

POLICY: PAYMENT OF ADVANCES ON MONTHLY SALARIES OF EMPLOYEES

Item B-HR (36-2004) MC 21/10/2004	POLICY: EKURHULENI METROPOLITAN MUNICIPALITY: PAYMENT OF ADVANCES ON MONTHLY SALARIES OF EMPLOYEES
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RESOLVED:

1. **That** the contents of the report on the approval of a Policy for the payment of advances on monthly salaries of employees **BE NOTED**.
2. **That** the attached Policy on the payment of advances on monthly salaries of employees and the application form **BE APPROVED** and **IMPLEMENTED** with effect from 01 November 2004, subject thereto that employees **BE RESTRICTED** to a maximum of two (2) salary advances per year.
3. That all policies and practices of former municipalities pertaining to the payment of advances **BE RESCINDED**.
4. That the application of 2 above **BE TERMINATED** after a period of 24 months.

POLICY: PAYMENT OF ADVANCES ON MONTHLY SALARIES TO EMPLOYEES

1. PURPOSE

To introduce a uniform policy pertaining to the payment of advances on salaries to employees.

2. SCOPE OF APPLICATION

This policy will be applicable to all employees (temporary, permanent and Section 57) employed by Council.

3. PREAMBLE

The Ekurhuleni Metropolitan Municipality, hereunder referred to as "Council", realises that a need exist for the Introduction of a uniform policy for all employees in terms of which request for advance payment on salaries can be considered and processed.

Council acknowledges the fact that employees, due to unforeseen circumstance can encounter situations of unforeseen financial difficulties and recognises its obligation to endeavour to assist such employees within the relevant financial legislative and financial regulatory provisions through approval of advances on salaries.

4. DEFINITION OF CONCEPTS

COUNCIL: means the Ekurhuleni Metropolitan Municipality

EMPLOYEE: means temporary, permanent and Section 57 appointed employees

SALARY ADVANCE: means an advance on an employees monthly salary to be deducted in full from the first salary of the employee after payment of the advance.

Any referral to the male also includes female

5. CONDITIONS FOR THE PAYMENT OF AN ADVANCEMENT ON MONTHLY SALARY

Advances on monthly salaries of employees shall only be approved under the following circumstances:

- 5.1 where an employee is seriously ill and written proof thereof can be submitted by such employee;
- 5.2 in the event where the father, mother, child or spouse of an employee has deceased and written proof of such death can be provided.

5.3 that the advance in the above regard is recommended by the Executive Director or Regional Executive Manager of the relevant Department.

6. MANNER OF PAYMENT AND CONCILIATION

An approved advance on an employees salary shall be paid out in the following manner:

- 6.1 the amount to be advanced shall not exceed the 75% monetary value of the salary already earned in the specific month (days worked) after compulsory deductions;
- 6.2 an amount sufficient to cover the employee's compulsory deductions at the end of the month shall be retained by the pay office;
- 6.3 in the event that an employee is requesting an advance in excess of the amount available only the maximum amount available shall be advanced;
- 6.4 the amount advanced shall be deducted from the salary payable to an employee at the end of the month in which the advance was granted.

No advance amount in excess of the amount already earned by an employee during the month shall be paid to an employee.



Ekurhuleni
METROPOLITAN MUNICIPALITY

APPLICATION FOR ADVANCE ON SALARY

PARTICULARS OF APPLICANT			
NAME			
PAY NUMBER			
DESIGNATION			
DEPARTMENT			
DIVISION			
REGION/CORPORATE			
DATE EMPLOYEE COMMENCED DUTY			
AMOUNT NEEDED			
SALARY VOTE NUMBER			
SIGNATURE		DATE	

PLEASE NOTE	
<p>ADVANCES ON MONTHLY SALARIES OF EMPLOYEES SHALL ONLY BE APPROVED UNDER THE FOLLOWING CIRCUMSTANCES:</p> <ul style="list-style-type: none"> • WHERE AN EMPLOYEE IS SERIOUSLY ILL AND WRITTEN PROOF THEREOF CAN BE SUBMITTED BY SUCH EMPLOYEE • IN THE EVENT WHERE THE FATHER, MOTHER, CHILD OR SPOUSE OF AN EMPLOYEE HAS DECEASED AND WRITTEN PROOF OF SUCH DEATH CAN BE PROVIDED • WHERE AN ADVANCE IN THE ABOVE REGARD IS RECOMMENDED BY THE EXECUTIVE DIRECTOR / REGIONAL EXECUTIVE MANAGER OF THE RELEVANT DEPARTMENT • A MAXIMUM ADVANCE OF THE NET MONTHLY INCOME OF AN EMPLOYEE CAN BE CONSIDERED <p>REASON FOR APPLICATION FOR AN ADVANCE</p> <p>_____</p> <p>_____</p> <p>_____</p>	

RECOMMENDED BY DEPARTMENT			
I HAVE SATISFIED MYSELF WITH THE CIRCUMSTANCES OF THE APPLICATION AND I CAN <input type="checkbox"/> CAN NOT RECOMMEND THE APPLICATION (SCRAP WHICH IS NOT APPLICABLE)			
SIGNATURE ASSIGNEE		PRINT NAME	
DESIGNATION		DATE	

FINANCE DEPARTMENT			
EARNINGS TILL DATE (AFTER DEDUCTIONS)		LEAVE DAYS:	
SIGNATURE PAY MASTER		DATE:	
APPROVED		NOT APPROVED	
PP DIRECTOR FINANCE		DATE:	