



## **HUMAN RESOURCE POLICY PAYROLL DEDUCTIONS**

<b>Policy No: NLMHREB014</b>	<b>Effective Date: 01 April 2008</b>
<b>Approved:</b>	<b>Review Date: 01 April 2009</b>

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**

Applicable to all employees (permanent, temporary and fixed term contract) who are paid via the Ngwathe Local Municipality payroll system.

### **2. PREAMBLE**

Ngwathe commits itself to complying with all relevant labour legislation and ensuring an open and transparent payroll deduction system.

### **3. POLICY**

Ngwathe will comply with all relevant statutory deductions in respect:

- South African Revenue Service deduction tables
- Unemployment Insurance Fund deductions

Any deduction, other than that statutory as outlined above must be signed for by the employee, with the exception of garnishee orders which are legal documents issued by the courts.

#### 4. STAKEHOLDER ANALYSIS

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

#### 5. PROCEDURES

##### 5.1. STATUTORY DEDUCTIONS

All statutory deductions will be made in accordance with relevant requirements, for example the Tax Tables as supplied by SARS.

##### 5.2 EMPLOYEE BENEFIT DEDUCTIONS

Where employees have completed the necessary new member forms the required payroll deductions will be made.

Any subsequent changes to contribution rates will be made as advised by the relevant body e.g. Medical Aid annual contribution increases.

##### 5.3. GARNISHEE ORDERS

Court orders issued against an employee's salary will be honoured and payments will be made to the payee accordingly. When an employee resigns Payroll will advise the payee accordingly and no further payments will be processed.

### 5.3 OTHER DEDUCTIONS

Where an employee participates in any group scheme or allowances system which requires a deduction then the employee must sign for such deduction to take place and this will form the authority for the deduction to be processed. Where deductions are required on a regular basis, for example, union fees paid monthly then a once off deduction order should be signed and thereafter the regular deductions will be made.

## 6. AUTHORITY

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