

premier

Department: Office of the Premier PROVINCE OF KWAZULU-NATAL

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Circular No. 1/NLR of 2020

# TO ALL HEADS OF DEPARTMENT KWAZULU-NATAL PROVINCIAL GOVERNMENT

DISTRIBUTION OF DPSA CIRCULAR NO. 1/NLR OF 2020: NATIONAL CALL TO ALL PUBLIC SERVANTS TO CONTRIBUTE TO THE SOLIDARITY FUND TO FIGHT COVID-19

- 1. The above subject bears reference.
- 2. Kindly receive the attached self-explanatory Circular issued by the Department of Public Service and Administration (DPSA) regarding the National call to all public servants to contribute to the Solidarity Fund to fight COVID-19.
- 3. Persal Notice number 362 is also attached to provide guidance to Departments how to instate the necessary Solidarity Fund deductions on the salaries of employees.
- 3. Your support in the effective communication and implementation of the Circular to all employees in your Department is appreciated.

DR NONHLANHĽA O. MKHIZE

DR NONHLANHLA O. MKHIZ DIRECTOR-GENERAL DATE: 17/04/2020





Public Service and Administration **REPUBLIC OF SOUTH AFRICA** 

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# TO ALL HEADS OF DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

## Circular No 1/NLR of 2020

# NATIONAL CALL TO ALL PUBLIC SERVANTS TO CONTRIBUTE TO THE SOLIDARITY FUND TO FIGHT COVID-19

#### Introduction

1 On 23 March 2020, the President announced that in supporting the vulnerable, following consultation with social partners, a Solidarity Fund (the Fund) has been established, to which South African businesses, organisations and individuals, and members of the international community, can contribute to support measures to slow the spread of Covid-19, and to assist in the economic recovery. Government provided seed capital of R150 million and the private sector has already pledged to support this fund with financial contributions in the coming period.

The Fund focuses efforts to combat the spread of Covid-19, help government to track the spread, care for those who are ill and to support those whose lives are disrupted. The Fund has a website – www.solidarityfund.co.za – and the President urged the nation to deposit monies into the account.

On 9 April 2020, the President announced that in support of this effort, the President, Deputy President, Ministers and Deputy Ministers will each take a one-third cut in their salaries for the next three months. This portion of their salaries will be donated to the Solidarity Fund.

He further called on other public office bearers and executives of large companies to make a similar gesture and to further increase the reach of this national effort.

#### The Public Service Call

- 2 In heeding the call by the President, on 12 April 2020, the Forum of South African Directors General (FOSAD) met to give effect to the above in as far as it relates to the public service. FOSAD takes cognisance that some employees may have already contributed or were thinking of contributing to the Fund.
- 3 Numerous queries have been received since the FOSAD meeting and it became clear that it is necessary to clarify the decision of FOSAD and provide guidance on its implementation.

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Staatsdiens en Administrasie • Ditirelo tsa Puso le Tsamaiso • Ditshebeletso tsa Mmušo le Tsamaiso • uMnyango wemiSebenzi kaHulumeni nokuPhata Muhasho wa Tshumelo ya Muvhuso na Vhulanguli • Kgoro ya Ditirelo tša Mmušo • Ndzawulo ya Vutirela-Mfumo na Valawuri LiTiko le Tebasebenti baHulumende nekuPhatsa • ISebe leNkonzo kaRhulumente noLawulo • UmMnyango wemiSebenzi kaRhumende nokuPhata

- 4 It will be appreciated if all employees in your department could be informed about the contents of this circular as soon as possible.
- 5 FOSAD is making a call for all public servants in national and provincial departments including those in public entities to donate voluntarily to the Fund in an effort to support the containment of COVID-19 and South Africans whose lives have been disrupted by the pandemic including caring for those in need.
- 6 In support of this call, FOSAD has decided that all FOSAD members will contribute a sum of R30 000 per member to the Fund, which amount shall be deducted from their salaries over a period of up to five months.

#### **GUIDANCE FOR DEPARTMENTS**

- 7 Public service employees, in heeding the call, may elect to have their contributions deducted from their salaries, alternatively they may make such contributions directly to the Fund. For those who elect to make such deductions from their salaries, Annexure A is provided for that purpose.
- 8 Every employee that elects to make such a donation through a deduction from their salary to the Solidarity Fund should complete and sign Annexure A and submit it to their Human Resource Management (HRM) component so that the necessary processes for the deduction and transfer of the funds via PERSAL can be effected. Arrangements have been made with PERSAL to deduct the relevant elected amounts from employees' salaries and to transfer the deductions to the Fund.
- 9 In order not to miss the May 2020 salary run, FOSAD members are urged to complete the form and submit it as soon as possible their HR Departments.
- 10 The South African Revenue Services (SARS) prescripts in relation tax implications to such donations will be applicable.

