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Should you need any further information on these topics, please contact us at [info@hrtorque.co.za](mailto:info@hrtorque.co.za).

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### **1) ISASA Conference 2023 – Feedback**

**Author:** Denelle Gopal

HRTorque recently exhibited at the 2023 ISASA/SAHISA/SABISA Combined Conference, and our experience was nothing short of exceptional. Delegates from various regions and educational institutions around South Africa flocked to our stand during their breaks, leaving a lasting impression. As specialists in outsourced HR and payroll services, we had the opportunity to engage with a diverse array of schools and it was heartening to witness the genuine interest showed in our offerings.

The conference provided a unique platform for us to showcase the benefits of our HR and payroll services to educational institutions across the country. We had the chance to connect with educators, administrators and decision-makers from different schools, and their enthusiasm for streamlining their HR processes was palpable. It is evident that schools are seeking efficient solutions to manage their HR and payroll needs, and we were on hand to provide the expertise they were looking for.

Our participation in the conference not only allowed us to promote our services but also reinforced our commitment to supporting South African schools in their pursuit of excellence. We are grateful to have been part of this event, and look forward to continuing our partnership with the education community to help schools thrive and focus on what matters most – their students and staff.

### **2) Youth Employment Service (YES) Programme**

**Author:** Candice Zulu



We are thrilled to announce that HRTorque Outsourcing has embarked on a transformative journey by joining hands with the Youth Employment Service (YES) Programme. This marks a significant milestone in our commitment to making a positive impact on South Africa's youth and our local communities.

As we step into this new chapter, we reflect on the critical issue of youth unemployment that South Africa faces. Recognising the urgent need for action, we have decided to be part of the solution.

At HRTorQue, our core values include empowerment, community and responsibility. By participating in the YES Programme, we aim to uphold these values by creating opportunities for young talent to thrive.

So, what is the YES Programme?

The Youth Employment Service is a collaborative effort between government, business, labour, and civil society. Its primary mission is to provide valuable work experience to South Africa's youth, equipping them with the skills and knowledge necessary for a brighter future.

While our journey with the YES programme is only just beginning, we are committed to actively participating in its initiatives. We will be creating one-year paid positions for youths aged between 18 and 35 years. These positions are designed to contribute to their personal and professional growth while supporting our local workforce.

We invite our valued readers, clients, and partners to join us on this journey of empowerment. Together, we can make a substantial difference to the lives of South Africa's young people. We are proud to be supporting and empowering our youth through YES, while delivering tailored [HR solutions](#) for your evolving workforce needs.

Read more about [Yes 4 Youth](#).

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### 3) Retrenchment guidance

**Author:** Nicky Hardwick

If you are needing retrenchment advice, particularly around your obligations as an employer in the retrenchment process, then look no further. Here we take a look at some of the guidelines seen as good practice by the Labour Court in a fair retrenchment process.

Remember that you have to follow the retrenchment procedure stipulated by the Labour Relations Act, or potentially pay penalties of up to 24 month's salary as compensation. However, even if you are unable to reach full agreement with your employees or their union, where applicable, you can still go ahead and retrench once you have completed proper consultations with them – and continue consultations even after the employee has left your services! Obviously, if you can achieve a signed agreement, this would be first prize.

#### **Employer responsibilities – Payment**

Your responsibilities when retrenching include the following payments;

1. Any leave pay
2. One month's notice (depending on what their contract says and how long they have been with you) – staff can be asked to work their notice or you can pay them out for this
3. One week's severance pay for every completed year they have worked for you

If you do mutual retrenchments, this means you or your adviser will sit with each person one by one and try to get them to accept the retrenchment without having to go through the formal process that the law asks for, which is more time consuming. To do this you would need to offer more in terms of payment (for example one week pay or more) to encourage them to accept.

#### **Good practice step 1 – Avoidance and reduction of the effects of retrenchment**

Management is obliged to implement all or some of the following before implementing any retrenchment measures in order to avoid or reduce the effect of such action:

- Reduction of the workforce through natural attrition
- Restriction of new hirings by means of recruiting and promoting from within
- Elimination of all casual labour
- Non-renewal of short-term contracts of employment
- Cessation of all overtime work

- Voluntary retrenchments
- Retirement of all employees over retirement age
- Implementation of layoffs
- Placing employees on short-time
- Demotion / offering alternative jobs at lower pay or status

## Good practice step 2 - Notification procedure

The requirement in this step is to notify employees (or their union) in writing that management is considering retrenchment, allowing them to take part in proper consultations. The notice should give as many details as possible in order to allow employees to make suggestions and representations to management. If there is a 'representative' union, they must attend the consultations.

Notifications should include, at the very least:

- The specific reasons why the retrenchment is being considered, including any pertinent facts and figures and where possible financial and production statistics
- Measures already taken by management to avoid or limit the retrenchment
- The proposed number of employees who may be affected
- The categories of employees who may be affected (foremen, drivers, operators, general workers, anyone over 55, on a final written warning, etc.)
- The proposed date of the retrenchment
- The proposed dates and times when employees will meet to consult with management
- The proposed selection criteria e.g. skill retention, apprentice contracts, LIFO, early / voluntary retirement, temporary workers, employees on short time, etc

If you do not notify correctly, you risk derailing your entire process.

