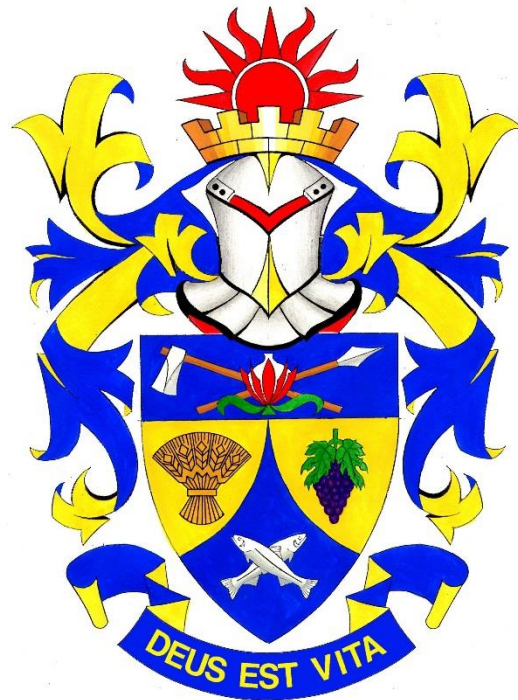


# BERGRIVIER MUNICIPALITY



## EXIT MANAGEMENT POLICY

**DATE APPROVED** : 19 SEPTEMBER 2022

**COMMITTEE** : MAYORAL COMMITTEE

VERSION	DATE CREATED	STATUS	WRITER	CHANGES
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# 1. INTRODUCTION

The Local Government Municipal Systems Act, 2000 (Act 32 of 2000) as amended, requires an efficient, effective and transparent local public administration that conforms to constitutional principles and values embodied in Section 195 of the Constitution. The policy will enable Bergrivier Municipality to administer employee's consistent and compliant with the policy and ensuring that proper procedures are followed as guided by the policy.

# 2. PURPOSE AND OBJECTIVES

- 2.1 To provide for dignified exit to employees who due to ill-health retirement, normal & early retirement, resignation, operational requirements, abscondment, completion of fixed-term contract leaves the Employer.
- 2.2 To ensure consistency on the administration of exits for employees who leaves the Employer and to ensure that employees leaving the Employer do so in a manner that is not prejudicial to the Employer and also to protect the image of the municipality as a reputable Employer.
- 2.3 To conduct exit interviews to enable the Employer to determine why its employees are terminating the working relationship.
- 2.4 To collect data that may be used to weight job satisfaction in order to improve human resources management practices, inter alia recruiting, orientation, training and working conditions.
- 2.5 To provide the Employer with information that may show trends in voluntary terminations and help guide efforts to improve areas that may be leading to high staff turnover.
- 2.6 To enable the Employer to adjust the benefit of present and future employees where necessary.

# 3. DEFINITIONS

In this policy, unless the context otherwise indicates –

<b>“Abscondment”</b>	refers to an employee who has absented him/herself for a period longer than ten (10) days without notification to the Employer;
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<b>“Director”</b>	means an employee of the Council who, in terms of a Council’s resolution or an Act, is directly responsible to the Municipal Manager for the administration of a directorate of the Council’s service, or is acting in such capacity;
<b>“Dismissal”</b>	means the employer terminates the employment relationship based on valid and fair reasons;
<b>“Early retirement”</b>	means an option to retire from the age of 55 years in terms of the rules of the relevant pension/retirement fund;
<b>“Employee” (as per clause 200A (1) of the Labour Relations Act, 1995)</b>	means a person who works for, or renders a service to the Municipality regardless of the form of her/his employment contract, and in respect of which any factor enumerated in section 200A(1) of the Labour Relations Act applies;
<b>“Employer”</b>	means Bergrivier Municipality, a local government established in terms of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) as amended;
<b>“Exit interviews”</b>	means determining employees’ reasons for leaving through one on one or telephonic interviews or by email using the prescribed exit interview questionnaire;
<b>“Fixed Term contract”</b>	means an employment contract between the employer and the employee that extends over a specific period of time and has a fixed starting and an ending date;
<b>“Ill Health retirement”</b>	means termination of the employment contract in terms of Chapter 8 of the LRA when the employee is not capable of performing the duties for which s/he was hired to do following a fair procedure;
<b>“Incapacity”</b>	means illness or injury;
<b>“Exit Interview Questionnaire”</b>	refers to a document containing a list of prescribed questions to be used for conducting/obtaining an exit interview;
<b>“Medical boarding”</b>	means termination of the employment contract when the employee cannot perform duties due to ill health;
<b>“Municipality”</b>	means Bergrivier Municipality, a municipality established in terms of section 12 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998), as amended;

