



# PAYDAY POLICY

*Approved by Council:  
29 May 2025  
Implementation date:  
1 July 2025*

**TABLE OF CONTENTS**

	<b>Page</b>
<b>1. PURPOSE</b>	<b>3</b>
<b>2. OBJECTIVES OF THE POLICY</b>	<b>3</b>
<b>3. DEFINITIONS</b>	<b>3</b>
<b>4. LEGISLATIVE FRAMEWORK</b>	<b>3</b>
<b>5. SCOPE OF THE POLICY</b>	<b>3</b>
<b>6. POLICY PRINCIPLES</b>	<b>4</b>
<b>6.1 Councillors and Permanent employees</b>	<b>4</b>
<b>6.2 Contractual employees</b>	<b>4</b>
<b>6.3 Temporary employees and Seasonal Workers</b>	<b>4</b>
<b>6.4 Payment of additional allowances</b>	<b>4</b>
<b>7. IMPLEMENTATION AND REVIEW PROCESS</b>	<b>5</b>
<b>8. SHORT TITLE</b>	<b>5</b>

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**OVERSTRAND MUNICIPALITY – PAYDAY POLICY**


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**1. PURPOSE**

The purpose of the policy is to regulate the date on which Councillors and Employees of the Overstrand Municipality will receive their remuneration and / or allowances.

**2. OBJECTIVES OF THE POLICY**

The objectives of this Policy are to:-

- a) Establish a consistent payment routine for the payment of remuneration and / or allowances; and
- b) Provide information as to when remuneration and / or allowances will be paid.

**3. DEFINITIONS**

For the purpose of this policy, except where clearly indicated otherwise, the words and expressions set out below have the following meaning:

<i>“Councillor”</i>	A member of the Overstrand Municipal Council.
<i>“Permanent Employee”</i>	An official or worker appointed with paid leave and other entitlements / benefits in a position with unlimited duration.
<i>“Contractual Employee”</i>	A worker appointed on a fixed duration full-time or part-time basis for a period exceeding twelve (12) months to undertake and complete a specific task.
<i>“Temporary Employee”</i>	A worker appointed on a full-time or part-time basis for a maximum period not exceeding twelve (12) months to undertake and complete a specific task.
<i>“Seasonal Employee”</i>	A worker who is employed to work on a cyclical basis for a full season not exceeding a continuous period of six (6) months.

**4. LEGISLATIVE FRAMEWORK**

This Policy must be read in conjunction with the:-

- a) Remuneration of Public Office Bearers Act (Act 20 of 1998, as amended);
- b) Basic Conditions of Employment Act (Act 75 of 1997, as amended); and
- c) Organisational Rights Collective Agreement (as amended)

**5. SCOPE OF THE POLICY**

This Policy applies to all:-

- a) Councillors;
- b) Permanent employees;
- c) Contractual employees;
- d) Temporary employees; and
- e) Seasonal workers.

## 6. POLICY PRINCIPLES

### 6.1 Councillors and Permanent employees

- a) For newly elected Councillors and newly appointed permanent employees, payday for the first month will be on the last working day of the month;
- b) Thereafter, payday will be on the 25<sup>th</sup> day of each month, or the last working day before the 25<sup>th</sup> should the 25<sup>th</sup> day of the month fall on a:-
  - Saturday;
  - Sunday
  - Monday;
  - Public Holiday; or
  - Day after a public holiday.
- c) For the month of December in every year, payday will be three (3) working days before the 25<sup>th</sup>, with the exception of circumstances as set out in paragraphs 6.1(a), 6.1(b) and 6.1(d).
- d) For outgoing Councillors and resigning / dismissed / retiring permanent employees, payday for the last month will be on the last working day of the month, but no later than 7 working days after the last day on which work was performed if not exiting on the last working day.
- e) For employees who are on unauthorised / unpaid leave, and do not have sufficient annual leave days available to cover the period between payday and actual end of the month, payday will fall on the last working day of the month. This aims to eliminate the risk these employees pose for owing council money, should they not return to work for the duration of the month.
- f) For any amount of money owed to Council in respect of (e) above, or any other irrecoverable salary related amount of money, a report will be submitted to the Municipal Public Accounts Committee (MPAC) for consideration in terms of the regulations on Fruitless and Wasteful Expenditure.

### 6.2 Contractual employees

Payday for Contractual employees will be aligned to payment dates of Permanent Employees, but no later than 7 working days after the last day on which work was performed. Employment contracts and attendance registers must be aligned accordingly.

### 6.3 Temporary employees and Seasonal workers

Temporary employees and Seasonal Workers will, as far as possible, be paid on a weekly, fortnightly or monthly basis, as specified in their appointment letters, within 7 working days after the last day on which work was performed as per their approved timesheets.

### 6.4 Payment of additional allowances

**6.4.1 Travel & Subsistence allowances** will be paid with the next salary run, provided it was submitted to the salary office before the relevant deadline. Requests may be submitted to the salary office to pay these claims together with the weekly wage payment, but after the expenses were incurred (as stipulated in Sections 18.2 & 18.3 of the approved Travel & Subsistence policy).

**6.4.2 Long Service allowances** will be paid with the salary run of the month in which the employee qualifies for this allowance, provided it was submitted

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**OVERSTRAND MUNICIPALITY – PAYDAY POLICY**


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to the salary office before the relevant deadline. Requests may be submitted to pay these claims together with the weekly wage payment, given that this payment date is after the qualifying date.

**6.4.3 Acting allowances** will be paid with the salary run of the month after the acting was performed.

## 7. IMPLEMENTATION AND REVIEW PROCESS

This policy will come into effect on **1 July 2025**.

This policy will be reviewed at least annually or when required by way of a Council resolution.

## 8. SHORT TITLE

This policy shall be called the Payday Policy of the Overstrand Municipality.

<b>POLICY SECTION:</b>	<b>DIVISIONAL MANAGER: EXPENDITURE, FLEET AND ASSET MANAGEMENT</b>
<b>CURRENT UPDATE</b>	<b>29 MAY 2025</b>
<b>PREVIOUS UPDATE</b>	<b>31 MAY 2024</b>
<b>PREVIOUS REVIEW</b>	<b>31 MAY 2023</b>
<b>PREVIOUS REVIEW</b>	<b>31 MAY 2022</b>
<b>PREVIOUS REVIEW</b>	<b>26 MAY 2021</b>
<b>PREVIOUS REVIEW</b>	<b>27 MAY 2020</b>
<b>PREVIOUS REVIEW</b>	<b>29 MAY 2019</b>
<b>PREVIOUS REVIEW</b>	<b>30 MAY 2018</b>
<b>PREVIOUS REVIEW</b>	<b>31 MAY 2017</b>
<b>PREVIOUS REVIEW</b>	<b>25 MAY 2016</b>
<b>PREVIOUS REVIEW</b>	<b>28 MAY 2015</b>
<b>PREVIOUS REVIEW</b>	<b>28 MAY 2014</b>
<b>APPROVAL BY COUNCIL</b>	<b>28 NOVEMBER 2000 (Resolution)</b>