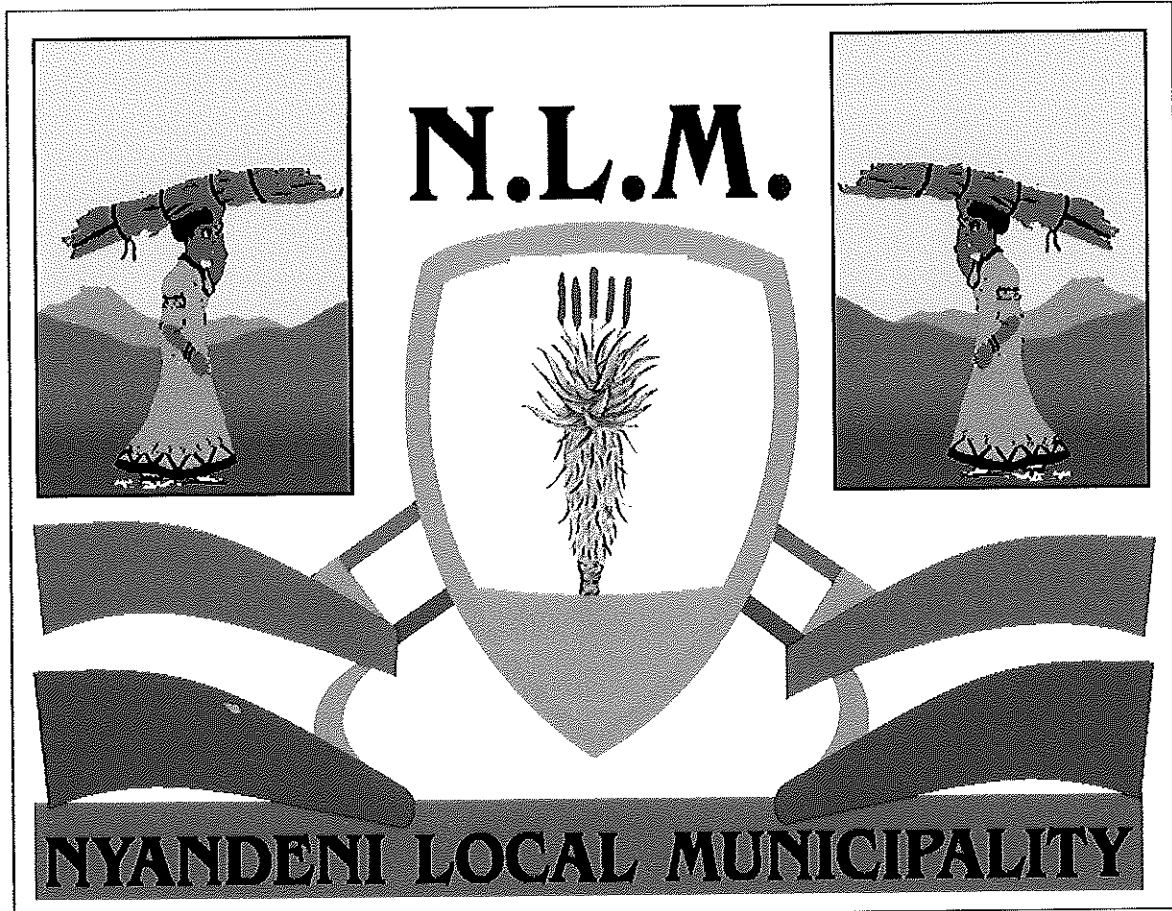


# POLICY ON BURSARY & OTHER FORMS OF FINANCIAL ASSISTANCE



APPROVED BY:

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MUNICIPAL MANAGER

DATE: 29 July 2013

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DATE: 29 July 2013

## **1. PREAMBLE**

The Nyandeni Local Municipality is committed to creating a culture of lifelong learning and providing its staff with opportunity to acquire knowledge and skills which will improve their quality of life flexibility and mobility in the Labour.

## **2. PURPOSE**

The purpose of this policy is to provide guidelines for establishment of the bursary and provision of various forms of financial assistance to staff, processing of applications as well as criteria to be used in selecting applications for bursary.

