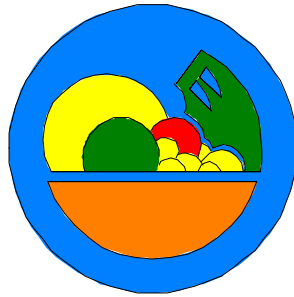




HEARINGS

EDUCATION LOANS BY-LAW



Greater Tzaneen
Municipality

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CHAPTER 1

DEFINITIONS

1. Definitions

1.1 In these by-laws, unless the context otherwise indicates –

“**bursary loan fund**” means a fund established by the Council in terms of the provisions of section 79 (51) of the Local Government Ordinance, 1939, to provide for loans for study and wherein the Council may deposit funds as provided for in its annual budget;

“**child**” means a child of which a member of staff is the biological parent or which is legally adopted by such member of staff, and which child is not older than 24 years of age;

“**Council**” means the **Greater Tzaneen Municipality**, established in terms of section 12 of the Local Government Municipal Structures Act, No 117 of 1998 and any member of staff to whom the Council has delegated the powers, functions and duties vesting in the Council in relation to these bylaws;

“**course**” means a course for a degree, diploma or certificate or any part thereof consisting of a specific number of subjects or modules which is to be completed within a fixed period of time and which is accredited by the **South African Qualifications Authority**;

“**educational institution**” means an institution referred to in the Further Education and Training **Act, No 98 of 1998** or the Higher Education Act, **No 101 of 1997**;

“**loan**” means a loan from the **Bursary Loan Fund** granted to a member of staff for study purposes;

“**member of staff**” means an employee permanently appointed in the service of the Council and includes contract appointments in terms of Section 57 of the Local Government: Municipal Systems Act, 2000, Act No. 32 of 2000.

CHAPTER 2 PURPOSE AND AMOUNT OF LOANS

2. An annual loan may be granted by the Council to a member of staff for the payment of all fees in respect of a course or courses or remainder of a course for which such member of staff have enrolled at an educational institution, including for registration fees, course fees and lecture material (excluding handbooks or study material not provided by the educational institution) so as to assist such member of staff to obtain the necessary training and academic background of the functions of local government.
3. A loan to a member of staff engaged in studies for the master’s or doctor’s degree or master’s or laureate diploma in technology where the study entails a research project and thesis or dissertation only, shall be granted for a maximum of two consecutive academic years.
4. A loan may be granted by the Council to a member of staff for the payment of fees in respect of courses or remainders of courses for which a child of such member of staff have enrolled at an educational institution so as to assist such child of such member of staff to obtain the necessary training and academic background for a career.
5. The Council may consider a loan to a newly appointed member of staff to repay the balance of a study loan indebted to a previous employer, educational institution or financial institution in regard to a completed course; Provided that such a member of staff shall repay the full loan plus interest at 8,5% per annum in 24 consecutive and equal monthly installments and that no credit for the successful completion of studies shall be applicable to such a study loan.

6. The Council will annually decide upon the amount, criteria and the procedures for the allocation of loans to members of staff in respect of the studies of their children.
7. The outstanding amount of a loan or loans which has been granted in terms of these by-laws to a member of staff either for his or her personal studies or the studies of his or her children, may not exceed an amount equal to 10% of his or her annual salary.

CHAPTER 3

NATURE AND DURATION OF COURSES THAT MAY BE FOLLOWED

8. Any course in regard to which a loan has been granted to a member of staff from the bursary loan fund, shall have a bearing upon and be applicable to the functions and activities of local government.
9. A loan shall not be granted to a member of staff by the Council in respect of a course or remainder of a course which such member of staff intends studying unless such course or remainder of a course has been approved by the Council.
10. Loans from the bursary loan fund shall be granted in respect of courses at approved educational institutions only.
11. The duration of study for the course shall not be longer than recommended or stipulated in the rules or regulations or yearbook of the educational institution concerned: Provided that in the case of the member of staff's personal studies, the period shall be for a course and in the case of children of member of staff the period shall be for an academic year.
12. A loan will not be granted in respect of a course or part of a course which the member of staff or the child of such member, as may be applicable, have

previously failed, or for the cost of a re-examination in regard to such course or part thereof.

CHAPTER 4 GRANTING OF LOANS

13. Loans for personal studies shall be granted to a member of staff who –
 - (a) has been appointed permanently in the service of the Council; and
 - (b) qualifies for admission to the particular course or remainder thereof at the educational institution concerned.

14. A loans for the study of a child of a member of staff shall only be granted to a member of staff if –
 - (a) the member of staff has been appointed permanently in the service of the Council; and
 - (b) the child in respect of whom the loan is be granted, qualify for admission to the particular course or remainder thereof at the educational institution concerned.

