basic salary per month;
- 13.2.2. The travelling allowances amount shall be adjusted or shall increase by the same rate as the salary increase in each financial year in line with the provisions of the applicable Salary and Wage Collective Agreement;
- 13.2.3. The monthly fixed allowance as determined in terms of the above post levels applies to all officials who travel inside and outside the area of jurisdiction of the Winnie Madikizela-Mandela Local Municipality;

13.2.4. The travelling allowances applicable to incumbents will be paid monthly in arrears with their salaries.

13.3. RE-IMBURSEMENT FOR KILOMÈTRES OUTSIDE AREA OF JURISDICTION

13.3.1. **Employees taking part in the travelling allowance scheme:** A reimbursement of the actual kilometres travelled return trip, measured from the place of work to the destination calculated at the rates approved by the SARS for private transport used for official purposes.

13.3.2. **Employees not taking part in a travelling allowance scheme and essential car user scheme participants:** A reimbursement of the actual kilometres travelled return trip, measured from the place of work to the destination calculated at the rates approved by the Department of Transport for private transport used for official purposes.

13.4. TRAVEL ALLOWANCES PAYABLE TO EMPLOYEES RECEIVING ANNUAL ALL INCLUSIVE SELF STRUCTURED REMUNERATION PACKAGES : MUNICIPAL MANAGER AND MANAGERS REPORTING TO THE MUNICIPAL MANAGER.

13.4.1. Employees paid an annual all-inclusive cost to company package that is not linked to a Task Grade may elect to receive a portion of their annual remuneration as a travelling allowance, and shall be adjusted from time to time depending on the fuel type in accordance with the changes from the Department of Transport as well as engine capacity of the vehicle and/or the type of fuel utilised by the vehicle.

13.5. REDUCTION, SUSPENSION, TEMPORARY INCREASE IN AND DISCONTINUING OF TRAVELLING ALLOWANCE

- 13.5.1. **Whenever** it is established that a participant did not travel the allocated amount of kilometres during two or more consecutive months, the Municipal Manager may, in her/his sole discretion, reduce the number of kilometres allocated to that participant in respect of which she/he receives a fixed monthly travelling allowance.
- 13.5.2. Whenever a participant ceases to occupy a travelling allowance bearing position, payment to her/him of a fixed travelling allowance must be discontinued with effect from the first day of the month following the month during which she/he ceased to occupy such position.
- 13.5.3. Whenever a participant is promoted, transferred or demoted to a travelling allowance bearing position her/his benefits must be increased or decreased, as the case may be, to the level of the benefits linked to her/his new position with effect from the first day of the month following the month during which she/he was promoted or demoted.
- 13.5.4. Employees appointed to a position that qualifies for a travelling allowance need not to apply for the said allowance for it is already attached to the position.
- 13.5.5. A participant's fixed travelling allowance must be reduced pro rata for the number of days that she/he was absent from work due to her/his participation in a strike or other industrial action;
- 13.5.6. on unpaid leave; or
- 13.5.7. due to her/his suspension without pay as an alternative to her/his dismissal;
- 13.5.8. Whenever a participant acts in another position in respect of which a higher fixed travelling allowance is payable for a continuous period of more than 10 working days, her/his fixed monthly travelling allowance must be increased by adding for every working day during which she/he so acts an amount equal to the difference of her/his daily fixed travelling allowance and the daily fixed travelling allowance of the person in whose position she/he is acting calculated in terms of paragraph 8.7.4(b).
- 13.5.9. Whenever it is suspected at any time that a participant –
- claimed a travelling allowance in a dishonest manner; or
 - falsified a log book which she/he was required to keep in terms of this scheme the Municipal Manager must immediately institute disciplinary

action against the participant concerned and recover any amount as determined during such disciplinary proceedings which were paid to or in favour of such participant.

- 13.5.10. Whenever it is suspected at any time that a manager –
- recommended or approved the participation in the scheme of any employee who is not entitled thereto; or
 - certified a log book or travelling claim of a subordinate employee as correct whilst it was not the Municipal Manager, or if the Municipal Manager is involved, the Mayor, must immediately institute disciplinary action against the manager concerned and may recover any amount as determined during such disciplinary proceedings which were made as a result of such recommendation, approval or certification on the manager concerned or the person who benefited from it.
 - Employees appointed to a position that qualifies for a travelling allowance need not to apply for the said allowance for it is already attached to the position.

