



**SENIOR
MANAGEMENT
SERVICE**

• PUBLIC SERVICE HANDBOOK •

FOREWORD TO THE SMS HANDBOOK BY THE MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION

Improved service delivery remains a fundamental priority of government. To achieve this we need a modern, people-centered public service—a public service that accepts both the challenges and opportunities of being a primary agent of the developmental state. To fulfil this role requires a flexible and creative public service, prepared for innovation and collaboration, working in partnership with all stakeholders, be they the community, other government departments and organs of state, the private sector, civil society organisations or international partners.

This cannot be achieved without capable, committed, strong leadership and management. The modern public service requires leaders with an array of skills, both hard and soft, in order to manage competing policy priorities and mandates, in complex organisational environments inhabited by people who bring with them a wide range of backgrounds, cultures and experiences.

The Senior Management Service Programme was developed out of the recognition of the critical role that management plays in the effective and efficient functioning of the Public Service. Strengthening leadership and management capacity in government is its core function. The challenge for the Public Service is to recruit, develop and retain competent leaders and managers and to reward them for good performance, recognising excellence and innovation.

It is the responsibility/task of our senior managers to convert the policy mandates of government into effective departmental strategies, plans and programs. It is their responsibility to ensure that resources – both material and human – are effectively used and accounted for in the pursuit of performance delivery.

The purpose of this handbook is set out, in clear and concise terms, the conditions of employment and the roles of SMS members. This handbook will be an invaluable tool to guide and inform, not only senior managers in the Public Service – particularly those new to the SMS – but also other sectors and those who aspire to join this cadre of leaders in delivering a better life for the people of our nation.

SMS HANDBOOK 2003 EDITION

Department of Public Service and Administration

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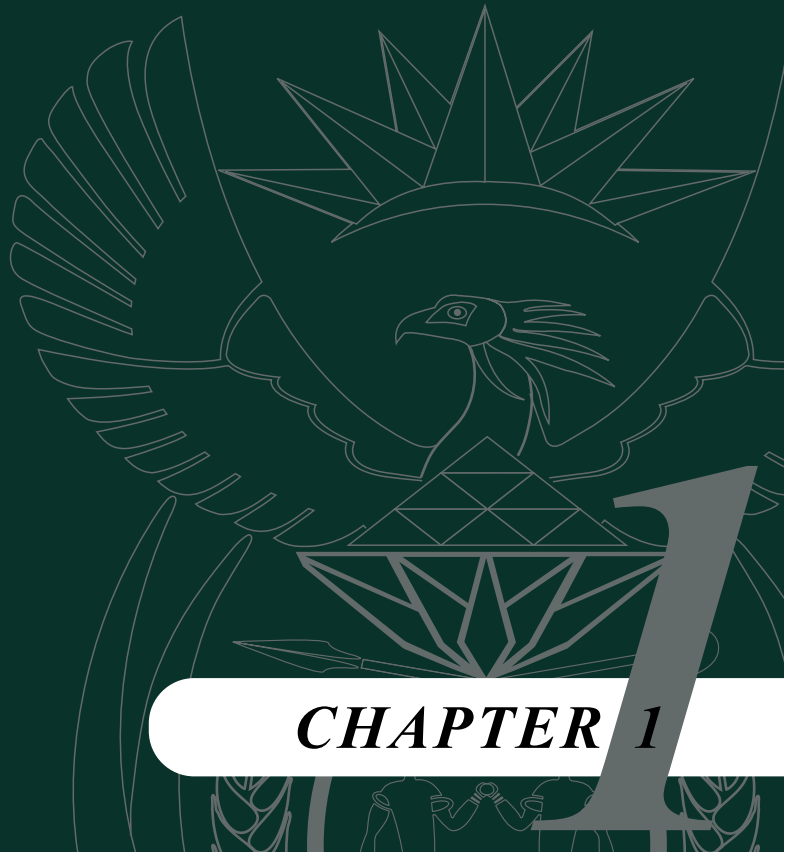
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GLOSSARY OF TERMS

Act	Public Service Act, 1994
BP	Batho Pele
CMC	Core Management Criteria
DPSA	Department of Public Service and Administration
EA	Executing Authority
GEPF	Government Employees Pension Fund
Handbook	Handbook on Senior Management Service
HoD	Head of national department/provincial administration/provincial department/organisational component as identified in Schedules 1 to 3 of the Act
HR	Human Resources
KRA	Key Result Areas
Member	Member of the Senior Management Service
MPSA	Minister for the Public Service and Administration
MTEF	Medium Term Expenditure Framework
PA	Performance Agreement
PFMA	Public Finance Management Act, 1999
PM&D	Performance Management and Development
PM	Performance Management
PMS	Performance Management System
PSC	Public Service Commission
PSCBC	Public Service Co-ordinating Bargaining Council
PSR	Public Service Regulations, 2001
SANDF	South African National Defence Force
SM	Senior Manager
SMS	Senior Management Service



CHAPTER 1



CHAPTER 1

OVERVIEW

1. PURPOSE OF HANDBOOK

- 1.1 The publication of the first edition of this Handbook coincided with the establishment of the SMS on 1 January 2001. This is the second edition, which incorporates all the determinations, directives and guidelines issued by the Minister for the Public Service and Administration to the SMS as at 1 December 2003.
- 1.2 For ease of administration, the DPSA will endeavour to incorporate all future amendments to the policies, advice and guidance that pertain to the employment and conditions of service of the SMS in this Handbook. Departments should, however, note that the details concerning the rand value of remuneration packages of senior managers will be contained in separate DPSA circulars.

2. LEGAL MANDATE

- 2.1 This Handbook is issued in terms of regulation 1 D of chapter 4 of the PSR.
- 2.2 This Handbook must always be read in conjunction with the Act, the PSR, relevant collective agreements and circulars.
- 2.3 Readers should take cognisance of the fact that different chapters of the Handbook consist of both compulsory and advisory elements.

3. OVERVIEW OF CONTENTS

- 3.1 This Handbook consists of chapters dealing with:
 - (1) Overview
 - (2) Recruitment and Selection
 - (3) Remuneration and Conditions of Service
 - (4) Performance Management and Development
 - (5) Competency Framework
 - (6) Ethics and Conduct
 - (7) Misconduct and Incapacity
 - (8) Employment of Heads of Departments
 - (9) Financial Disclosure

3.2 In addition to the above, the two resolutions of the PSCBC that deal with the SMS specifically, have been attached as appendices. These are:

- (1) Appendix 1 - Resolution No. 13 of 1998
- (2) Appendix 2 - Resolution No. 9 of 2000

3.3 Other chapters focusing on matters to be identified will be added as they are developed and approved by the Minister. Such chapters, as well as any amendments that may be effected to existing chapters, will be circulated to all concerned.

3.4 Departments are encouraged to appoint specific persons who will disseminate the amendments to individuals and issue them with copies of the Handbook.

4. SMS HANDBOOK ON-LINE

For an updated electronic copy of the Handbook, please consult:

www.dpsa.gov.za or www.publicservice.gov.za



CHAPTER 2

CHAPTER 2

RECRUITMENT AND SELECTION

1. INTRODUCTION

- 1.1 The purpose of this chapter is to encourage good practice in the recruitment and selection of members of the SMS, thereby assisting departments in appointing high quality candidates. This chapter is advisory in nature and must be read in conjunction with “A toolkit on recruitment and selection” issued by the Public Service Commission.
- 1.2 Compulsory elements of the recruitment and selection process are set out in the Act, the PSR and other laws of general application. Where necessary cross-references will be made to these statutory provisions.
- 1.3 A diagram reflecting the recruitment and selection cycle, is attached as Annexure A of this chapter.

2. MANDATORY AND REGULATORY FRAMEWORK

- 2.1 The legal framework for recruitment and selection is provided by the Constitution of the Republic of South Africa, 1996, the Labour Relations Act, 1995, the Employment Equity Act, 1998 and the Public Service Act, read in conjunction with the PSR.
- 2.2 In a nutshell the Constitution (Chapter 10) requires that good human resource practices be cultivated with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.
- 2.3 The Act takes these principles one step further by requiring in section 11 that “all the persons who qualify for the appointment, transfer or promotion shall be considered”. Furthermore the evaluation of persons shall be based on “training, skills, competence, knowledge and the need to redress the imbalances of the past...”, i.e. objective criteria.
- 2.4 The PSR includes a number of key principles on which recruitment and selection must be based. Some of these have general application while others focus on the SMS in particular. These include the principles of open competition and fair selection processes.
- 2.5 The Employment Equity Act stipulates that all designated employers shall submit employment equity plans, which shall include targets for employment of people from the designated groups. The Labour Relations Act outlaws discrimination in the work place and sets out measures for the protection and promotion of people who were previously disadvantaged.

3. ESTABLISHING THE NEED FOR RECRUITMENT

- 3.1 It must be determined if a “real” need exists for the position to be filled before a process of recruitment is initiated. Consideration should first be given to the deployment or absorption of existing members. Should it be impossible to fill the vacancy through such a process, the recruitment process can be initiated.
- 3.2 The PSR states clearly that human resource planning should precede any recruitment action. This includes forecasting the department’s needs with respect to members. The job must be evaluated, unless it has not been evaluated before.
- 3.3 It is also necessary to ensure that the position is budgeted for.

4. JOB PROFILE

- 4.1 The job must be properly analysed before advertising it to ensure that recruitment attempts are non-discriminatory and that they take place in accordance with the inherent requirements of the job. In other words there must be a clear understanding of the nature of the post to be filled.
- 4.2 The job profile describes the job in terms of the task requirements of the position and the requirements of the person filling the position. Development of the job profile will be informed by the results of job evaluation and job analysis.
- 4.3 Typically the job profile will include:
 - (1) A description of the role in terms of the task requirements and the responsibilities
 - (2) The competencies the person will need to demonstrate in the successful performance of the job
 - (3) Educational requirements
 - (4) Level of expertise required
 - (5) Reporting relationships
 - (6) Salary level
- 4.4 The job analysis will determine which competencies are the most important for the particular job. It will also identify the proficiency level which the person will need to demonstrate in relation to the identified competencies.

5. RECRUITMENT AGENCIES

- 5.1 An important consideration is whether to utilise recruitment agencies in recruiting staff. If a recruitment agency is used, consider the extent to which such use will contribute to the validity and efficiency of the whole process. Depending on the extent to which such an agency is involved, the cost to be incurred might also be an important consideration.

- 5.2 Because of financial constraints, it is advisable to utilise recruitment agencies only for the most senior posts. Should a department decide to utilise an agency it should ensure that the principles discussed in this chapter are adhered to. Also bear in mind that the normal tender procedures apply when utilising the services of these agencies.

6. RECRUITMENT

6.1 Introduction

- (1) Recruitment is an activity that generally takes place in response to an existing post becoming vacant or a new post being created.

Recruitment is -

- (a) one of the most important ways in which the Public Service meets its human resource capacity requirements;
- (b) the primary instrument for achieving employment equity by opening up the Public Service to all sections of society; and
- (c) an important tool to be utilised by departments in order to ensure that the skills needed to meet their operational needs, are acquired.
- (d) An important tool on which other Human Resource processes is based.

6.2 Formulating recruitment policy

- (1) The recruitment policy should -
- (a) set targets for achieving specified employment equity objectives, race, gender and disability balance, as well as obtain the skills necessary to meet the department's operational needs;
 - (b) spell out the objectives of the recruitment process;
 - (c) enable departments to attract those applicants who have the training, skills, competence and knowledge relevant to the requirements of the post; and
 - (d) include a clear specification of all the human resource needs of the department and be free from any bias and any form of discrimination.

6.3 Principles governing a recruitment programme

- (1) The HoD, who is responsible for the administration and management of his/her department, is also responsible for the recruitment programmes of the department. There are, however, basic principles which have to be adhered to in developing and formulating such a programme. These are the following:
- (a) Recruitment should be targeted for maximum accessibility. It should be aimed at reaching, as far as practically and financially possible, the broadest possible

pool of available human resources within a specific target group.

- (b) The image of the Public Service in general and the department in particular must be promoted in order to foster applicants' interest in the Public Service as an employer.
- (c) All recruitment actions should be undertaken with a view to seek from the relevant target group, the ideal applicant with the necessary training, skills, competence, potential and knowledge relevant to the requirements of the post concerned.
- (d) Recruitment strategies must be underpinned by the principle of employment equity.
- (e) Recruitment strategies must ensure the acquisition and retention of human resources with appropriate competencies.

6.4 Methods of recruitment

- (1) A variety of methods can be utilised, depending on the need and situation of a particular department. The method of recruitment used, should be in line with the department's/administration's recruitment strategy and must not discriminate against prospective candidates. In accordance with the PSR any vacant post of senior manager (level 13 or higher) shall be advertised nation-wide. Advertising will be discussed in section 7. Although not conclusive, the following recruitment methods can also be utilised in conjunction with advertising:

- (a) Posting

- This method could be used to reach communities, which cannot normally be reached through the more conventional recruitment methods.
- A department could liaise at local level with both official and private entities for the display of posters at places that are accessible, known to and frequented by the community.
- Posters should be compiled in the languages used in the relevant community.

- (b) Radio advertising

- This is another form of recruitment, which can typically be utilised to reach rural communities.
- If used in conjunction with posting, it can serve the purpose of announcing the places where advertisements are posted.

- (c) Study aid

- For purposes of recruitment, study aid is normally granted in those fields where difficulty is experienced to recruit suitably qualified candidates.

- Such candidates enter into a written agreement with the relevant department/administration for employment upon successfully concluding their studies.
- Study aid schemes must be advertised as widely as possible in order to give all potential candidates a reasonable opportunity to submit their applications for the bursaries.
- The screening system used for the selection of candidates must be fair and justifiable.