<b>“Municipal Manager”</b>	means the person appointed as such in terms of Section 54(A) of the Local Government: Municipal Systems Act (Act 32 of 2000) and includes a person acting in his/her stead
<b>“Normal retirement”</b>	means retiring at the normal statutory age of sixty-five (65) years;
<b>“Resignation”</b>	refers to a situation where the employee terminates the employment relationship with written notice and completion of the prescribed notice period;
<b>“Retrenchment”</b>	means termination due to operational requirements;
<b>“Misconduct”</b>	means when an employee contravened a rule or standard regulating conduct in, or of relevance to, the workplace;
<b>“SALGBC”</b>	South African Local Government Bargaining Council
<b>“Severance Pay”</b>	means payment given to employees whose contract of employment terminates based on of operational requirements. The amount of severance pay is as determined by legislation/collective agreement in the SALGBC;
<b>“Supervisor”</b>	means a staff member with staff within his/her span of control, for whom s/he is directly responsible and to whom such staff member(s) are directly accountable;
<b>“Workplace”</b>	refers to the place of work as contemplated in the Labour Relations Act, 1995 (Act No. 66 of 1995).

#### 4. LEGAL FRAMEWORK

This policy and its application must be in accordance with the following legislative prescripts:

- 4.1 Labour Relations Act, 1995 (Act No. 66 of 1995) as amended.
- 4.2 Skills Development Act, 1998 (Act No. 97 of 1998) as amended.
- 4.3 Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) as amended.
- 4.4 Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997) as amended.

- 4.5 Occupational Health and Safety Act, 1993 (Act No. 58 of 1993) as amended.
- 4.6 All relevant Collective Agreements made in the SALGBC.
- 4.7 Local Government: Municipal Staff Regulations and Guidelines for Implementation of Regulations (Regulation 890 & 891 of 20 September 2021).

## **5. SCOPE OF APPLICATION**

- 5.1 This policy is applicable to all permanent and fixed term employees of Bergrivier Municipality.
- 5.2 The policy does not apply to temporary employees, Interns, learnerships, experiential learners, as well as EPWP employees.

## **6. TERMINATION OF SERVICES**

### **6.1 Resignation**

- 6.1.1 An employee must put in writing their intention to resign, indicating the proposed date of termination.
- 6.1.2 Unless otherwise provided for in the contract of employment, an employee must give one month's written notice of his/her intention to resign.
- 6.1.3 Unless approved by the Municipal Manager, which approval may not unreasonable be withheld, a period of notice may not run concurrently with an employee's absence on vacation leave.
- 6.1.4 If an employee resigns, he/she shall receive salary and allowances in respect of the full month, provided he/she performs his/her duty up to and including the last working day of that month. In all other instances, salary and allowances will be paid only up to, and including an employee's actual last day of service on a pro-rata basis.
- 6.1.5 A resignation received from the Municipal Manager or a Director (Section 56 Senior Manager) will be dealt with according to the Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers.
- 6.1.6 Where any other employee (below Section 56 Senior Manager) wishes to resign, he/she does that in writing directed to his/her relevant Director. The relevant Director shall acknowledge and forward the notice to the Department Human Resource Services for action.

