



EHLANZENI DISTRICT MUNICIPALITY

CELLULAR PHONE CONTRACT, DATA AND CELLPHONE ALLOWANCE POLICY

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CELLULAR PHONE CONTRACT, DATA AND CELLPHONE ALLOWANCE POLICY FOR EHLANZENI DISTRICT MUNICIPALITY

1. POLICY STATEMENT

Ehlanzeni District Municipality endeavors to continuously employ best practices on its policies and procedures for managing the administration and operations of expenditure relating to Cell Phone and Data usage. To enable and enhance the productivity and financial management of the Municipality, it is of critical importance to utilize effective communication packages available. Consequently, Councillors and employees must have access to cell phone and sufficient data in a controlled manner for official business, primarily receiving and making official business calls as well as accessing virtual meetings and internet when they are not physically at the office.

A Cell Phone and 3G Data is issued as a tool of trade for employees to render services and therefore an employee is responsible for the management of the tool. The allocation of a Cell Phone and Data is a privilege and not a right because it is meant to support service delivery. It must, therefore, be utilized in the most cost effective and responsible manner.

2. PURPOSE OF THE POLICY

- 2.1 The purpose of this policy is to develop a framework of the allocation, management and control of cellular phone and data contracts for Councillors and eligible employees;
- 2.2 Regulate the procurement and utilization of Cell Phone and Data model by eligible employees;
- 2.3 Ensure that Councillors and employees are available at all times to attend to the Municipality's operational requirements,
- 2.4 Regulate the remuneration in a form of a Cellphone and data Allowance for Councillors eligible employees who opted to utilize their own Cell Phone and Data contract for this purpose

3. OBJECTIVE

The objective of the policy is to:

- 3.1 Outline procedures to be followed when applying for a cell phone and data benefit.
- 3.2 Outline guidelines for the proper utilization of cellular phone and Data contract.
- 3.3 Safe keeping of cellular phone and 3G modem
- 3.4 Procedures for administration of international roaming request.

4. DEFINITIONS

Municipality: means the Ehlanzeni District Municipality

Municipal Manager means a person appointed by the municipality in terms of section 54A of the Municipal Systems Act No 32 of 2000 and who is the Head of Administration for the Municipality.

General Manager	means a person appointed by the municipality in terms of section 56 of the Municipal System Act No 32 of 2000 and who is the Head of a Department reporting directly to the Municipality within the Ehlanzeni District Municipality.
Senior Managers	means officials appointed on level 2.
Managers	means officials appointed on level 3.
Other officials	means any other officials from level 4 – 12.
Cellphone packages & 3G	shall mean a contract entered into between the Ehlanzeni District Municipality and the recognized service provider for the provision of a cellular phone gadget package, sim only and 3G Modem services

5. LEGISLATIVE FRAMEWORK

- Constitution of the Republic of South Africa, 1996
- Municipal Finance Management Act, 2003 (Act No.56 of 2003)
- National Credit Act,2005 (Act No.34 of 2005)
- Income Tax Act,1962 (Act No.58 of 1962)
- Treasury Regulations
- Government Gazette on the Determination of Upper limits of Salaries, Allowances and Benefits of Councillors

6. SCOPE OF APPLICATION

6.1 The following categories of employees shall automatically qualify to receive cellphones packages:

- 6.1.1 Municipal Manager
- 6.1.2 General Managers reporting directly to the Municipal Manager (section 56)
- 6.1.3 Senior Managers (Post level 2)
- 6.1.4 Managers (Post level 3)

6.2 Other permanently appointed officials may qualify for a cellular phone and or SIM only package based on his / her duties and that is in the best interest of the municipality that he or she works outside and can be accessible during normal working hours and after hours. If there is any other official not mentioned in clause 6.1 above who feel his/her job requires a cellular phone or a SIM only package or a cellphone allowance, a motivation should be forwarded by his/her General Manager to the Municipal Manager for approval.