## **3. COVERAGE**

The provisions of this policy are applicable to employees to the Nyandeni Local Municipality including senior management.

Councillors are excluded from bursaries.

## **4. OBJECTIVES**

- 4.1 To create a climate which is conducive to lifelong learning?
- 4.2 To provide employees with opportunities to acquire knowledge and skills which will improve service delivery, Improve the quality of life of staff and improve their mobility in the labour market.
- 4.3 To develop a skills base for succession planning and for effective implementation of the Employment Equity Policy.
- 4.4 To improve service delivery and opportunity.

## **5. LEGISLATIVE & POLICY FRAMEWORK**

### **5.1 Legislative Framework**

- 5.1.1 The Constitution of SA
- 5.1.2 The Skills Development Act
- 5.1.3 The employment Equity Act
- 5.1.4 The Municipal Structures Act
- 5.1.5 The Municipal Systems Act
- 5.1.6 The Municipal Finance Management Act

### **5.2 Policy Framework**

- 5.2.1 The Human Resource Development Policy
- 5.2.2 The Performance Management Policy
- 5.2.3 The employment Equity Policy

## 6. PRIORITIES

- 6.1 The municipality will on an annual basis determine the priority field of study for the allocation of bursaries for the next year. The IDP will also form a key document in determining the priority fields for the allocation of bursaries.

The fields of study can include, but are not restricted to:

- (i) Financial Management
- (ii) Information Technology
- (iii) Engineering Studies
- (iv) Integrated Planning & Development
- (v) Local Economic Development
- (vi) Environment Management
- (vii) Tourism Development & Marketing
- (viii) Human Resource Management
- (ix) Other fields that may be regarded as relevant

## 7. ROLES & RESPONSIBILITIES

### 7.1 Supervisor

- 7.1.1 Make recommendations for the Skills Development Committee with regard to the employees that should be awarded bursaries.
- 7.1.2 Make recommendations to the Skills Development Committee with regard to the effective utilization of employees that have completed their studies.
- 7.1.3 Provided support in cases where students encounter problems.

### 7.2 Employees

- 7.2.1 Apply for a Bursary
- 7.2.2 Get a motivational letter from the supervisor

### 7.3 Bursary Holders

- 7.3.1 Provide periodic report (result) on his or her Development and /or studies.
- 7.3.2 Fulfill the contractual obligations as per clause 8.1.11 of this policy.
- 7.3.3 Accept the financial liability if he/she has not met the conditions attached to the allocation of a bursary, including failure to complete studies or failure to make reasonable progress.

### 7.4 Skills Development Committee

- 7.4.1 Consider applications for bursaries/ Financial assistance by employees and other supervisors.

- 7.4.2 Forward the bursary Budget to the council for approval and inclusion in the municipal budget.
- 7.4.3 Ensure that recommendations for bursary by supervisors are in line with the objectives and priorities and contents of this policy.
- 7.4.4 Allocate bursaries to programme/provincial staff in line with the objectives, priorities and specific technical needs.
- 7.4.5 Ensure the effective utilization of staff in accordance with their field of study on completion of their studies.

#### 7.5 Heads of Departments/ Units

- 7.5.1 Advise & Assist departments/ units to effectively implement the policy.
- 7.5.2 Identify educational institutions best suitable to their fields of study.
- 7.5.3 Make recommendations to HRD/SD committee on all matters relating to the administration, monitoring and allocation of financial assistance.

#### 7.6 Council

- 7.6.1 Determine the priority fields of study for the allocation of bursaries annually.
- 7.6.2 Approve the allocation of bursaries.
- 7.6.3 HR Portfolio head must be fully involved in SD committee

### 8. FORMS OF FINANCIAL ASSISTANCE

Forms of financial assistance to be provided by the municipality to staff is bursaries & study loans

#### 8.1 Bursaries

- 8.1.1 Bursaries may be allocated on application on full-time or part-time basis to qualifying employees
- 8.1.2 Employees awarded part time bursaries should be given study leave of not more than one calendar month per month per annum so as to attend special classes and to write examinations.
- 8.1.3 The utilization of the study leave must be recommended by the supervisor (based on the schedule of work) and may be spread over a number of months.
- 8.1.4 Bursaries should be awarded for priority Diplomas Junior Degrees and/or post graduate studies as identified by the council.
- 8.1.5 Bursaries must be awarded to employees that study with accredited and registered institutions
- 8.1.6 Bursary Amounts
  - 8.1.6.1 Subject to availability of funds, bursaries may be granted to cover one or some of the following expenses
    - (i) Registration, tuition and examination fees
  - 8.1.6.2 The amounts provided for bursaries should be reviewed on an annual basis by the council, taking into consideration the fee

structure of various tertiary institution in respect of courses relevance to the municipality.

