



Termination of Employment Policy

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1. PURPOSE

- 1.1 The purpose of this policy is to regulate terms and conditions for the termination of employment contracts between SASSETA and its employees.
- 1.2 It is aimed at ensuring compliance with the relevant legislative framework herein mentioned and other grounds recognised by law.
- 1.3 This policy shall apply to all SASSETA employees.
- 1.4 This policy shall be applicable for all types of termination of employee's contract of employment as highlighted in this policy and all other forms of termination recognised by law in particular on application of the basic conditions of employment act read with the Labour Relations Act and any other labour law governing framework.

2. DEFINITIONS

TERMINOLOGY	DESCRIPTION
2.1 Party	SASSETA and/or employee, alternatively "employer (SASSETA)" and "employee"
2.2 Termination	Dissolution of an employment contract/relationship between employer and employee
2.3 Employee	Any person working for SASSETA or in an employment relationship with SASSETA either on permanent or contract basis. The term employee, for purposes of this policy, shall also include interns and all those on similar or related programmes to internship.

3. GOVERNING FRAMEWORK

- 3.1 Basic Conditions of Employment Act, 1997;
- 3.2 Labour Relations Act 66 of 1995;
- 3.3 Insolvency Act 24 of 1936;
- 3.4 Administration of Estate Act 66 of 1965 and any related act such as the Intestate Succession Act 81 of 1987;

- 3.5 Any employment directives/rules of the employer agreed upon by the parties as binding directives and applicable to SASSETA and all the employees of SASSETA including those on internship, learnership and/or apprenticeship programs and walk-ins.

4. NOTICE PERIOD

- 4.1 A contract of employment may be terminated by either party by giving notice for period not less than:
- 4.1.1 one (1) week, if the employee has been employed for six (6) months or less;
 - 4.1.2 two (2) weeks, if the employee has been employed for more than six (6) months but not more than twelve (12) months;
 - 4.1.3 four (4) weeks, if the employee has been employed for twelve (12) months or more;
- 4.2 A collective agreement by and between the parties may shorten the four (4) weeks' period to a period not less than two (2) weeks;
- 4.3 Notice of termination shall be given in writing by an employee to the line manager, alternatively to the immediate supervisor or any such personnel acting on their behalf in any possible temporary absence and to the Human Resource Department.
- 4.4 Should the employee leave before the last day of the month, the employer's recourse is to deduct pay from the employee's salary to an amount equivalent to the number of days that an employee did not work.

5. CIRCUMSTANCES UNDER WHICH THE EMPLOYMENT CONTRACT/RELATIONSHIP MAY BE TERMINATED (Grounds for termination of Employment relationship)

Grounds of termination under this policy should be read in conjunction with SASSETA's Disciplinary Policy.

5.1 Termination due to operational requirements

An employee whose contract of employment is terminated based on SASSETA's operational requirements will be given severance pay equal to at least one week's remuneration for each completed year of continuous service with SASSETA.

5.2 Termination due to misconduct

5.2.1 Termination due to misconduct will be implementable with immediate effect, following communication of the disciplinary enquiry finding to an employee;

5.2.2 Should the employee submit an application for appeal, the sanction will remain in full force until the appeal process is finalized.

5.3 Termination due to retirement

5.3.1 The compulsory retirement age is when the employee reaches the age of 65 years. The employment contract between the parties will automatically terminate at the end of the month the employee attaining this compulsory retirement age.

5.3.2 An employee has the right to retire when he or she reaches the early retirement age as stipulated in the rules of SASSETA Provident Fund.

5.3.3 An early retirement notice must be submitted to the Human Resource Department on reasonable notice of no less than 6 months or lessor period depending on the circumstances of early retirement.

5.4 Termination due to abscondment / desertion by an employee

5.4.1 An employee who is absent from work without permission for a period of fifteen (15) consecutive working days shall be considered to have absconded and discharged himself or herself from the employ of SASSETA, subject to the following:

5.4.1.1 The employer shall send a letter to the last known address of the absconding employee enquiring on the whereabouts of the employee, and requesting that a response be provided within five (5) working days;

5.4.1.2 If there is no response within the prescribed period, a disciplinary hearing will be instituted;

5.4.1.3 Termination of a service due to abscondment from duty can be reserved taking into account personal circumstances of an employee and following the staging of a disciplinary process.

5.4.2 The process outlined in 5.4.1 above alternatively the process to unfold under this clause or method of termination, shall be in line with the processes preferred by SASSETA disciplinary policy. Where any step mentioned herein is inconsistency with the provisions of the disciplinary policy, the latter policy shall prevail.

