EXIT MANAGEMENT POLICY

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# PURPOSE

1.1 To establish a standard system and procedure for the termination of employment of services of employees.

1.2 To ensures that all matters between the Municipality and the employee are suitably finalized when employment comes to an end.

1.3 The policy aims to achieve the following outcomes:

* All relevant role players are informed of the procedures which follow the decision to terminate employment.
* The HR Division receives timely and complete information which enables the efficient processing of the termination of employment and the accurate calculation of termination payments.
* Employees leaving the Municipality have the opportunity to provide feedback on the nature and circumstances of their work.
* Employees leaving the Municipality are informed of, and formally acknowledge their on-going obligations with regard to confidentiality and intellectual property rights.

# OBJECTIVE AND SCOPE

* 1. This policy applies to all terminations of employment by either the employer or the employee.
  2. Termination of employment can be through resignation, retirement (early/normal), expiry of contract, death of employee, dismissal, dissertation/abscondment, retrenchment, permanent disability (medical boarding) and medical reasons.
  3. To improve the management of municipal systems and resources.
  4. To enable the Municipality to benefit from employee feedback given at exit interview.
  5. To improve the efficiency of the termination of employment process.
  6. To ensure that all municipal equipment is returned and all financial obligations to the Municipality has been paid.

2.6 To ensure that all outstanding payments due to the employee are appropriately

calculated.

* 1. To ensure that the employee has delivered all outstanding deliverables assigned on the due dates.

# LEGISLATIVE / REGULATORY FRAMEWORK

The following legislative/regulatory framework is applicable to this policy and where the content of the policy is misaligned the legislative prescript will prevail:

* 1. The Basic Conditions of Employment Act, 1997 (Act No.75 of 1997)
  2. The Labour Relations Act, 1995 (Act No. 66 of 1995)
  3. Conditions of Service Collective Agreement for the Western Cape Division of the SALGBC
  4. Compensation for Occupational Injuries and Diseases Amendment Act (Act 130 of 1993)
  5. Local Government: Disciplinary Regulations for Senior Managers, (Government Notice No. 344), as published in Government Gazette No. 34213.
  6. Local Government: Municipal System Act, 200 (Act no 32 of 2000)
  7. Local Government: Municipal Staff Regulations and Guidelines, GN 890 and 891.

# PRINCIPLES AND PROVISIONS

* 1. A contract of employment may be terminated by either the employer or the employee.
  2. Termination of employment may be triggered through resignation, retirement (early /normal), expiry of contract, death of employee, dismissal, dissertation /abscondment retrenchment, permanent disability (medical boarding) and medical reasons.
  3. Voluntary termination of an employment contract shall be done on the official termination form. If an employee cannot read or write, he or she may use a trade union representative or a fellow colleague to assist him or her to complete the form.
  4. Employees are required to provide the following written termination notice as stated in their employment contract:

4.4.1. One week, if the employee has been employed for six months or less.

4.4.2. Two weeks, if the employee has been employed for more than six months but not more than one year.

4.4.3. Four weeks, if the employee has been employed for one year or more.

* 1. When an employee’s service is terminated the Human Resources Division must be informed timeously to ensure that the termination procedure is managed effectively.
  2. The Director or the Municipal Manager may, on receipt of a written request from the employee’s Line Manager, and after considering the interest of the Municipality, approve the following during the notice period:
     1. Payment of the employee’s salary in lieu of notice
     2. May approve a short notice period or waive the notice period
     3. Exempt the employee from performing any duties during the notice period.
  3. Where it is in the best interest of the Municipality for an employee to be permitted to leave the service immediately, this shall be at the discretion of Municipal Manager based on the circumstances of the employee’s termination of service.
  4. In instances where the employer does not approve a shorter notice period, the employer will deduct an amount equal to the period of notice the employee did not give from the final payment due to him/her. This will include full contributions toward pension, medical aid and group life for the outstanding notice period for which the employee is liable. If there are insufficient funds in the employee’s final payout, the employee will be dealt with as sundry debtor in terms of 5.2 below.
  5. Termination due to disability (medical boarding) shall be dealt with in terms of the incapacity procedure.
  6. Where an employee resigns with immediate effect, pending the outcome of a disciplinary hearing, or for that or any other reason fails to give the required notice and resigns with short notice which is accepted by the employer , the employee will only be entitled to remuneration until the last date of service. This is subject to any deductions for days and/or hours not worked or any other deductions that may be made in terms of any Law, Collective Agreement, Policy or any term of the relevant employee’s contract of employment or other agreement with the employee.
  7. The employee will not be allowed to take leave during the notice period unless approved by the delegated authority or unless the application for such leave was applied for and approved before submission of the resignation, subject to operational needs and finalization of the necessary handover arrangements.
  8. The employee shall be required to participate in the exit interview which is aimed at recording reasons for voluntary exits or terminations.

