

# TERMINATION OF EMPLOYMENT POLICY

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Municipal Manager Senqu Local Municipality 19 Murray Street Lady Grey Telephone (051) 603 1300 Facsimile (051) 603 0445 Website: www.senqu.gov.za

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# 1. PURPOSE OF THE POLICY

To set guidelines and provisions regarding the termination of services and to establish conditions under which various termination options may be applicable.

#### 2. PRINCIPLES

The termination process shall be open, fair and administratively just.

The policy shall be consistently applied to all employees.

In applying provisions of this policy, the relevant Code of Conduct and Procedure must be taken into account.

Termination should be treated as a last option unless circumstances suggest otherwise.

# 3. POLICY PROVISIONS

#### 3.1 RETIREMENT

All employees shall retire when they reach the age of 55 or 60 years depending on the applicable rules of the Fund they are with. Employees should be aware of penalties that are attached to early retirement.

It remains the responsibility of an employee to consult the applicable rules of the pension/retirement fund to which such an employee is contributing, in as far as the provisions governing retirement is concerned. The Municipality will not take any responsibilities for any penalties imposed upon employees for early retirements and/or any form of deduction imposed by a fund as a result of an employee's retirement from the Municipality.

# 3.2 RESIGNATION

An employee must submit his/her resignation in writing to the Director of his or her Directorate. The letter must be addressed to the Municipal Manager. Directors are encouraged to engage the employee concerned in line with the retention strategy of the Municipality and if after the engagements the employee still insists on leaving the Municipality, the Director must submit the resignation letter to the HR Manager within three (3) days of receipt of the resignation letter via the Registry Office. Any resignation that has been submitted by the Directors to HR and accepted by the Municipal Managers will not be reversed for whatever reason.

A permanently appointed employee who is paid on a monthly basis is required to give one (1) calendar month's written notice even if it is an internal appointment; a casual employee who has been employed for less than 4 weeks must give one week's notice; a casual employee who has been employed for more than 4 weeks must give at least 2 weeks' notice.

A shorter notice period may be given with the approval of the Municipal Manager. If the Municipal Manager does not approve the shorter notice and the employee leaves, this will be regarded as abscondment. The Municipality must timeously inform the employee of the non-approval of his/her resignation.

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# 3.3 CONDITIONS OF DISCHARGE OF EMPLOYEES DUE TO CONTINUED ILL HEALTH

An application for discharge on the grounds of ill health can be initiated by either the employer or the employee.

The employee should in all instances have the right to provide a written response on the above action.

A decision regarding termination of service on account of ill health should be made with regard to the findings of the personal physicians of the employee concerned and only after a fair procedure has been followed as stipulated in Schedule 8 of the Labour Relations Act.

In instances where medical records do not provide clarity regarding the merits of an application, a report from a specialist physician may be requested. The municipality will bear the cost of such report at its discretion.

In cases where applications were submitted on the employee's own initiative, the costs pertaining to the completion of the medical report, as well as the medical examinations, should be borne by the relevant employee. The municipality may assist the employee if it is just and fair to do so and has the available resources to do so.

If the application is initiated by the municipality all costs for the report should be borne by the municipality.

Requirements for applications for discharge on ill health:

Applications must include at least one medical report from medical physicians.

The Manager: Human Resources may refer an employee to a specialist physician in doubtful cases.

The line manager or supervisor must provide a comprehensive report, indicating that the employee cannot be utilized alternatively

A duty sheet report in respect of the employee must be provided.

The duty to approve applications for discharge on ill-health rests with the Municipal Manager.

#### 3.4 DISCHARGE ON ACCOUNT OF INCAPACITY (POOR PERFORMANCE)

An employee's services may be terminated on the ground of incapacity (poor performance) to carry out his/her duties after a fair procedure has been followed as stipulated in Schedule 8 of the Labour Relations Act.

An employee dismissed on account of poor work performance should meet the following:

- o Failed to meet a performance standard.
- o The employee must have been aware of the required performance standard.

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- o The performance standard set was not unreasonable.
- o The employee was given reasonable management support to meet the performance standard.

# 3.5 MISCONDUCT

An employee may be dismissed on account of misconduct.

An employee dismissed on account of misconduct has the right to lodge an appeal within 5 (five) days from the date of dismissal to submit an appeal.

All charges and procedures against employees will be based on the SALGBC Disciplinary Procedure Collective Agreement. A fair, common and uniform procedure should be followed to manage discipline of employees.

## 3.6 APPEAL

Every employee has the right to an appeal.

Every application for appeal will be heard by the Municipal Manager.

All applications for appeals must be in writing.

An appeal is not a rehearing. No witnesses or parties are entitled to appear during the proceedings of the Appeal Authority.

An employee must lodge an appeal on the prescribed form within five (5) days of written notification of the disciplinary decision.

An employee must be informed within 5 working days after the appeal of the outcome of his/her appeal.

#### 3.7 TERMINATION OF A FIXED TERM EMPLOYMENT CONTRACT

In case of the termination of a fixed term employment contract, due to the expiry as a result of a fixed-term attached to such a contract, the Employer must notify the Employee at least one month in advance of such termination. It must be noted that this contract may only be terminated by the employer before the expiry date should there be an operational need therefore, or on grounds of misconduct or incapacity in terms of relevant legislation/jurisprudence.

In the case of the termination of a fixed term employment contract, due to the expiry as a result of a fixed-term attached to such a contract and where such a fixed term contract is duly renewed by Council the following shall apply in respect of the administration of such a contract:

• All Annual Leave credits due up to a maximum of forty-eight (48) days for accumulative and all non-accumulative leave shall be paid to an employee on termination of the contract.

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- An employee shall be paid a pro rata 13<sup>th</sup> Cheque in cases where such a fixed term contract employee has structured his/her remuneration package to include a 13<sup>th</sup> Cheque.
- The new employment contract shall not be subjected to a probationary period.

The Municipal Manager may alter the above-mentioned provisions as may be necessary from time to time.

A report relating to the termination and renewal of all Section 56 contracts should be submitted to Council by the Corporate Service department.

#### 3.8 PERMANENT EMPLOYEE APPOINTED IN NEW POSITION

In case where a permanent employee gets appointed in a new position, irrespective of the new Task Level, the following shall apply in respect of the administration of such new employment:

- All Annual Leave credits due up to a maximum of forty-eight (48) days for accumulative and all non-accumulative leave days shall be paid to an employee on termination of the old employment contract.
- An employee shall be paid a pro rata 13<sup>th</sup> Cheque.

# 3.9 PAYMENT ON TERMINATION

In the case of termination of service with the Municipality for whatever reason, all monies due for leave, pro rata bones and salaries will be paid on the last working day of the month after it has been verified that no monies are due to the municipality by the employee.

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