



MOPANI DISTRICT MUNICIPALITY PAYROLL POLICY

2025/2026

Contents

1. PURPOSE
2. PRINCIPLES
3. PAYROLL MANAGEMENT
4. PAYROLL ADMINISTRATION
5. PAYROLL DEDUCTION
6. PAYROLL PAYMENTS

Payroll Policy

1. Purpose

The purpose is to ensure effective payroll management for the remuneration and management of related functions

2. Principles

- a) This policy shall support the remuneration policy to implement the payments related to employees and non-employees
- b) Mopani District Municipality would allow reasonable apply the payroll within applicable laws in the operations of the reward processes and benefits.
- c) Mopani District Municipality would reward according to the effective execution of the jobs, value contributed, as determined by the remuneration policy.
- d) All delegated officials shall be responsible for payroll administration

3. Payroll Management

3.1 Payroll monitoring

- 3.1.1 The Human resource unit shall be responsible for payroll inputs into the payroll system
- 3.1.2 Finance unit shall be responsible for calculations of remuneration as authorised by the delegated authority
- 3.1.3 All notice of termination shall be submitted to payroll from HR for implementation
- 3.1.4 All monies owed to Mopani District Municipality shall be deducted from the employee's remuneration
- 3.1.5 Termination payments shall be processed on the following month subjected to the completion of exit form approved by human resources division in line with the leave policy

4. Payroll Administration

- 4.1 The payroll administration falls both within the Finance Function and Human Resources Function.
- 4.2 This policy covers the responsibilities of the Payroll Administration function within the Finance Function.
- 4.3 All finance employees involved with payroll processing must sign a confidentiality and non-disclosure agreement specifically with regards to payroll information and must ensure that sensitive information required to process the payroll is safe-guarded

- 4.4 The payroll system used must be regularly updated and kept with in line with changes to the tax legislation.
- 4.5 Changes to the master data must be checked and approved and the subsequent approval of these changes must be well documented.
- 4.6 Changes in respect of viewing, capturing and approval by different employees on different authority levels on the PAYDAY system shall only be made by the IT Department on written instruction of the Municipal Manager.
- 4.7 The IT Department must keep a logbook of such changes for record and audit purposes.
- 4.8 Line managers or Head of Departments shall be responsible employee's verification as per the approved Mopani District Municipality payroll procedure manual
- 4.9 Line managers or Head of Departments must report unknown employees to the Human Resources department, for follow-up action and rectification.
- 4.10 Mopani District Municipality pays the employees' salaries according to the annual payroll calendar as provided by the Finance Department.

5. Payroll deductions

- 5.1 Authorised deductions include, but is not necessarily limited to, deductions in respect of an employee's PAYE, UIF and SDL obligations, contributions in respect of membership fees to accredited pension or provident funds, medical aid and group life schemes, garnishee orders, union membership and any other approved scheme or deduction authorized in terms of a collective agreement or applicable legislation
- 5.2 Deductions authorised by any legislation do not require an agreement with the employee for such deductions to be made.
- 5.3 All deductions must be finalized and paid to the third party as applicable on the annual payroll calendar.

6. Payroll payments

- 6.1 All remuneration payments shall be processed in line with the MOPANI DISTRICT MUNICIPALITY payroll procedure.
- 6.2 Payments for salaries during the December holidays will be paid on or before the 20th of every year or whichever the last day if it falls on weekend

7. POLICY MONITORING AND EVALUATION

7.1 This policy shall be implemented and effective once recommended by the Local Labour Forum and approved by Council.

7.2 Non-compliance to the stipulations contained in this policy shall be regarded as breach of Code of Conduct, which shall be dealt with in terms of the Code of Conduct.

7.3 Head of Corporate Services shall carry out the monitoring and evaluation of the policy's implementation.

8. POLICY APPROVAL

This policy was formulated by Budget and treasury Management in consultation with the Treasury.

9. COMMENCEMENTS

9.1 This policy shall come into effect on the date of adoption by council.

10. REVIEW OF THE POLICY

10.1 The policy shall be reviewed annually or when a need arises.

11. REPEAL

11.1 The policy shall repeal all previous policies formulated before its approval.

12. STAKE HOLDER 'S CONSULTATION

12.1 All stakeholders were consulted on the

13. ADOPTION BY THE COUNCIL

Resolution NO:	Approved date:
Effective Date	Review date: Annually

14. AUTHORITY

MUNICIPAL MANAGER
MR TJ MOGANO

COUNCIL SPEAKER
CLLR NM MASWANGANYI