

**AGENDA of the  
Portfolio Committee :Management Services  
17 June 2015  
(Also the agenda for the Mayoral Committee Meeting : 24 June 2015)**

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**4.  
REVIEWED 2014/2018: EMPLOYMENT EQUITY PLAN**

**4/10/B**

**L Bucchianeri**

**(028) 3138120**

**Corporate Head Office**

**24 April 2015**

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**1. Executive Summary**

The purpose of this report is to recommend to Council to approve the reviewed 2014/ 2018: Employment Equity Plan.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Management Services  
Department: Human Resources

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services

**4. Delegated Authority**

None

**5. Legal Requirements**

- Local Government: Municipal Systems Act, 2000 (Act 32 Of 2000) [Systems Act]
- Employment Equity Act, 1998 (Act 55 of 1998) [EEA]
- Skills Development Act, 1998 (Act 97 Of 1998) [SDA]

**6. Background/Discussion**

The basis for the compilation of an Employment Equity (EE) Plan is to be found in abovementioned legislation.

The Employment Equity Plan was reviewed due to the following reasons:

- Organisational change (60 permanent positions were created)
- The Employment Equity Act as amended defines “Regional demographics as “the Provincial Economically Active Population” which must be use in determining of goals and targets.

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Section 55 of the Systems Act provides for the Municipal Manager to execute staff related matters in terms of, inter alia, legislation and subject to policy directions of the Municipal Council.

Council adopted an EE Policy on 28 September 2008. Said policy provides a link between the legislative framework and the operational institutionalisation thereof in the municipality. With the buy-in of all role-players it legitimises the implementation of employment equity and the development of an EE Plan which ensures that Council remains accountable to the principles contained in the EE Policy.

The EE Plan includes the objectives, activities and numerical goals to progress towards achieving representivity of the designated groups across the organisational structure. The EE Plan is also the product of a structured and on-going process of analysis and review of the human resources policies and practices.

The EE Report presents the employment equity profiles in the workforce, staff movements, terminations, skills development and the numerical goals and targets set for the different culture/gender groups. It also includes compulsory monitoring and evaluation actions.

The Local Labour Form (LLF) is representative of all relevant role-players and fulfils a consultative and monitoring role regarding the implementation of Employment Equity in Overstrand Municipality.

## **7. Financial Implications**

None

## **8. Staff Implications**

None

## **9. Comments from other Departments, Divisions and Administrations**

At the Employment Equity Committee Meeting held on 14 April 2015, the Employment Equity Plan for 2014-2018 was discussed and reviewed. This item served before the Local Labour Forum on 12 May 2015 for cognisance and was supported by management and organised labour.

## **10. Annexures**

Annexure A: Reviewed 2014-2018: Employment Equity Plan

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**RECOMMENDATION TO THE COUNCIL:**

that the reviewed 2014-2018:Employment Equity Plan be **approved**.

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 JULY 2015**

**63a**

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**4.**

**REVIEWED 2014/2018: EMPLOYMENT EQUITY PLAN**

**4/10/B**

**L Bucchianeri**

**(028) 3138120**

**Corporate Head Office**

**24 April 2015**

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**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON  
17 JUNE 2015, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

**RECOMMENDATION TO THE COUNCIL:**

that the reviewed 2014-2018:Employment Equity Plan be **approved**.

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 JULY 2015**

ANNEXURE A  
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**labour**  
Department  
LABOUR  
REPUBLIC OF SOUTH AFRICA