(d) Skills search (head-hunting)

- This individually based method of recruitment can be used to seek and identify suitable candidates for positions where there is difficulty in recruiting suitably qualified candidates as well as candidates from historically disadvantaged groups.
- This method should be used only in conjunction with the normal advertising of vacancies, i.e. an earmarked candidate should be requested to apply for the advertised position, whereafter the normal processes will apply.
- In cases where no suitable candidate could be recommended after the final interview, further head-hunting can be undertaken. Such an earmarked candidate must be assessed by the same interview committee and against the same criteria used during the other interviews.

(e) Referrals

- Employees/members can be asked to communicate information about vacancies to acquaintances.
- This method should, as in the case of head-hunting, only be applied in conjunction with advertising.

(f) Recruitment agencies

- Recruitment agencies may be used to act as intermediaries between the employer and prospective members.
- An EA may utilise an appropriate agency to identify candidates for posts, as long as the advertising and selection procedures comply with public service selection principles.

7. ADVERTISING OF POSTS

7.1 General

- (1) The advertising of vacant posts underpins human resource provisioning in the SMS. As already mentioned, departments must ensure that vacant posts are advertised to reach, as efficiently and effectively as possible, the entire pool of potential applicants, especially persons who are historically disadvantaged. When a department wants to advertise a vacancy, it is important to thoroughly consider the medium to be used. Any vacant post of a senior manager must be advertised nation-wide. The following options can also be utilised in collaboration with the nation-wide advertisement:
 - (a) Advertising within a defined area.
 - (b) Advertising of posts internally within the whole Public Service by means of the Public Service Vacancy Circular issued by the DPSA. The MPSA may issue directives regarding the manner in which vacancies must be advertised within the Public Service.
 - (c) Advertising of posts internally within the Public Service as a whole and/or in selected departments/provincial administrations and sectors by means of their own circulars, if they possess the means to undertake the advertising themselves.
 - (d) Advertising of posts by means of posting.
- (2) Despite the above-mentioned, a department may fill a vacant post without advertising the post if the -
 - (a) department can fill the post from the ranks of supernumerary members of equal grading;
 - (b) department can absorb into the post an employee/member who was appointed under an affirmative action programme, if he or she meets the requirements of the post;
 - (c) department plans to fill the post as part of a programme of laterally rotating or transferring members to enhance organisational effectiveness and skills;
 - (d) post is filled in terms of section 3B of the Act (deployment of HoDs); and
 - (e) post is upgraded and the incumbent employee/member complies with the stipulations in regulation V C.6 of chapter 1 of the PSR.

7.2 Guidelines for the compilation of advertisements

- (1) An advertisement should not favour or prejudice any prospective candidate who has the necessary training, skills, competence and/or knowledge. Advertisements should therefore be supportive of and in compliance with the *Constitution, the Labour*

Relations Act, the *Act* and the PSR. Qualifications should not be defined primarily or solely in terms of educational attainment, but should include skills, relevant experience and other criteria. Where educational requirements are considered to be essential, these must be set at the minimum level.

- (2) An advertisement should be fully compatible with the valid post and job specifications and should specify the inherent competencies of the job, the job title and core functions. Do not put into an advertisement any requirements and/or skills that are not directly related to the applicant's ability to perform that specific job.
- (3) The methods of advertising must attract the widest possible number of people within the target groups in the most cost-effective manner.
- (4) Departments should consider using the relevant job title or domestic rank in advertisements in order to attract applicants with the ability to perform that specific job.
- (5) Advertising should encourage competition between internal and external applicants to promote labour mobility and cross-fertilisation of energy and experience.
- (6) Advertisements must in no way discriminate either directly (race, gender, etc) or indirectly (inordinate qualifications/experience requirements) against any potential candidate, or discourage him/her from presenting his/her candidature.
- (7) The requirements for additional health and security checks must be clearly stated in the advertisements.
- (8) Job requirements should not be formulated so as to unfairly exclude candidates who may possess the necessary ability or potential.
- (9) Where the advertising of a post within and outside the Public Service is undertaken simultaneously, care must be taken that the contents of both advertisements in respect of the post description and skills stated therein, are the same. It must also be ensured that the date of placement and the closing date for applications are approximately the same for inside and outside advertisements.
- (10) Closing dates of applications for advertisements outside the Public Service should preferably not be less than four weeks after the date of placement so as to allow applicants from remote areas a fair opportunity to apply.
- (11) With regards to the language(s) to be used in advertisements, the essential principle is that the language(s) used must not have the effect of excluding potential candidates who would be capable of

performing the duties of the relevant post. The language and style of the advertisement must be clear and simple in order to enhance employment equity.

7.3 Contents of advertisement

- (1) An advertisement for a post should specify the following:
 - (a) Job title.
 - (b) Place to be stationed.
 - (c) Core functions to be performed by the incumbent
 - (d) All-inclusive package payable.
 - (e) Contact person to whom enquiries can be addressed.
 - (f) Closing date.
 - (g) If the appointment is for a specific term, this should be clearly stated (e.g. in the case of a HoD).
 - (h) That the successful candidate will be required to enter into an employment contract and a performance agreement.
 - (i) That all shortlisted candidates will be subject to security vetting
 - (j) The candidate will have to disclose her/his financial interests
- (2) An example of an advertisement appears at Annexure B of this chapter.

7.4 Methods of application

- (1) The employer's aim is to get as close a match as possible between the specified competencies and the ideal candidate. In order to identify a suitable candidate, sufficient information is needed to be able to make a judgement. It is thus important to obtain the information by way of a well-constructed application form and *Curriculum Vitae*.
- (2) A standard application form holds certain advantages. All applicants are required to provide the same information, making comparisons much easier. Applicants also have to respond to the employer's questions rather than setting their own agenda.

Note should be taken that form Z83 (application form) has been redesigned (available on government website), while form Z27 (health questionnaire) is no longer in use. Departments are encouraged to replace their old stock of the Z83 forms as soon as possible.

8. SELECTION

8.1 Introduction

- (1) The selection process commences after the closing date of the advertisement and is concluded when a recommendation is made regarding the most suitable applicant.
- (2) Selection should be undertaken in a justifiable, equitable and fair manner in compliance with the provisions of sections 10, 11 and 12 of the *Act* and the PSR.

8.2 Selection principles

(1) Merit

- (a) Selection on merit is fundamental to ensure that the Public Service recruits and promotes people of the highest calibre. It ensures that the person selected is the best applicant best suited on the basis of:
 - Skills
 - Experience
 - Abilities
 - Personal attributes
 - Competencies
 - The need to achieve a representative and diverse workforce

(2) Job related selection criteria

- (a) The criteria should relate only to the inherent requirements of the job, taking account of:
 - Competencies acquired through past experience
 - Training received
 - Learning potential
- (b) Educational qualifications should not be the sole determinant of suitability.

(3) Fairness

- (a) The process should not discriminate against any applicant on the grounds of:

<ul style="list-style-type: none"> • Race • Colour • Belief • Sexual orientation • Disability • Age • Any other arbitrary criteria 	<ul style="list-style-type: none"> • Culture • Marital status • Gender • Pregnancy • Domestic circumstances • Religion
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(4) Equity

- (a) All candidates should be measured against the same objective criteria with due regard to the need for diversity and representativeness.
- (b) Criteria should be in writing and be available to the selection committee prior to the selection process.
- (c) All applicants for a particular post must be assessed by the same selection panel.
- (d) All applicants should be assessed against the same selection criteria.

(5) Transparency

To be able to demonstrate that the process was fair and transparent, easily accessible written records of the following should be kept:

- criteria used in selecting interviewees;
- criteria used in selecting the most suitable candidate; and
- evaluation of individual candidates

8.3 Screening

- (1) After the closing date, the application documents should be screened to determine whether applicants comply with the basic criteria laid down in the advertisement. When in doubt, additional information should be requested. The thoroughness with which this phase is conducted determines the success of the selection activities to follow. During this phase candidates who do not comply with the minimum advertised requirements may be eliminated with noting of reasons, resulting in a preliminary selection pool.
- (2) During this phase legends may be used to denote the advertised criteria such as:

A = Lack of specific knowledge, competencies or high level skills;
 B = Lack of identified managerial skills;
 C = Lack of proven high level communication skills; and
 D = Non-compliance with regard to educational qualifications.

8.4 Preliminary selection pool and shortlisting

- (1) The next step entails the shortlisting of candidates using the preliminary selection pool.
- (2) The shortlist of candidates who are to be put through a further selection process, is then compiled. A rating scale may be used to identify the most suitable candidates based on the advertised criteria.

- (3) Elimination of candidates must be done in a justifiable manner and be documented so that the reasons for elimination are available when the filling of the post is finally considered. This can be done by careful consideration of the information provided by the applicant, in order to ascertain whether the candidate meets the job requirements.
- (4) Shortlisting must only be concluded on the basis of information provided in the application form and in the *curriculum vitae*. Any information from other sources should be discounted as it may unfairly benefit or disadvantage an applicant in relation to the others.

8.5 Selection Committee

- (1) The role of a selection committee is to -
 - (a) establish the suitability of a candidate who complies with the job requirements;
 - (b) determine the relative suitability of the various candidates as objectively as possible;
 - (c) render justifiable and valid advice to the final decision maker; and
 - (d) formulate and record the reasons for specific recommendations.
- (2) A selection committee should include persons who are well versed with the job content as well as persons who are competent in applying selection techniques. Members of selection committees should be known for their impartiality and objectivity.
- (3) A selection committee may include a person of stature from outside the Public Service if this will add value to the selection process.
- (4) The interviewing of candidates and deliberations of selection committees as well as their recommendations and documentation are confidential and should not be divulged other than in the execution of official duties or to authorised persons.
- (5) An EA (or his/her delegate) shall appoint a selection committee to make recommendations on appointments. A selection committee shall consist of at least three members who are managers of a grading equal to or higher than the grading of the post to be filled or suitable persons from outside the Public Service. However -
 - (a) the chairperson of a selection committee should be a manager of a grading higher than the post to be filled; and
 - (b) in the event that the manager of the component within which the vacant post is located, is graded lower than the

vacant post, such a manager may be a member of the selection committee.

- (6) Notwithstanding the above a selection committee constituted for the appointment of an HoD shall include, in the case of -
 - (a) a head of a national department, at least three Ministers; and
 - (b) a head of a provincial administration or provincial department, at least three members of the Executive Council of the relevant province.
- (7) In accordance with a Cabinet decision a selection committee for the appointment of a Deputy Director-General in a national department must include a member of the Executive (Minister or Deputy Minister).
- (8) A selection committee shall, where possible, include adequate representation of historically designated groups.
- (9) Employees/managers of a grading which is lower than the grading of the post to be filled may provide secretarial or advisory services during the selection process, but shall not form part of the selection committee.

8.6 Interviewing

- (1) The next stage in the selection process is the interview. During the interview, the selection committee is granted an opportunity to probe into the applicant's background, experience and interests. This is a step where face to face communication takes place, and where impressions are formed of the personality, values and attitudes of the applicant.
- (2) Interviews should directly assess the competencies possessed by the applicant. The interview can take one of three forms:
 - (a) A structured interview: The selection committee utilises a predetermined questionnaire to obtain certain information. The questions can be asked in a specific order.
 - (b) A semi-structured interview: The most important guiding questions are determined in advance. This provides flexibility to add questions depending on the situation and to probe deeper depending on the answers provided.
 - (c) An unstructured interview: In this case, the members of the selection committee are free to generate questions during the course of the interview. This type of interview is normally not suitable for selection purposes because of the danger of asking irrelevant questions or being inconsistent in interviewing different candidates.

- (3) Additional guidelines on interviews:
- (a) The interview must be conducted at a suitable venue that will ensure privacy.
 - (b) Plan the interview and formulate its objectives and the questions to be asked.
 - (c) Thoroughly study the relevant job descriptions before the interview.
 - (d) Study the information that appears on the candidate's application form and CV.
 - (e) Ensure that the interview is objective and unbiased.
 - (f) Put the applicant at ease.
 - (g) Encourage the applicant to participate by asking pertinent questions and listening attentively.

8.7 Recommendation on the most suitable candidate

- (1) After the last interview, the committee must reach consensus on the most suitable candidate for the post. The final decision must be supported by as wide a range of evidence as possible.
- (2) It must be remembered that the selection committee must make a recommendation on the suitability of a candidate after considering the following:
 - (a) Information based on valid methods, criteria or instruments for selection that are free from any bias or discrimination.
 - (b) The training, skills, competence and knowledge necessary to meet the inherent requirements of the post.
 - (c) The need of the department for developing human resources.
 - (d) The representativeness of the component where the post is located.
 - (e) The department's affirmative action programme.
- (3) Before making its final recommendation the selection committee should ensure that the information provided by the nominated candidate has been verified. This typically includes information pertaining to her/his educational qualifications, citizenship and experience. The final decision-maker should be advised accordingly.
- (4) Depending on the nature of the position, it might also be necessary to subject the candidate to a security clearance.
- (5) A selection committee shall record the reasons for its decision/recommendation with reference to the criteria mentioned above. In the case of an HoD and a Deputy Director-General at national level, the appointment of the successful candidate should only be approved after consultation with the MPSA (who is responsible for obtaining Cabinet's concurrence).

Note: For more detailed guidance on the appointment of HoDs and members on the level of Deputy Director-General, please refer to Chapter 8 (Annexure B) on the employment of Heads of Departments.