14. CAR HIRE

- 14.1. **The** Municipal Council will pay for the hire of up to C-Category for sedan vehicles hired from approved car rental companies. Any member, who wishes to upgrade the sedan type booked for by Municipal Council, must do so at his/her own cost. 4x 4 categories to authorisation by the Municipal Manager or his/her delegate.
- 14.2. **The** vehicle be it of the rental company or Municipal Council must be kept in a lock-up garage, a police station or in a hotel. The Municipal Council will not be held liable for any personal losses incurred.
- 14.3. **In** cases where the employee carries any tool that is not an institutional property, it is own his/her risk to pay for it or to answer for it.

15. MOTOR VEHICLE ACCIDENT

- 15.1. If there is any damage to a hired vehicle, whilst it is in the employee's possession, the individual must:
- 15.2. Report the incident to the nearest Police Station and obtain a police docket number. This must be done immediately and not later than twenty four (24 hours) after the incident;
- 15.3. Report the damage to the car hire company, to their respective Manager and Corporate Service department;
- 15.4. Obtain the relevant claim form(s) from Corporate Service department;
- 15.5. Complete the relevant claim form(s) as required, attach a photocopy of the hire contract and of their drivers licence and the front page of their identity document and submit it to the Corporate Service department and for processing; and
- 15.6. Report the incident again to the car hire company on returning the vehicle;
- 15.7. Where is proved that the employer or designated driver was at fault, he/she would be responsible for all costs uncured relating to the accident and will be subject to disciplinary action.

16. TRAVELLING BY AIR

- 16.1. The Municipal Council pays delegated Councillors/Officials on airfares for economy class fare, and representatives who wish to travel business class will be held liable to pay the difference between the economy class and the business class.
- 16.2. Where time constraints or non-availability of seats force members to use the Business Class, such bookings may be authorised by the Municipal Manager or his/her delegate.

17. ACCOMMODATION

- 17.1. The Municipality will cover the accommodation costs of employees on a bed and breakfast basis, who are required to spend the night out of town for official Municipality business. An out of town allowance as per the SARS Regulations is payable per day. In exceptional cases a maximum amount of R250.00 per day will be paid to reimburse staff for meals consumed and will only be paid upon submission of receipts.

17.2. The Municipality will cover accommodation costs against attached hotel vouchers and prior vouchers and prior approval. Should circumstances necessitate spending the night without prior approval, an out of town allowance as is payable per the SARS Regulations per day. In exceptional cases a maximum amount of R250.00 per day will be paid to reimburse staff for meals consumed and will only be paid upon submission of receipts 7.3 All Municipality employees are to be accommodated in a maximum three (3) star hotels, with breakfast included.

18. SUBSISTENCE ALLOWANCE

18.1. A subsistence allowance is any allowance given to an employee for expenses incurred or to be incurred in respect of personal subsistence and incidental costs (e.g. Accommodation and meals).

18.2. Where an employee is, by reason of his/her duties obliged to spend at least one night away from his usual place of residence, he/she shall be entitled an out of town allowance as is payable per the SARS Regulations per day (within the common monetary area i.e. South Africa, Lesotho, Namibia and Swaziland) and US\$150.00 per day if travelling internally (outside the common monetary area).

18.3. Incidental costs shall include:

- i. Meals;
- ii. Taxi Fare;
- iii. Parking;
- iv. Telephone calls

18.4. Items such as personal vehicle expenditure are covered by the remuneration package of such employee.

18.5. Air (rail or sea) travel, car hire, hotel accommodation shall be arranged by the Administration of the Municipality with a direct invoice to the Company.

18.6. Senior Managers who are requested to undertake air (sea or rail) travel shall be entitled to travel economy class of the airline (air or sea) chosen by the Municipality for the journey.

19. INTERNATIONAL TRAVEL

19.1. Notwithstanding any of the above, all international travel shall be authorised by Council and/or Chairperson of the Executive Committee and/or Municipal Manager prior to the travel occurring.

20. AUTHORISATIONS AND PROCESSING OF PAYMENT

20.1. All “out of pocket” expenses incurred, as a result of business travel must be claimed from “the expense claim form”.

