



HUMAN RESOURCE POLICY GROUP LIFE

Policy No: NLMHREB004	Effective Date: 01 April 2008
Approved:	Review Date: 01 April 2009

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary, subject to Labour Law Dispensation or operational requirements.

1. SCOPE

This Policy is applicable to all employees of Ngwathe Local Municipality who are not covered by the Ngwathe Insurance Scheme

2. PREAMBLE

Ngwathe realises that membership of the Group Life scheme and its associated benefits is a requirement of service, and its purpose is to provide “peace of mind” for employees in the event of an unfortunate accident or death.

3. POLICY

The objective of this policy is to provide for the payment of benefits to the registered beneficiaries of the deceased employees in the event of disability or death while still in the employ of Ngwathe. The group life scheme is governed by the applicable rules of the fund.

Fund refers to the Sanlam or NFMW Group Life schemes.

4. STAKEHOLDER ANALYSIS

Role	Responsibility
Municipal Manager / Director Corporate Services (subject to its delegations if any)	
Council	
Line Manager	
Human Resources	
Labour Representatives	

5. PROCEDURE

5.1 Eligibility

As a condition of service all permanent employees who do not qualify for life insurance according to the rules of the Ngwathe Insurance scheme, will be provided with group life cover.

5.2 How the Fund Works

The value of Group Life per employee increases each year, in line with salary increments, however any benefits are only paid out on the death of the employee.

5.3 BENEFITS

5.3.1 Death Benefit

- 5.3.1.1 If a member dies while in service before normal retirement, a cash lump sum payment equal to three times his/her annual pensionable salary will be paid to the nominated beneficiaries.

5.4. WITHDRAWALS FROM THE FUND

- 5.4.1 If an employee chooses to leave the service of the Municipality, he is not entitled to any benefits in terms of Group Life.

5.5. NOMINATION OF BENEFICIARY FORM

All eligible employees must complete a “Nomination Beneficiary Form” on appointment, or when personal circumstances change. On completion this form must be forwarded to the HR Department for safe keeping.

6. AUTHORITY

Formulation Policy	:	Municipal Manager
Authorisation Policy	:	Council
Ownership and Maintenance Manager	:	Director Corporate Services