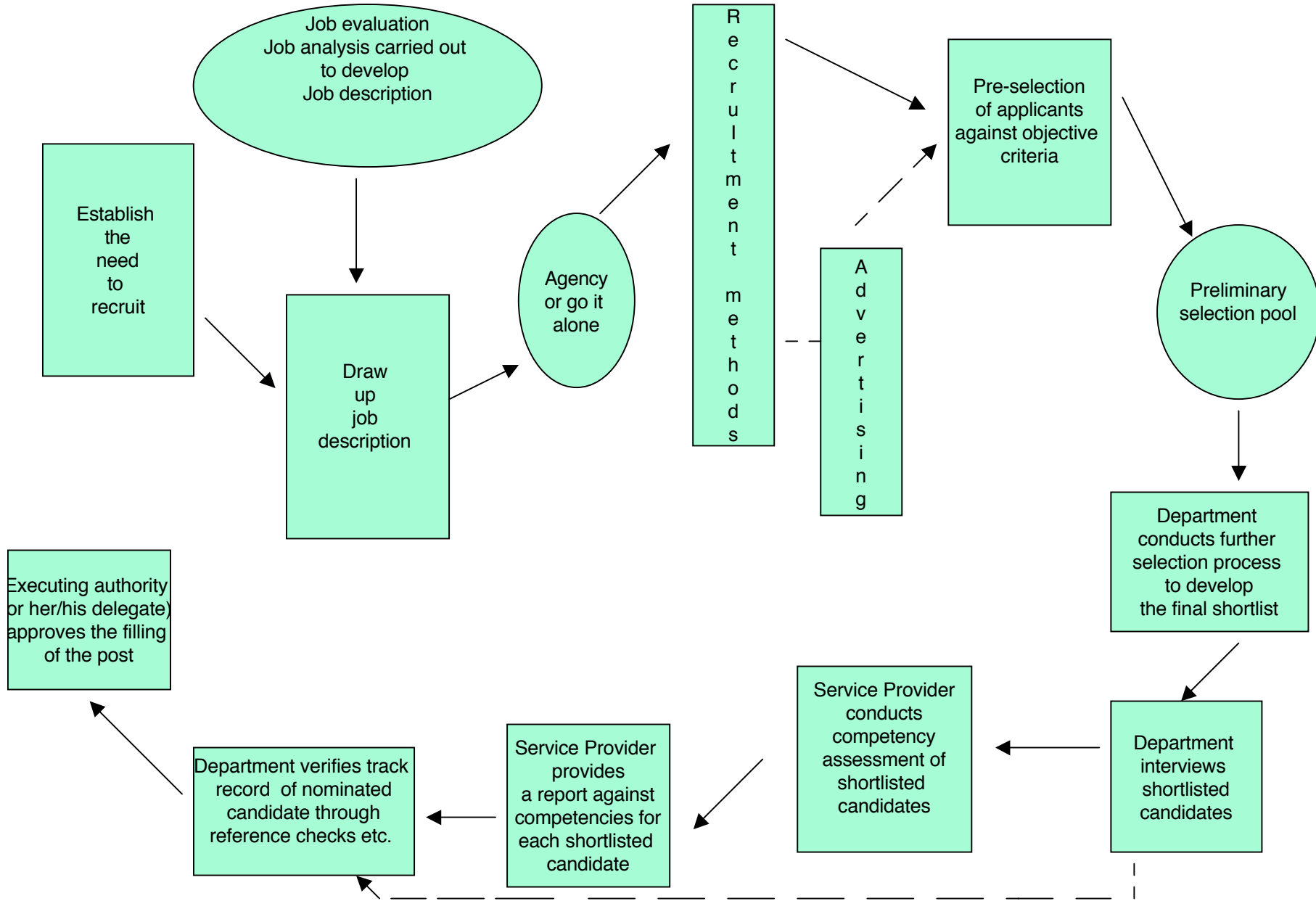
- (6) Where an EA does not accept a recommendation of a selection committee, he/she has to record the reasons for such decision in writing.

8.8 Employment contract and disclosure of financial interests

- (1) Please note that a member of the SMS can either be appointed on a permanent basis or on contract, depending on the nature of the post. In both cases the individual must enter into an employment contract. Such an employment contract must be based on one of the two contracts attached to the PSR.
- (2) Members of the SMS are also required to disclose their financial interests. The procedures that have to be followed and the form to be utilised, are prescribed in the PSR.

Note: Vetting – Before a SMS member is appointed, her/his track record and educational qualification should be checked. The checks are done to confirm the correctness of the claims of the candidate in her/his application form and CV. Also refer to chapter 8 on the employment of HoDs for the current procedure to be followed with regard to security vetting when identifying possible appointment to a vacant post of Deputy Director-General or equivalent and Director-General/ Head of Department.

RECRUITMENT AND SELECTION CYCLE



DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

MANAGER: CORPORATE SERVICES (PRETORIA)

(_____ year contract appointment)

Remuneration package: R _____ (Package can be structured according to the individual's personal needs.)

Applications are invited from persons in possession of an appropriate tertiary qualification, extensive knowledge of labour relations and extensive managerial experience.

This is a senior managerial position within the Department and would suit someone with strong communication and leadership skills, and with an ability to improve work processes.

The person appointed to this position will be responsible for:

- Ensuring the smooth running of the **internal administration** of the Department.
- Managing the **finance** section with a budget of approximately R54 m
- Managing the **personnel** section and all aspects of human resource management.
- Ensuring the proper functioning and development of **IT systems**
- Managing the **provisioning** section.

The person appointed to this position will be subjected to security clearance. Appointment will be subject to the signing of a performance agreement and an employment contract.

Applications should be submitted on form Z83 (available from any state department) together with a concise CV by not later than _____. Applicants may be subjected to a competency assessment test.

Submit applications to: The Head of Department: Public Service and Administration, P/Bag X 916, Pretoria, 0001. Contact tel: 012-314 7392; e-mail: antons@dpsa.gov.za

Enquiries: Ms _____

Closing date: _____ -

ANNEXURE B

COMPETENCY BASED JOB ADVERTISEMENT

DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

MANAGER: COMPETENCY ASSESSMENTS

The Manager: Competency Assessments will play a key role in the co-ordination of competency assessments via a panel of approved service providers for senior managerial positions throughout the Public Service. This is a managerial position stationed in Pretoria.

Applications are invited from Registered Psychologists in possession of a Masters degree in Psychology. Experience in the field of competency based recruitment, interviewing and assessment is essential.

The person appointed to the position will be responsible for:

- Policy formulation and thought leadership regarding competency based recruitment, selection and assessment within the Public Service.
- Marketing a competency based approach to assessment within the Public Service for the purpose of selection and career development.
- Setting up a national database of assessment service providers who will conduct senior managerial assessments for the various national and provincial departments throughout South Africa.
- Providing a link between departments and service providers and ensuring quality control and monitoring assessments on a national level.
- Conducting statistical analysis.

The following competencies will be an advantage:

- Policy formulation and implementation
- Change management
- Knowledge management
- Problem solving and analysis
- People management and empowerment
- Client orientation and customer focus
- Communication

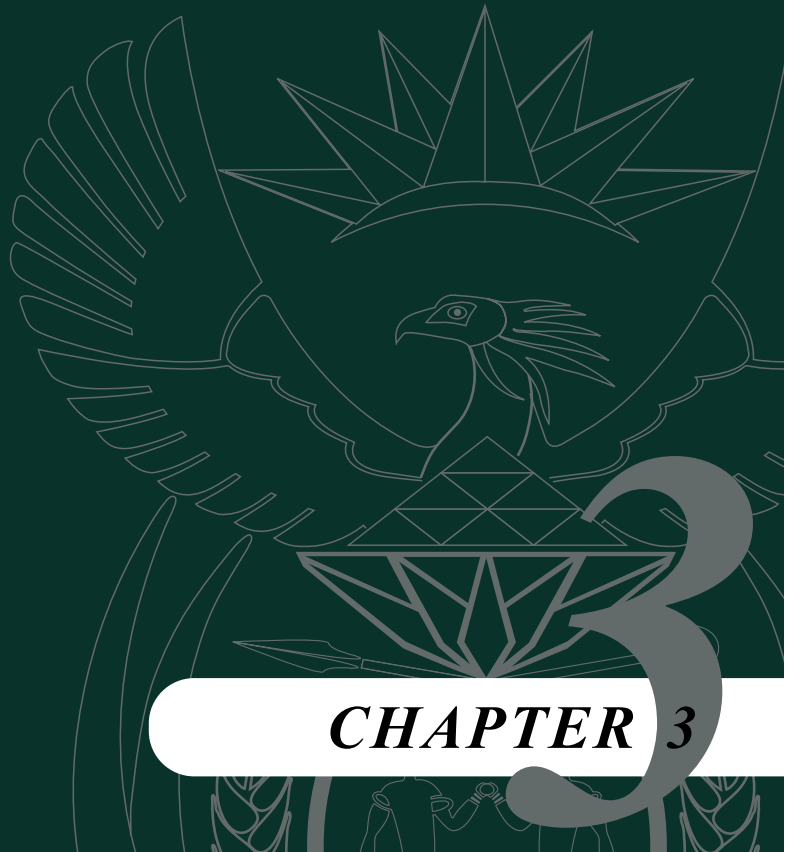
- Remuneration package: R_____ . (Package can be structured according to the individual's needs.)
- Applications should be submitted on form Z83 (available at any state department) together with a concise CV. Applicants may be required to undergo an assessment, a security and/or credit check.
- Previously disadvantaged individuals will receive preference in terms of employment equity.

Submit applications to: The head of department: DPSA, P/Bag X916, Pretoria, 0001.

Enquiries: Anton Swanepoel (012) 413 7392, e-mail: antons@dpsa.gov.za

Dipsy Mereeotlhe (012) 314 7351, e-mail: dipsym@dpsa.gov.za;

Closing date:_____.



CHAPTER 3

CHAPTER 3

REMUNERATION AND CONDITIONS OF SERVICE

1. INTRODUCTION

- 1.1 This chapter is a determination by the MPSA in terms of the powers vested in him/her in the Act, (as amended) and must be applied as such by departments and provincial administrations.
- 1.2 It contains the measures and prescripts on the remuneration and other conditions of service that apply with effect from 1 January 2001 to senior managers and senior professionals that are remunerated on the remuneration scales and bands of the remuneration system for the SMS (pre-revised salary ranges 13 to 16).
- 1.3 The contents of the chapter must always be read and applied in conjunction with the PSR that apply to the SMS. The DPSA must be approached for assistance whenever uncertainty exists regarding any provision contained in this chapter.

2. SCOPE OF APPLICABILITY

- 2.1 This chapter applies to members of the SMS as defined in the PSR.
- 2.2 This chapter also applies to personnel employed in terms of the following Acts:
 - (1) Correctional Services Act, 1998.
 - (2) Defence Act, 2002.

3. STRUCTURE OF THE REMUNERATION SYSTEM

- 3.1 The dispensation consists of a single remuneration scale for members employed in terms of the *Public Service Act, 1994*, the *Defence Act, 2002* and the *Correctional Services Act, 1998* (Amended w.e.f. 1 January 2003).
- 3.2 The remuneration scale consists of the following distinct grades and remuneration bands (with commensurate job evaluation weights):-
 - (1) **Senior Management Service Grade A**
 - Remuneration band A
 - Equate job weight of 695 points to 790 points.

(2) Senior Management Service Grade B

- Remuneration band B
- Equate job weight of 747 points to 842 points.

(3) Senior Management Service Grade C

- Remuneration band C
- Equate job weight of 800 points to 895 points.

(4) Senior Management Service Grade D

- Remuneration band D
- Equate job weight of 896 points to 1000 points.

3.3 Only remuneration packages contained in the remuneration scale may be utilised. No deviation from the remuneration packages contained in the remuneration scale will be allowed.

3.4 The remuneration bands for all new appointees must be determined subject to the job weight. It is therefore imperative that any new position (post), or any existing position (post) that is filled by means of a new appointee or promotion/transfer of existing personnel, must be evaluated before such position (post) is filled. Such persons should be appointed/promoted, and where possible on transfer, with the awarding of the minimum package of the relevant remuneration band. Higher packages may only be utilised in accordance with the measures prescribed by the MPSA.

3.5 Departments may utilise appropriate and descriptive rank designations for their members. In any correspondence with the DPSA the grade and remuneration band should, however, be quoted. Data captured on PERSAL/PERSOL should also be according to the formal grade, remunerated band and code.

3.6 HoDs may be appointed on any of the grades (with the corresponding remuneration band) after the position has been evaluated in terms of the prescribed job evaluation system.

4. COMPOSITION OF THE INCLUSIVE FLEXIBLE REMUNERATION PACKAGE

4.1 **General** (Amended with effect from 1 January 2003).

- (1) Members who are appointed permanently or on contract and who are admitted to the Government Employees Pension Fund (GEPF)

- (a) The inclusive remuneration package consists of the basic salary, the State's contribution to the GEPF and a flexible portion.
 - (b) The basic salary consists of 60% of the inclusive flexible remuneration package.
 - (c) The State's contribution to the GEPF is calculated on the basic salary.
 - (d) The remaining part of the remuneration package is the flexible portion and may be structured by the member in terms of the rules for the structuring of the flexible portion, as set out below.
- (2) Members who are appointed on contract and who are not admitted to the GEPF:
 - (a) The inclusive flexible remuneration package does not consist of components.
 - (b) The member may structure the total inclusive flexible remuneration package in terms of the provisions and rules set out below.
 - (3) An example of the structure of a remuneration package is attached as Annexure A to this Chapter.

4.2 **Flexible portion** (Amended with effect from 1 January 2003).

