



# **ENDUMENI STAFF STUDY LOAN SCHEME**

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The Endumeni Local Council, Acting in terms of Section 266(1) of the Local Authorities Ordinance, 1974 (Ordinance No.25 of 1974), has adopted the following bylaws, which bylaws shall come into operation on the date of publication hereof.

**D B CEBEKHULU**  
**MUNICIPAL MANAGER**

## **ENDUMENI LOCAL COUNCIL STUDY ASSISTANCE** **SCHEME FOR EMPLOYEES**

### **1. DEFINITIONS**

In these bylaws, unless the context otherwise requires:

“BURSARY LOAN FUND” means the fund established by the Council in terms of the provision of Section 111 (1)(b) of the Local Government Ordinance, 1974, for the granting of study loans to permanent employees;

“Council” means the Endumeni Local Council, the Council’s Executive Committee acting under the powers delegated to it in terms of the provisions of section 88 of Local Government Ordinance 25 of 1974, and any employee to whom that Committee has been empowered by the Council in terms of the provisions of sub-section 1(a) of the said section to delegate, and has in fact delegated the powers, functions and duties vesting in the Council in terms of these bylaws;

“EDUCATIONAL INSTITUTION” means a registered university, technikon or college offering distance education through correspondence towards a degree, national diploma or nation certificate.

“OFFICIAL” means an employee permanently appointed in the service of the Council; and

“STUDY LOAN”, means an interest free loan advance from the Bursary Loan Fund to an employee for study purposes at an educational institution for payment of registration, examination, tuition and book fees.

2. **PURPOSE OF BYLAWS**

The purpose of these bylaws is to lay down conditions subject to which the Council may allow study loans and bursaries to employees and regulate related matters.

3. **BURSARY LOAN FUND**

The Council shall establish a bursary loan fund, which shall continually be supplemented as determined by the Council from time to time.

4. **APPROVAL OF STUDY LOANS TO OFFICIALS**

4.1 An official shall apply in writing for a study loan, which shall be submitted to the Human Resources Section. A study loan to an official who qualifies for admission to a particular Educational Institution for a course approved by the Council, and which is applicable to the activities of local government may be approved by Council;

4.2 (a) The maximum amount of the study loan shall be calculated in accordance with the prescribed registration and class fees which are payable in the relevant year.

(b) A study loan to an official engaged in Master's or Doctoral studies at an Educational Institution, may also provide for costs to cover typing, printing and binding work of essays and theses as follows:

Master's degree: A maximum amount per subject as determined by Council from time to time

Doctor's degree: A maximum amount per subject as determined by Council from time to time

5. **PAYMENT OF STUDY LOANS**

Study fees covered by a study loan, are paid by the Council during the period of the course directly to the educational institution concerned on submission of documentary proof of enrolment or to the official on submission of a receipt. Such amount which is actually paid for the purchase of the prescribed books, in addition to the maximum amount of the study loan as set out in paragraph 4 (2) (a) is not exceeded, shall be paid to the official on submission of a receipt from the supplier.

6. **PROGRESS REPORTS**

The official shall at the end of each year in which a study loan has been granted and within 21 days of the release of examination results, produce satisfactory evidence to the Council of his/her examination result in respect of courses or modules for which he registered at the beginning of the specific year of study and for which the study loan was granted.

7. **COMPULSORY SERVICE BY OFFICIAL**

An official is compelled to serve the Council for one full year, commencing from the date of approval of the application for such study loan, for each study year for which the study loan has been granted, subject to the Council's normal conditions of service.

8. **COMPULSORY REPAYMENT OF STUDY LOAN**

8.1 The interest free loan is refundable on equal instalments which, does not exceed the duration of the academic year

8.2 Should an official suspend a course or module in a Specific study year, fail to sit an examination, fail the examination, leave the Council's service for any reason during the specific study year prior to the successful completion of a course or module, or if the Council withdraws its loan in terms of clause 9, the official shall be compelled –

- (a) In the event of the suspension of a course or module, failing to sit an examination therein, failing the examination or where the Council in terms of Clause 9 withdraws its loan, to re-pay to the Council the pro-rata sum plus interest of the total study approved to the official for that specific year of study in a maximum of 12 equal payments. The first payment shall, according to the circumstances, be payable at the end of the month in which examination results are released or at the end of the month in which the Council withdraws the study loan in terms of clause 9, and is recovered monthly from the official's salary.
- (b) In the event of him leaving the service of the Council for any reason whatsoever, prior to the successful completion of a course or module, to repay to the Council the total sum of the study loan plus interest by not later than his last day of service with the Council, and the Council shall have the right to seize any other monies due to the official and to use same to redeem any amount due.

8.3 Should an official leave the Council's service for any reason whatsoever, prior to the completion of the compulsory service in terms of clause 7, the full outstanding amount of the loan plus interest is immediately claimable and payable.

8.4 A study loan or any portion thereof which is still outstanding on an official's last day of service, shall draw interest at the applicable rate of interest applied to the bursary loan fund as resolved upon from time to time by the Council.

## **9. WITHDRAWAL OF STUDY LOAN**

9.1 The Council may withdraw the study loan at any time should an official be found guilty of misconduct in terms of the applicable disciplinary measures, make unsatisfactory progress with his studies, or fail to comply with any other obligation in terms of these Bylaws or of the study loan agreement.

9.2 Should the Council withdraw a study loan on the grounds of unsatisfactory progress by the official of his studies, the official may, at his own expense, continue with the course concerned and should the official in the Council's view progress satisfactorily with the course, a study loan may again be granted to him subject to the conditions of these Bylaws.

10. **TAKE OVER OF STUDY DEBT**

The Council may approve a loan from the bursary fund to a newly appointed official to clear any debt or portion thereof incurred in obtaining an applicable qualification, subject to such conditions as the Council may decide upon.

11. **LIMITATION ON FURTHER STUDY LOANS**

11.1 An official who is already in possession of a postgraduate qualification and who intends enrolling for another course of equal status, will not be considered for a study loan unless the Council is convinced that the specific course will provide a further meaningful contribution to the official's constructive involvement in local government and provided the course is approved by the Council.

11.2 An official who neglects to sit for an examination in a course or module for which he was enrolled in any year of study, will not received any further study loan unless such official can provide acceptable reasons to the Council for his neglect and such reasons are accepted by the Council.

12. **TIME OFF**

12.1 A student qualifies for one day special leave on the last workday preceding the sitting of an examination and one day special leave on date of examination;

12.2 Should a candidate fail an examination, the leave mentioned in paragraph 12.1 above will be forfeited and revert back to annual leave."