



BA-PHALABORWA MUNICIPALITY

EXIT POLICY

Revision History

Revision	Author	Reason for change
	Mashele YK	New policy – January 2016

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1. PREAMBLE

The Local Government Municipal Systems Act, Act 32 of 2000 requires an efficient, effective and transparent local public administration that conforms to constitutional principles. The Ba-Phalaborwa municipality looking at the need to consider and administer employee's exit that is consistent and compliant with the policy and ensuring that proper procedures are followed as guided by the policy.

2. DEFINITIONS

In this policy, unless the context otherwise indicates, a word or phrase to which the meaning has been assigned with relevant framework. Where applicable, the policy must be read in conjunction with the relevant labour relations legislation, South African Local Government Association Collective Agreements, the Employment Equity Act and is applicable to all Ba-Phalaborwa Municipal employees.

"SALGBC" means the South African Local Government Bargaining Council;

"Act" means "The Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997), as amended".

"Exit" means Termination of Service by any of the employees in the workplace, either by voluntary resignation, retirement, dismissal in terms of the Disciplinary and Grievance Code Agreement or by any means recognised by law."

"Normal retirement" means retiring at the normal statutory age of sixty-five (65) years.

"Early retirement" means an option to retire as early as fifty (50) years in terms of Municipal Gratuity Fund rules and fifty-five (55) in terms of Municipal Employees Pension Fund (MEPF) and National Fund for Municipal Workers (NFMW) rules.

3. PURPOSE

To provide for decent exit to employees who due to ill-health retirement, normal retirement, resignation, operational requirements or Employment Equity imperatives leaves the municipality.

To ensure consistency on the administration of exits for employees who leaves the municipality and to ensure that employees who volunteer to leave early undergo an exit interview.

To provide a mechanism for regular staff who voluntarily leave the employ of the municipality an opportunity to provide information pertaining to their work experiences and the factors that contributed to their departing.

To collect data that may be used to weight job satisfaction in order to improve human resources management practices, e.g. recruiting, orientation, training, working conditions etc. The information can as well be used at a later stage when a retention strategy needs to be compiled which will highlight areas of improvement, which in return can be fed into the skills development plan.

To provide the municipality with information that may show trends in voluntary terminations and help guide efforts to improve areas that may be leading to high staff turnover.

To enable the municipality to make adjustments and changes to the benefit of present and future employees including those that may re-join the municipality if possible.

4. OBJECTIVES

- 4.1. The objective of this policy is to set procedure and guidelines on termination of service in accordance with the Basic Conditions of Employment Act.

5. LEGISLATIVE FRAMEWORK

- Labour Relations Act (No. 66 of 1995) as amended
- Employment Equity Act (No. 55 of 1998) as amended
- Skills Development Act (1997) as amended
- Basic Conditions of Employment Act (No. 75 of 1997) as amended
- Promotion of Equality and Prevention of Unfair Discrimination Act (No. 4 of 2000) as amended
- Occupational Health and Safety Act (No. 85 of 1993) as amended
- Compensation for Occupational Injuries and Diseases Act (No. 130 of 1993) as amended

- The Main Collective Agreement
- MGF, MEPF and NFMW pension fund rules

6. SCOPE OF APPLICATION

- 5.1. This policy applies to all permanent employees and section 57 managers of the Ba-Phalaborwa Municipality.
- 5.2. The policy does not apply to temporary employees, Interns, learnerships, experiential learners as well as EPWP employees.

7. EXIT PROCEDURE ON TERMINATION OF SERVICE

7.1. Resignation

- 7.1.1. Unless otherwise provided for in the contract of employment, an employee must give one month's written notice of his/her intention to resign. A shorter notice period may be accepted if exceptional circumstances exist or if such step is in the best interest of the Municipality.
- 7.1.2. If an employee resigns and gives notice not later than the first working day of the month to terminate his/her services at the end of that month, 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.
- 7.1.3. Unless approved by the Municipal Manager, which approval may not unreasonably be withheld, a period of notice may not run concurrently with an employee's absence on vacation leave.

7.2. Normal retirement

- 7.2.1. Employees who qualify for early or normal retirement are those who have reached an early retirement age in terms of applicable pension fund rules, i.e 50 years in terms of MGF and 55 years in terms of MEPF and NFMW and employees who in the opinion of the municipality are permanently ill but have been refused medical boarding by the applicable retirement fund.

7.2.2. Employees who are beyond the retirement age unless otherwise agreed with the Municipal Manager whereby the municipality experiences Skills Shortage or need to transfer skills.

7.3. REASONS FOR TERMINATION OF SERVICE

7.3.1. The services of an employee may be terminated for the reasons recognised by the law, through retirement, in accordance with the stipulation set out in the MEPF, MGF, NFMW and Joint Municipal Pension/Provident Fund Scheme and/or the attainment of the normal retirement age, which is currently six-five (65) years.