- (1) Members may structure the flexible portion into the following items:
 - (a) **Motor car allowance**

To a maximum amount of 25% of the total package per annum.
 - (b) **13th Cheque** (Amended with effect from 1 May 2001)
 - **Members who are appointed permanently or on contract and who are admitted to the Government Employees Pension Fund (GEPF)**

A 13th Cheque equal to one-twelfth of the basic salary, to be structured as a once-off non-pensionable bonus and payable in the anniversary month of birth.
 - **Members who are appointed on contract and who are not admitted to the GEPF**

A member may not structure for a 13th Cheque.

- (c) **Medical Assistance**
Contribution to a medical aid scheme.
 - (d) **Housing Allowance**
An amount as decided by the member.
 - (e) **Non-pensionable cash allowance**
Any remaining amount of the flexible portion.
- (2) Members are not obliged to utilise all the items when structuring the flexible portion of their packages.
 - (3) Examples of the possible structuring of the flexible portion of the package is attached as Annexure B to this Chapter.

4.3 Rules governing the flexible portion

- (1) **Motor car allowance**
 - (a) A member is obliged to maintain a reliable vehicle to be utilised for official journeys (when necessary).
 - (b) A member may purchase/lease a new or reliable pre-owned vehicle.
 - (c) No time frames exist when a vehicle should be replaced.
 - (d) The member must at all times have his or her vehicle (or a substitute) available for official journeys.
 - (e) An HoD (or his or her delegate) must decide whether a member must utilise his or her own vehicle or make use of the provisions for official journeys when transport is used for official purposes, taking into account practical implications, cost effectiveness, road conditions etc.
 - (f) A member must secure his or her own financing of loans. The State's contract with Stannic to grant loans to members is available. Should a member not be able to successfully secure a loan, his or her department may apply for a guarantee from the National Treasury in order to secure a loan.
 - (g) A member must obtain and maintain comprehensive insurance on the vehicle, and is fully responsible for all

running and maintenance costs and the cost of registration and licensing of the vehicle.

- (h) A member may not participate in the Subsidised Motor Transport Scheme.
- (i) If a member utilises his or her vehicle to travel for official purposes away from his or her usual place of work, the EA shall reimburse toll fees, and parking fees in excess of R10 per month. The member is responsible for parking fees (if it is levied) at the place of work.
- (j) Any journey between a member's home and usual place of work constitutes a private journey.
- (k) As far as possible, a member is obliged to provide free transport to official passengers to the same destination on an official journey.
- (l) If a member utilises his or her private vehicle to carry out official duties, the Executing Authority will compensate the member for kilometres travelled in excess of 500 kilometres per month, according to the tariffs payable for privately owned vehicles as prescribed by the Department of Transport.

(2) **13th Cheque**

- (a) The 13th cheque is an annual payment in the month of birth.
- (b) The 13th cheque will be paid on the day the member is normally paid his or her salary and allowances.
- (c) New appointees will receive a pro rata 13th Cheque for the period from the date of appointment until the month of birth.
- (d) If a member restructures his/her package from a position where a 13th Cheque HAS BEEN structured to a position where a 13th Cheque IS NOT BEING structured, the following will apply:
 - A pro rata 13th Cheque will be paid, calculated from the date that the member's last 13th Cheque has been paid until the month prior to the effective date of the revised restructuring. This pro rata 13th Cheque will be payable in the next month of birth based on the basic salary in the month prior to the effective date of the revised restructuring.

- In the event of a member's services being terminated before he/she reaches his/her next month of birth referred to above, a pro rata 13th Cheque is payable on the last day of service. This pro rata 13th Cheque is calculated over the period from the last date on which the member received his/her last 13th Cheque until the month prior to the effective date of the revised restructuring.
- (e) If a member restructures his/her package from a position where a 13th Cheque HAS NOT BEEN structured to a position where the member STRUCTURES a 13th Cheque, the following will apply:
- A pro rata 13th Cheque will be payable in the member's month of birth of that year.
 - In the event of a member's services being terminated before the member's month of birth, a pro rata 13th Cheque is payable on the last day of service. The pro rata 13th Cheque should be calculated from the effective date of the revised restructuring to the last day of service.
 - In the event of a member's services being terminated after the member's month of birth, a pro rata 13th Cheque is payable on the last day of service. The pro rata 13th Cheque should be calculated from the date on which the member received his/her last 13th Cheque to the last day of service.
- (f) If a member dies while in service, the Executing Authority shall pay the 13th Cheque (calculated proportionally) directly –
- to a person or persons whom the member designated in writing for this purpose; or
 - if the member did not designate such a person, to a surviving spouse/life partner; or
 - if the member has no spouse/life partner, to her or his dependant children; or
 - if no dependant child exist, into the member's estate.

(3) Medical assistance

The Executing Authority shall pay the total subscription only directly to a registered medical scheme. The total subscription shall be composed as follows:-

- Two-thirds of the amount from the flexible portion as the employer's contribution.
- One-third of the amount deducted from the employee.

(Paragraphs (4), (5) and (6) pertaining to entertainment allowance, newspaper and periodical allowance and computer allowance respectively, were deleted with effect from 1 January 2003).

4.4 Amendments to the composition of the flexible portion of the package

(1) The flexible portion of the package may only be changed in the following circumstances:-

- (a) One year after the date of implementation of the inclusive flexible remuneration package system.
- (b) On promotion to a higher grade (position).
- (c) Adjustment of the remuneration scale.
- (d) On transfer to another post.
- (e) Substantial changes to tax legislation.
- (f) Any changes to the total contribution to a registered medical aid scheme.
- (g) On decision by the Minister for the Public Service and Administration.

5. APPLICABLE CONDITIONS OF SERVICE**5.1 Leave****(1) Annual leave**

- (a) Members are entitled to annual leave with full pay during each leave cycle of 12 months, commencing on 1 January of each year, in terms of Annexure C of this chapter.

- (b) For each 15 consecutive days leave taken without pay, the members' annual leave entitlement shall be reduced by 1/24 th.
- (c) For the purpose of granting annual leave, working days shall mean Monday to Friday, except in the case of shift workers whose annual leave may be taken on a Saturday and Sunday.
- (d) At least 10 working days must be taken as leave days during the annual leave cycle. The utilisation of this leave must take the service delivery requirements of a department into account. **NOTE: Annual leave should, as far as possible, be taken as consecutive working days.**
- (e) The remaining leave days, if any, must be taken no later than 6 months after the expiry of the relevant leave cycle, whereafter, unused leave credits shall be forfeited.
- (f) Members must be cautioned timeously if, at the end of the relevant leave cycle, they have not utilised their leave entitlements.
- (g) A member's application for annual leave should not be unreasonably refused. An application for annual leave should take the service delivery requirements of a department into account.
- (h) **Any refusal of annual leave must be confirmed in writing, stating the reasons and arrangements for rescheduling of the annual leave.**
- (i) If due to the member's service delivery requirements a member's application for leave is denied and not rescheduled, such leave must, upon request, be paid out to the member at the end of the 6 months' period referred to in 5.1(e) above. A member's requests for payment of unused leave credits must be:
- In writing; and
 - accompanied by written proof of refusal of leave by the HoD.
- (j) HoDs shall, at the end of the relevant 18 months' period, report to the relevant legislature on the number of members denied annual leave, reasons for such denial and the amount paid in this regard.
- (k) The 50% leave entitlement, or any portion thereof, which was due to members for the period 1 July 2000 to 31

December 2000, and which could not be utilised before 30 June 2001, shall be added to the number of leave days accrued prior to 1 July 2000. **This provision is a once off arrangement only in respect of those cases where no leave payouts have been effected.**

(2) **Annual leave of members who were taken over from former Provincial Administrations and Development Boards**

Members of the former Provincial Administrations and Development Boards who were taken over by the Public Service in 1986 and 1989, respectively, are eligible to the annual leave entitlements as indicated in Annexure C.

(3) **The granting of annual leave on a *pro rata* basis**

- (a) Members who are appointed after the commencement of an annual leave cycle shall be entitled to annual leave on a *pro rata* basis determined as a fraction of the entitlement as per Annexure C of this chapter.
- (b) Temporary members on fixed term contracts shall be granted annual leave that is proportional to their term of employment at a rate of one-twelfth of the annual credit applicable to the member category (as per Annexure C), per month of service.
- (c) For purposes of utilising leave entitlements, fractions or decimals must be utilised as they are. In other words fractions or decimals must not be rounded off.
- (d) Departments must keep manual records of the utilisation of fractions/decimals and leave forms must be completed for every eight hours fractions and/or leave taken.
- (e) For purposes of converting fractions/decimals of leave entitlements into working hours the following formula(s) should apply:

Converting fractions into hours:

$$8 \times A = B$$

Where –

8 = represents the number of working hours in day

A = represents the fraction

B = represents the credit in hours

For example: Member with 7,45 leave credits:

$$8 \times 0.45 = 3.6 \text{ hours}$$

Converting fractions into minutes:

$$60 \times B = C$$

Where –

60 = represents the minutes in an hour

B = represents the fraction

C = total credit in minutes

For example: Member with 3.6 hours leave credit (see example above)

$$60 \text{ min} \times 0.60 = 36 \text{ minutes}$$

In other words the member with 7,45 days' leave credits has 7 days, 3 hours and 36 minutes leave

- (f) For purposes of leave payouts, fractions or decimals must be used as they are in the formula provided for in paragraph 5.1 (3) (e) of this Chapter.
 - (g) Unused fractions and decimals lapses at the end of the six months period referred to in paragraph 5.1 (1) (e) above.
 - (h) If a member's annual leave entitlements changes, e.g. from 22 to 26 working days per annum after ten years service, the unused fractions or decimals must also be carried over to the new leave category and be administered manually.
- (4) **Annual leave and payouts**
- (a) Members shall be paid a cash value in respect of unused leave credit upon termination of service and in terms of paragraph 5.1(1) (i) above. The payment will be limited to a maximum number of days equivalent to the annual leave entitlements in Annexure C .
 - (b) The leave cycle remains unchanged, therefore, requests and motivations for leave payments in respect of leave credits mentioned in 5.1 (1) (i) above shall be lodged by no later than 31 July in respect of each year.

- (c) Payment of annual leave credits shall be calculated using the member's annual basic salary (with the exclusion of benefits).
- (d) For all terminations in respect of members without any capped leave and at the expiry of the 6 months period mentioned in 5.1(1) (e) above, leave payouts shall be computed in terms of the following formula:

$$\frac{\{(A - B) + (C - D)\} \times E}{260.714}$$

Where:

A = represents the full annual or *pro rata leave* entitlement in the previous leave cycle (Pro rata entitlement calculated as $\frac{X \times Y}{12}$)

Where –

X= number of completed months of service; and

Y= annual leave entitlement per leave cycle as per Annexure C

B = represents the leave taken in the previous leave cycle

C = represents the *pro rata* leave entitlement in the current leave cycle
(Calculated according to the formula in A above)

D = represents the leave taken in the current leave cycle

E = represent the member's annual basic or pensionable salary as at the last day of duty or at the end of the 6 months period mentioned in 5.1 (1) (e) above.

(5) Annual leave accrued prior to 1 July 2000

- (a) Members shall retain all audited leave credits accrued prior to 1 July 2000.
- (b) The number of accrued leave days prior to 1 July 2000 shall be converted to working days using the following formula:

$$\frac{A \quad X \quad 5}{7}$$

Where –

A = represents the number of audited leave credits

(c) The payouts in respect of such leave credits shall be made in the event of:

- * Death;
- * Retirement; or
- * Medical boarding.

(d) The leave payout in respect of members with capped and audited leave credits shall be determined in the following manner:

$$\frac{\{(A - B) + (C - D) + F\} \times E}{260,714}$$

Where –

A = represents the full annual or *pro rata* leave entitlement in the previous leave cycle (pro rata entitlement calculated as $\frac{X \times Y}{12}$)

Where:

X = represents the number of completed months; and

Y = represents the annual leave entitlement per leave cycle as per Annexure C)

B = represents the leave taken in the previous leave cycle

C = represents the *pro rata* leave entitlement in the current leave cycle (calculated according to the formula in A above)

D = represents leave taken in the current leave cycle

E = represents the member's annual basic or pensionable salary as at the last day of duty

F = represents the capped leave (as on 30 June 2000 **less** all leave taken from the capped leave)

(e) The HoD shall determine whether there are periods which are unaudited and in such instances, the member's leave payout shall be paid on the basis of 6 days per completed year of service up to a maximum of 100 days in respect of the unaudited leave period. The formula in calculating the

payout in respect of these days shall be as per paragraph 5.1 (5)(d) above.

- (f) The HoD shall determine procedures and measures in keeping with service delivery needs, on how members will be allowed to utilise their leave credits accrued prior to 1 July 2000 over and above the normal annual leave entitlements as per Annexure C.

(6) Nomination of beneficiaries and leave payouts

- (a) Members may, if they so desire, designate one or more beneficiaries to whom their leave payout may be paid in the event of their death. Departments should actively promote the nomination of beneficiaries in order to avoid any hardship of such beneficiaries.
- (b) If a member dies and has not nominated a beneficiary, the leave payout may be paid:
- In full to the spouse/life partner of that member; or
 - If there is no spouse/life partner, in equal shares for the benefit of minor and other children (including legally adopted children) of the deceased who, at the time of his or her death, were fully dependent on the member; or
 - If there are no children, to the member's estate.