- 6.1.7 The Department Human Resource Services shall prepare the necessary documentation and submit to the relevant Director for final approval. The relevant Director shall return the approval to the Department Human Resource Services which will inform the employee of the approval of the resignation in writing.
- 6.1.8 The resigning employee will be requested to submit various documents to facilitate payments of monies due to him/her.
- 6.1.9 Employment beyond the age of 65 years will only be permitted in exceptional circumstances where the Employer can clearly demonstrate that the employee in question is the only available person who can carry out the duties in question and the employee is willing to extend his/her service. The appointment of such person shall be according to the Temporary Employment Policy and in the full discretion of the Municipal Manager on recommendation from the relevant Director.

## **6.2 Retirement**

### **6.2.1 Normal retirement**

- 6.2.1.1 The normal retirement age for employees is 65 years. Retirement age might also be guided by the relevant pension/retirement fund.
- 6.2.1.2 The Department Human Resource Services shall advise the employee of the retirement age. This will ensure that the employee prepares his/her retirement.
- 6.2.1.3 Twelve months before the retirement date the Department Human Resources Services will inform the retiring employee as well as the relevant Director in whose directorate the employee is employed to ensure succession planning.
- 6.2.1.4 The retiring employee will be requested to submit various documents to facilitate payments of monies due to him/her.
- 6.2.1.5 The Municipal Manager, based on skills shortage or transfer of skills, may request the service of a retired employee to assist other employees for the smooth running of the department for a specified period of time.

### **6.2.2 Early retirement**

Employees who qualify for early retirement are those who have reached an early retirement age (from age 55 years) in terms of the applicable pension/retirement fund rules, and employees who in the opinion of the Employer are permanently ill but have been refused medical boarding by the applicable retirement fund.

Employees who wish to take early retirement will be advised of the implications of such an action in terms of the effect on their pension/retirement fund.

The retiring employee must give 30 days' notice of early retirement.

#### **6.2.2 Premature retirement**

In exceptional cases, the Municipal Manager may approve a request for premature retirement (below the age of 55 years) in terms of the applicable pension/retirement fund rules.

The retiring employee must give 30 days' notice of retirement.

### **6.3 Death of an employee**

On receipt of advice that an employee has passed on, the Department Human Resource Services shall advise the family of the deceased employee to nominate a person/persons who will represent the deceased. The Employer shall liaise with the nominated family member(s) to process all monies due to the deceased employee. The Department Human Resource Services will forward any nomination forms of the deceased employee to the relevant Pension/Retirement Fund, who's Board of Trustees will make the final decision regarding financial dependents.

### **6.4 Abscondment**

In line with the Disciplinary Procedure and Code Collective Agreement, the Municipal Manager shall determine where an employee absconded. This will be done after following the prescribed disciplinary processes. The Department Human Resource Services shall advise the employee in writing. The absconded employee will be requested to submit various documents to facilitate payments of monies due to him/her.

The absconded employee will only be paid salary and allowances up to his/her actual last day of duty.

### **6.5 Misconduct**

Dismissal for misconduct must be affected in terms of the Disciplinary Procedure and Code Collective Agreement. The Department Human Resource Services shall advise the employee in writing. The affected employee will be requested to submit various documents to facilitate payments of monies due to him/her.

The dismissed employee will only be paid salary and allowances up to his/her actual last day of duty.



## **6.6 Expiration of a fixed-term contact**

- 7.6.1 The employment relationship is automatically terminated when the fixed term contract comes to an end.
- 7.6.2 Where an employee's contract is due to expire a notice shall be issued by the Employer to the affected employee, one month before the contract expires.

## **6.7 Probationary period**

The services of an employee whose probationary period is extended and whose service continue to be unsatisfactory, can be terminated following the Probationary Period Policy and relevant legislation.

## **6.8 Incapacity: Poor work performance**

- 7.8.1 A termination due to incapacity or inefficiency must be dealt with in terms of Collective Agreements and Schedule 8 of the Labour Relations Act, 1995.