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PLEASE READ THIS FIRST ↓	DEPARTMENT OF LABOUR
<p><b>PURPOSE OF THIS FORM</b></p> <p>Section 20 requires designated employers to prepare and implement an Employment Equity Plan which will achieve reasonable progress towards employment equity in the employer's workforce. An Employment Equity Plan must state-</p> <p>(a) The objectives to be achieved for each year of the plan</p> <p>(b) The affirmative action measures to be implemented as required by section 15(2)</p> <p>(c) Where under representation of people from designated groups has been identified by the analysis, the numerical goals to achieve the equitable representation of suitably qualified people from designated groups within each occupational level in the workforce, the timetable within which this is to be achieved, and the strategies intended to achieve those goals.</p> <p>(d) The timetable for each year of the plan for the achievement of goals and objectives other than numerical goals.</p> <p>(e) The duration of the plan, this may not be shorter than one year or longer than five years.</p> <p>(f) The procedures that will be used to monitor and evaluate the implementation of the plan and whether reasonable progress is being made towards implementing employment equity.</p> <p>(g) The internal procedures to resolve any dispute about the interpretation or implementation of the plan.</p> <p>(h) The persons in the workforce, including senior managers, responsible for monitoring and implementing the plan; and</p> <p>(i) Any other prescribed matter.</p>	<p align="center"><b>TEMPLATE FOR EMPLOYMENT EQUITY PLAN (Section 20)</b></p> <p><b>Employer Details:</b></p> <p>Trade name: OVERSTRAND MUNICIPALITY</p> <p>DTI Registration name: .....</p> <p>PAYE/SARS No: 7790701793</p> <p>EE Ref No: 19308</p> <p>Industry/Sector: Local Government</p> <p>Province: Western Cape</p> <p>Tel No: 028-2138119</p> <p>Fax No: 028-3132297</p> <p>Postal address: PO Box 20 HERMANUS 7200</p> <p>Physical address: Magnolia Street HERMANUS 7200</p> <p>Province: Western Cape</p> <p>Name &amp; Surname of the CEO/Accounting Officer: Coenraad Groenewald</p> <p>Email address: cgroenewald@overstrand.gov.za</p>

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## 1. INTRODUCTION

Section 20 requires that a designated employer prepares and implements an Employment Equity Plan which will achieve reasonable progress towards employment equity. An Employment Equity Plan must state the following:

- a. The objectives to be achieved for each year of the plan should meet the SMART principle as follows:-
  - Specific
  - Measurable
  - Attainable
  - Relevant, and
  - Time bound
- b. Barriers and Affirmative Action Measures must be aligned with those indicated in the audit analysis (section 19(1)) and meet the following requirements:
  - Include time-frames in order to track progress in the implementation of these AA Measures
  - These time-frames should be within the duration of the EE Plan (no "on-going" permitted) and
  - Include responsible persons to monitor the implementation of these AA Measures (not names of people but designations).
- c. The workforce profile, numerical goals and targets with exact time-frames according to the duration of the plan which must be accompanied by strategies to achieve them as informed by the findings in the audit analysis (as per section 19(2)).
- d. Non-numerical goals according to paragraph b above (no need to repeat the table)
- e. The duration of the plan which may not be shorter than 1 year or longer than 5 years (it must have a start and end date in terms of day, month and year).
- f. Procedures to monitor and evaluate the implementation of the plan ( which must state clear roles of stakeholders involved in the monitoring of the plan including time-frames when the monitoring takes place)
- g. Internal procedures to resolve any dispute about the interpretation or implementation of the plan (include the stakeholders involved in resolving the dispute and time-frames allocated for each step of the process)
- h. The persons in the workforce, including senior managers, responsible for monitoring and implementing the plan.
- i. Any other prescribed matter.

**NB: It is advisable that at least 6 months before the expiry of the EE Plan a designated employer should prepare a subsequent EE Plan (Successive EE Plan as required by Section 23)**

**DURATION OF THE PLAN**

Section 20 indicates that the duration of the Employment Equity Plan may not be shorter than one year or longer than five years. The duration of the plan must have a specific start and end date, as reflected below:

\_\_\_\_\_ 01 July 2014 \_\_\_\_\_ 30 June 2018 \_\_\_\_\_  
**Start date: (dd / mm / yyyy)**                      **to**                      **End date: (dd / mm / yyyy)**

**Reasons for reviewing the Employment Equity Plan:**

- a. Organizational change ( 60 permanent positions were created)
- b. The employment Equity Act as amended defines "Regional demographics" as "the Provincial Economically Active Population".

