



LONG SERVICE AWARD POLICY

2021/22

Summary

This policy is meant to set in place a framework that governs the appreciation and awarding of an Incentive to employees in terms of long service. To motivate and boost the morale of employees, promote their loyalty and commitment including productivity levels and quality of service rendered to the public. To encourage and promote a long contract and service between the employees and Ngqushwa Local Municipality

Publication Date	
Review Date	September 2021
Related Legislation/Applicable Section of Legislation	<ul style="list-style-type: none"> • Constitution of the Republic of South Africa, Act No. 108 of 1996; • Local Government: Municipal Systems Act No. 32 of 2000; • Labour Relations Act No. 66 of 1995, as amended • Basic Conditions of Employment Act No. 75 of 1997; • SALGBC's Consolidated Conditions of Service for the Eastern Cape Division • National Treasury Regulations of 2000;
Related Policies, Procedures, Guidelines, Standards, Frameworks	<ul style="list-style-type: none"> • SALGBC's Consolidated Conditions of Service for the Eastern Cape Division • SALGBC Main Collective Agreement
Replaces/ Repeals (whichever is relevant, if any)	
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Department Responsible	Corporate Services
Unit responsible	Human Resources
Applies to	All employees
Key Words	
Status	

Council approval date	
Version	1

REVISION RECORD

Date	Version	Revision Description

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1. TITLE

Long Service Award Policy

2. PURPOSE

This policy is intended to guide the Ngqushwa Local Municipality in considering and rewarding an employee for his or her long service.

3. SCOPE

- 3.1 This policy shall apply to all the permanent employees of Ngqushwa Local Municipality with the exception of Section 57 employees as defined in the Municipal Systems Act (Act No 32 of 2000)
- 3.2 The application of this policy shall not be retrospectively effected in terms of years of long service and benefits thereof other than being in effect as from the date of its adoption by the Ngqushwa Local Council, with the exception of the employees that have recorded 30 years of service with the institution.

4. PROCEDURE DETAIL

4.1 WHO QUALIFIES FOR THE LONG SERVICE AWARD

4.1.1 All the employees of Ngqushwa Local Municipality with exception of Section 57 employees shall qualify for the long service award under the following conditions: -

- 4.1.1.1 Those that have a 5 year long service less than 10 years with Ngqushwa Local Municipality without any break in between, the service period with an incentive amounting to 2% of the employee's annual salary and 5 days accumulative leave.
- 4.1.1.2 Those that have a 10 year long service but less than 15 years with Ngqushwa Local Municipality without any break in between the service period with an incentive amounting to 3% of the employee's annual salary and 10 days accumulative leave
- 4.1.1.3 Those that have a 15 year long service but less than 20 years with Ngqushwa Local Municipality without any break in between the service period with an incentive, amounting to 4% of the employee's annual salary
- 4.1.1.4 Those that have a 20 year long service but less than 25 years with Ngqushwa Local Municipality without any break in between the service period with an incentive amounting to 5% of the employee's annual salary.

- 4.1.1.5 Those that have a 25 year long service but less than 30 years with Ngqushwa Local Municipality without any break in between the service period with an Incentive amounting to 6% of the employee`s annual salary.

- 4.1.1.6 Those that have a 30 year long service but less than 35 years with Ngqushwa Local Municipality without any break in between the service period with an Incentive amounting to 7% of the employee`s annual salary.

- 4.1.1.7 Those that have a 35 year long service but less than 40 years with Ngqushwa Local Municipality without any break in between the service period with an Incentive amounting to 8% of the employee`s annual salary.

- 4.1.1.8 Those that have a 40 year long service and more with Ngqushwa Local Municipality without any break in between the service period with an Incentive amounting to 10% of the employees annual salary.

All employees that are found to meet any of the requirements as defined in the different categories set above shall qualify whether retiring, resigning, medical boarding and or death. All these Incentives shall be processed through the Human Resources Directorate in consultation with the Finance Directorate prior approval.

4.2 CONCLUSION

This policy provides a broad framework, which guides Ngqushwa Local Municipality in implementing the long service award for its employees.

5. ROLES AND RESPONSIBILITIES

Role	Authority
Create, evaluate, review and adopt the policy	Council
Ensure that all payments for long service award is duly authorized by a competent authority.	Municipal Manager
Ensure that all qualifying employees are paid long service award bonuses	Director Corporate Services

6. MONITORING, EVALUATION AND REVIEW

To expedite the decision-making process the municipality should authorise a designated employee, preferably Municipal Manager to consider and approve applications for long service awards. Director Corporate Services or a nominated candidate from Human Resource Section shall be responsible for overall monitoring, evaluation, review and ensuring that there is compliance with the Long Service Award Policy. The policy shall be reviewed on an annual basis.

7. DEFINITIONS AND ABBREVIATIONS

Term	Meaning

8. SUPPORTING DOCUMENTS

NONE

9. REFERENCES

NONE

10. APPENDIX

NONE

11. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by the full Ngqushwa Local Municipality Council for implementation



MUNICIPAL MANAGER



MAYOR

22/08/2022
DATE

30/08/2022
DATE