If you are planning any retrenchments or redundancies, please [speak to one of our experts](#) in advance. We have retrenchment guidelines for you to follow, and can draft letters to help you through this challenging process.

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## 4) UIF launches free app

**Author:** Tshidi Moeleso

Standing in long lines has been a universal inconvenience for as long as commerce and public services have existed. Whether it is waiting at the grocery store or a popular restaurant, the frustration of wasting time in a queue is a common experience.

As we all know, government services are often the worst offenders – however, the digital age has ushered in some innovative solutions to this age-old problem.

UIF Commissioner Teboho Maruping, recently launched a zero-rated mobile application as well as a free Unstructured Supplementary Service Data (USSD) platform to enable clients to access UIF services at any time, from everywhere, at no cost. This will offer a self-service option to clients, reduce long queues in labour centres and alleviate pressure on officials.

The Commissioner believes the platform will also put more money in the pockets of users because they will save on transport costs currently being incurred to visit labour centres.

Workers are encouraged to use this service as the technology is at their fingertips. Said Maruping: "We are moving with the times to create a better, more capable UIF that leverages technology to respond to challenges on the ground and changes in external environment."

He added that the UIF recognises that most of their clients may not be in the best financial position to access this service, and it is for this reason they have introduced the additional, free USSD platform.

"The two platforms enable clients to check their UIF registration status, which will improve non-compliance with the UIF Act by employers who fail to register, declare and pay contribution for their workers," said Maruping. "By simply dialling \*134\*843# on any cell phone for free, clients can among other things, submit a continuation of payments or check their claim and payments status, instead of visiting a labour centre. The same service can also be accessed on the mobile app, which can be downloaded from Google Play Store, the App Store or the Huawei App Store."

All UIF contributing workers are encouraged to use the platforms to check their registration status while in employment, as this helps in the claims process should a claim be made. Employees are urged to report their employers to a labour inspector if they establish that employers are deducting UIF from employees but not registering them with the UIF. Labour inspectors can then take corrective action so that employees are not prejudiced.

Thanks to innovative solutions like the UIF zero rated app unnecessary queueing will become a thing of the past. As HR specialists, we are also here to help you with any UIF-related queries you may have – [email us](#) for more information.

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## 5) What is the tax payable on tips or other gratuities?

**Author:** Nicky Hardwick

Restaurants are often confronted with the moral dilemma of whether their staff who serve customers are liable for paying tax on the tips or gratuities they receive.

The tax treatment of tips paid by patrons to waitrons has now been clarified by SARS. The establishment/employer is merely holding the funds for the waitron/employee and performing a distribution role for the customer/patron. Accordingly, under these conditions, the employer would not constitute an 'employer' as defined for the purposes of Employees Tax in relation to the tip or gratuity. PAYE would therefore not be deducted from the tip or gratuity by the establishment/employer.

However, it is important that waitrons understand that the income they receive 'directly' from a patron or from the establishment/employer where they are acting as a conduit for the distribution of the tips, must be included in their gross income. This means that the onus is on waitrons and other restaurant employees to declare the total amount of tips or gratuities received to SARS when completing their annual tax returns.

It is our recommendation that restaurants put in place a policy and an acknowledgement by their waitrons that they understand this obligation and act responsibly when submitting their personal income tax returns.

[Talk to us](#) for any human resources or tax related questions. Our comprehensive list of [HR services](#) can be tailored to your specific needs and industry requirements.

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## 6) Things to take note of this October

**Author:** Candice Zulu

1. We understand that managing HR matters can sometimes feel like you are navigating a maze. That's why we are thrilled to announce the launch of our brand-new **HR Go-To Guide** – a powerful resource designed to simplify your HR journey! Access our handy [HR Go-To Guide](#) now.



2. **Personal tax filing season** started on the 1<sup>st</sup> July 2023 and is now in full swing. For assistance send an email to [tax@hrtorque.co.za](mailto:tax@hrtorque.co.za) . View our full [Newsflash here](#).
3. **Income tax number:** We can assist you with the registration of your employees for income tax purposes, managing the process from start to finish. Our consultants will obtain the employee's personal information from your payroll administrator and complete the necessary applications. The turnaround time for this process is 24 hours and the cost per application is R150 plus VAT. A volume discount will be negotiated in cases where there are more than 20 applications at a time. Should you need assistance please contact Dave Beattie on 031 582 7410 or [dave@hrtorque.co.za](mailto:dave@hrtorque.co.za).
4. **Communicate with SARS quickly and easily:** The new USSD service makes it easy for taxpayers to communicate with SARS without having to own a smartphone or visit a SARS branch. All you need is a basic feature phone with a dial function, and you will be able to use the code \* 134 \* 7277 # to interact with the organisation. After entering the code, taxpayers will be presented with four menu options:
  1. To check if they have a tax number
  2. To get their account balance
  3. To check if they need to submit a tax return
  4. To make an e-booking to visit a branch
5. HRTorQue hosts a variety of weekly, online, **HR-focused mini workshops**, covering various topics to assist and guide your managers to perform more optimally. View our [list of trainings available](#) or [email us](#) for more information.
6. For our latest recordings from our **free Wednesday webinars** check out our [YouTube channel](#), filled with informative HR, payroll and legislation webinars. If you are not receiving our weekly invites you can subscribe to our Reporter list [here](#).

For all your HR, payroll, tax and accounting needs [contact us today](#).

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