(7) Annual leave with full pay granted in excess

- (a) A member may not be granted annual leave with full pay in excess of that which the member is entitled to in terms of Annexure C **plus** capped leave in respect of persons who were in service prior to 1 July 2000.
- (b) If due to a *bona fide* error, a member had been granted annual leave with full pay in excess of that which stood to his or her credit at that time, such over grant must be deducted from the subsequent leave cycle.
- (c) If a member who has been over-granted annual leave with full pay exits the Public Service, that portion of the over-grant which exceeded his or her normal annual leave credit on his or her last day of duty must be regarded as an overpayment that must be recovered from him or her. The latter overpayment should be determined according to the following formula:

$$\frac{A \times B}{260,714}$$

Where-

A=	represents the member's basic annual salary notch per annum
B=	represents the number of days annual leave over-granted
260,714	represents the number of working days in a year

- (d) If a member exits the Public Service during an annual leave cycle after utilising all his/her annual leave for the leave cycle, the provisions of 5.1(7)(c) above shall apply.

(8) Annual leave: General provisions

- (a) A member retains all his/her annual leave credits, when he/she is transferred within or between departments, due to him/her at that point in time. The member retains likewise the leave category as reflected in Annexure C. The utilisation of these leave credits are subject to the provisions of this handbook.
- (b) If a member transfers to an occupational class to which a different leave category applies, he/she adopts the new leave category for that occupational class. The member will retain the leave credits due to him/her of the old occupational class. The utilisation of these leave credits is subject to the provisions of this handbook.
- (c) The provisions in paragraph 5.1(8)(a) and (b) apply *mutatis mutandis* in the case of members who are appointed on contract and who secures a permanent or temporary appointment in the Public Service and *vice versa*.
- (d) In the event where a member qualifies after completion of ten years of service **after** the first day of the month for the higher leave category in Annexure C, the higher pro rata portion of the new leave category should be calculated from the first day of the next month. The same principle also applies in the event where the member referred to in paragraph 5.1 (8) (b), qualify after the first day of the month for the new category of leave.

(9) Normal sick leave

- (a) Members are entitled to 36 working days sick leave with full pay over a three-year cycle. Unused sick leave shall lapse at the expiry of the three-year cycle.

- (b) Sick leave may also be granted in respect of periods where a member must be quarantined or isolated for at least 10 consecutive days.
- (c) If a member is unable to report for duty due to sudden illness, he or she must immediately notify his/her immediate supervisor of his or her inability to report for duty.
- (d) Members who apply for three or more sick leave days must submit a certificate citing the reason and duration of absence from a registered and recognised practitioner.
- (e) Practitioners shall, for this purpose include all practitioners as defined by the Health Professionals' Council of South Africa and who are legally certified to diagnose and treat patients.
- (f) In instances where a pattern in the utilisation of sick leave has been established, a certificate may be required for absences of less than three working days.
- (g) For every 15 consecutive days leave taken without pay, a member's sick leave entitlement shall be reduced by 1/72nd per sick leave cycle.
- (h) If a member falls ill whilst on annual leave with full pay, such leave may be converted to sick leave provided that a certificate from a registered medical practitioner is submitted to substantiate the indisposition.

(10) Temporary incapacity leave

- (a) A member who has exhausted his or her sick leave credit in a three-year cycle and who, according to the relevant medical practitioner, requires to be absent due to incapacity that is not permanent may, at the discretion of the HoD, be granted additional sick leave with full pay in the event of serious illness.
- (b) Such a condition must have been certified in advance by the attending medical practitioner as a temporary incapacity except where conditions do not permit.
- (c) The HoD may require the member to obtain a second opinion before granting approval for additional sick leave. Expenditure in this regard will be met from the departmental budget.
- (d) The HoD may grant a maximum of 30 consecutive working days leave with full pay during which period an investigation must be conducted into the nature and

extent of the incapacity. The investigation shall be conducted in accordance with item 10(1) of Schedule 8 of the Labour Relations Act, 1995.

- (e) On the basis of medical evidence, the HoD may approve the granting of additional sick leave days on conditions that he or she shall determine.
- (f) If the member is of the view that he or she has been unfairly treated as regards the granting of additional sick leave, he/she has the right to follow the grievance procedure and the relevant dispute resolution procedures in order to settle the matter.

(11) Permanent incapacity

- (a) Members whose degree of incapacity has been certified by a competent medical practitioner as permanent shall, with the approval of the HoD, be granted a maximum of 30 working days paid sick leave, or such additional number of days required by the employer to finalise processes mentioned below.
- (b) The HoD shall, within 30 working days, ascertain the feasibility of:
 - Alternative employment; or
 - Adapting duties or work circumstances to accommodate the member.
- (c) A member, whose degree of incapacity has been certified as permanent but who can still render a service, may be redeployed horizontally with retention of his or her benefits.
- (d) If the redeployment necessitates reallocation to a job of a lower grading, such should be explained well in advance and the continued utilisation of such a member should, in this regard, be with his or her consent.
- (e) In instances where the member's redeployment entails retraining or retooling, the employer shall take requisite resources (time and financial) and potential returns into consideration before approving redeployment.
- (f) The redeployment of a member's services should ensure the optimal utilisation of his or her competencies and should not compromise service delivery.
- (g) If the HoD or the member is convinced that the member will never be able to render an effective service at his or

her level or rank, the member may proceed with an application for termination of service due to ill-health in terms of the Government Employees Pension Law of 1996 or the employer may initiate the procedures in terms of the PSCBC Resolution 12 of 1999, Incapacity Code and Procedures in respect of ill-health. (Refer to chapter 7 of the handbook)

(12) **Acceptance Of Medical Certificates**

- (a) The HoD should accept medical certificates that might not describe a member's illness for sick leave taken during the normal sick leave cycle, i.e. 36 working days in a 3 year cycle, provided that in the event of abuse of the system during the normal sick leave period of 36 working days (e.g. a pattern of regular sick leave on Mondays or Fridays) the HoD may request a medical certificate describing the nature and extent of the illness before granting sick leave with full pay.
- (b) The HoD will only consider temporary and permanent incapacity leave with full pay if the member submits a medical certificate describing the nature and extent of the illness.
- (c) A member should give the medical practitioner concerned his/her informed consent to reveal the nature and extent of his/her illness to a third party, i.e. the employer and/or the Health Risk Manager (when the new policy is in place for application of temporary incapacity leave and ill-health retirement for public service employees and where the employer requests this as a result of abuse).
- (d) In the event of a member refusing/failing to submit a medical certificate describing the nature and extent of the illness for purposes of temporary incapacity leave and permanent incapacity leave, the period of absence will be covered by annual leave (with the member's consent) or unpaid leave.
- (e) **It is extremely important that the employer should at all times treat such information with the necessary respect and confidentiality.** Information concerning the medical condition of a member may therefore not be divulged to any other person(s) not directly involved in the decision-making process regarding the granting of sick leave. If an employee involves him/herself in divulging such confidential information of one employee to any other unauthorised person, he/she should be disciplined in terms of the Disciplinary Code.

- (f) In terms of the Ethical Rules of the Health Professions Council-
- (i) a medical certificate should contain the following information:
- the name, address and qualifications of the practitioner;
 - the name of the patient;
 - the employment number of the patient (if applicable);
 - the date and time of examination;
 - whether the certificate is being issued as a result of personal observations by the practitioner during an examination, or as the result of information received from the patient and which is based upon acceptable medical grounds;
 - a description of the illness, disorder or malady in layman's language if the patient has provided informed consent for it to be disclosed;
 - whether the patient is totally indisposed for duty or whether the patient will be able to perform less strenuous duties in the work situation;
 - the exact period of recommended sick leave;
 - the date of issue of the certificate of illness; and
 - a clear indication of the identity of the practitioner who issued the certificate.
- (ii) if the practitioner uses pre-printed medical certificates, wording not applicable to the patient should be deleted.

(13) General: Sick Leave

- (a) In the event where a member has to –
- consult a doctor, therapist, etc. for reasons related to the member's health/wellness, or
 - go for training related to a disability, e.g. a blind member who has to get training with his/her guide dog, or

- go for maintenance work for equipment used as a result of his/her disability,

the HoD may grant such member time off in terms of the sick leave provisions.

- (b) Where a member is absent for a part of the day, the HoD could manually record such time off until a full day is completed as sick leave.
- (c) If a member's normal sick leave is exhausted, then temporary incapacity leave could be considered.
- (d) The HoD may require the necessary proof of such events/occurrences to properly monitor the utilisation of sick leave.
- (e) Fractions of sick leave entitlements may be converted using the formula in par. 5.1 (3) (e) above.

(14) Leave for occupational injuries and diseases

- (a) Members who, as a result of their work, suffer occupational injuries or contract occupational diseases, shall be granted occupational and disease leave for the duration of the period they cannot work.
- (b) If a member suffers a work-related injury as a result of an accident involving a third party, the HoD shall grant him or her occupational injury leave provided that the employee:
 - Brings a claim for compensation against the third party.
 - Undertakes to use compensation (in terms of the Compensation for Occupational Injuries and Diseases Act, 1993) received to recompense as far as possible for the cost arising from the accident.
- (c) The HoD shall take reasonable steps to assist a member to claim compensation according to 5.1(14)(b) above.
Note: when a member is injured on duty, the employer could, depending on the circumstances, pay the medical expenses of the member concerned, pending the outcome of the claim for an injury on duty. The purpose of this provision is therefore to recover the employer's expenses once the claim is settled.

(15) Maternity leave

- (a) Members are entitled to 4 consecutive calendar months maternity leave to commence -

- at any time from four weeks before the expected date of birth; or
 - on a date from which the attending medical practitioner certifies that it is necessary for the member's health or that of the unborn child.
- (b) It is preferable that a member commences her maternity leave at least two weeks prior to the expected date of birth. However, the service delivery requirements of a particular Sector may require different arrangements with regard to the period and stage at which maternity leave, with due consideration of the employee and her unborn child's health and safety, should commence.
- (c) For at least six weeks after the birth, no member may commence with normal official duty unless the attending practitioner certifies that the member is fit to do so.
- (d) Maternity leave may be interrupted if-
- the baby is born prematurely and is hospitalised during maternity leave; or
 - the baby becomes ill and is hospitalised for a period of longer than a month during the maternity leave.
- (e) The provisions in paragraph (d) above are applicable to a member, who chooses to interrupt her maternity leave in these circumstances.
- (f) If a member referred to in (d) above, chooses to interrupt her maternity leave and fail to return to work after six weeks mentioned in (c) above, such a period must be covered with annual leave or unpaid leave if she does not have enough annual leave available.
- (g) Maternity leave may be extended upon application by -
- the granting of sick leave as a result of a medical complication;
 - the granting of up to 184 calendar days unpaid leave; or
 - the granting of annual leave.
- (g) Members who during the third trimester of their pregnancy, experience a miscarriage, still birth or termination of the pregnancy on medical grounds, shall be

- (h) eligible for six consecutive weeks maternity leave, whereafter, the first point of 5.1(15)(g) shall apply in the event of a medical complication.
- (i) Provisions in 5.1(15)(h) above shall also apply to a member who experiences a miscarriage, stillbirth or termination of pregnancy on medical grounds after the commencement of maternity leave. The period prior to the miscarriage, stillbirth or termination of pregnancy shall be regarded as special leave with full pay.

(16) Adoption leave

- (a) A member who adopts a child that is younger than two years, shall qualify for adoption leave to a maximum of 45 working days, whereafter, the second and third point of 5.1(15)(g) shall apply.
- (b) If both spouses or life partners are employed in the Public Service, both partners will qualify for adoption leave provided that the combined leave taken does not exceed the 45 working days mentioned in 5.1(16)(a) above.

(17) Family responsibility leave

- (a) Members shall be granted 3 days leave per annual leave cycle for utilisation if-
 - the member's spouse or life partner gives birth to a child; or
 - the member's child, spouse or life partner is sick.
- (b) Members shall be granted 5 days leave per annual leave cycle for utilisation if -
 - the member's child, spouse or life partner dies; or
 - a member's immediate family member dies.
- (c) The number of family responsibility leave days taken according to 5.1(17)(a) and 5.1(17)(b) above shall not exceed five (5) days in an annual leave cycle unless special circumstances warrant further leave at the discretion of the HoD.
- (d) Immediate family member for purposes of this provision means the member's parent, adoptive parent, grandparent, child, adopted child, grandchildren or sibling. The granting of family responsibility leave must be taken with due consideration of the employee's cultural responsibilities. Where the latter discretion is exercised,

an HoD must limit the total period of family responsibility leave to a maximum of 5 days.

- (e) Members who have used all their family responsibility leave may, subject to the approval of the Head of Department, apply to -
- use available annual leave; or
 - use up to 184 calendar days of unpaid leave.

(18) Special leave

- (a) The HoD shall ensure that his or her department has adopted a special leave policy. The said policy should be negotiated in the relevant bargaining structures.
- (b) The policy mentioned in 5.1(18)(a) above shall define -
- circumstances and conditions under which special leave is granted; and
 - as far as possible, events for which members shall be granted special leave.
- (c) The policy may provide paid leave for such requirements as study, examinations, military service, resettlement due to a transfer, collective bargaining or other labour relations requirements, participation in sports, sabbaticals where appropriate or any other purpose.
- (d) The HoD may also provide for a policy on leave for the treatment of substance abuse.

(19) Leave for office bearers of recognised employee organisations

- (a) Office bearers of recognised employee organisations shall receive up to 10 working days paid leave per annum for activities related to his or her union position.
- (b) All applications for this type of leave must be submitted in writing together with supporting documentation.

(20) Unpaid leave

- (a) If a member has utilised all his or her annual leave with full pay, the HoD may grant him or her unpaid leave. Unpaid leave days must be granted on a calendar day basis. Only in exceptional circumstances shall the HoD grant the member more than 184 calendar days of unpaid leave in a period of 18 months.