6.3 In the case of full-time and directly elected Councillors, the application of this Policy shall be in line with the Determination of Upper Limits of salaries, allowances and benefits of Councillors. In the event where there are changes in the operations of the Municipality i.e conduct of Council meetings and its Committees, data packages will be reviewed from time to time.

7. CELLULAR PHONE PACKAGES AND 3G MODEM CONTRACTS

7.1 A Service Level Agreement shall be entered into with the service provider/s in order to ensure consistent and continuous service satisfaction.

7.2 All contracts entered into, shall be in the name of Ehlanzeni District Municipality. The duration of a cellular phone and 3G modem contract will be for a minimum period of two (2) years, and will be upgraded every twenty-one (21) months.

7.3 In the event of the official opting to take a more expensive instrument that is issued by the service provider, the official will be liable for the additional cost thereof by paying directly to the service provider a once off payment when collecting the chosen instrument.

8. TYPE OF CONTRACTS

8.1 All contracts entered into, will be Top-Up Contracts, allowing all who have contracts to top-up if and when the need arises.

8.2 An employee shall qualify for the following packages for allocation. 3G Modem allocation shall also depend on eligibility. Employees eligible for 3G modem allocation shall be based on an application and motivation submitted by the employee to the relevant Head of Department and then submitted to Corporate Services for comments and final approval rests with the Municipal Manager.

8.2.1 CELLPHONE PACKAGE AND DATA ALLOCATION FOR EMPLOYEES PER MONTH

	DESIGNATION	PACKAGE	BREAKDOWN OF PACKAGE			3G MODEM
			MINUTES	DATA	SMS'S	DATA PACKAGE PER MONTH
1.	Municipal Manager	VIP Red+	Unlimited	20GB	Unlimited	10GB
2.	Section 56 Managers	VIP Red+	Unlimited	20GB	Unlimited	10GB
3.	Senior Managers	Smart Top Up L+	600	1.2GB	600sms	10GB <i>Allocation will be based on application and motivation submitted</i>
4.	Managers	Smart Top Up L+	600	1.2GB	600	10GB <i>Allocation will be based on application and motivation submitted</i>
5.	Other officials (who qualify)	Smart Top Up +M	400	900MB	400	10GB <i>Allocation will be based on application and motivation submitted</i>

8.3 An employee may also have the following option to choose from if they have own cellphone gadget when the contract is due for upgrade:

8.3.1 SIM ONLY CONTRACTS

	DESIGNATION	PACKAGE	BREAKDOWN OF PACKAGE			3G MODEM
			MINUTES	DATA	SMS'S	DATA PACKAGE PER MONTH
1.	Municipal Manager	VIP Red+	Unlimited	20GB	Unlimited	10GB
2.	Section 56 Managers	VIP Red+	Unlimited	20GB	Unlimited	10GB
3.	Senior Managers	Smart Top Up L+	600	1.2GB	600sms	10GB <i>Allocation will be based on application and motivation submitted</i>
4.	Managers	Smart Top Up L+	600	1.2GB	600	10GB <i>Allocation will be based</i>

						<i>on application and motivation submitted</i>
5.	Other officials (who qualify)	Smart Top Up +M	400	900MB	400	10GB <i>Allocation will be based on application and motivation submitted</i>

8.4 Councillors Cellphone Allowances shall be allocated as regulated in the Upper limits. In the event there are abnormal and extra-ordinary circumstances, such as excessive demand due to remote access requirements and changes in the way Council meetings and its Committees should be conducted (virtual meetings) the following data packages and allocations will apply:

8.4.1 DATA PACKAGE FOR COUNCILLORS

Councillors shall be provided with the following additional data package per month subject to paragraph 8.4.4:

	DESIGNATION	3G MODEM/ DATA PACKAGE PER MONTH
1.	FULL TIME COUNCILLORS	ADDITIONAL 10GB
2.	PART TIME COUNCILLORS (directly elected EDM Cllrs)	30GB
3.	PART-TIME COUNCILLORS (Indirectly elected Cllrs)	30GB

8.4.2 The packages above will be reviewed when the legislation changes and, in the event, there is a new directive in the way Council meetings and its Committees should be conducted.