**2. OBJECTIVES FOR EACH YEAR OF THE PLAN**

The objectives for each year of the plan, which should be specific, measurable, attainable, relevant and time bound, are reflected in the table below:

TIMEFRAMES (e.g.)		OBJECTIVES
YEAR 1	1 July 2013 -30 June 2014	<ul style="list-style-type: none"> <li>• Objectives set out in the Employment Equity Plan (V1)</li> </ul>
YEAR 2	1 July 2014 -30 June 2015	<ul style="list-style-type: none"> <li>• Skills Development Road Show – gain at least 30 employees to complete their matric.</li> <li>• Appoint 60 EPWP employees permanently within the organization.</li> <li>• Performance Management awareness for lower levels (Unskilled &amp; Semi-skilled)</li> </ul>
YEAR 3	1 July 2015 -30 June 2016	<ul style="list-style-type: none"> <li>• Eliminated unfair discrimination in all Policies and Practices. (Revising of all HR related policies and practices)</li> <li>• Ensure employees are remunerated fairly as per section 6 of the EE amended act.</li> </ul>
YEAR 4	1 July 2016 -30 June 2017	<ul style="list-style-type: none"> <li>• Try to meet or achieve numerical goals in the event of underrepresented groups within their respective occupational levels.</li> </ul>
YEAR 5	1 July 2017 -30 June 2018	<ul style="list-style-type: none"> <li>• Ensure all goals are met.</li> </ul>

**3. BARRIERS AND AFFIRMATIVE ACTION MEASURES**

The barriers and Affirmative Action Measures identified in the EE analysis conducted must be included in the EE Plan. These measures must include time-frames to track progress in the implementation of the AA Measures. The time-frames must have specific dates and be within the duration of the EE Plan (no "ongoing" permitted). The designations of responsible persons to monitor the implementation of these AA Measures should be specified.

CATEGORIES	BARRIERS AND AFFIRMATIVE ACTION MEASURES						RESPONSIBILITY (Designation)
	Tick (✓) one or more cells for each category below to indicate where barriers exist in terms of policies, procedures and/or practice		BARRIERS (PLEASE PROVIDE NARRATION)	AFFIRMATIVE ACTION MEASURES (PLEASE PROVIDE NARRATION)	TIME-FRAMES		
	POLICY	PROCEDURE			PRACTICE	START DATE	
Recruitment procedures				(briefly describe each of the barriers identified in terms of policies, procedures and/or practice for each category)	(briefly describe the affirmative action measures to be implemented in response to barriers identified for each category)		
Advertising positions							
Selection criteria							
Appointments							
Job classification and grading							

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BARRIERS AND AFFIRMATIVE ACTION MEASURES							
CATEGORIES	Tick (✓) one or more cells for each category below to indicate where barriers exist in terms of policies, procedures and/or practice			AFFIRMATIVE ACTION MEASURES (PLEASE PROVIDE NARRATION)	TIME-FRAMES		RESPONSIBILITY (Designation)
	POLICY	PROCEDURE	PRACTICE		START DATE	END DATE	
Remuneration and benefits							
Terms & conditions of employment				(briefly describe each of the barriers identified in terms of policies, procedures and/or practice for each category)			
Work environment and facilities				(briefly describe the affirmative action measures to be implemented in response to barriers identified for each category)			
Training and development							
Performance and evaluation							
Succession & experience planning		✓		Awaiting implementation strategy by Management	01/02/2015	31/06/2016	Management Services (EE Manager)
Disciplinary measures							

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BARRIERS AND AFFIRMATIVE ACTION MEASURES							
CATEGORIES	Tick (✓) one or more cells for each category below to indicate where barriers exist in terms of policies, procedures and/or practice			AFFIRMATIVE ACTION MEASURES (PLEASE PROVIDE NARRATION)	TIME-FRAMES		RESPONSIBILITY (Designation)
	POLICY	PROCEDURE	PRACTICE		START DATE	END DATE	
Retention of designated groups (Share skills policy)				(briefly describe each of the barriers identified in terms of policies, procedures and/or practice for each category)	(briefly describe the affirmative action measures to be implemented in response to barriers identified for each category)		
Corporate culture							
Reasonable accommodation							
HIV/AIDS prevention and wellness programmes							
Assigned senior manager(s) to manage EE implementation							

