

# **PAY DAY POLICY**

**NEW**

**1 JULY 2016**



**STEVE TSHWETE  
LOCAL MUNICIPALITY  
MP 313**

Approved – May 2016  
C36/05/2016

Date of implementation still to be determined

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1. **DEFINITIONS**

“*working day*” means Monday to Friday as per the council official working hours.

2. **PURPOSE**

The purpose of the policy is to regulate the date on which councillors and employees of the Steve Tshwete Local Municipality will be paid.

2. **OBJECTIVES OF THE POLICY**

The objectives of this policy are to:

- 2.1 To regulate the pay day practices used in the past;
- 2.2 To regulate the pay day as to when remuneration and/or allowances will be paid; and
- 2.3 To ensure all employees and councillors understand the pay day principles.

3. **SCOPE OF THE POLICY**

This policy will apply to all:

- 3.1 Councillors;
- 3.2 Permanent employees;
- 3.3 Contractual employees;
- 3.4 Temporary employees;
- 3.5 Fixed term contract employees; and
- 3.6 Seasonal workers.

4. **LEGISLATIVE FRAMEWORK**

This policy must be read in conjunction with the -

- 4.1 Remuneration of Public Office Bearers Act (Act 20 of 1998, as amended).

4.2 Basic Conditions of Employment Act (Act 75 of 1997, as amended).

4.3 Organizational Rights Collective Agreement.

5. **POLICY PRINCIPLES**

5.1 The employer will pay to an employee his/her remuneration in South African Rand monthly by means of a cheque or by direct deposit into an account designated by the employee whichever is applicable.

5.2 The remuneration payable must be no later than seven (7) days after:

- (i) The completion of the period for which the remuneration is payable; or
- (ii) The termination of the contract of employment.

5.3 Subsection 5.2 does not apply to any corrections and adjustments to the remuneration payable of an employee.

6. **COUNCILLORS AND PERMANENT EMPLOYEES**

6.1 For newly elected councillors the pay day for the first month will be on the last working day of the month.

6.2 For newly appointed permanent appointed employees, the pay day for the first three (3) months will be on the last working day of the month subject to:

6.2.1 Submission of time sheet and/or attendance register.

6.2.2 Submission of SARS income tax number.

6.3 Thereafter pay day will be on the 25<sup>th</sup> day of each month, or the last working day before the 25<sup>th</sup> should pay day fall on a:

6.3.1 Saturday;

6.3.2 Sunday;

6.3.3 Public holiday; or

6.3.4 Day after a public holiday.

except for Mondays, the pay day will fall on the Saturday.

6.4 For the month of December in every year pay day will be three (3) working days before the 25<sup>th</sup> with the exception of circumstances as

set out in paragraphs 6.1, 6.2 and 6.3.

- 6.5 All newly elected councillors and permanent appointed employees will be paid by means of a cheque for the first month to verify the existence of such employee and/or councillor.
- 6.6 For outgoing councillors and resigning / dismissed / retiring permanent employees, pay day for the last month will be on the last working day of the month subject to:
  - 6.6.1 Duly authorized exit form was received.
  - 6.6.2 All types of leave forms were submitted and processed.
  - 6.6.3 Submission of time sheet until last working day.
  - 6.6.4 All required tools of trade were handed in.
  - 6.6.5 Handover of duties and /or outstanding work to immediate supervisors.
- 6.7 Failure to submit the information in 6.6 three (3) working days before last working day may result that the last payment is withheld on the last working day except for 6.6.3 which must be submitted on last working day.
- 6.8 No leave, sick leave must be granted in the notice period for resigning, retiring permanent employees.
- 6.9 Because permanent employees are paid on the 25<sup>th</sup> day of each month in advance of the period for which remuneration is payable at least five (5) days accrued leave or pro-rata leave days should be kept and be available at all times.
- 6.10 Should these days not be available, such employees will be paid on the last working day of the month.

## 7. **CONTRACTUAL EMPLOYEES**

- 7.1 Pay day for contractual employees will be on the last working day of every month, unless otherwise specified within their employment contract, but no later than seven (7) working days after the last day on which work was performed subject to:
  - 7.1.1 Timeous submission of time sheet and/or attendance registers.

7.1.2 Submission of SARS income tax number.

8. **TEMPORARY EMPLOYEES AND SEASONAL WORKERS**

8.1 Pay day for temporary employees and seasonal workers will be on the last working day of every month, unless otherwise specified within their employment contact but no later than seven (7) working days of the last day on which work was performed subject to:

8.1.1 Timeous submission of time sheet and/or attendance registers.

8.1.2 Submission of SARS income tax number.

9. **GENERAL ADMINISTRATION**

9.1 Payslips will be submitted a day before the pay day of each month.

9.2 Salary enquiry day will be the first Tuesday of every month or as determined from time to time.

9.3 Submission of overtime and or any other related salary information which will influence the pay of an employee must be submitted by the relevant directorate no later than the 6<sup>th</sup> of each month or last working day before the 6<sup>th</sup>.

9.4 The payroll will be closed on the 15<sup>th</sup> of each month or last working day before the 15<sup>th</sup>. Any Information received after this date will be dealt with the next payroll.

10. **CORRECTIONS / OMISSIONS FROM PAYROLL**

10.1 Any omissions, corrections to the payroll and/ or individual and /or group of employees will only be done with the next pay month.

10.2 No corrections will be made during pay periods. (Last pay date to next pay date)

10.3 Director's and or Supervisors must submit information on any type of incorrect pay to the salary office by the 10<sup>th</sup> of the next month or last working day before the 10<sup>th</sup>.

11. **IMPLEMENTATION AND REVIEW PROCESS**

11.1 This policy will be reviewed at least annually or when required by

way of a Council resolution.

12. **SHORT TITLE**

12.1 This policy shall be called the Pay Day Policy of the Steve Tshwete Local Municipality.

## PAY DAY WORKFLOW FOR PERMANENT EMPLOYEES