8.4.3 The Tool of trade (3G modem) allocated shall remain an asset of Council and should a Councillor’s term of office ends or terminate, it should be returned to the Municipality for re-allocation.

8.4.4 The provision of additional data package to Councillors due to abnormal and extraordinary circumstances shall be regarded as additional tools of trade and be subjected to a concurrent of the MEC COGTA in the Province in line with the Upper Limits of Salaries, Allowances and Benefits of Councillors Gazette.

9. CELLPHONE ALLOWANCE

9.1 An employee may opt to receive a cellphone allowance which will be taxable to be paid directly with his/her salary on a monthly basis only if the currently allocated contract he/she has with the Municipality has reached 24months and qualifies for free cancellation on the following guidelines:

9.1.1 HANDSET & MAINTENANCE

Employees who are entitled to a cell phone allowance will only receive monetary remuneration and will be expected to provide their own handset by means of a contract with a recognized cellular service provider (i.e. Vodacom, MTN, Telkom or Cell C). Council will not be responsible to provide any handset or additions to a handset to any employee or stakeholder covered in this policy.

- 9.1.1.1 Employees are encouraged to structure their contract with the service provider in a manner which best suits the individual's needs and personal circumstances. Recipients of a cell phone allowance must avail their cell phone number to the Municipality and must continue to maintain the cell phone contract or air-time/pay-as you-go contract while in receipt of the allowance.
- 9.1.1.2 The contract should be entered into between the Employee and Service Provider and the onus is on the employee to ensure the monthly payment of the contract. Furthermore, the Employee is responsible for insuring the handset against theft, loss or damage and should ensure that the mobile phone is available, at all times, for Council's use, failing which the allowance will be forfeited.
- 9.1.1.3 Employees must inform the responsible official at Corporate Services of any cancellation arising from theft, sale, termination of the contract, etc. within 24hours in which the event occurred.

An allowance will not be granted to employees without official authorization to acquire a cell phone for official use. Council will not be liable for any costs incurred without official authorization if a private contract has been obtained for official use.

9.1.2 PRE-PAID CONTRACTS

- 9.1.2.1 Employees making use of a prepaid contract with a service provider are entitled to a cell phone allowance benefit. Employees on a prepaid contract should ensure that the mobile phone (preferably a smartphone) is always available i.e. that enough airtime is available for making and receiving business calls, send and receive emails, failing which the allowance will be forfeited.

9.1.3 ALLOWANCE AND CELLPHONE LIMITS

- 9.1.3.1 A Cell phone allowance is payable to an employee on a monthly basis and may be amended from time to time in terms of business-related costs incurred by the individual and per approval from the relevant Head of Department and Municipal Manager.
- 9.1.3.2 Any increase in a cell phone allowance payable to an employee should be within the prescriptions of this policy. The maximum amount will only be payable if sufficient evidence, from the employee, is provided and agreed to by the relevant Head of Department and Municipal Manager.
- 9.1.3.3 An employee shall be eligible to the following limits of a cell phone and data contracts reimbursement or cell phone and data contracts allocation per month as per applicable packages below:

DESIGNATION	ALLOWANCE PACKAGE
Municipal Manager	VIP Red+
General Managers (Section 56)	VIP Red+
Senior Managers and Managers	Smart Top Up L+
Other officials (who qualify)	Smart Top Up +M

9.1.3.4 The Municipal Manager may increase the fixed allowance on abnormal circumstances, such as excessive demand due to remote access requirements and rates increases due to service provider cost increases

9.1.3.5 The above allowances will be adjusted on annual basis in line the provisions of the applicable collective agreements and upper limits of senior managers

9.1.4 OBLIGATION OF USERS

9.1.4.1 An employee shall be responsible for the conclusion of their own cell phone contract, cell phone accessories and maintenance, repair and or replacement of handset as and when required.

9.1.4.2 Reimbursement of cell phone and data benefit shall be within the allocated limit as stipulated in paragraph 9.1.3.3 of this policy.