## **6.9 Incapacity: Ill health or injury**

- 6.9.1 An application for discharge on the grounds of ill health can be initiated by either the Employer or the employee.
- 6.9.2 An employee whose continued ill-health or disability prevents him/her from performing the duties satisfactorily, may submit a written request to be retired on account of such ill-health or disability for consideration.
- 6.9.3 The submitted request will be forwarded to the relevant retirement fund and group life scheme for approval. Upon medical boarding, the employee, based on permanent ill-health or disability, will be automatically consulted and terminated in compliance with the provisions of the retirement fund and procedures.
- 6.9.4 A termination by the Employer due to ill health must be dealt with in terms of Collective Agreements and Schedule 8 of the Labour Relations Act, 1995.

## **6.10 Resignation on short notice**

- 6.10.1 The relevant Director may approve a resignation with a shorter period of notification than that prescribed in the Basic Conditions of Employment Act,

1997, provided that the employee has enough leave days and/or pro-rata bonus to cater for any outstanding debt with the Employer.

6.10.2 If the outstanding debt is more than the value of the available leave days and or pro-rata bonus, the remaining debt must then be recovered from the employee's pension/ retirement fund.

6.10.3 Although the salaries and allowances shall be payable up to, and including, the employee's actual last day of duty, the Employer shall recover all outstanding monies relating to the employee's breach of the contract of employment.

## **7. EXIT INTERVIEWS**

7.1 The aim of conducting exit interviews is to obtain information about the employee's experience during employment. This information shall be used to identify and monitor staff turnover trends, possible problem areas and reasons why employees resign.

7.2 It is specifically recorded that all employees leaving the employ of the Employer will be asked to attend an exit interview, to be conducted by the the Administrative Officer: Benefits Administration, prior to leaving the service of the Employer.

7.3 An exit interview can be done one on one, telephonic or by email using the prescribed exit interview questionnaire. Information obtained during the exit interview will be kept strictly confidential and be treated in a professional manner.

7.4 The reasons advanced by employees for the termination of services should be honestly and accurately recorded on the prescribed exit interview questionnaire.

7.5 Employees must be protected against victimisation based on information given during an exit interview.

## **8. RETURN OF MUNICIPAL PROPERTY**

Any employee who is leaving the employ of the Employer is required to return all municipal property in good condition (normal wear and tear excluded). Property belonging to the Municipality may include, but is not limited to: equipment, mobile phones, files, access keys, and computer hardware and software.

It is the responsibility of the manager/supervisor of any employee who is leaving the employ of the Municipality to ensure that municipal property is returned prior to the cessation date.

Under no circumstances shall any payment be made until the manager/supervisor has confirmed on the prescribed form that the relevant property has been returned.

## **9. SUMMARY OF TERMINATIONS**

- 9.1 The service of an employee whose notification regarding termination of service has been accepted, but who has failed to report for service thereafter, shall be terminated on the last working day that the employee actually worked.
- 9.2 The Employer reserves its right to recover all monies due by the employee and such monies will be deducted from the leave gratuity, pension/retirement fund or any other monies that are due to be reimbursed to the employee.
- 9.3 In the case of termination of service with the Employer for whatever reason, all monies due for salaries, will be paid on the last working day of the month and for leave and pro rata bonus, the month following the month in which the employee's services were terminated, after it has been verified that no monies are due to the municipality by the employee.
- 9.4 Any employee whose service is terminated for whatever reasons, will assist the employee, where applicable, with the completion of the pension/retirement forms and the form to claim from the Unemployment Insurance Fund (UI-19).
- 9.5 Any employee whose service is terminated for whatever reasons, will be entitled to a certificate of service.
- 9.6 Contributions to an accredited medical aid in respect of retired employees who is a continued member, will be done according to the policy on Membership of Medical Schemes and Registration of Dependents on Accredited Medical Schemes.

## **10. EFFECTIVE DATE**

The Exit Management Policy will become effective upon approval thereof by the Council of Bergrivier Municipality.