CHAPTER 5 APPLICATION

15. A member of staff shall apply in writing for a loan and shall furnish full particulars of the intended course stating the major and secondary subjects, the educational institution at which lectures will be attended or studies will be obtained and previous academic records applicable to the course enrollment.

16. Before a loan is granted by the Council, a written agreement must be entered into between such member of staff and the Council wherein the provisions of these by-laws are reaffirmed.

CHAPTER 6 FINANCING AND REPAYMENT OF LOANS

17. The expenses covered by a loan **must be** paid by the Council, for the duration of the course, directly to the **educational institution** concerned upon submission of –
- (a) a written loan agreement entered into between the Council and the member of staff;
 - (b) satisfactory proof of enrolment for approved courses; and
 - (c) a certified account and receipt from the particular educational institution.
18. Unless the Council resolves otherwise, the full amount of the loan to the member of staff concerned shall be fully repayable to the Council interest-free in 10 equal and consecutive monthly installments of which the first shall be due at the end of February of the year following that in which the first disbursement by the Council in respect of the loan concerned has been made.
19. The installments due by a member of staff shall be deducted from the salary of the member of staff concerned and shall be appropriated at the end of the month concerned.
20. When a member of staff, after completion of a course in respect of which a loan for personal studies has been granted, furnishes proof, in writing, to the satisfaction of the Council of the number of subjects or modules passed by the member of staff concerned, the said member of staff shall be fully exempted

from the repayment of an amount of 50% of the sum of the loan concerned: Provided that, should the member of staff only complete a part of the subjects and modules successfully, the exemption contemplated be calculated proportionally in relation to the number of subjects or modules in respect of which the loan concerned has been granted.

21. After a period of one year's employment with the Council has elapsed after submission of written proof that all or any subjects and modules in respect of which the loan concerned was granted for personal studies have been successfully completed, the member of staff to whom a loan for personal studies was granted, shall be fully exempted from the loan debt to a further amount equal to the amount of exemption contemplated in section 21 in recognition of the application of the newly acquired knowledge in the Council's service.
22. If all financial obligations towards a loan granted for personal studies have been met, whether by repayment as contemplated in sections 18 and 19 or through exemption as contemplated in sections 20 and 21, it will be regarded as if the member of staff has met all obligations towards the Council regarding such loan.
23. In the event of a member of staff leaving the service of the Council for any reason whatsoever before the financial obligation in respect of any outstanding loan has been met by the member of staff concerned he or she shall be liable for immediate repayment of the loan concerned and the outstanding amount owing to the Council shall, on leaving the service, be deducted from any moneys due to such member of staff.

CHAPTER 7

SPECIAL LEAVE

24. Special leave on full pay may be granted to a member of staff for attending discussion groups and other compulsory presentations should it be required by

the course or educational institution, subject to approval of such special leave by Council, having regard to work requirements.

25. The Council may grant one day special leave for each day vacation leave taken by the member of staff, for the purpose of research in regard to such research project and thesis or dissertation, subject to the work requirements of Council and proof by the member of staff of the research so done, in the case of studies that entail a research project and thesis or dissertation only for a:
- (a) master's degree;
 - (b) doctor's degree; or
 - (c) master's or laureate diploma in technology.

CHAPTER 9

CANCELLATION OF LOAN

26. The Council may at any time in its sole discretion cancel the loan if it is of the opinion that a member of staff is guilty of misconduct, or his or her or his or her child's progress with the studies is unsatisfactory, or if he or she fails to comply with any other obligation in terms of these by-laws or the loan agreement.
27. If the Council cancels a loan or if the member of staff or his or her child at any time discontinues his or her studies or abandons the loan, the Council may require such member of staff immediately after a written demand has been served on such member of staff, to repay the following:
- (a) The full amount of the loan paid to or on behalf of such member of staff; and
 - (b) Interest on the amount in terms of subsection (1) at the rate of 8,5% per annum, calculated from the first day of the month on which the loan was

cancelled or abandoned or such member of staff discontinued his or her studies.

28. Notwithstanding the conditions of section 26, the Council may grant permission for the repayment of outstanding amounts plus interest, in 12 equal and consecutive monthly installments of which the first installment shall be payable on the first day of the month following the month in which the loan was cancelled or abandoned or such member of staff or his or her child discontinued such studies.
29. The Council shall have the option to institute legal action or proceeding arising out of an agreement entered into in respect of these by-laws in a Magistrate's Court of competent jurisdiction, notwithstanding the fact that the amount involved in such action or proceeding may be in excess of the jurisdiction of a Magistrate's Court or to institute such action or proceeding in a High Court of competent jurisdiction.

CHAPTER 10

EDUCATION LOANS BY-LAWS

30. These by-laws shall be known as the Education Loans By-laws.