



# GOVERNMENT GAZETTE

## OF THE

# REPUBLIC OF NAMIBIA

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N\$2.00

WINDHOEK - 27 April 2011

No. 4698

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### CONTENTS

*Page*

#### GENERAL NOTICE

No. 109 Regulations for Financial Assistance: Rundu Town: Local Authorities Act, 1992

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## General Notice

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### RUNDU TOWN

No. 109

2011

#### REGULATIONS FOR FINANCIAL ASSISTANCE: RUNDU TOWN: LOCAL AUTHORITIES ACT, 1992

The Town Council of Rundu has under section 94 (1) (u) of the Local Authorities Act, 1992 (Act No. 23 of 1992), made the regulations set out in the Schedule.

#### BY ORDER OF THE COUNCIL

**H-W. LEEVI**  
**CHAIRPERSON OF THE RUNDU TOWN COUNCIL**

### SCHEDULE

#### Definitions

1. In these regulations, unless the context otherwise indicates a word or expression to which a meaning has been assigned in the Local Authorities Act, 1992 (Act No. 23 of 1992), bears the same meaning and -

“borrower” means a resident or dependant of a resident to whom a loan has been granted;

“bursary holder” means a resident or dependant of a resident to whom a loan has been granted;

“bursary loan fund” means the fund established by the Town Council of Rundu in terms of the provisions of section 94(1)(u) of the Local Authorities Act to provide for bursaries or loans for study or educational purposes and into which the Town Council of Rundu may from time to time deposit such funds as it may decide;

“Council” means Town Council of Rundu;

“course” means a council approved learnership, training module towards a degree, diploma or certificate or any portion consisting of a special number of subjects or modules completed within the fixed period as determined by educational institutions or the Namibia Qualifications Authority (NQA) established under the Namibian Qualification Authority Act, 1996 (Act No. 29 of 1996);

“education institution” means an institution registered as a University, College, Technikon or other institution of further or higher education and training;

“learnership provider” means an institution or organisation accredited in terms of the Namibia Qualification Authority Act, 1996 (Act No. 29 of 1996), or other relevant Sector for Education and Training Authority, and registered as a learnership provider in compliance with the National Qualifications Framework.

“intrest” means the amount of money calculated on the outstanding balance of the loan as on the first day of each month at an interest rate as determined from time to time by the Council and which is added to the loan on a monthly basis;

“loan” means an advance from the Bursary Loan Fund granted to an official, dependant of an official or resident for study or training purposes;

“official” means a permanent employee of the establishment of the Council;

“publication costs” means the costs relating to -

- (a) the remuneration of a professional typist after submission of an estimate by the person or official;
- (b) the remuneration of a professional proof reader or linguist after the submission of an estimate by the bursary holder or borrower; or
- (c) the cost of printing and the binding of a script, dissertation or thesis in accordance with the technical and quality requirements of the education institution;

“resident” means any person who resides or whose parents reside within the local authority area of Rundu at the time of application for a loan; and

“the Act” means the Local Authorities Act, 1992 (Act No. 23 of 1992).

### **Purpose and amount of the loan**

2. (1) Every year the Council may budget an amount from its own funds or from donations in the Bursary Loan Fund and determine the number of bursary loans which may be granted.

(2) The Council may grant -

- (a) annually loans of the prescribed amount to applicants approved by the Council for the purpose of assisting such applicants to attend a course of study;
  - (b) more than one loan to any one person in respect of one course of study, provided that no single or combined loan exceeds a prescribed amount per annum;
  - (c) a loan to an applicant attending or proposing to attend a course at a registered tertiary institution within the Republic of Namibia or any country abroad; or
  - (d) a loan to persons whose parents, have at the date of application for such loan, been residing for at least two years within the local authority area of Rundu or who are rate payers.
- (3) Preference for loans will be given to applicants coming from families classified as disadvantaged people in terms of the Affirmative Action (Employment) Act, 1998 (Act No. 29 of 1998) and to persons who attended the local high schools in the local authority area.

### **Primary requirements for selection of students**

- 3.** (1) An application for a bursary from the Council must be accompanied by-
- (a) a reference on the character of the student;
  - (b) proof of results of previous studies or academic merit; and
  - (c) a matriculation certificate.
- (2) The committee must allocate bursaries to approved learners each year for post matriculation purposes;
- (a) for a course of which the duration must not exceed four years; and
  - (b) one study course should be relevant to the activities of the local authority area.
- (3) The bursary holder must submit an application for renewal every year.

### **Bursary loan agreement**

- 4.** (1) The Council and the bursary holder must enter into a written agreement in terms of these regulations, before a bursary is paid out.
- (2) The bursary holder with the assistance of the Council must take out, on the life of bursary holder, an approved life insurance policy for the amount of the loan over the years of study, plus five years and cede it to the Council, the premiums of the policy is added to the loan.
- (3) Council must not pay out the loan in terms of regulation 5 expect where there is an undertaking for the due payment of the loan, together with interest in terms of these regulations.
- (4) A person to whom a loan has been granted together with two other persons approved by the Council must sign to bind themselves, jointly and severally as co-principal debtors in respect of such loan and interest.