9.1.4.3 An employee shall be responsible for notifying the Municipality of the cellphone number issued to ensure access and availability for business calls by the employer at all times.

10. NEW POSITIONS

10.1 General Managers when requesting a position to be filled, should clearly indicate that the position will be requiring a cell phone allowance. The cellphone package or cellphone allowance amount, in terms of this policy, should also be reflected. This will ensure that the cell phone package/allowance forms part of the employee's remuneration package.

11. EXISTING POSITIONS

11.1 In the event of an employee has already being appointed and the need for a cell phone or 3G modem allocation arise the following procedure should be followed:

11.1.1 A written application, supported by a detailed motivation as to the need for a cell phone allocation, from the employee should be forwarded to the relevant Head of Department. The Head of Department will consider the application, if supported the recommendation should be forwarded to the Municipal Manager for final approval. Thereafter, the approved application must be forwarded to Corporate Services for record purposes, from where the approved request will be implemented accordingly.

12. EMPLOYEE MOVEMENT

12.1 An employee who is transferred or appointed to a new higher position shall be eligible for cell phone and/data allocation based on the function and position, but the employee will have to wait for the upgrade period to change the device as per the mobile contract.

13. INCREASING BENEFITS

13.1 In the event of an employee continually exceeding the approved limits of the cell phone allowance provided for to him/her, as a result of their job function, a written motivation should be made to the relevant Head of Department to approve a revised limit. Again, the application should be forwarded to Corporate Services, then final approval to the Municipal Manager. In the event of increasing the cell phone allowance, proof of the exceeded amount should be provided i.e. itemised billing.

14. RESPONSIBILITY OF THE MUNICIPALITY ON THE CELLPHONE AND DATA CONTRACTS

- 14.1 It is the responsibility of the Ehlanzeni District Municipality to procure on behalf of the employee or Councillor who is eligible for the cellular phone contract and or sim only contract and 3G modem on a Corporate contract.
- 14.2 The cell phone and or 3G modem shall be an asset of the Municipality for the duration of the employee's employment contract or Councillor's term of office.
- 14.3 An employee and or Councillor with a cell phone or 3G modem of the Municipality shall sign a Cell phone and Data agreement and such agreement shall indicate monthly limit.
- 14.4 On termination of service or end of office term, the employee or Councillor shall have an option of transferring the cell phone contract/3Gmodem to his/her name by taking over the contract at an applicable amount for that period or hand back the handset/3G modem and sim card to the Corporate Services Department for safekeeping and reallocation.
- 14.5 In the event of a deceased employee, Corporate Services shall request the cell phone gadget and 3G modem from the deceased's family within 30 days after the burial. The family may be given the option to buy over the contract at the applicable amount at that time and transfer it to the opted chosen member of the family. If the latter option is not exercised, the cellphone contract shall then be reallocated to the next employee who has applied.

15. LIMITATIONS

- 15.1 The monthly contract includes any amount charged by the Service Provider which includes subscription, caller line identity, air time, data and sms's, and an instrument in line with the contract.
- 15.2 Ehlanzeni District Municipality is not responsible for the insurance, battery, charger and general repairs.
- 15.3 The Municipality owns the lines and the asset, i.e cellular phone, sim card, pouches etc. until such transfer has been finalised. Should the employee terminate service, the line and hardware remain the property of the Municipality.

16. SETTLEMENT OF ACCOUNT

- 16.1 The Municipal Manager settles the account with the Service Provider on the terms contained in the contract and up to the limits amount per month. Itemized invoices will be provided on a monthly basis. Finance will effect payment to the service provider by means of electronic fund transfer (EFT) on receipt of a completed payment advice.

17. INTERNATIONAL CALLS AND/OR ROAMING

- 17.1 Applications in writing for roaming shall be made at least seven days prior travelling outside the Republic. This will exclude roaming standard charges.
- 17.2 An employee travelling outside the Republic for personal reasons will be liable for the amount used for roaming and international calls.