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BARRIERS AND AFFIRMATIVE ACTION MEASURES							
CATEGORIES	Tick (✓) one or more cells for each category below to indicate where barriers exist in terms of policies, procedures and/or practice			AFFIRMATIVE ACTION MEASURES (PLEASE PROVIDE NARRATION)	TIME-FRAMES		RESPONSIBILITY (Designation)
	POLICY	PROCEDURE	PRACTICE		START DATE	END DATE	
Budget allocation in support of employment equity goals				(briefly describe each of the barriers identified in terms of policies, procedures and/or practice for each category)			
Time off for employment equity consultative committee to meet				(briefly describe the affirmative action measures to be implemented in response to barriers identified for each category)			

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#### 4. WORKFORCE PROFILE, NUMERICAL GOALS AND TARGETS

Workforce profile information is a snapshot of the workforce at a particular date and time, which is used below to conduct an analysis of the workforce and, at the same time, serve as baseline information for the setting of numerical goals and targets.

##### 4.1 SNAPSHOT OF THE CURRENT WORKFORCE PROFILE

The workforce profile snapshot tables used for the conducting of the analysis to inform this plan are used below as a baseline for the setting of numerical goals and targets for each year of the plan.

Workforce profile snapshot date 31/01/2015.  
DD / MM /YYYY

**Table 1: Snapshot of workforce profile for all employees, including people with disabilities**

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	2	0	2	0	1	0	1	0	0	7
Senior management	0	1	0	2	0	0	0	0	0	0	3
Professionally qualified and experienced specialists and mid-management	2	10	0	22	1	4	0	12	0	0	51
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	70	0	51	9	28	1	39	0	0	211
Semi-skilled and discretionary decision making	83	150	0	22	30	72	0	62	0	0	419
Unskilled and defined decision making	174	160	2	12	19	20	0	2	0	0	389
<b>TOTAL PERMANENT</b>	<b>273</b>	<b>393</b>	<b>2</b>	<b>111</b>	<b>59</b>	<b>125</b>	<b>1</b>	<b>116</b>	<b>0</b>	<b>0</b>	<b>1080</b>
Temporary employees	12	5	0	4	2	4	0	1	0	0	28
<b>GRAND TOTAL</b>	<b>285</b>	<b>398</b>	<b>2</b>	<b>115</b>	<b>61</b>	<b>129</b>	<b>1</b>	<b>117</b>	<b>0</b>	<b>0</b>	<b>1108</b>

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Table 2: Snapshot for workforce profile for people with disabilities ONLY

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	1	0	0	0	0	0	0	0	0	1
Semi-skilled and discretionary decision making	0	0	0	1	0	0	0	1	0	0	2
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1
<b>TOTAL PERMANENT</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>

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#### 4.2 NUMERICAL GOALS

Numerical goals must include the entire workforce profile, and **NOT** the difference that is projected to be achieved by the end of this EE Plan. Below are two tables on numerical goals, one covering all employees, including people with disabilities, and the other covering people with disabilities **ONLY**.