**Payment of bursary loan**

5. (1) The Council must pay the amount of the loan into the bank account of the bursary holder or to the institution at which a person is attending or proposes to attend the course in respect of which the loan has been granted.

(2) When the study fees and charges for the course for the year have been paid, the balance of the bursary must be paid to the bursary holder.

**Termination of study course**

6. (1) Subject to the provisions of regulation 7 and 10, the loan together with interest must -

(a) be repaid to the Council by equal monthly instalments payable on or before the 7 day of each month over a period of five years as from the first day of April of the year succeeding the year in which the bursary holder completed his or her course for which the loan was granted; and

(b) the repayment commences within two months of the employment of the bursary holder.

(2) If the bursary holder abandons the course for which the loan was granted before its completion, the loan with interest must, subject to the provisions of regulation 7 (2), be repaid to the Council by equal monthly instalments, payable on or before the 7th day of every month over a period of two years from the date of such abandonment.

(3) For the purposes of regulation 6, the date of completion of a course or the date of abandonment of such course will be the date stated in a letter written by the head of the institution addressed to the Chief Executive Officer of Council, or written by the person duly authorised by such head.

(4) The Council reserves the right to claim immediate payment of the total outstanding amount of the loan, together with the interest, through a court of law if the bursary holder fails to pay an instalment referred to in regulation 6 by the due date.

**Death of a bursary holder before payment of loan**

7. (1) Where the bursary holder dies before the loan and interest is repaid, the total amount owing to the Council on the date of death becomes due and payable in full from the life insurance policy ceded to the Council in terms of regulation 4.

(2) The loan bears interest at current bank lending rate at the time the loan becomes payable, calculated monthly, on the amount owing to the Council, on the first day of each month from the date of commencement or to a rate set by the Council from time to time.

(3) Nothing contained in the provisions of regulation 7 and 8 prohibits the bursary holder from repaying such loan, or any portion before the date on which such loan or portion is due.

**Primary requirements of bursary or loans to staff members**

8. (1) An official must apply for a loan in writing on the form provided by the Council for this purpose.

(2) Applicant must furnish together with the application the following:

- (a) full particulars of the proposed course or learnership;
  - (b) the subjects and modules to be taken;
  - (c) the educational institution where classes will be attended; and
  - (d) the study guidance or an indication of the study course material to be received and study material to be obtained.
- (3) The Council must pay out the loan directly to the applicable educational institution or learnership or to the official subject to a submission of a receipt to the Council.
- (4) A course or learnership, which is followed by the official to whom a loan from the loan or bursary fund has been granted, must have a bearing upon and be applicable to the activities of the Council.
- (5) A loan must not be granted to an official unless the Council has approved the course, which the official intends to follow.
- (6) Before a loan is paid out by the Council-
- (a) a written agreement by and between the applicable staff member and the Council must be entered into where the provisions of these regulations must be affirmed;
  - (b) the staff member must cede up to the amount of the loan, his rights in respect of his salary, leave money or any other money which is payable to him by the Council on the last day of service;
  - (c) the premiums of such policy must be paid by the borrower and notwithstanding the provisions of section 2, may be added to the balance of the loan; or
  - (d) in the event of death or disability, must not be repayable to the Council on condition that a certified death certificate or written proof of disability is submitted.
- (7) The loan together with interest calculated on the outstanding balance must be repaid by the official in at least 12 equal monthly instalments starting on the first day of the month following the date on which the cheque for the loan was issued
- (8) If an official terminates his service with the Council, but has not yet received his results or was unsuccessful, the outstanding amount of the loan becomes due and the Council is entitled to use the money ceded to it in order to settle such loan.
- (9) The Council is entitled, at its discretion, to withdraw a loan from an official if such official is guilty of misconduct, or is not progressing satisfactorily with his or her studies, or is not complying with any of his or her commitments in terms of these regulations or the bursary or loan agreements.
- (10) (a) If an official passes a course or learnership or a portion, the loan for the subject or modules passed that year will be waived after written proof of his success has been submitted.
  - (b) it is required of an official, after successful completion of a course or learnership, to stay in the employ of the Council for the period equal to the study period.
- (11) An official who has paid for his or her studies and completed a course, module or learnership or portion successfully, may be compensated for his study fees and study expenses after

written proof of receipts and examination results by the educational institution has been submitted to the Council and on submission the provision of regulation 12 are with the necessary changes applicable to the official, if the necessary loan application forms have been completed by such an official.

### **Loans to dependants of officials**

**9.** (1) An official must apply for a study loan for a dependant in writing on the form provided by the Council accompanied with the following:

- (a) full particulars of the proposed course, module or learnership with reference to the subjects and modules;
- (b) the educational institution where classes will be attended; and
- (c) study guidance, courses or learnership material to be received and study material be obtained by the bursary holder.

(2) The Council must pay a study loan directly to the applicable educational institution on presentation of an account or to the applicable borrower on submission of a receipt, to the satisfaction of the Council.

