

CELL PHONE POLICY AND CELL PHONE ALLOWANCE SCHEME

1. INTRODUCTION

In terms of the Constitution of the Republic of South Africa (RSA), Act number 108 of 1996 section 195 (b) stipulates that *"Public Administration must be governed by the democratic values and principles enshrined in the Constitution including the following; to promote the efficient and effective use of resources"*

The local government Municipal Systems Act (No. 32 of 2000), section 51 (j) states that a municipality within its administrative and financial capacity establish and organize its administration in a manner that would enable the municipality to maximize the efficiency of communication and decision – making within the administration.

Municipal Finance Management Act (MFMA) section 62 subsection 1 (a) mentioned that the Accounting Officer of a municipality is responsible for managing the financial administration of municipality and must for this purpose take all reasonable steps to ensure that resources of the municipality are used effectively, efficiently and economically.

Section 63 subsection 1(a) indicates that the Accounting Officer of the municipality is responsible for the managing of the assets of the municipality including the safeguarding and the maintenance of those assets.

The abovementioned statements indicate clearly that the Municipal Manager needs to ensure that the employees within Kouga Local Municipality have all the necessary resources to enable them to perform the expected duties.

It is important to note that the cell phone provided to employees is a tool for communication for work-related matters and therefore the employer reserves the right to decide who qualifies for a cell phone.



2. **PURPOSE OF THE POLICY**

- 2.1. The purpose of this policy is to make employees aware of the rules regarding the use and care of Municipal Council resources and to ensure that there is a clear understanding of what is expected of employees and what role would be played by employees who receive cell phones.
- 2.2 To guide the Municipality in ensuring that cell phones are issued to employees without favor or prejudice but by looking at the functions that the employee performs and the inherent requirements of the job.

3. **OBJECTIVE OF THE POLICY**

The objectives of the policy are as follows:

- 3.1 To promote a culture of accountability for Municipal assets.
- 3.2. To safeguard the assets of the municipality from mismanagement and maladministration and to ensure effective utilization of these resources.
- 3.3. To ensure that effective control is communicated to management and staff through a clear and comprehensive written document.
- 3.4. To provide a formal set of financial procedures that can be implemented in compliance with the MFMA.
- 3.5 To ensure continuous communication for employees whose work requires regular contact while outside their permanent working premises or after hours

4. **APPLICATION**

- 4.1. This policy will apply to all users of municipal cell phones regardless of designation or position. Users are expected to comply with the rules laid down in this policy.
- 4.2. Corporate Services will administer the issuing and application of cell phone devices.



5. **DEFINITIONS**

"Code of Conduct" means the code of conduct for municipal employees as contained in Schedule 2 of the Municipal Systems Act;

"Council" means the Kouga Municipal Council;

"Employee" means a contractual and permanent employee of the Municipality. It also includes the Municipal Manager, Directors and Manager for the purpose of this policy

"Executive authority" means the Mayoral Executive Committee of the Council;

"Fair market value" means the value placed on a cellphone device by taking into account the original cost and depreciation calculated at 25% per annum;

"Head of department" means a person employed at that level which reports directly to the Municipal Manager;

"Gifts" means any object or item given by a service provider as an accompaniment to a cell phone contract, (which usually forms part of the contract), with no cost attached thereto;

"Municipality" means the Kouga Local Municipality;

"Official" means an employee of the Municipality;

"Ownership" means a legal right to possess anything that has been bought and paid for as well as something that has been legally given as a gift, bequest etc.

"Payment" means the monetary compensation or monetary benefit or gift with a monetary value due to an employee or received by an employee in respect of services rendered by the employee to a person or body other than the Council;

"Permanent employee" means an employee appointed to a permanent position on the staff structure of the municipality, but excludes a contractual employee, a casual employee, and a temporary employee;

"SALGA" means the South African Local Government Association;



“SALGBC” means the South African Local Government Bargaining Council and includes Divisions thereof;

“Section 57 employees” means employees appointed in terms of Section 57 of the Local Government Municipal Systems Act 32 of 2000, and includes the Municipal Manager and Managers reporting directly to him/her; and

“Stand - by employees” – means employees who are required to be available at any time after hours, to perform certain duties within their work competence, as and when required and for which they receive an allowance.

“Service Delivery and emergency services” – means a critical service by employees in the attendance of urgent and emergency service delivery matters that have a direct impact on the safety and wellbeing of residents

“Cell Phone Allowance” means an additional taxable monthly allowance paid to employees as may be applicable in terms of their respective positions or conditions of work, as part of their salary.