Start date: .....01/07/2014.....  
DD / MM / YYYY

End date:.....30/06/2018.....  
DD / MM / YYYY

#### Numerical goals for all employees, including people with disabilities

Occupational Levels	TASK Numerical Targets and Goals - 2014/2018								Total Permanent	Vacancies	Total Posts
	Male				Female						
	A	C	I	W	A	C	I	W			
Economic Active Profile	16.2%	27.4%	0.2%	8.7%	15.0%	25.0%	0.1%	7.3%			100.0%
<b>Top Management</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>0</b>	<b>7</b>
Goals: 2014 to 2015	1	2	0	2	0	1	0	1			7
Goals: 2015 to 2016	1	2	0	2	0	1	0	1			7
Goals: 2016 to 2017	1	2	0	1	1	1	0	1			7
Goals: 2017 to 2018	1.1	1.9	0.0	0.6	1.1	1.8	0.0	0.5			7
<b>Senior Management</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>
Goals: 2014 to 2015	0	0	0	0	0	0	0	0			
Goals: 2015 to 2016	0	0	0	0	0	0	0	0			
Goals: 2016 to 2017	0	0	0	0	0	0	0	0			
Goals: 2017 to 2018	0.5	0.8	0.0	0.3	0.5	0.8	0.0	0.2			3.0
<b>Professionally qualified</b>	<b>2</b>	<b>10</b>	<b>0</b>	<b>22</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>12</b>	<b>51</b>	<b>4</b>	<b>55</b>
Goals: 2014 to 2015	2	12	0	18	4	8	0	8			52
Goals: 2015 to 2016	4	13	0	14	5	10	0	6			52
Goals: 2016 to 2017	6	14	0	10	6	12	0	5			53
Goals: 2017 to 2018	8.9	15.1	0.1	5.0	8.3	13.8	0.1	4.0			55.0
<b>Skilled technical</b>	<b>13</b>	<b>70</b>	<b>0</b>	<b>51</b>	<b>9</b>	<b>28</b>	<b>1</b>	<b>39</b>	<b>211</b>	<b>31</b>	<b>242</b>
Goals: 2014 to 2015	23	69	0	39	20	41	0	30			222
Goals: 2015 to 2016	28	68	0	33	25	47	0	26			227
Goals: 2016 to 2017	33	67	0	27	30	53	0	22			232
Goals: 2017 to 2018	39.2	66.3	0.4	21.1	36.3	60.5	0.2	17.7			242.0
<b>Semi-skilled</b>	<b>83</b>	<b>150</b>	<b>0</b>	<b>22</b>	<b>30</b>	<b>72</b>	<b>0</b>	<b>62</b>	<b>419</b>	<b>36</b>	<b>455</b>
Goals: 2014 to 2015	79	140	0	29	45	89	0	51			433
Goals: 2015 to 2016	77	135	0	32	52	97	0	45			438
Goals: 2016 to 2017	75	130	1	36	60	105	0	39			446
Goals: 2017 to 2018	73.7	124.7	0.7	39.6	68.3	113.8	0.5	33.2			455.0
<b>Unskilled</b>	<b>174</b>	<b>160</b>	<b>2</b>	<b>12</b>	<b>19</b>	<b>20</b>	<b>0</b>	<b>2</b>	<b>389</b>	<b>15</b>	<b>404</b>
Goals: 2014 to 2015	130	140	2	21	36	53	0	13			395
Goals: 2015 to 2016	108	130	2	25	44	69	0	18			396
Goals: 2016 to 2017	86	120	1	30	52	85	0	24			398
Goals: 2017 to 2018	65.4	110.7	0.6	35.1	60.6	101.0	0.4	29.5			404.0
<b>Total Permanent</b>	<b>273</b>	<b>393</b>	<b>2</b>	<b>111</b>	<b>59</b>	<b>125</b>	<b>1</b>	<b>116</b>	<b>1080</b>	<b>86</b>	<b>1166</b>

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## Numerical goals for people with disabilities ONLY

TASK Numerical Targets and Goals - 2014/2018										
Occupational Levels	Male				Female				Total Permanent	Total Posts (Projected)
	A	C	I	W	A	C	I	W		
Economic Active Profile	16.2%	27.4%	0.2%	8.7%	15.0%	25.0%	0.1%	7.3%		100.0%
<b>Top Management</b>	0	0	0	0	0	0	0	0	0	
Goals: 2014 to 2015	0	0	0	0	0	0	0	0		0
Goals: 2015 to 2016	0	0	0	0	0	0	0	0		0
Goals: 2016 to 2017	0	0	0	0	0	0	0	0		0
Goals: 2017 to 2018	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0
<b>Senior Management</b>	0	0	0	0	0	0	0	0	0	
Goals: 2014 to 2015	0	0	0	0	0	0	0	0		0
Goals: 2015 to 2016	0	0	0	0	0	0	0	0		0
Goals: 2016 to 2017	0	0	0	0	0	0	0	0		0
Goals: 2017 to 2018	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0
<b>Professionally qualified</b>	0	0	0	0	0	0	0	0	0	
Goals: 2014 to 2015	0	0	0	0	0	0	0	0		0
Goals: 2015 to 2016	0	0	0	0	0	0	0	0		0
Goals: 2016 to 2017	0	0	0	0	0	0	0	0		0
Goals: 2017 to 2018	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.1		1.0
<b>Skilled technical</b>	0	1	0	0	0	0	0	0	1	
Goals: 2014 to 2015	0	1	0	0	0	0	0	0		1
Goals: 2015 to 2016	0	1	0	0	0	0	0	0		1
Goals: 2016 to 2017	0	1	0	0	0	0	0	0		1
Goals: 2017 to 2018	1.0	1.0	0.0	1.0	1.0	1.0	0.0	0.0		5.0
<b>Semi-skilled</b>	0	0	0	1	0	0	0	1	2	
Goals: 2014 to 2015	0	0	0	1	0	0	0	1		3
Goals: 2015 to 2016	0	1	0	1	0	1	0	1		4
Goals: 2016 to 2017	0	2	0	1	0	1	0	1		5
Goals: 2017 to 2018	1.0	3.0	0.0	1.0	1.0	2.0	0.0	1.0		9
<b>Unskilled</b>	0	0	0	0	1	0	0	0	1	
Goals: 2014 to 2015	0	0	0	0	1	0	0	0		1
Goals: 2015 to 2016	0	1	0	0	1	1	0	0		3
Goals: 2016 to 2017	0	1	0	0	1	1	0	0		3
Goals: 2017 to 2018	1.0	2.0	0.0	1.0	1.0	2.0	0.0	1.0		8.0
<b>Total Permanent</b>	0	1	0	1	1	0	0	1	4	23