# ADMINISTRATIVE PROCESS AND GUIDELINES

HR is the custodian of relevant termination procedures and documentations and shall interact with role player in the termination process.

* 1. **Termination Process** 
     1. All employees must complete the official termination form which is available on the Collaborator system. Employees who do not have access to Collaborator must obtain the prescribed form from their supervisor/manager or Human Resources Division.
     2. The completed termination form must be submitted to the Records Section via e-mail (email address) or by hand at the Records section and must request the official at Records who assist him/her, to sign acknowledgement of receipt with initials, surname and signature as well as date and time.
     3. In instances of short notice, or any other operational reasons, the relevant Director may consult with the employee in order to make a final decision regarding the final termination date.
  2. **Final Salary Calculations**
     1. The employee will be paid for any unused annual leave credits and remuneration due to her/him subject to provision of Section 35 of the Basic Conditions of Employment Act, 75 of 1997 at termination of the employment contract and in line with Collective Agreement and Leave Policy.
     2. The employee’s final salary in the case of termination of service is only payable
     3. on the last date of the specific month.
     4. Any over payment identified during the reconciliation of the employee’s record shall be deducted in full of the employee’s final salary if the required funds exist.
     5. If the employee’s final salary is not sufficient to recover the over payment, the overpayment still owed to the Municipality will be raised as a sundry debtor and the amount will be recovered accordingly.
     6. All settlement agreements by employees for the repayment of outstanding debts entered into and in force during their employment must be in full compliance of council’s policies.
     7. The Head of Department must ensure that all assets allocated to the employee are verified, returned and signed-off by both the employee and Head of Division or Supervisor before the last working day. Assets include official key/remote & vehicle tag.

5.2.7 Should an employee resign after receipt of a Notice of Misconduct or during

disciplinary process prior to finding and where the reason of the said procedure

relates to damaged caused to the property of the Municipality, Sec. 34 BCEA

will not be applicable and the collection of the monies owned must be done through the civil collection process by the Legal Section.

* 1. **Exit Interview**
     1. It is important to ensure that employees leaving the Municipality have the opportunity to provide feedback on the nature and organization of their work, either through a written or a face-to-face exit Interview which must take place before the last day of employment.
     2. The Exit interview must be performed by Human Resources Officer.
     3. The employee must be informed that the exit interview is confidential and that the employee’s name will not be attributed to the information provided unless the employee give consent for disclosing the information.
     4. Feedback received during the exit interview, must be reviewed and referred to the relevant Director. If feedback is negative, the employee and relevant Director’s comments will be referred to the Municipal Manager.
     5. If an employee does not give consent to distribute the exit interview to the relevant Director, the exit interview will be placed on employee personnel file and regarded as confidential.

# Records Management

* + 1. All documentation related to termination of employment shall be filed on the employee’s personnel file once the termination has been processed.
    2. HR will submit a report on an ***quarterly*** ~~annual~~ basis to Executive Management which report shall include reasons for termination which will enable Executive Management to improve management of municipal system and resources.

1. **EFFECTIVE DATE**

This policy shall come into effect on 1 July 2022.