6. **LEGISLATION**

6.1. The legislation that guides the implementation of the cell phones is as follows:

- The Constitution of the Republic of South Africa, (Act 108 of 1996)
- Local Government: Municipal System Act (No. 32 of 2000)
- Local Government: Municipal Structures Act (No. 117 of 1998)
- Local Government: Municipal Performance Regulation, 2006 Section 10
- Municipal Finance Management Act, (No. 56 of 2003)
- Remuneration of Public Office Bearers Act (No. 20 of 1998)

7. **APPROVAL OF PARTICIPATION**

7.1. Each Director must make a recommendation to the Director Corporate Services as the Municipal Manager's designated representative, for the approval of employee cell phones and ensure that recommendations are only for employees whose inherent job requires him/her to contact employees under his/her authority or employees who need to be contactable at all times.



7.2. The Director Corporate Services, as the Municipal Managers representative, has the right, after consultation with the respective Director, to approve or reject the motivation based on whether the motivation carries sufficient merit to justify the allocation of a cell phone.

7.3. If any Director becomes aware, after approval, that there was no real need for the employee to receive a cell phone, the Director has the right to motivate and recommend the reallocation of the said cell phone to where it can be utilized more productively. Such motivation and recommendation must be submitted to the Director Corporate Services, in writing.

8. QUALIFYING CRITERIA FOR ALLOCATION OF CELL PHONES

8.1 A cell phone shall be necessary for the execution of official duties, with due regard the nature of the post the employee occupies. Cell phones are allocated to assist employees in the execution of their official municipal duties. It must be clearly understood that this is a working tool and not a **fringe benefit**.

8.2 All officials who have been allocated a cell phone are **expected to be available at all times**, therefore it is a condition that cell phones must be kept switched on and answered at all times, or that the official will return a call as soon as possible if he/she was engaged in a meeting at the time of receiving a call.

8.3 If it becomes evident that cell phones are switched off, particularly after hours, or are not being promptly answered, thus making it difficult to reach an official within a **reasonable time**, the Director has the right to withdraw the cell phone and/or institute disciplinary, action.

8.4 The following category of employees will be eligible for cell phones:

- Municipal Manager
- Directors
- Managers
- Supervisors
- Employees who are engaged in service delivery
By service delivery in the context of this policy, relates to employees who are critical in the attendance of urgent and emergency service delivery matters that have a direct impact on the safety and wellbeing of residents
- Call Centre employees
- Personal Assistants
- Standby employees



- Emergency Service employees, and
- an employee who is the Secretary General of the Union

8.5 Motivations for allocation of cell phones to employees that fall outside the categories as stated in 8.4 must be submitted by the relevant Director to the Director Corporate Services for approval.

8.6 The package and handset allocated to an employee will be determined by business requirements and is a management prerogative.

9. MANAGEMENT OF CELLULAR PHONES

9.1. Corporate Services will be responsible for the implementation and management of this policy and shall maintain all records of approval granted in terms hereof.

9.1.1 The Administration Section, will near the end of the contract with the current Service Provider re-assesses the cell phone needs of the different Directorates.

9.1.2 Cell phones required by employees that fall outside of the initial 24-month contract period, will receive a cell phone allowance to the value of the cost of the airtime and data needed by the employee, until the Municipality enters into a new/subsequent contract. It must however be noted that an employee cannot receive both an allowance and be on the cell phone scheme.

9.2. The Directorate Corporate Services will facilitate and administer contracts with service providers for the supply of cell phone devices and voice and data packages in respect of the Municipal Manager and other Section 57 employees, in terms with the Supply Chain Management Policy.

10. CELL PHONE ALLOWANCE

10.1 *Cell Phone Allowance For New Qualifying Employees*

10.1.1 Requests for cell phone allowances for new employees must be submitted by the relevant Director to the Director Corporate services, in writing for approval.



10.2 *Cell Phone And Package Specification*

10.2.1 Employees qualifying for a cell phone allowance, must contract with a service provider for a cell phone voice and data contract.

10.2.2 Employees must source a cell phone device and package which is equivalent to that of the current cell phone device and package specifications of the municipality. Such specification will be provided to the employee by Corporate Services.

10.3 *Use And Care Of Cell Phone*

10.3.1 Employees qualifying for a cell phone allowance must register their cell phone numbers at the Corporate Services Department.