- (b) A member shall utilise unpaid leave for absence from work due to -
- arrest, imprisonment or appearance in court on a criminal charge that leads to a conviction; or
 - a criminal sentence.
- (c) HoDs shall ensure that the internal disciplinary procedures are not dependent on external processes, e.g. criminal justice processes/procedures.
- (d) For purposes of calculating unpaid leave, the following formula applies:

$$\frac{A \times B}{365}$$

Where-

A = represents the employee's basic annual salary notch per annum

B = represents the number of days annual leave without pay

365 = represents the number of days in a year

(21) General provisions

- (a) Except in exceptional circumstances, the member may not stay away from his or her place of duty unless an application for leave of absence has been lodged in writing and he/she has been informed by the HoD that the application has been approved.
- (b) The HoD must ensure that:
- Leave forms are submitted for all absences and all outstanding leave forms are followed up.
 - All leave taken is captured on a daily basis and there are no backlogs in respect of each annual leave cycle.
 - Individual utilisation of leave is communicated to members at the end of each annual leave cycle in respect of annual vacation leave.

(c) Training of disabled members:

Disabled members must be afforded the opportunity to undergo training to manage their disability. Training required to be able to utilise equipment or the like to access the workplace and to perform the job, should be treated the same as other official training provided to equip members with the knowledge and skills to do their jobs. The member with a disability should therefore be offered the relevant training while on official duty.

(d) Fitment, adjustment or maintenance of equipment of disabled members:

If a disabled member needs periods of time off to fit, adjust or maintain equipment to enable the member to perform his/her job, it should be treated in terms of paragraphs 5.1 (13) (a) to (e) above.

(e) Members employed in terms of the Defence Act, 2002

Leave is provided to members as prescribed in terms of the relevant legislation.

5.2 Medical assistance for serving members**(1) Members employed in terms of the Public Service Act, 1994**

Medical assistance is provided through the remuneration package as set out in paragraph 4 above.

(2) Supplementary Medical Assistance for employees serving abroad

(a) To become eligible for supplementary medical assistance, an employee stationed abroad shall permit the employer to deduct from her or his monthly salary an amount, called "own contribution". The Minister shall determine the amount of the own contribution.

(b) The employer shall pay the excess amount for an employee stationed abroad who pays the own contribution and belongs to a registered medical scheme if,

- the employee's medical scheme provides payment for a service and is willing to make such payment to the Department of Foreign Affairs,
- the employee or his or her dependants obtain the service in a foreign country, and

- the actual cost exceeds the scheme's payment,
- (c) The employer may also pay the excess amount if,
- dependant children of the employee who live in South Africa obtain medical services, and
 - they are taken into account in calculating the own contribution.
- (d) For the following medical services obtained abroad the employer shall assist an eligible employee to meet costs up to a maximum amount only:
- Crown and bridgework of teeth.
 - Spectacle frames and contact lenses.

The Minister shall determine the basis for calculation of limits. The Department of Foreign Affairs shall revise the limit annually for different countries if justified.

- (e) The employer shall pay the excess amount up to the limit. for an employee or his or her spouse on an official visit if,
- he or she unavoidably requires medical services; and
 - the service costs more than in South Africa,
- (f) If an employee abroad, and/or her or his dependants, need to travel to obtain a medical service, the employer shall pay his or her travel and subsistence costs.
- (g) If an employee abroad experiences problems to make payments in respect of a medical service that is recognised for benefit purposes by his or her medical scheme, the employee may apply for an advance or direct settlement of the medical bill by the employer.
- (3) **Members employed in terms of the Defence Act, 2002 and Correctional Services Act, 1998**

Medical assistance is provided to members as prescribed in terms of the relevant legislation

5.3 Medical assistance at retirement or termination of services

- (1) **Members employed in terms of the Public Service Act, 1994**

- (a) The payment of medical assistance will continue as provided in Table 1 to a member who leaves the public service, if -
- the member belonged to a registered medical scheme for the year ending on the date he or she left the public service; and
 - the member leaves the public service because of
 - retirement, including early retirement where it does not result from misconduct or incapacity;
 - death; or
 - discharge as a result of ill health or injury on duty.
- (b) If a member or pensioner dies and his or her remaining spouse/life partner becomes a principal member of the relevant medical scheme, the EA will transfer the benefits provided under Table 1 to the spouse.

Table 1. Benefits for eligible former members

Note: In this table, “service” refers to employment by an institution funded primarily and directly from the central or provincial budget.

Group	Benefits
<i>(a) A member who dies or who retires for reasons not related to health:</i>	
(i) aged at least 50 with at least 15 years of service	Two thirds of the subscription to the member’s medical scheme, up to the maximum of R 1 014 ,00 per month.
(ii) aged under 50 with at least 15 years of service	From age 50, the same as in (i) .
(iii) with at least ten but under 15 years of service, irrespective of age	A payment of 36 times the State’s monthly contribution to the member’s medical scheme.
(iv) with under ten years of service	A payment of 12 times the State’s monthly contribution to the member’s medical scheme

Group	Benefits
<i>(b) A member discharged for ill health</i>	
(i) with at least ten years of service	Two thirds of the medical scheme subscription, up to the maximum of R 1 014 ,00 per month.
(ii) with at least five but under ten years of service	A payment of 24 times the State's monthly contribution to the member's medical scheme
(iii) with under five years of service	A payment of 12 times the State's monthly contribution to the member's medical scheme
<i>(c) Members who retire due to an injury on duty</i>	

(2) **Members employed in terms of the Defence Act, 2002 and Correctional Services Act, 1998**

Medical assistance will continue after retirement/termination of service as prescribed in terms of the relevant legislation.

5.4 Danger allowances

- (1) The EA will compensate a member who risks his or her life in the course of carrying out specified duties or training.
- (2) The EA will not pay a danger allowance to a member of the SANDF or the Department of Correctional Services who does not participate in the line activities of his or her department.
- (3) A member may receive a Standard Danger Allowance and/or a Special Danger Allowance.
- (4) The EA will pay the Standard Danger Allowance to a member who -
 - (a) undertakes or trains for one or more of the duties listed in paragraph 5.4(5); and
 - (a) in the course of his or her work or training, experiences a genuine risk to his or her life.
- (5) The following duties may qualify for the Standard Danger Allowance:
 - (a) Under-water diving.
 - (b) Parachute jumping.

- (c) Surveying, inspecting and/or helping to operate a vessel or submarine at sea, or an aeroplane, in pursuance of the member's line functions.
 - (d) Dowsing fires at airports and/or rescue work during fires and/or other emergencies.
 - (e) Working with core drills, explosives or explosive weapons.
 - (f) Repairing and maintaining arms and ammunition for the Inspectorate of Naval Ordnance of the Navy.
 - (g) Working with or guarding convicts, people held in places of safety, or people on parole.
 - (h) Investigating or preventing a crime.
 - (i) Executing a military operation.
 - (j) Acting as part of the SANDF to maintain public order.
 - (k) Working for the safety restricted laboratory of the National Institute for Virology.
- (6) The EA will pay the Special Danger Allowance to a member who works in one or more of the following:
- (a) The Reaction Unit of the Department of Correctional Services.
 - (b) The Special Forces of the SANDF.
 - (c) The Department of Correctional Services, in duties that require direct contact with maximum security prisoners.
 - (d) The SANDF in areas that the Chief of the SANDF has designated as high risk due to -
 - attacks on members of the SANDF;
 - widespread violent offences; and/or
 - military activities by enemy forces.
- (7) If a member qualifies for the Standard Danger Allowance on one or more grounds, he or she will receive R200 a month, or the equivalent amount in daily terms.
- (8) If a member qualifies for the Special Danger Allowance on one or more grounds, he or she will receive R300 a month, or the equivalent amount in daily terms.

- (9) If a member qualifies for both the Standard and the Special Danger Allowances, he or she may receive both simultaneously.
- (10) The EA will pay a danger allowance on the date an eligible member receives his or her salary. The EA will stop paying the allowance when the member stops being eligible.
- (11) The basic principle for the calculation of the danger allowance in daily terms is as follows:

$$\frac{\text{Annual Tariff}}{365}$$

5.5 Official journeys

- (1) General
- (a) The EA will meet reasonable costs of travel for official purposes.
- (b) The policies established by an EA for the following aspects, are applicable:
- Procedures for approving an official journey.
 - Acceptable means and class of transport.
 - Expenditure limits.
 - When the EA will pay for a member's household or family to accompany him or her.
- (c) If a member takes an official journey that violates a policy of his or her department, the EA may not compensate the member or may compensate only a part of the costs after convening a disciplinary hearing.
- (2) Serious illness or family death
- (a) If a member travelling on official duty becomes so ill that he or she must remain distant from his or her home, the EA may pay reasonable actual costs for travel, accommodation, meals and incidentals for one or more family members to join him or her.
- (b) If a member on official duty away from his or her normal place of work returns home because a life partner, parent or child becomes severely ill or dies, the EA may pay reasonable actual costs for the member's travel, accommodation, meals and incidentals.

(3) Official journeys

- (a) If a member uses his or her private car to carry out official duties, the EA will compensate the member for kilometres travelled in excess of 500 kilometres per month, according to the tariffs payable for privately-owned vehicles as prescribed by the Department of Transport.
- (b) The EA may, subject to paragraph (a) above, compensate a member for the cost of official journeys, including travel to and from the normal work place, when a member must:
- temporarily take up duties and, in consequence, residence at another place of work; or
 - travel to work outside of normal hours at the request of or with the prior approval of the immediate supervisor of the member concerned.

(4) Accommodation and other costs while on official journeys

- (a) The EA will meet a member's accommodation costs, dry cleaning, meals and incidentals while he/she is on an official journey.
- (b) This part does not apply to a member who receives compensation while on sessional duties.

(5) Compensation for accommodation and other costs during an official journey inside the Republic

- (a) If a member must take an official journey lasting under 24 hours, the EA will meet reasonable actual costs, if any.
- (b) If a member must take an official journey that lasts for 24 hours or longer, for each day or part of a day on the journey he or she may claim either -
- reasonable actual expenditure on accommodation, dry cleaning and meals plus a daily allowance (covering incidentals) as determined annually by the MPSA; or
 - an all-inclusive daily allowance as determined annually by the MPSA.

(6) Compensation for accommodation and other costs incurred on official journeys outside the Republic

- (a) The EA will meet a member's actual and reasonable accommodation and dry cleaning costs.

- (b) A special allowance may also be paid to cover expenditure on meals and incidentals while on an official journey outside the Republic. The special allowance will be determined by the MPSA and issued by means of a directive to departments and administrations.

5.6 Resettlement

(1) General

- (a) The EA will generally meet, within reason, the actual resettlement costs within the country incurred by a member and his or her immediate family as a result of official duties, transfers, redeployment, or, in some cases, on termination of service or death.
- (b) For this purpose, a member's immediate family includes only a member's -
- spouse or/life partner;
 - minor child; and/or
 - relative
 - who lives with the member except when attending an educational institutions; and
 - who relies on the member for the bulk of his or her subsistence.

(2) Privileges for serving members

The policies established by an EA for the following aspects, are applicable:

- Cost items associated with a transfer.
- Limits on expenditure.
- Maximum periods of compensation.
- Restrictions on the quantity and kind of personal effects covered.
- Costs of property transfer.

(3) Privileges for new appointees

- (a) The EA will pay the reasonable actual costs of relocation of a newly appointed member to his or her place of work.

These expenditures may include reasonable actual costs of -

- travel by the member and his or her immediate family; and
 - transport, insurance and one month's storage for personal and household goods.
- (b) The member will agree in writing to repay the EA's expenditure for relocation if he or she should leave the Public Service in a year or less.
- (c) If a member is recruited from abroad, his or her EA may provide a once-off sum to assist him or her with initial expenses before he or she receives his or her first salary payment.

(4) Privileges on death

The EA may meet the costs of transporting home the remains of a member who died on official duty away from his or her normal place of work.

5.7 State and other housing

(1) Members employed in terms of the Public Service Act, 1994

- (a) This section applies if the EA deems it necessary for a member to occupy specific housing.
- (b) The EA will require a member to live only in housing that provides a safe and healthy environment for the member and, where relevant, his or her family.
- (c) An EA may establish a more detailed policy for his or her department.
- (d) The EA will enter into an agreement of tenancy with the member. The contract will ensure that, if -
- the EA determines that a member no longer needs to occupy the specific housing to carry out his or her work; or
 - the member terminates his or her employment with the Public Service, the EA will give the member and/or his or her family three months' notice to move out of the housing.
- (e) If the EA requires a member to occupy specific housing, the member shall pay -

- for standard housing, defined as housing built with permanent materials
 - for married housing, 4 per cent of his or her basic salary to a maximum of R200 per month; or
 - for single housing, 1 per cent of his or her basic salary; and
 - for non-standard housing, for instance prefabricated housing, 75 per cent of the rent for equivalent standard housing,
 - for voetstoets housing, which means housing that has deteriorated to the point where it cannot be fully repaired, 50 percent of the rent for equivalent standard housing.
- (f) If the EA can provide only single housing for a married member, the member shall pay 75 per cent of the rent for married housing of the same type.
- (g) If the EA can provide only quarters in a hostel or shared housing for a single member, the member shall pay 75 per cent of the rent for single housing of the same type.
- (h) The member shall pay municipal taxes, levies and services for the housing.
- (i) If the member must temporarily move out of the housing to permit necessary maintenance work or to let a substitute member move in, the EA will -
- exempt the member from payments for the relevant period; and
 - reimburse him or her for
 - expenses related to the transport and storage of personal effects; and
 - the reasonable actual costs of alternative accommodation for the period concerned.
- (2) **Members employed in terms of the Defence Act, 2002 and Correctional Services Act, 1998**

State and other housing are provided to members as prescribed in terms of the relevant legislation.