(3) Before a study loan is paid out by Council-

(a) a written agreement between the applicable official and the Council must be entered into where the provisions of these regulations must be reaffirmed; and

(b) the official must cede up to the amount of the loan, his or her right in respect of his or her salary, leave money or other money which is payable to him or her by Council on the last day of his or her services.

(4) The study loan, together with interest calculated on the outstanding balance must be repaid by the official in 12 equal monthly instalments starting on the first day of the month following the date on which the cheque was issued.

(5) If an official for any reason terminates his service with the Council, the outstanding amount of the loan must be repayable immediately and Council is entitled to use the money ceded to settle such loan.

### **Granting of loans and applications**

**10.** (1) Loans may be granted to officials who qualify in terms of the Council resolution for admission to the particular course or remainder at the relevant educational institution.

(2) Employees must apply in writing to the Chief Executive Officer of Council before 15 January of the relevant year for a loan and the application must furnish the following:

- (a) full particulars of present academic qualifications;
- (b) the intended course stating the subjects to be taken;
- (c) the educational institution at which lectures are to be attended or where studies must be obtained; and
- (d) the section of the Council's services in which such official is employed.

(3) A loan may not be granted to an official before the Council has approved the relevant course which an official intends to follow and the fees. If an employee has been given a loan previously he or she will only qualify for another loan after furnishing Council with his or her previous results.

(4) The Council may in its discretion-

(a) approve an application for a loan, or

(b) reject an application for a loan accompanied by written reasons;

(c) where Council has approved a loan, a certificate to that effect must be issued to the official for submission to the relevant educational institution to enable the official to be exempt from the payment of any study fees at the time of registration; and

(d) where the application has been rejected the official have a right of appeal within 14 days to the Management Committee.

### **Purpose and amount of loans**

**11.** (1) The Council must grant loans to officials for -

(a) payment of study fees including registration fees, in respect of courses or remainders of courses for which such official have enrolled at an educational institution so as to assist such employees to obtain the necessary training and academic background of the functions of local authorities without being financially burdened; and

(b) the necessary handbooks.

(2) Nature and duration of courses and educational institution at, which it may be followed.

(3) Any diploma course, which is followed by an official to whom a loan from the bursary loan fund has been granted, must have a bearing on and be applicable to the function of the Council.

### **Financing and payment of loans**

**12.** (1) Prior to payment of the loan, the official must -

(a) cede to the Council his rights in respect of salary, leave or any other monies which may be owing to him on termination of his services with the Council, to the amount of the bursary loan; and

(b) sign an agreement with the Council in which the provisions of these regulations are re-affirmed.

(2) A bursary loan must, after approval by the Council, and subject to the provisions of subsection (1), be paid direct to the educational institution concerned, provided that if an official can provide sufficient proof that the relevant study fees or a portion have been paid by him, such loan or portion must be paid direct to the official.

(3) The amount of a loan granted to an official in respect of any one year's study course must be repayable in equal monthly instalments interest free over a period to be mutually agreed upon between the Council and the official but -

- (a) the repayment period must commence 12 months after the date of the grant of the bursary loan;
- (b) the bursary loan must be repaid in full within the following 12 months; and
- (c) the details regarding instalments and the repayment period must be included in the agreement mentioned.

(4) If an official on completion of a one year's study period enters into a written contract to remain in the Council's service for the next 12 months, from the date on which the official provided written proof of subjects passed, the amount of the loan must be repaid to him or her, calculated on a pro-rata basis in relation to the number of subjects passed, but if the loan has not yet been fully repaid on such date, the outstanding balance must be set-off against the amount to be refunded to the bursary holder and the difference, if any, paid out to him or her.

(5) A pro-rata repayment, calculated in relation to the number of subjects passed, must also be made to an official who finances his or her own studies, on condition that the Council has approved of the relevant course or remaining portion which such employee intends following prior to the commencement of each year's study course and the official in an agreement undertakes to remain in the Council's service for the ensuing 12 months from the date on which he or she provides written proof of subjects passed.

#### **Repayment of loans on termination of services during contract period**

**13.** In the event of an official, for any reason leaves the Council's service before completion of the contract period, he or she is bound immediately to repay to the Council an amount calculated on the basis that one month's service rendered is equivalent to one twelfth of the amount paid out to him or her, and in such instance the Council may attach the monies mentioned in regulation 12.

#### **Cancellation of loan**

**14.** (1) The Council may at any time in its sole discretion, cancel the loan of the official if he or she is guilty of misconduct, or if he fails to comply with any other obligation in terms of these regulations or the bursary loan agreement.

(2) Where the Council cancels the loan, or if the official at any time discontinues his studies or abandons the loan or if the official prior to the commencement of the contract period, resigns from the service of the Council, the official must repay the loan after a written demand has been served on such official -

- (a) for the full amount of the loan paid to or on behalf of such official;
- (b) interest on the amount in terms of paragraph (a) at the rate of 10% per annum or the agreed interest, calculated from the date on which the loan was paid out; and
- (c) Council may attach the monies mentioned in regulation 12.

#### **Repeal of Regulations**

**15.** The provisions of any regulations relating to bursary loans by the Council are repealed as they relate to matters provided for in these regulations.

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