5.5 Termination due to ill-health / incapacity

5.5.1 SASSETA may terminate an employment contract of an employee after having followed the procedure / guidelines of the Labour Relations Act including those as enshrined in Schedule 8 of the Act.

5.5.2 Where the parties are faced with the termination of employment on the basis of purported ill-health and such failing health is in dispute, SASSETA shall facilitate a medical examination of the employee by a medical practitioner appointed by it at its costs.

5.5.3 This policy should be read in conjunction with the Incapacity Policy.

5.6 Termination due to poor performance

5.6.1 This clause shall be read with item 9 to schedule 8 of the Labour Relations Act (LRA). In the event the steps highlighted herein below are inconsistent with the provisions of such schedule, the provisions of schedule 8 will prevail.

5.6.2 The employer may follow the following guidelines that are subject to the provisions of schedule 8 item 9 of the LRA:

5.6.2.1 The employer may terminate the employee's employment contract due to the said employee's poor performance in executing the mandate for which they are employed to satisfy;

5.6.2.2 In light of the afore-mentioned, the employer must first ensure that the employee is given a reasonable time to rectify the cause of complain and by so doing, ensure good performance;

5.6.2.3 The employer bears onus to assist the employee to rectify the cause of poor performance in terms of 5.6.2 above by capacitating the employee with the necessary skills development. The employer may upon available resources workshop the employee in order to uplift their work performance; and

5.6.2.4 Only on available opening, the employer may consider moving the employee to a suitable position which they will be able to perform on such new terms under a new employment contract to best talk to the position they are moved to.

5.7 Termination due to retrenchment

The parties' employment contract may terminate in terms of law of general application relating to retrenchment of employees in particular the provisions of the LRA.

5.8 Termination due to end of contract

5.8.1 The employment contract between the parties will automatically terminate on the specific termination date as agreed upon by the parties in terms of their employment contract.

5.8.2 Where the fixed term employee's contract of employment is silent on termination date, but explicit of the job to be rendered, the employment contract shall terminate upon completion of such project, work or mandate for which the fixed term employment relationship was established.

5.8.3 The employment contract between the parties may also be terminated in the event of breach of material terms of the contract should the contravening party fail to rectify the cause of complaint on notice by the aggrieved party.

5.9 Termination due to imprisonment

5.9.1 This clause shall be read in conjunction with the Incapacity Policy;

5.9.2 SASSETA may terminate an employment contract of an employee after having followed the procedure or guidelines of the Labour Relations Act including those as enshrined in schedule 8 of the LRA.

5.10 Termination due to insolvency of the parties

5.10.1 The parties' employment contract will terminate by application of the insolvency law under the following instances:

5.10.1.1 Where the employee has been declared insolvent. The employer will assess the position (capacity/rank) of each employee and determine the necessity of termination as the insolvent status will not affect all positions (e.g Management of Finance team and other positions required by law not to be held by insolvent employees);

5.10.1.2 When there is no other position or opening the employer can move the insolvent employee to, which position is not affected by an insolvent status on such new terms and conditions,



then the employer may invoke termination of the employment contract; and

5.10.1.3 Where the employer has been declared insolvent and undergoing liquidation.

5.11 Termination due to death of the employee

- 5.11.1 In an unfortunate event of the death of an employee, the employment relationship between the employer and the deceased employee will automatically terminate without any formal notice.
- 5.11.2 A notification to the deceased's employee's supervisor and/or the Human Resource Department noting or reporting the passing of the employee, shall be accompanied by death a death certificate which will be filed in the deceased employee's personal file.
- 5.11.3 The deceased employee's monetary interests with the employer shall be paid to the estate or his/her nominee.

5.12 Termination due to the employee's non-disclosure at entry level.

- 5.12.1 SASSETA may terminate the employee's contract of employment should it be found at any given time that the employee failed to disclose any factual or material information that would have otherwise disadvantaged the employee from securing employment at SASSETA;
- 5.12.2 The employee's omission to disclose such events/occurrence may have happened during interview or any such time as the event occurred and the employee failed to disclose within a reasonable time not more than 2 weeks.

5.13 Termination on the basis of unauthorized disclosure of SASSETA's information.

- 5.13.1 The employees of SASSETA are entrusted with SASSETA's information at confidential level. No employee may disseminate any such information to any third party without first obtaining authorization from the CEO unless it is necessary to use such information for purposes of advancing the employee's scope of mandate as an official of SASSETA.