18. SAFEKEEPING AND CARE OF MUNICIPALITY CELLPHONES AND 3G MODEMS

- 18.1 Employees shall ensure that cell phones/3g modem is not exposed to theft or willful damage.
- 18.2 Should a Municipality cellphone or 3G modem be lost, stolen or damaged, the official concerned will have to replace the lost, stolen or damaged out of his/her pocket.
- 18.3 An employee whose cellphone/sim card or 3g modem that has been lost or stolen must report the loss/theft as soon as possible but within 24hours to the SAPS and furnish a detailed affidavit describing the loss/theft including full particulars of the case number to the Responsible official in Corporate Services. The Responsible official must also arrange for Sim card/sim swop with the service provider and blacklisting or cancellation of the cellphone instrument with the service provider.

19. CELL PHONE USAGE WHILE DRIVING

- 19.1 Council is aware that in utmost circumstances, that employees use their cell phones for business purposes while driving. Due to the recent research about the safety of cell phone usage while driving, Council prohibits employees from using their cell phones while driving, unless the vehicle is fitted with a blue tooth device.
- 19.2 Council recognizes that other distractions occur while driving, however, eliminating the use of cell phones, while driving is one way to minimize the risk to employees of accidents. Employees are therefore required to either park the vehicle so as to safely communicate via cell phone or to request the caller for permission to contact them at a more convenient and safer time as to driving.

20. MONITORING

- 20.1 The effective application of this policy will be monitored by Corporate Services and shall provide monthly reports on utilization. Finance (Payroll) to implement deductions on contracts that exceeded the limit.

21. VIOLATION OF POLICY

- 21.1 Employees who violate this policy may be subjected to disciplinary action and may have their participation in the cellphone scheme or data allocation suspended.

22. CONSULTATION

- 22.1 No amendments may be made to any section of this policy without such amendments first being consulted with the relevant stakeholders and approved by Council.

23. OWNERSHIP AND IMPLEMENTATION

- 23.1 The owner of this policy is the Corporate Services Department though all Departments are responsible for giving effect to this policy, the Corporate Services Division assumes accountability for communicating, educating, driving implementation and reporting on the effectiveness of the policy in the entire Municipality.
- 23.2 EDM Management shall assume the responsibility for ensuring and promoting compliance with this policy at all times.

24. IMPLEMENTATION DATE

24.1 This policy will be implemented soon after approval by Council.

25. POLICY REVIEW

25.1 This policy shall be subjected to a review as and when deemed necessary in order to align with applicable legislation and prevailing best practice or Ehlanzeni District Municipality's policies, and to enhance its effectiveness.

**CELLULAR PHONE AND 3G AGREEMENT
(For Ehlanzeni District Municipality Issued Contracts Only)**

I, _____, (full name), acknowledge that Ehlanzeni District Municipality (EDM) has provided me with a cellular telephone and data contract for the purpose of making and / or receiving business calls on behalf of the entity.

I confirm that I have read, understand and agree to comply with the entity's cellular telephone policy and, in particular, agree that if I exceed my monthly limit, the excess will be deducted from my salary, unless the excess has been approved, in writing by the Municipal Manager.

In addition, I undertake to take all reasonable care of the cell phone assigned to me and to guard against any loss or damage to the gadget(s). I undertake to advise the Network Provider and my Immediate Supervisor as well as Corporate Services immediately if my phone is stolen or lost, in order to prohibit unauthorised calls. Should the phone be stolen or damaged, I understand that I am still expected to report it to the SAPS and Corporate Services Department as stipulated in paragraph 18.3. I hereby consent to the Municipality deduct any excess to the allocated cell phone and data limit in full from my salary.

I further undertake to return the phone gadget and/ 3g modem in good working order to Ehlanzeni District Municipality on termination of my employment contract or end of office term, unless an alternative arrangement is agreed to in writing with Corporate Services Department.

My monthly limit is _____ inclusive of subscription and Value Added Tax (VAT).

Signed at _____ on this _____ day of _____ 2020

NAME OF CELL PHONE RECIPIENT: _____

SIGNATURE: _____

HEAD OF DEPARTMENT: _____

SIGNATURE: _____

*For office us only:
Corporate Services Department*