7.3.1. Continuous ill-health or occupational disability, subject to the stipulation of the retirement funds whereby service delivery is compromised.

7.3.2. Reorganisation or re-adjustment of functions, subject to the

- Misconduct,
- Convicted of a criminal offence and sentenced to imprisonment,
- Redundancy or inability to perform duties related to the post for whatever reason (which includes the failure to obtain any qualification which has been set as a prerequisite for appointment.
- The death of an employee,
- Abscondment or desertion

7.4. NOTIFICATION OF TERMINATION OF SERVICE

7.4.1. All termination of service by individual employees is subject to approval by the Municipal Manager and administratively handled thereof by the Director Corporate Services.

7.4.2. 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.

7.4.3. The service of a **permanent and temporary employee** may be terminated on mutual notification in writing in terms of the provisions set out in Section 37 (1) of the Act,

- a. **one (1) working week**, if the employee has been employed for **four weeks or less**,

- b. **two (2) working weeks**, if the employee has been employed **for more than four weeks** but not more than one year,
 - c. **four (4) working weeks**, if the employee has been employed for one year or more, including but not limited to Section 57 employees and other contractual employees,
- 7.4.4. The services of an employee **whose probationary period** is extended and whose service continue to be unsatisfactory thereafter shall be terminated following the probationary period policy.
- 7.4.5. 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.
- 7.4.6. The submitted request will be forwarded to the relevant retirement fund 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.

7.5. RESIGNATION ON SHORT NOTICE

- 7.5.1. The Municipal Manager may approve a resignation with a shorter period of notification than that prescribed on the Basic Conditions of Employment Act, provided that the employee has enough leave days to cater for any outstanding debt with the municipality.
- 7.5.2. Although the salaries and allowances shall be payable up to, and including, the employee's actual last day of duty, the Municipality shall recover all outstanding monies relating to the employee's breach of the contract of employment.

7.6. EXIT INTERVIEW

- 7.6.1. The aim of conducting an exit interviews is to obtain information in a structured manner from all employees who resigns. This information shall be used to identify and monitor staff turnover trends, possible problem areas and reasons why employees resign.
- 7.6.2. Conducting exit interviews will assist the Municipality towards developing a strategy to control staff turnover and improve staff retention.
- 7.6.3. It is specifically recorded that all employees are required to attend the exit interview, to be conducted by the Director: Corporate Services for all

Section 57, Deputy Director and Assistant Directors, Assistant Director: HR for post level 4 and 5 and Manager: HR Salaries and Benefits for post level 16 to 6, prior to leaving the service of the Municipality.

- 7.6.4. Exit interview can be done on one on one, telephonic, email or questionnaire. Information obtained during the exit interview will be kept strictly confidential, and be treated in a professional manner.
- 7.6.5. Employees must be protected against victimisation based on information given during an exit interview.

7.7. TERMINATION AND CERTIFICATE OF SERVICE

Any employee whose service is terminated for whatever reasons, will be entitled to a certificate of service, containing the following information:

- *Full name of the employee*
- *Name and address of the Municipality*
- *Employee's job title at the date of termination of employment*
- *Date of the actual appointment*
- *Date of termination of employment*
- *Salary of employee at the date of such termination*
- *If the employee so requests, the reason for termination of employment.*

A certificate of service should be signed by the Municipal Manager or his/her nominee in the case of the Head of Department resigning, and the Director Corporate Services, in the case of all employees from post level 2 to 16.

7.8. ABSCONDMENT OR DESERTION

An employee who leaves the service of the Municipality without giving notice of his/her intention to resign, may be paid salary and allowances up to his/her actual last day of duty. The Municipality, however, reserves its right to recover all monies due by the employee and such monies will be deducted from the leave day's credit available at the time.

7.9. RETIREMENT ON REACHING STATUTORY RETIREMENT AGE

- 7.9.1. All employees shall retire at the age of 65, an employee must give written notice of at least one month of his/her intention to retire.

7.9.2. 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.

8. IMPLEMENTATION

The policy will be implemented upon approval by Council.

9. RECORD KEEPING

All documentation and correspondences emanating from or related to this policy will be kept at record office for future usage, update and reference in terms of review as dictated by the nature of the issue.

10. MONITORING AND EVALUATION

Human Resources practitioners will continuously monitor the implementation of this policy.

11. DISPUTE RESOLUTION

Any employee who feels aggrieved by the application of the policy may his/her grievance in terms of the SALGBC grievance procedure as well as the Labour Relations Act, Act 55 of 1995.

12. REVIEW OF THE POLICY

The policy shall be reviewed on an annual basis.

13. APPROVAL

The policy on acting in other positions will be implemented on approval by Council.

Municipal Manager

Date

Council

Date