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## 5. PROCEDURES TO MONITOR AND EVALUATE THE IMPLEMENTATION OF THE PLAN

All the structures for monitoring and evaluating the progress of the plan should be specified with clear roles and responsibilities for the stakeholders involved including time frames when the monitoring takes place.

STAKEHOLDER	ROLE/RESPONSIBILITY	FREQUENCY
• Employment Equity Committee	<ul style="list-style-type: none"> <li>• Consultation with employees on Employment Equity (Section 18)</li> <li>• Review status on Employment Equity Stats</li> </ul>	• Twice per annum
• Employment Equity Manager	<ul style="list-style-type: none"> <li>• Review appointments according to the goals set-out within the Employment Equity Plan</li> </ul>	• Monthly
• Local Labour Forum	<ul style="list-style-type: none"> <li>• Consultation between employees and employer on all matters.</li> </ul>	• Monthly
• Human Resources	<ul style="list-style-type: none"> <li>• Report the status of Employment Equity in the HR monthly report</li> </ul>	• Monthly

## 6. DISPUTE RESOLUTION MECHANISMS

A clear process to be followed to resolve disputes arising from the interpretation and implementation of the EE Plan, including the responsible persons and time-frames for each step to resolve the dispute.

SALGA grievance procedure as per Main Collective Agreement

## 7. SENIOR MANAGERS ASSIGNED TO MONITOR AND IMPLEMENT THE PLAN

- Director: Management Services

## 8. ANY PRESCRIBED MATTER CAN BE INCLUDED.

- Service Delivery Budget Implementation Plan (SDBIP)
- Integrated Development Plan (IDP)
- Performance Management System

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**SIGNATURE OF THE CHIEF EXECUTIVE OFFICER/ACCOUNTING OFFICER**

<b>Chief Executive Officer/Accounting Officer</b>		
_____	(full Name) CEO/Accounting Officer of	
_____		
hereby declare that I have read, approved and authorized this EE Plan.		
Signed on this _____	day of _____	year _____
At place: _____		
_____		
Chief Executive Officer /Accounting Officer		

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**AGENDA of the  
Portfolio Committee :Management Services  
17 June 2015  
(Also the agenda for the Mayoral Committee Meeting : 24 June 2015)**

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**5.  
DRAFT POLICY ON MEMBERSHIP OF MEDICAL AID FUNDS**

**4/5/6/1/B**

**L Bucchianeri**

**(028) 3138120**

**Corporate Head Office**

**24 April 2015**

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**1. Executive Summary**

The purpose of this report is to recommend to Council to approve the draft Policy on Membership of Medical Aid Funds and Registration of Dependants on Accredited Medical Aid Funds.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Management Services

Department: Human Resources

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance

Provision and maintenance of municipal services

Creation and maintenance of a safe and healthy environment

**4. Delegated Authority**

None

**5. Legal Requirements**

Basic Conditions of Employment Act, 1997 (Act 75 of 1997)

**6. Background/Discussion**

Policies are introduced in the workplace to inform employees of rules of employment relationships and employee practices and also to maintain consistency within the workplace.