20.2. Claims must be supported by documentation, which should be attached to the expenses claim form. The departmental head approves this claim.

20.3. Subsistence and travel expenses are only to be incurred for official Municipal duties, and shall only include accommodation, meals (food and non-alcoholic beverages) and laundry. Any other expenditure is to be recovered from the individual, unless business related in which case must be claimed separately i.e. telephone, entertainment etc.

20.4. All travel expenditure below R30 000 may be authorised by the relevant head of the department.

20.5. All travel expenditure above R30 000 must be approved by the Municipal Manager.

20.6. All employees intending to travel must fill in the necessary Subsistence and Travel claim form and obtain the necessary approval.

20.7. Payments shall be made by the Finance department (BTO) on receipt of original invoices; all payments shall always be supported by the travel authorisation.

20.8. The total amount to be paid must be equal to or less than that what was authorised written explanation must be given if authorised amount is exceeded.

20.9. All paid invoices shall be stamped as such by the Finance department (BTO), in order to avoid duplication.

20.10. The authorisation of travel shall be conducted as per the delegation of authority.

21. RELOCATION

21.1. Relocation of newly appointed employees:-

- The Municipality shall reimburse 100% of the cost (including VAT) an employee incurred when moving from another place to a place closer to her/his workplace on her/his appointment, including transit insurance, transporting, storage, packing and unpacking for household goods. The following should be considered:
 - The period of storage of goods will be limited to one month.
 - Should a valid reason exist to extend this period, the employee can apply to extend storage to a maximum period of two months. Approval must be obtained from the Municipal Manager.
 - The Municipality will not pay for the transport or storage of the following items:
 - i. Trailers;
 - ii. Boats, yachts, etc;
 - iii. Building material;
 - iv. Farm machinery;
 - v. Livestock;
 - vi. Pets of any kind
- The employee must obtain three written quotations through Supply Chain section for the relocation of her/his household and appoint a removal company to relocate her/his household goods.
- The employee must reimburse the full amount of the subsidy to the Municipality if her/his employment with the Municipality is terminated for whatever reason within one year after the subsidy had been paid. If her/his employment with the Municipality is terminated for whatever reason after completion of one year, but before two years have been completed, the employee must reimburse the Municipality for 100% of the subsidy.

21.2. Relocation of an employee's household due to the relocation of her/his work

- Whenever the Municipality requires an employee to work in another workplace in the Municipality than the workplace where she/he has been working, the Municipality shall, if the employee decides to relocate her/his household to a place close to her/his new workplace, reimburse the cost the employee concerned incurred to relocate, including transit insurance, but excluding any packing and packaging cost, as indicated on the cheapest quotations.
- The employee must obtain three written quotations through Supply Chain section for the relocation of her/his household and appoint a removal company to relocate her/his household goods.
- To qualify for reimbursement in terms of this paragraph, the employee must relocate her/his household within 12 months after her/his workplace was relocated.

21.3. Relocation of an employee's place of work due to her/his promotion, transfer or demotion

- The provisions of this relocation applies to any case where an employee is required to work in another workplace than where she/he had been working due to that employee's promotion, demotion or transfer.

21.4. Relocation: travel and subsistence

- Employee appointed by the Winnie Madikizela Mandela LM and where:
 - i. The distance involved between the old residence and the new one is 100 km and more;
 - ii. The appointment is initiated by the Winnie Madikizela Mandela LM. The employee must be appointed due to an advertised post.

- On appointment the Winnie Madikizela Mandela LM will meet the following actual expenses that an employee incurs for travel and subsistence (limited to the amounts found in the Winnie Madikizela Mandela LM Subsistence and Travel policy:
 - i. Only visit by an employee to the new place of work before the date of the transfer. The purpose of the visit is to seek permanent accommodation. The visit is restricted to one night's accommodation at the new place.
 - ii. The move of the employee to the new place of work, only one trip is allowed.
 - iii. In the case where the journey from the old to the new place takes place 24 hours or longer the employee may stay overnight in a hotel of up to a maximum of three star grading to break the journey and continue the following day, and these expenses will be paid by the Winnie Madikizela Mandela LM.
- If the employee travelled by air or land, the cost of the most economical fare will be paid.
- For Employee and their immediate family members travelling by car, the Municipality will pay the cost of driving a maximum of one car between the previous a new permanent residence. Mileage is reimbursed according to prescribed kilometre tariffs as approved by the National department.
- Parking and toll fees shall also be reimbursed.