- 5.13.2 Employees of SASSETA are prohibited from making any statement or comments to the media except through prior authorization from the CEO. SASSETA will delegate a communication personnel who will be responsible to deal with Media coverage.
- 5.13.3 SASSETA employees are further prohibited from posting or commenting on any information that has the implications of bringing the name of SASSETA into disrepute. SASSETA will similarly to 5.12.2 above, establish personnel responsible for social media management.
- 5.13.4 In the event an employee is found to be in contempt of the above-mentioned ethics, SASSETA may resort to the termination process in line with the steps of termination for misconduct.

6. SETTLEMENT OF DEBTS DURING TERMINATION OF EMPLOYMENT

- 6.1 If on the date of the termination of the contract of employment, the employee owes the employer, then the employer shall deduct such monies from the employee's last salary. Should it be that the employee's salary is not sufficient to pay such monies, then civil litigation can be initiated for the recovery of the balance;
- 6.2. If on the date of the termination of the contract of employment, the employer owes the employee, then the employer shall pay such monies together with the last salary of the employee;
- 6.3 Where payment of an amount due to either party by the other is not practically possible, proper settlement arrangements will be made, and the owing party will have to sign an acknowledgement of debt.

7. PAYMENT OF REMUNERATION INSTEAD OF SERVING A NOTICE PERIOD

- 7.1 Instead of giving an employee notice, SASSETA may pay the employee the remuneration the employee would have received if the employee had worked during the notice period.
- 7.2 If an employee gives notice of termination of employment and any party waives any part of the notice, waiving party must pay the remuneration unless both parties agree otherwise.

8. TAKING ANNUAL LEAVE WHILE SERVING NOTICE

- 8.1 An employee shall not be allowed to take annual leave while serving notice.
- 8.2 The exception to the above in 8.1 will be on agreement by the parties.

9. WITHDRAWAL OF TERMINATION OF EMPLOYMENT CONTRACT NOTICE

- 9.1 An employee who resigns has no legal right to unilaterally withdraw the resignation notice, once it has been accepted / approved by the Authority delegated to approve the appointment of employees in the same grade as the employee.
- 9.2 The exception to item 9.1 above is through an agreement by the employer, see **SACTWU v Celrose Ltd [1997] 7 BLLR 944 (CCMA)**.

10. CHECKLIST OF TOOLS OF TRADE ON TERMINATION OF EMPLOYMENT

- 10.1 The parties are to conduct a checklist round/session on reasonable notice given by either party during the termination notice period to confirm submission alternatively the return by employee and subsequent receipt by employer, of all items provided by the employer to the employee as tools of trade.
- 10.2 The items (tools of trade) will include those provided by the third party on behalf of the employer alternatively which items the employer is to remain the custodian.
- 10.3 The tools include all those belonging to the employer or under the custody of the employer but were not directly provided or given to the employee but somehow under the custody or possession of the employee at the time of the termination notice.

11. EXIT INTERVIEW

- 11.1 SASSETA shall conduct an exit interview in cases it deems fit and necessary more so as a measure of developing a system to help improve staff retention.
- 11.2 The information that may have been provided during the exit interview will be handled with the utmost professionalism in so far as each information's sensitivity is concerned.
- 11.3 SASSETA assures all employees in exit that they will not be victimized in any manner as a result of their transparency during the exit interview.

12. TERMINATION AND CERTIFICATE OF SERVICE.

- 12.1 Any employee whose service of employment with SASSETA has been terminated in one or more of the grounds mentioned herein above and as may be recognized in law, is entitled to a certificate of service containing the following information:
- 12.1.1 Full names of the employee concerned;
- 12.1.2 Name of the employer and address;

- 12.1.3 Names of the direct supervisor at the time of the employee's termination of employment with SASSETA;
- 12.1.4 Employee's job title / brief job description;
- 12.1.5 Employee's date of appointment;
- 12.1.6 Employee's date of termination of employment with SASSETA;
- 12.1.7 The employee's salary notch at the date of termination; and
- 12.1.8 At the instance of the employee, the reason for the termination of employment.

12.2 A certificate of termination shall be signed by the Human Resources Manager.

13. APPROVAL

Document Name	Termination of Employment Policy
Year of Current Review	2022/2023
Year of Next Review	2026/2027
Review process championed by the Chief Executive Officer	
Name of the CEO	Mr Thamsanqa Mdontswa
Signature: 	Date: 24/06/2022
Document reviewed and recommended for approval by HR and Remuneration Committee	
Name of the Chairperson	Ms Motlalepula Molefe
Signature: 	Date: 24/06/2022
Approved by the Board	
Name of the Chairperson	Mr Chris Mudau
Signature: 	Date: 24/06/2022