The concept of an employment systems review in the context of the Employment Equity Act is a comprehensive examination of an organisation's policies and practices to identify and permit the removal of systemic and attitudinal barriers to employment opportunities for persons in the designated groups.

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It not only helps in identifying systemic barriers to the designated groups but also enables an organisation to institute or formalize non-discriminatory policies and practices.

The Draft Policy on Membership of Medical Aid Funds and Registration of Dependants on Accredited Medical Aid Funds were developed to inform staff members of processes and procedures with regard to medical aid membership and registration.

**7. Financial Implications**

None

**8. Staff Implications**

None

**9. Comments from other Departments, Divisions and Administrations**

The policy was discussed by the local Human Resources Technical Working Group. This item served before the Local Labour Forum on 14 April 2015 for cognisance and was supported by management and organised labour.

**10. Annexures**

Annexure A: Draft Policy on Membership of Medical Aid Funds and Registration of Dependants on Accredited Medical Aid Funds

**RECOMMENDATION TO THE COUNCIL:**

that the draft Policy on Membership of Medical Aid Funds and Registration of Dependants on Accredited Medical Aid Funds, **be approved.**

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 JULY 2015**

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**AGENDA of the  
Portfolio Committee : Management Services  
17 June 2015  
(Also the agenda for the Mayoral Committee Meeting : 24 June 2015)**

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**5.  
DRAFT POLICY ON MEMBERSHIP OF MEDICAL AID FUNDS**

**4/5/6/1/B**

**L Bucchianeri  
24 April 2015**

**(028) 3138120**

**Corporate Head Office**

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**THIS MATTER SERVED BEFORE THE JOINT PORTFOLIO COMMITTEE ON  
17 JUNE 2015, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:**

**RECOMMENDATION TO THE COUNCIL:**

that the draft Policy on Membership of Medical Aid Funds and Registration of Dependants on Accredited Medical Aid Funds, **be approved.**

**RESPONSIBLE OFFICIAL :**

**L BUCCHIANERI**

**TARGET DATE FOR IMPLEMENTATION :**

**01 JULY 2015**

Annexure A  
114**DRAFT POLICY: MEMBERSHIP OF MEDICAL SCHEMES AND REGISTRATION OF DEPENDANTS ON ACCREDITED MEDICAL SCHEMES****1. INTRODUCTION**

This policy describes the measures applicable on membership, registration of dependants, procedures and continued members of accredited medical schemes

**2. LEGAL MANDATE**

The policy framework obtains its legal and general mandate from the following prescriptions, which include, but is not limited to the:

- Medical Scheme Rules
- Main Collective Agreement

**3. PURPOSE**

The purpose of this policy is to determine conditions applicable on membership of accredited medical schemes for permanent staff members as well as continuing members.

**4. DEFINITIONS**

Accredited Medical Scheme:	Schemes approved annually by SALGA as a Medical Scheme to which officials may belong.
Calendar month:	It is a period which stretches from the 1 <sup>st</sup> of a month to the end of that specific month
Subsidy:	The Council contribution to the premium paid to the Medical Scheme in the case of permanent staff members and continuing members as per Collective Agreement.
Continuing member:	An official who retires on pension and according to the rules of the pension scheme, or the services (of whom are discontinued due to incapacity due to medical reasons.)
Life Partner:	A person who lives with the principle member in a permanent relationship, similar to a marriage, who is dependent on one another.
Appointment date:	The date on which the official has been taken into service by the Municipality.

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Spouse:	Being a natural person who is bound to the principal member in terms of a marriage or customary union recognised by the laws of the Republic of South Africa.
Dependant:	The spouse or life partner (one spouse or life partner), biological children, foster children and adopted children of the principal member.