#### CONTACT DETAILS

11. Enquiries regarding the above must be directed to your relevant Head of Department.

Ms Yoliswa Makhasi Director-General: DPSA Date: 144 2020

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## ANNEXURE A: SOLIDARITY FUND DONATION DEDUCTION INSTRUCTION FORM

SECTION A. PERS	ONAL INFOR	MATION	Par all												and a	P. S. S. S.	No.	Steph:
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Bank: Standard Bank	Branch Name: Sandton City
Account Name: Solidarity Fund	Account No: 023070021
Account Type: Current account	Branch Code: 051001
SWIFT Code: SBZAZAJJ	

Furthermore, I accept and agree that:

- a) This authorization will remain in force for the elected period or until it is cancelled by me by written notice of not less than one month, which notice shall be sent to the head of HR.
- b) I confirm that monies that have already been deducted from my salary in terms of this authority cannot be reclaimed by me.
- c) The employer will process the initial transaction and all subsequent transactions in terms of this authorization, subject that only one monthly amount as indicated above shall be deducted in a particular month.
- d) Any incorrect or incomplete information supplied could lead to my deduction and subsequent donation not being effected.

I declare that all the information provided (including any attachments) is complete and correct to the best of my knowledge and that I hereby voluntarily authorise and consent to the aforementioned deduction from my salary which is to be donated to the Solidarity Fund.

SIGNATURE OF EMPLOYEE	DATE	٦D.	ful.	15/	35	ŶY	5.	- 3
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#### Enquiries: PERSAL LOGIK Ref: SS 44/2/1/P Tel: (012) 657 4444 Fax: (012) 657 4495 Email: PERSALLOGIK@treasury.gov.za

### TO ALL PERSAL CONTROLLERS

#### PERSAL NOTICE NUMBER 362

# NATIONAL CALL TO ALL PUBLIC SERVANTS TO CONTRIBUTE TO THE SOLIDARITY FUND TO FIGHT COVID-19

- 1. The Department of Public Service and Administration (DPSA) Circular 1/NLR of 2020 dated 14 April 2020 in the above regard refers.
- PERSAL will create a new deduction code 0278 'Voluntary Donation' on table 002. This deduction code will be linked to a newly created SCOA link code 005219 'SAL:SOLIDARITY FUND COVID-19:CL'. The deduction code will accumulate to SARS code 4030 'Donation'.
- 3. PERSAL will also create an institution code 0045 'Solidarity Fund' on table 035 with the relevant banking details as provided in the DPSA circular.
- 4. Political Office Bearers, Traditional Leaders, Employees etc. who would like to make a voluntary donation as per the President's call towards the Solidarity fund, must complete annexure A 'Solidarity Fund Donation Deduction Instruction Form' attached to the DPSA circular and submit it to their Human Resource Management (HRM) component.
- 5. The deductions must be captured on function 5.4.1 'General Deductions'. As indicated on the Solidarity Fund website (<u>www.solidarityfund.co.za</u>) the employee's identity number must be used as the deduction reference to facilitate the fund to prepare a Section 18A tax certificate for each employee who made a donation.
- 6. It will be each department's responsibility to ensure that these deductions are captured according to the rules and guidelines in the DPSA circular and subsequent annexure A with specific reference to points (a) to (d).
- 7. These deductions **MUST NOT** be captured backdated as point c on annexure A clearly states 'The employer will process the initial transaction and all subsequent transactions in terms of this authorization, <u>subject that only one monthly amount as indicated above shall be deducted in a particular month'</u>.

- 8. The South African Revenue Services (SARS) prescripts in relation to tax implications to such donations will be applicable. Detail can be obtained from the SARS website (www.sars.gov.za) by searching for 'Donations'. PERSAL will not facilitate any tax calculations relating to the donation. The employee making the donation is liable for any tax where applicable and to declare such donation to SARS on the Easy File application on the SARS website.
- 9. **IMPORTANT!** The PERSAL cut-off date for the May 2020 salary month is 1 May 2020. Deductions must be captured and approved/authorised where applicable by latest 1 May 2020 in order for the deductions to realise on the May 2020 salary month.
- 10. Your co-operation in bringing the contents of this notice to the attention of all parties concerned is appreciated.

P.P.

C BESTER DIRECTOR: FINANCIAL SYSTEMS: PERSAL FOR DIRECTOR-GENERAL: NATIONAL TREASURY DATE: 1020 | 04 | 17