5.8 Clothing for work

(1) Uniforms and special clothing

- (a) If a member's work requires that he or she wears a uniform or particular clothing, the EA will provide either -
- the uniform or clothing; or
 - an allowance that covers the reasonable actual cost of the uniform or clothing.

(2) If -

- (a) a member must hire formal clothing to attend an event either -
- on duty; or
 - at the explicit instruction of his or her EA or HoD; and
- (b) he or she does not receive an allowance for clothing or a representation allowance, the HoD may approve reimbursement of the cost.

(3) Protective clothing

- (a) The EA will provide and launder protective clothing for a member where necessary -
- to comply with legislation;
 - to safeguard the member's health;
 - to prevent the transmission of an infection; or
 - to protect the member's private clothes or uniform from excessive dirt or wear.

(4) Clothing grant on transfer

- (a) The EA may provide a clothing grant if –
- the EA transfers a member outside of South Africa to a new workplace with an extreme change in climate; and
 - the member has not received a similar grant in the past three years.

- (b) The EA will prescribe a maximum amount for the grant. The grant will reflect reasonable actual expenditure.

5.9 Assistance with boarding school and lodging fees

- (1) If, for specific work-related reasons, a member's children must attend school away from home, the EA may help with some of the costs.
- (2) An EA may assist with boarding costs for a dependant child of a member if the child attends primary or secondary school, and
- (a) the member's work requires the member to move frequently; or
- (b) the schools available where the member lives and works
- are over 32 km distant; or
 - do not teach in the member's home language which is one of the official languages.
- (3) The EA will not provide this kind of assistance for a member -
- (a) who is stationed abroad and receives a child allowance; or
- (b) who performs parliamentary duties.
- (4) The EA -
- (a) will pay only for accommodation, meals and laundry; and
- (b) will not pay over half of reasonable boarding-school or lodging fees.

5.10 Allowances for personnel serving EA's

- (1) In some cases, the EA will provide an allowance for members directly serving EA's.
- (2) The EA may pay an allowance to a member who serves an EA -
- (a) either directly or by working for a member who reports to the EA; and
- (b) in terms of a Cabinet decision on Ministerial staffing.
- (3) The EA will pay a member the allowance if the member's executing authority considers it necessary to compensate for -

- (a) undertaking duties that lie outside the member's primary duties and responsibilities;
 - (b) overtime;
 - (c) travelling; and/or
 - (d) inconvenience.
- (4) **Determination of allowances**

(a) **Compensation for inconvenience and for work outside of a member's primary duties and responsibilities**

- An EA may pay an eligible member the following non-pensionable allowance per month for inconvenience and work outside of the member's primary duties and responsibilities.
- Presidency – R2980 (w.e.f 1/7/2003)
- Ministers, Premiers, Head of the Royal Family of the Zulu Nation, Aide de Camp of the President, Deputy Ministers and MEC's – R2745 (w.e.f 1/7/2003).

(b) **Clothing grant**

- A once-off clothing grant to the value of R3590* may be paid. This amount is a once-off grant and must not be paid again when the incumbent serves a new political office bearer, without any interruption of service. This single clothing grant is for the purchase of (formal) clothing outfits on the provision that members –
 - furnish proof of their clothing purchases; and
 - be contractually bound for a period of 24 months, after making use of the relevant concession, to repay the full amount made available, or a *pro rata* portion thereof, to the State should they resign or should their services be terminated as a result of misconduct before expiry of the 24 months.
- A member of the SANDF or Department of Correctional Services who works for an EA will receive payment for clothing in accordance with paragraph 5.8 above.

*Note: The Financial Manual for Remunerative Allowances and Benefits and the Directive on Collective Agreement XIX (Resolution 3/99) should also be consulted.

5.11 Sessional assistance

(1) General

- (a) If a member must reside temporarily in Cape Town in order to undertake parliamentary work, the EA will assist him or her to meet the costs of maintaining two households.
- (b) Sessional assistance will consist of a sessional allowance, assistance with the cost of children, and support for travel and subsistence.
- (c) Sessional assistance will assist only with the costs of a member and/or his or her dependants and/or spouse/life partner. For these purposes, dependants include a member's -
 - dependant child; and/or
 - relative who -
 - lives with the member except when attending an educational institution; and
 - relies on the member for the bulk of his or her subsistence.

(2) Eligibility

- (a) The EA will provide sessional assistance to a member -
 - whom the HoD designates as a sessional official; and
 - who must stay in Cape Town temporarily to perform sessional duties.
- (b) The EA will not provide sessional assistance to a sessional member who is stationed permanently in Cape Town.
- (c) If a member and his or her spouse/life partner are both sessional members, only one will receive sessional assistance.

(3) **Sessional allowance**

- (a) The sessional allowance will equal -
- R85,25 a day for a member who has a spouse/life partner and/or dependants (w.e.f 1 April 2003); and
 - R54,50 a day for a member who does not have a spouse/life partner or dependants (w.e.f 1 April 2003).
- (b) The EA will start paying the sessional allowance -
- when a sessional member leaves his or her normal place of work to travel to Cape Town to take up sessional duties; or
 - a maximum of two days before the member commences sessional duties, if -
 - the child of a sessional member must attend a primary or pre-primary school in Cape Town, and
 - the member or his or her spouse/life partner must therefore arrive in Cape Town before the EA requires.
- (c) While a member performs sessional duties, the EA will pay him or her a sessional allowance for a maximum of one vacation day per month.
- (d) The EA will stop paying the sessional allowance –
- from the date the member stops having sessional duties;
 - if the member returns to his or her normal place of work, or remains in Cape Town but does not take up other official duties
 - if he or she undertakes official duties in Cape Town
 - from the date the member finally returns to his or her normal place of work; or
 - if the member has children in primary or secondary school in Cape Town, the sooner of
 - the date the children leave Cape Town, and

- the Saturday after the day the member stops doing sessional or subsequent official duties in Cape Town.

(4) Assistance with resettlement for sessional reasons

- (a) When a member first assumes sessional duties, if he or she needs financial assistance to settle in Cape Town, his or her EA may provide a cash advance.
- (b) The EA will -
- deduct the amount of the advance in equal payments from the member's sessional allowance; and
 - recover any amount outstanding at the end of the member's sessional duties according to relevant financial directives and the PSR.
- (c) If -
- a member stops having sessional duties for any reason other than resignation;
 - the amount of packing necessitates the member's presence the EA may pay for the member or his or her spouse/life partner to travel to and from Cape Town to arrange the move.
- (d) For the purpose described in paragraph (3), the EA will pay reasonable actual travel costs and a maximum of two days' subsistence.

(5) Travel

- (a) At the start and end of sessional duties
- (b) For a sessional member and his or her spouse/life partner and/or dependants to travel to and from Cape Town at the beginning and end of sessional duties, the EA will pay the costs of –
- travelling;
 - subsistence if necessary, and
 - transport and insurance for essential personal effects.

(6) Special travel allowance

- (a) If sessional duties require a member to separate from his or her family, the EA may pay the minimum travel costs for the member and, in exceptional cases, for his or her spouse/life partner and/or dependants to reunite as a household. The EA will provide funds for this purpose no more than once in four months.
- (b) In exceptional cases, the EA may pay the minimum travel costs for the member and/or his or her spouse/life partner to attend to urgent and vital personal or family affairs at the member's normal place of work.
- (c) If a member receives a special travel allowance, for the duration of his or her absence he or she -
- will not be paid a subsistence allowance; and
 - will utilise available vacation or unpaid leave.

(7) Sessional assistance for children**(a) Child allowance**

- The EA will provide a child allowance for each minor child who
 - is a dependant of a sessional official; and
 - does not participate in a post-secondary course or military service.
- For each day on which a member receives a sessional allowance, the EA will pay his or her R8,60 per day for each eligible child (w.e.f 1 April 2003).

(b) Child boarding allowance

- The EA will assist in meeting the accommodation costs of a dependant child who, as a result of a member's sessional duties, must stay in a hostel or private lodgings in order to attend school, including a tertiary institution.

- Accommodation costs will include only rent, meals and laundry.
- The EA will pay the lesser of
 - 50 per cent of actual accommodation costs; or
 - 50 per cent of the hostel fees charged by the nearest hostel of a government school or a tertiary institution.
- An EA will determine the period during which the member must meet accommodation costs for the child, and pay the allowance for that period.

(8) Sessional accommodation allowance

(a) If a member -

- occupies his or her private home in Cape Town while performing sessional duties; and
- is graded as Deputy Director-General or above,

the EA may pay him or her an allowance equal to the amount he or she would receive as a homeowner allowance on the home for the period of his or her stay in Cape Town.

- (b)** The EA may compensate a sessional member who cannot obtain official accommodation during all or part of his or her sessional duties as provided in Table 2 below.
- (c)** The EA will meet hotel costs only if a member demonstrates that he or she cannot obtain rental accommodation for the allowance provided.

Table 2. Sessional accommodation allowance

Accommodation	Allowance
(a) Rented by one member	<ol style="list-style-type: none"> 1. The actual monthly expenditure on water and electricity for domestic use. 2. The rent for a garage, if the house does not include one. 3. The actual monthly rent, up to a maximum of: <ul style="list-style-type: none"> * R1200 for an unaccompanied member. * R1500 for a married member accompanied by his or her dependants and/or spouse.
(b) Rented by more than one member	<p>If a member shares accommodation with another member who is not a spouse, the EA will pay each member the proportional share of</p> <ul style="list-style-type: none"> * the actual rent to a maximum of R1200 per month, * the cost of parking for a single car, if the accommodation does not have attached parking, and * the actual expenditure on water and electricity.
(c) Hotel	<ol style="list-style-type: none"> 1. The amount over R1370,75 per month for a married member, and R1042,75 per month for a single member (w.e.f 1 April 2003), resulting from: <ul style="list-style-type: none"> * the monthly expenditure on hotel accommodation for the member and his or her dependants, * laundry, * rent for a garage, where necessary 2. A maximum amount for meals (w.e.f 1 April 2003) of: <ul style="list-style-type: none"> * R1413,00 for the member and/or a dependent aged over ten years, and * R710 for a dependent aged under ten years.

Note: The Financial Manual for Remunerative Allowances and Benefits and the Directive on Collective Agreement XIX (Resolution 3/99) should also be consulted.

5.12 **Special recruitment allowance for selected health personnel**

Refer to Public Health and Welfare Sectoral Bargaining Council (PHWSBC) Resolution 2 of 2004.

5.13 **The Antarctic and Gough and Marion Islands**

(1) **General**

The EA will compensate a member for the hardships of work in the Antarctic and/or Gough and Marion Islands.

(2) **A member of an expedition**

(a) In this part -

- *expedition* means an expedition in the Antarctic and/or the Gough and Marion Islands; and
- *Islands* means the Gough and Marion Islands.

(b) If, while on an expedition, a member occupies a position with a higher grade than his or her normal position, for the duration of the expedition the EA will pay him or her a non-pensionable allowance equal to the difference between -

- his or her normal salary; and
- the minimum of the salary range that applies to the position he or she holds during the expedition.

(c) The EA will pay a member of an expedition in the Antarctic and/or Islands a bonus of R9409,00 per year (w.e.f 1 July 2003).

(d) The EA will supply a member of an expedition free of charge with protective clothing and medical care.

(e) Reasonable quantities of tobacco products and alcohol, or the cash equivalent if the member does not use the products will be provided.

(f) Food and living quarters.

(3) **A member who visits a base to assist with maintenance, stocking or research**

- (a) The EA will grant a member who visits a base to assist with maintenance, stocking or research -
- free living quarters and repayment of reasonable expenditure on mess fees while on the ship travelling to the base, and
 - free living quarters and rations at the base.
- (b) From the date an expedition leaves Cape Town until it returns to Cape Town, the EA will pay (w.e.f 1 July 2003) -
- a member who visits a base to assist with maintenance, stocking or additional research, including the Chief Scientist on the ship, an allowance equal to 15 per cent of the average of the minimum salaries in salary range 5 and salary range 6;
 - the overall co-ordinator, a special bonus of R2277,00;
 - a team leader, a special bonus of R1826,00;
 - a team member, if his or her team leader certifies that he or she has provided satisfactory service, a special bonus of R920,00;
 - the Chief Scientist on the ship, a special bonus of R1826,00; and
 - the officer in command of the SANDF component, a special bonus of R1826,00.

*Note: The Financial Manual for Remunerative Allowances and Benefits and the Directive on Collective Agreement XIX (Resolution 3/99) should also be consulted.

5.14 Assistance with residential telephones: provision for HoDs

- (1) Telephones may, at state expense, be granted to HoDs referred to in Column II of Schedule I to the Act, on the following basis:
- (a) The expenditure regarding the installation of a telephone system of their choice at the residences at the headquarters as well as in Cape Town for those HoDs who must reside in Cape Town for parliamentary duties. A member who is already in the possession of a telephone system may replace it with a system of his or

her choice in which case the installation or exchange expenditure may be paid from state funds.

- (b) The monthly rent of the telephone at the headquarters as well as the telephone in Cape Town.
- (c) The actual call expenditure arising from the use of such telephones, but limited to a maximum of R250,00* per month. If the actual call expenditure in any month exceeds the limit of R250,00* and such excess can be attributed to official calls (either local or abroad) it may, after certification, be claimed in the usual way.
- (d) If the residence at either the headquarters or Cape Town is leased during the sitting of Parliament or during the recess, no rent or call expenditure in respect of the telephone at the leased residence is payable from state funds.

*Note: The Financial Manual for Remunerative Allowances and Benefits and the Directive on Collective Agreement XIX (Resolution 3/99) should also be consulted.