10.3.2 Employees are expected to insure such cell phones and in the event of loss or damage of the cell phone, the provisions of the insurance cover must take affect

10.3.3 Under no circumstances will a municipal cell phone be issued as a replacement phone should the employee lose or damage his cell phone device

10.3.4 The employee is expected to use and care for the cell phone with caution and take all reasonable steps to prevent loss and/or damage

10.4 *Availability*

10.4.1 Employees qualifying and receiving a cell phone allowance shall at all times, within the scope of their work, be available to attend to work related calls during and after hours.

10.5 *Monthly Allowance Amount*

10.5.1 The monthly allowance amount is determined by Task Grade, as per attached Addendum A (The attached Addendum is subject to review from time to time)

11. CHOICE OF CELLPHONE DEVICE AND PACKAGE

11.1. The choice of Cell phone devices and packages is determined by Task Grade, as per below. In exceptional circumstances based on the employee's operational duties, relevant Directors may motivate for a higher or lower package.

- o Task Level 1-3
- o Task Level 4 - 8
- o Task Level 9 – 13



- o Task Level 14 – 18, or
 - o Executive Management
- 11.2 The package associated with the employee is specific to the work needs and must remain cost-effective.
- 11.3 The Director of each department will recommend and motivate the airtime and data needs of each eligible employee in his/her department, which will be approved by the Director: Corporate Services.
- 11.4 The parameters as outlined in 8.4 above, will be adhered to. Any exceptions to such parameters must be motivated by Directors for approval by the Director: Corporate Services.
- 11.5. All “gifts” or “Promotional Items” that are given by a service provider as a result of the municipality purchasing cell phones, will become the property of the Municipality and must be registered in the asset register. Officials who use such “gifts” during their tenure with the Municipality must return them to the Municipality should they leave the Municipality's service

12. CONTRACTS

- 12.1. The acquisition of cell phones will be undertaken in line with Supply Chain Management processes.
- 12.2. The service provider to whom the contract is awarded will be required to enter into a formal contract with the Municipality based on the tender or per quotation as per the needs of the Municipality in the case of a Sec 110 MFMA procurement.
- 12.3. The Municipality will be responsible for the payment of the monthly costs.
- 12.4. Employees receiving cell phone devices will be required to sign an agreement with the municipality in which they will take full responsibility for the device/s allocated to them.

13. INSURANCE AND TRANSFER OF CELL PHONE DEVICE

- 13.1 If the employee opts for a new cell phone device, he/she will be responsible for the payment of insurance for the cell phone device during the cell phone contract term.
- 13.1.1 Such deductions will be made from the employee's monthly salary.



- 13.2 The employer will be responsible for acquiring the services of an Insurance Provider.
- 13.3 Should an employee not opt for a new cell phone device, which includes the payment of insurance; such employee will be issued with a pre-used/secondhand device.
- 13.4 When a cell phone that has been issued to an employee is damaged or lost, the employee will be liable to report the damaged/lost/stolen cell phone device immediately to his/her Supervisor and Manager. This must be done in writing.
- 13.5 Once the Supervisor and Manager assesses the damaged/lost/stolen cell phone device report and confirms and deems the report as legitimate, he/she must contact the Assets Section to log the employees claim.
- 13.5.1 If the damaged/lost/stolen cell phone device report is not deemed legitimate by the user department; such a department must conduct the necessary investigation and institute disciplinary proceedings.
- 13.6 In the event of a cell phone device being processed for an insurance claim, the sim card that was in the municipal device may be inserted into a personal cell phone device, during the period that the claim is being processed or if available, a pre-used/secondhand device will be issued to the employee.
- 13.7 Employees who receive pre-used/secondhand devices (as in 13.3 and 13.6 above) will be responsible for that cell phone device and in the event of the device being lost, stolen or damaged, the employee will be liable for 50% of the value of such device in the first 12 months, 25% of the value in the 2nd 12 months and 15% of value in 3rd 12 months.
- 13.9 In the case of attrition of employees, the cellphone will be ceded to a new employee who replaces the previous employee or will be allocated to the pool of cellphones administered by the Administration Section.
- 13.10 Transfer of Ownership
 - 13.10.1 In the event of the employee still being in the service of the municipality during the cell phone contract term, full ownership of the cell phone device will be transferred to employee **at the end** of the cell phone contract term. Cell phones will remain the property of the municipality for the duration of the agreement/contract with the service provider.