21.5. Relocation leave

- A maximum of two (2) days relocation leave with full pay may be granted to an employee to pack and unpack his/her household goods. The employee's Manager must approve the application prior to the leave being taken.

21.6. Contractual obligation

- Newly appointed employees will be bound contractually in writing to be in the service of Winnie Madikizela Mandela LM for a period of at least twelve (12) months. Should employee terminate service before completing one year service from the date of receiving a relocation benefit, for reasons other than ill health, death retrenchment or retirement, the employee will repay the amount paid to her/him on a pro rata basis. The formula for calculating pro-rata is as follows:

$$\frac{A \times B}{12} = Y$$

12

A = Total resettlement amount paid

B = Months not worked

Y = Amount owing

22. CELLULAR TELEPHONE

- 22.1. To **create** an enabling environment for effective communication amongst the functionaries of the Municipality and the outside world.
- 22.2. The Municipality will require cellular telephone handsets and enter into contracts with the service provider on behalf of the Councillors, Municipal Manager and his Senior Managers, Middle Managers and Field Workers.
- 22.3. The following general requirements will serve as criteria to qualify for the receipt of a cellular telephone allowance by Councillors and Senior Managers for the Municipality:
- The use of alternative communication method should be impractical or impossible for certain critical periods of time;
 - The duties of the employee concerned should require that he/she be reachable at all reasonable times;
 - Communication is required with key personnel and clients of the Municipality;

- Communication should be available in handling emergencies within the job description of the employee concerned;
- The employee concerned should not always be office bound;
- Sufficient funds should be provided for in the budget of the department.

1.2. The maximum cellular phone allowance payable to the following officials:

- Municipal Manager: R1 500.00
- Senior Managers: R1 200.00
- Councillors: R1 739.00
- Divisional Heads R950
- Other Municipal Officials: R350.00 to R500

22.4. Any excessive claims have to be accompanied by reasonable motivation and must be approved by the Municipal Manager.

22.4.1. All recipients of cellular telephone allowances will be responsible for their handsets, keep them in good working order and maintain their required availability as long as they receive a cellular telephone allowance.

22.5. If the employee leaves the organisation, they will be given the option to register the account into their own names or return the sim card to the Municipality.

22.6. All users shall sign an indemnity form for the replacement of lost cellular phones that were not covered by the insurance company. All employees with cellular phones will sign an authorisation form entitling the employer to deduct all amounts on the cellular phones statements in excess of the limit imposed.

1.3. These rates are subject to review by the Council from time to time.

22.7. Any employee receiving a cell phone allowance is expected to be accessible during reasonable hours.

23. LONG SERVICE BONUS

23.1. Employees shall qualify for the following additional leave together with the following monetary award as recognition for continuous service at the completion of the following:

No	Number of Years of Service	Reward percentage
1	5 years service	5 days accumulative leave plus a once off payment equal to 2% of the employee's annual salary
2	10 years service	10 days accumulative leave plus a once off payment equal to 3% of the employee's annual salary.
3	15 years of service	15 days accumulative leave plus a once off payment equal to 4% of the employee's annual salary.
4	20 years of service	15 days accumulative leave plus a once off payment equal to 5% of the employee's annual salary.
5	25 years service	15 days accumulative leave plus a once off payment equal to 6% of the employee's annual salary.

- 23.2. All employees who have attained the milestone years' service as mentioned above, on or after 1 December 2008, shall qualify for the additional leave together with the relevant monetary award as stipulated above.
- 23.3. All employees who as at 1 December 2008, had already reached and passed one of the milestones as mentioned above shall qualify, retrospectively from 1 December 2008, for the long service bonus in respect of the nearest preceding milestone, provided that said employee did not obtain a long service bonus in respect of any other long service bonus scheme in respect of the same milestone.
- 23.4. On termination of service, an employee shall be paid his long service bonus, including the leaves accrued, calculated in terms of the relevant provision of the Basic Conditions of Employment Act 75 of 1997.
- 23.5. The initial date of appointment of an employee shall be maintained for the purpose of determining the actual service period of the employee and for the calculation of the long service bonus.