8.1.6.3 The table in Annexure A[to be reviewed annually] depicts the maximum amounts to be allocated the different aspects of the development programme.

8.1.6.4 Provision of this section in relation to bursary amount should not prevent the municipality from awarding more amounts as for special cases. However, such cases will have to be done on the approval of the Council

#### 8.1.7 Payment of bursaries

8.1.7.1 With the exception of books and any other training material, all other Payments will be done directly to the institution on submission of a letter of acceptance and statement of account

8.1.7.2 Bursary holders should submit quotations for books and study material in order for direct payment to the providers; or else claim the expense back through the submission of invoices.

#### 8.1.8 Budget for bursaries

8.1.8.1 The total budget that should be set aside for bursary should not exceed salary bill of the local municipality at any financial year. This should part of the 1% that should be allocated for Training Development and Education

8.1.8.2 This budget may be supplemented by funds from other funds from other external sources including bursary funds from various SETAs

8.1.8.3 Funds from external sources may be utilized to process and approve applications from applications other than employees of the local municipalities

#### 8.1.9 Contractual obligations

8.1.9.1 A fully completed and concluded contract must be sent to the Municipal Manager signed by the applicant and with signatures of two witnesses

8.1.9.2 A student is contractually obliged to work for the municipality for a period equivalent to the bursary period as indicated on the contract(plus additional years of extension as requested by the student in a case where he/she could not complete within the prescribed period and approved by council)

8.1.9.3 A successful year should be worked off in the next year (a successful year is a year wherein all subjects enrolled for are passed and not only a part thereof)

8.1.9.4 Vacation leave with full pay(except for leave granted for study purposes), sick leave with full pay and special leave which may be granted as a result of injury on duty, shall count as service for completing the contract period.

#### 8.1.10 Withdrawal and other forms of financial assistance

8.1.10.1 Financial assistance given to the employee will be withdrawn if:

- (a) The employee is failing to submit the results
- (b) The employee fails to complete the studies within the prescribed time
- (c) There is failure to make reasonable/acceptable progress
- (d) There must be formal session for assessment then second chance be rendered before withdrawal

#### 8.1.11 Granting of extension for bursaries

8.11.1 The period for which the bursary may be awarded should be based on the prescribed duration as applicable to part time and full time studies (or the remaining duration of the course in cases where a person has completed part of his/her course)

8.11.2 As soon as the officer realizes that he/she cannot complete his/her studies within the minimum duration of the course, a well motivated application for the extension, with examination results must be submitted to the municipality months before the next year of study. Failure to adhere to the requirements may result in automatic deduction of financial assistance from the employee's salary

8.11.3 Work pressure may not be accepted as a valid reason for not fulfilling bursary obligations, unless a fully motivated application recommended by the Head of the Department is submitted to the Municipal Manager and approved by HRD committee

8.11.4 With regard to the period for which extension may be granted, each case must be considered on the basis of merit with a maximum period of one year a guideline for extension purposes

### 9. CASH RECOGNITION

- 9.1 Employees, other than bursary holders, may on completion of his/her studies (relevant to the priority areas of the Municipality) and on submission of proof thereof, be granted a cash recognition.
- 9.2 In respect of clause 9.1 above, the total amount to be paid should be equal to the total amount paid for the employee's studies.
- 9.3 Implementation of clause 9.1 & 9.2 should be done with the intention of motivating employees to study and as a form of reward for their achievements.
- 9.4 Bursary holders do not qualify for the cash recognition.

### 10. COMPOSITION OF SKILLS DEVELOPMENT COMMITTEE

10.1 The composition and terms of reference for the Skills Development Committee are provided for in the training, development and education policy.