## 5. MEMBERSHIP

5.1 The stipulations of paragraph 4.1 of the Main Collective Agreement that refers to medical aid reads as follows:

4.1.1.1 *The Council shall annually accredit medical schemes which qualify for employer contributions in terms of 4.1.2 below, and in terms of the criteria for accreditation, as determined by the Executive Committee.*

4.1.1.2 *The employer shall, on behalf of the employee, make contributions to accredited medical schemes.*

4.1.1.3 *Employees shall not be permitted to separate family membership and register dependants on different schemes.*

4.1.1.4 *Scheme members will be afforded a choice on an annual basis before 1 January to move to a Council accredited medical scheme.*

4.1.1.5 *In the event of an accredited medical scheme being in breach of the primary membership threshold criteria, that scheme shall lose its accreditation status, and the affected members shall be entitled to exercise a new election.*

4.1.1.6 *An employee must belong to one of the accredited medical schemes in 4.1.1.1 above or any duly amended list of accredited schemes, as shall be furnished by the General Secretary of the Council from time to time, to qualify for the medical aid subsidy in 4.1.2 below.*

4.1.1.7 *An employee who elects not to belong to an accredited medical scheme will not be entitled to the medical aid subsidy."*

The above-mentioned must be strictly adhere to.

5.2 The Municipality will subsidize the medical scheme contribution of an employee who is registered as the principal member on an accredited medical scheme as agreed upon by the Bargaining Council.

5.3 Scheme members may take an election regarding movement from one accredited medical scheme to another accredited medical scheme on an annual basis before 1 January.

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- 5.4 A waiting period may be applicable at a medical scheme where an employee joins on a date other than his/her date of appointment, subject to the rules of the medical scheme in question.
- 5.5 An employee must in writing give one calendar months' notice to the medical scheme if termination of membership is required, unless otherwise prescribed by the medical scheme rules.
- 5.6 If the principal continued member passes away, the spouse and/or dependants of the said member will be eligible for contribution from the Municipality as agreed upon by the Bargaining Council.

- 5.7 The commitment of Council in respect of a member with regard to his premium for membership of the Scheme, terminates with immediate effect from the date of termination of service.

## 6. REGISTRATION OF DEPENDANTS

The Municipality will subsidize the following dependants to a maximum amount as determined by the Bargaining Council:

- 6.1 Children and fulltime students / adult dependant, subject to the rules of the scheme in question, and submission of confirmation of fulltime studies.
- 6.2 A principal member of a medical scheme may register any close family member as dependant on the medical scheme, subject to confirmation of financial dependency and the rules of the medical scheme in question, with the understanding that no subsidy is payable by the Municipality in respect of dependents falling outside paragraph 6.1.

## 7. CLAIM PROCEDURES AND PAYMENT OF CONTRIBUTIONS

- 7.1 The Employee is responsible for the submission of claims in the prescribed period and Human Resources Department (Personnel Administration Section) will only undertake the support function. The Human Resource Department (Personnel Administration Section) remain responsible to perform administrative service in this regard requested by members.
- 7.2 The Municipality will ensure that premiums are paid over to the medical scheme on date as agreed with the medical schemes.
- 7.3 The employee is responsible for timeous submission of applications for membership, registration and de-registration of dependants and termination of membership to the Human Resource Department (Personnel Administration Section).

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## 8. CONTINUED MEMBERS

- 8.1 The medical scheme contributions of an employee who retires (according to the rules of Pension Fund) or the services of whom are terminated due to poor health will be subsidized by the Municipality on condition that the employee completed 10 years of service with the Municipality, and that he/she belonged to an accredited medical scheme of the municipality for the greatest portion (51/49%) of his/her period of service. An employee who completed less than ten years of service with the Municipality will not qualify for subsidy of medical scheme contributions after termination of service.

Section 56 and 57 employees in terms of the Municipal Systems Act are excluded from this clause. This condition must be contained separately in the personal service contract of such individual.

- 8.2 Should a continuing member pass away, only the spouse and dependants registered on the medical scheme at a date of death of the principal member will be subsidized by the Municipality.
- 8.3 Should the spouse in 5.6 above terminate membership of a medical scheme and there is an interruption in membership, the advantage lapses and no subsidy will be paid by the Municipality should the spouse after a period again join a medical scheme.

Policy Section	Human Resources
Current Update	24 June 2015
Previous Review	NA
Approval of Council	24 June 2015