- 3.11 When an employee leaves the service of the municipality, the cell phone (including accessories such as charger, earphones, etc.) must be returned to Administration before any financial benefits or salary owed, will be paid to the employee by the Municipality.
- 13.12 An employee may not give his/her cell phone to any family member, friend or any other person to use. If the employee does not use his/her cell phone, he/she must inform the Director of his/her department and the cell phone must be returned to Administration for re-allocation. If it is discovered that an employee is not using his/her cell phone device and has given it to someone else to use, disciplinary action will be instituted against the said employee.
- 13.13 Employees must take all reasonable measures to ensure that the cell phone devices are not unnecessarily exposed to any risk that could render the cell phone devices useless. (lost, damaged, stolen etc.)
- 13.14 When new cell phone devices are issued, the original cell phone device must be returned. If it is not available or not returned for whatever reason, the employee will be required to pay in the market value of the respective handset. (The devices referred to in this clause are the devices under the current Telkom contract)

14. SIM CARD/S

- 14.1 The sim card/s will remain the property of the Municipality except where the employee arranges with the Municipality to make the sim-card/s prepaid. This could be for example in the case of retirement.
- 14.2 The Sim card issued for a specific cell phone device may only be used with and for that device and may not be taken out of the device and used on another device. In the case of the cell phone being damaged or lost, the employee will need to submit a formal memorandum to the Manager Administration and Auxiliary Services, requesting authorization to remove the sim card and to use in a different device.

15. E-MAILS AND CELLPHONE NUMBERS

- 15.1 Every employee who participates in the cell phone scheme and who received a cell phone allowance, as provided for in this policy, shall be obliged to allow their cell phone number and e-mail address to be made public. These must also be supplied to Administration for publication in the internal telephone lists and external platforms.
- 15.2 Failure or refusal to comply with 15.1 above can lead to disciplinary action being instituted in terms of the Council's disciplinary policy and procedures and/or the cell phone device may be withdrawn.



16. CONTROL OF CELLPHONES

- 16.1 Corporate Services must maintain an asset register that will record all relevant information relating to the allocation of all cell phone devices issued to officials. Such register shall capture details such as a description of the cell phone device issued, the serial number of the cell phone device, the name of the employee to whom it was issued, the staff number of the employee, ID number, dates on which the devices were issued/replaced/returned, and all other relevant details.
- 16.2 Whenever a cell phone device is issued to an official, an agreement will be entered into between the employee and the Municipality which will set out the terms of use and the responsibility attached to the use thereof.

17. CELL PHONE APPLICATIONS/SOFTWARE

- 17.1 The Municipality may require specific applications to be installed on a smartphone and may require the compulsory usage of these applications by the employee. These applications may not be uninstalled by the employee without the written consent of Administration. If the employee uninstalls or switches off these applications without written consent, he/she may face disciplinary action.
- 17.2 By receiving and using a municipal cell phone device the employee consents to the tracking of the device via software as well as the monitoring of calls made and received or any other activities on the device.
- 17.3 Should abuse or misuse of this privilege be established, the employee will face disciplinary action

18. TRANSFER OF CELL PHONE

- 18.1 No user department may transfer any cell phone device from one employee to another employee.
- 18.2 Should any Manager, Supervisor or Foreman transfer a cell phone device without following the procedure below, such person will be subject to disciplinary action.
- 18.3 If a user department realizes that an employee does not need a specific cell phone device, the Director of the department must inform the Manager Administration and Auxiliary Service in writing that the cell phone device must be transferred to another employee and the reason for the transfer.



- 18.4 The holder of the cell phone device must hand in the device at Administration where his/her signed the agreement with the Municipality. Such agreement will thereafter be cancelled.
- 18.5 The newly allocated employee must collect the device from Administration and sign an agreement with the Municipality.
- 18.6 The same procedure must be followed when an employee who has a municipal electronic cell phone device retire or leaves the employment of the Municipality (in this case such employee forfeits the transfer of ownership).

19. WHATSAPP COMMUNICATION GROUP

- 19.1 The municipality's Communications Section has created an official Internal WhatsApp Communications Group for the purpose of disseminating official internal communication. The group is administered by the Communications Officer and it is not a chat group.
- 19.2 It is compulsory for all employees who receive municipal cell phones and/or cell phone allowances, to be part of the official WhatsApp Communication group. This includes Managers, Directors and the Municipal Manager
- 19.3 Once included as a participant to this group by the Communications Section, an employee may not leave the group. Should an employee voluntarily leave the group, he or she will face disciplinary action.
- 19.4 Employees who do not receive a municipal cell phone and/or cell phone allowance, may also join the group. Such employee should contact the Communications Officer to be included in the group



C DU PLESSIS
MUNICIPAL MANAGER

DATE

Addendum A

Task Level	ALLOWANCE AMOUNT
1-3	R450
4-8	R500
9-13	R650
14-18	R750
Executive Management	R1,000.00