23.6. The Municipality whose benefit in terms of existing long service recognition scheme are more favourable than those provided for in this Agreement, shall retain those more favourable benefit/s. Parties to the Local Labour Forum who wish to re-negotiate said benefit/s at local Municipality level, may embark on a process of Collective Bargaining provided that:

- They shall notify the SALGBC of their intension to do so, within 90 days from the date of implementation of the Addendum, i.e. by not later than 1 July 2011;
- That the Collective Agreement which emanates from this process is forwarded to the SALGBC's Divisional Executive Committee for ratification before the implementation thereof

24. POLICY REVIEW AND REPORT

24.1. The policy document shall be reviewed annually and/or when deemed necessary especially if the there is a change in Collective agreement or legislation and submitted as part of the budget approval process.

Signed on the 22 day of 06 2022


MUNICIPAL MANAGER

ANNEXURE 1 - RENTAL ALLOWANCE APPLICATION FORM



SECTION A (Applicant's details)

Employee Name:.....**Employee Code:**

Designation:**Task Grade:**

Department:

I,herewith request a rental subsidy of R..... to begin on the,for confirmation see the attached lease agreement/confirmation letter/affidavit concluded by myself and the house owner.

Signature:.....**Date:**.....

SECTION B (For office use only)

Authorization of the Application:	Authorized/Not Authorized
HOD (Initials and Surname
Signature:	Date:.....
Approval of the application:	Authorized/Not Authorized
Municipal Manager:
Signature:.....	Date:.....

ANNEXURE 2 - TRAVEL CLAIM FORM



<i>NAME AND SURNAME</i>	
<i>DATE OF CLAIM</i>	
<i>DEPARTMENT</i>	
<i>EXPENDITURE VOTE</i>	<i>FISCAL PERIOD</i>
VEHICLE TRAVEL CLAIM	
<i>VEHICLE REGISTRATION NO.</i>	<i>ENGINE CAPACITY</i>
<i>VEHICLE MAKE</i>	<i>VEHICLE TYPE</i>
<i>TYPE OF FUEL CONSUMED</i>	
<i>TOTAL KILOMETRES</i>	<i>RATE/KM</i>
<i>PLACE OF DEPARTURE</i>	<i>DESTINATION</i>
<i>TOTAL AMOUNT (#1)</i> R	
<i>OUT OF TOWN ALLOWANCE</i>	
<i>DESTINATION</i>	
<i>FROM DATE:</i>	<i>TO DATE:</i>
<i>NO OF DAYS</i>	
<i>TOTAL AMOUNT (#2)</i> R	
<i>PURPOSE OF VISIT</i>	
<i>OTHER CLAIMS</i>	
<i>ITEM DESCRIPTION</i>	
<i>TOTAL AMOUNT (#3)</i> R	
GRAND TOTAL AMOUNT R	
<i>CLAIMANT'S SIGNATURE</i>	<i>DATE</i>
<i>RECOMMENDED BY (HOD)</i>	<i>DATE</i>
<i>CALCULATION REVIEWED BY</i>	<i>DATE</i>
<i>Checked for Payment</i>	<i>DATE</i>
<i>APPROVED BY (Mun. Manager)</i>	<i>DATE</i>

ANNEXURE 3

MSCOA

CHEQUE

NO: _____

DATE _____

ISSUED: _____

RECEIVED _____

BY: _____

ID NO: _____

SIGNATUR _____

E: _____

ISSUED _____

BY: _____

PAYMENT REQUEST FORM

MANAGER/
OFFICER: _____

FUNCTION: _____

ITEM: _____

SEGMENT: _____

I wish to request payment of the claim as per attached document/s
I have verified that the funds are available.

CLAIMANT: _____

DOCUMENTS: _____

DOCUMENT NO: _____

AMOUNT: _____

DATE OF CLAIM: _____

REASON FOR PAYMENT: _____

SIGNATURE: _____

DATE: _____

CHECKED FOR PAYMENT: _____

DATE: _____

AUTHORIZED FOR PAYMENT: _____

DATE: _____