5.15 Foreign Service Dispensation

Eligible members qualify for remuneration and compensation as provided for in PSCBC Resolution No. 8 of 2003 and the Guideline on the Foreign Service Dispensation.

5.16 Recognition of long service

(1) Transitional Arrangements

- (a) A member who has completed 30 years continuous service **on or before 31 March 2003** and qualified in terms of the pre-revised provisions for a wrist-watch, may be afforded the choice between a wrist-watch or the R3 000 cash award contemplated in revised provisions reflected hereunder.
- (b) In the event where the member contemplated in paragraph (a) above chooses the wrist-watch, departments should acquire the necessary watch through their **own** procurement processes from retail outlets in terms of the directive issued by the Minister for Public Service and Administration under reference 1/6/16 dated 24 February 2003.

- (c) It is in this context also important to bear in mind that such a member with 30 years service **is not eligible to both** the wrist-watch and cash award of R3 000. In other words if the employee received a wrist-watch in terms of pre-revised provisions, s/he is not eligible to the cash award of R3 000, or vice versa.
- (2) A member who has rendered 20 years of continuous service on or after 1 April 2003, an EA shall provide, as a minimum -
- (a) a certificate; and
- (b) cash payment for ten working days of annual leave, if the member has that much leave and wishes to exchange it for cash.
- (3) A member who has rendered 30 years of continuous service, an EA shall provide,
- (a) a cash amount of R3000 if the member does not work for the Correctional Services, ,
- (b) a certificate, and
- (c) cash payment for fifteen working days of annual leave if the member has that much leave and wishes to exchange it for cash.
- (4) The amount reflected in 5.16(3)(a) above will be adjusted annually on 1 April according to the CPIX for the period January to December of the proceeding year.
- (5) The member may use any of his/her capped annual leave and/or annual leave of a previous leave cycle (if applicable) and/or current leave cycle.
- (6) Members should be afforded the opportunity to choose to have these leave days paid out. If a member exercises this choice at a later date, payment of these leave days should be based on the basic salary as on the date that s/he has completed the 20/30 years service.
- (7) The cash payment in paragraphs 5.16(1) and (2) should be calculated as follows:

$$\frac{A \times B}{260,714}$$

Where:

A = represents the member's basic annual salary payable to him or her on the day that he or she qualifies for a 20 or 30 years long service award.

B = represents the number of annual leave credits that the member chooses to discount, but limited to 10 or 15 working days, respectively.

(8) Types of service recognised

(a) Service includes continuous service for a government department, a state or a state assisted school. In other words the following types of service are recognised for purposes of long service awards:

- Service in the public service as contemplated in section 8 of the Public Service Act, 1994 and in the Employment of Educators Act, 1998 may be acknowledged, as well as the following service on condition that there is no break in service during the transfer/appointment in the public service.
- Continuous service in terms of a former provincial ordinance.
- Continuous service rendered in terms of the-
 - Precious Stone Act, 1964 (Act 73 of 1964)
 - National Water Act, 1998 (Act 36 of 1998); and
 - Abolition of Racially Based Land Measures Act, 1991 (Act 108 of 1991).
- Continuous service rendered in terms of education acts.
- Continuous service at a statutory institution in those cases where a function and the personnel therewith were transferred from the public service and the same personnel, with the "re-transferring" of such function to the public service is appointed again in the public service.

(9) **Members employed in terms of the Defence Act, 2002**

Recognition of long service is provided to members as prescribed in terms of the relevant legislation.

5.17 **Commuted overtime**

Commuted overtime is payable to Medical Doctors and Specialists, at the rates and on the conditions determined by the National Department of Health and the SANDF respectively.

6. CASH PAYMENT FOR ADDITIONAL QUALIFICATIONS

6.1 As of January 1, 1999 if –

- (1) a member had entered into studies for an additional or higher qualification; and
- (2) item 14.0 of the Personnel Administrative Standard that applied to him or her on that date provided a cash award for completion of those studies,

the EA will pay the member the cash award when the member complies with the requirements laid down in the relevant Personnel Administrative Standard.

7. CONTRACT WORKERS

The remuneration of a member on a contract with a fixed term will be equal to the remuneration package of an equivalent permanent worker, which derives from -

- 7.1 evaluation of the job in line with the PSR; or
- 7.2 the remuneration package of a similar existing position.

8. PENSION BENEFITS

Members qualify for pension benefits as contained in the Rules of the GEPPF.

9. ADDITIONAL COMPENSATION TO HEADS OF DEPARTMENT (amended w.e.f 1 April 2003)

- 9.1 A non-pensionable Head of Department allowance is payable to a member who is designated as a Head of Department. This monthly allowance is calculated as 10% of the member's annual all-inclusive remuneration package, divided by twelve and is payable for the time that a member is designated as a Head of Department.
- 9.2 For acting in a vacant and funded designated HoD post, as contemplated in Schedules 1, 2 and 3 of the *Public Service Act, 1994*, the HoD allowance is payable **in addition** to the acting allowance referred to in paragraph 10, calculated at 10% of the member's current inclusive flexible remuneration package. The HoD allowance is

payable with effect from the date the member is appointed, in writing, to act in the vacant designated HoD position.

- 9.3 In cases of suspension of the designated HoD, the payment to the HoD allowance must be **terminated** with effect from the date of suspension. The HoD allowance is payable with effect from this date to the member who is appointed, in writing, to act in the designated HoD position.
- 9.4 In cases of any other absences of the designated HoD (e.g. due to vacation, sick, special or study leave), **excluding maternity leave**, the payment of the HoD allowance must be **terminated** with effect from the date of commencement of absence, provided that the period of absence is going to be longer than 30 continuous days. The HoD allowance is payable to a member who is appointed, in writing, to act in the designated HoD position with effect from the date of termination, provided that the period of acting in the designated HoD position is going to be longer than 30 continuous days.
- 9.5 In cases of maternity leave, the payment of the HoD allowance **must not be terminated** for the incumbent of the position. However the HoD allowance is similarly payable to a member who is appointed in writing to act in the designated HoD position with effect from the date of commencement of maternity leave, provided that the period of acting in the designated HoD position is going to be longer than 30 continuous days.
- 9.6 In the circumstances referred to in paragraphs 9.3, 9.4 and 9.5 above, the acting allowance referred to in paragraph 10.1 **is not payable** because the post is not vacant.
- 9.7 If the payment of the HoD allowance to a member who acts in a designated HoD position referred to in paragraph 9.2 commences after the 1st day or terminates before the last day of a month, the daily tariff is calculated by dividing the annual amount by 12 (number of months per year) and then by the number of days for the specific month.
- 9.8 All HoD contracts must be amended to provide for the termination of the HoD allowance for the periods of absence as a result of the circumstances identified in paragraph 9.3 and 9.4. This amendment must be with effect from 1 April 2003.

10. **ACTING ALLOWANCE (implemented as of 1 April 2003)**

- 10.1 A member appointed in writing to act in a higher post, by a person duly authorised, shall be paid an acting allowance, provided that –
- (1) the higher post in which he/she is acting is vacant and funded, and
 - (2) the period of appointment is uninterrupted and longer than 6 (six) weeks.

- 10.2 A maximum of **two** members may receive the acting allowance proportionally if they are appointed to act in a single higher vacant post, provided that –
- (1) the responsibilities attached to the higher vacant post are divided between the two members acting in such a post and expressed in the form of a ratio (i.e 30/70%) before they are appointed to both act in such higher vacant post;
 - (2) the **maximum** (combined) acting allowance to be paid to the two members is the difference between the inclusive flexible remuneration package of the lowest graded member and the commencing inclusive flexible remuneration package of the higher graded vacant post. (This means that the expenditure may not exceed the expenditure if only the lowest graded member would have been appointed to act in the higher graded vacant post.); and
 - (3) the members' individual acting allowances are to be determined proportionally to the above-determined ratio. (This means that if the split in responsibilities between the members is 30/70% the one member will qualify for 30% and the other member 70% of the maximum (combined) acting allowance).
- 10.3 The member must accept the acting appointment in writing before the acting allowance is payable. In the circumstances referred to in paragraphs 9.3, 9.4 and 9.5, the acting allowance referred to in paragraph 10.1 is not payable because the post is not vacant.
- 10.4 The acting allowance is non-pensionable.
- 10.5 The employer will pay the acting allowance on a monthly basis, provided that the first payment takes place in the month following the completion of the period referred to in paragraph 10.1 above, backdated to the date that the member officially began acting in the post.
- 10.6 A member may only act in a higher post for a maximum uninterrupted period of 6 (six) months. The acting allowance may only be paid to an acting member for a maximum of 6 months, after which only permanent appointment will be considered for the relevant vacant and funded higher post unless prior approval is obtained from the relevant Executing Authority for re-appointment of the acting member or appointment of a new member in the said post in an acting capacity.
- 10.7 The fact that a member has been appointed in an acting capacity does not create a right or a legitimate expectation to be appointed when the vacant post is advertised.
- 10.8 The acting allowance referred to in paragraph 10.1 is calculated on the basis of the difference between the current remuneration package of

the member and the commencing remuneration package of the higher post.

- 10.9 A member on an inclusive flexible remuneration package, which includes a personal package, which is higher than the commencing inclusive flexible remuneration package of the higher graded vacant post should receive the difference between his/her current package and the **next higher** remuneration package applicable to the vacant higher post, provided there is a difference.
- 10.10 If the payment of the acting allowance referred to in paragraph 10.1 commences after the 1st day or terminates before the last day of a month, the daily tariff is calculated by dividing the annual amount by 12 (number of months per year) and then by the number of days for the specific month.
- 10.11 The 6-month period referred to in paragraph 10.6 above will run from the date of appointment in terms of this policy.

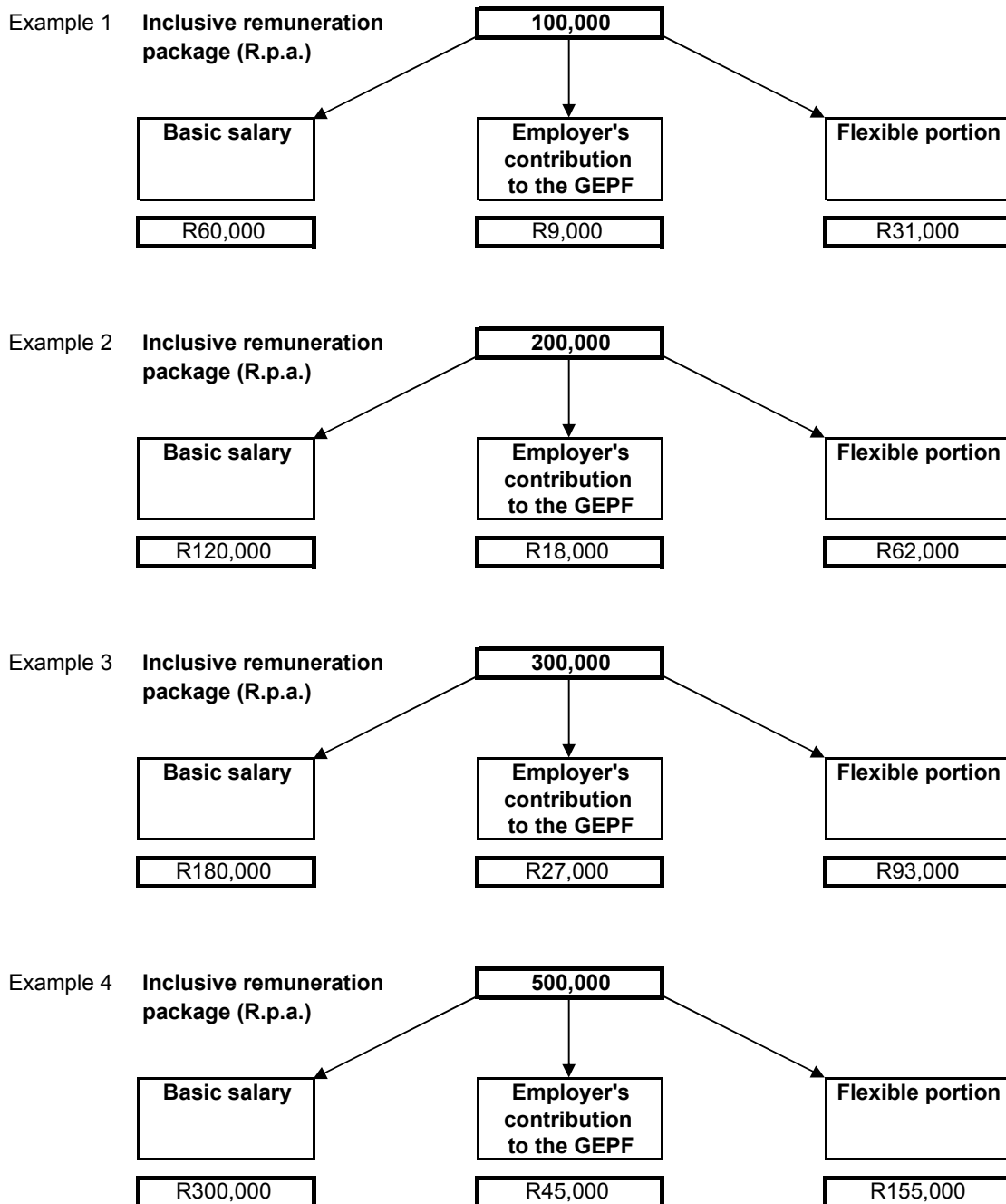
11. **FREQUENT FLYING CREDITS**

Members are allowed to accrue frequent flying credit points granted by airline companies for their personal use.

Annexure C

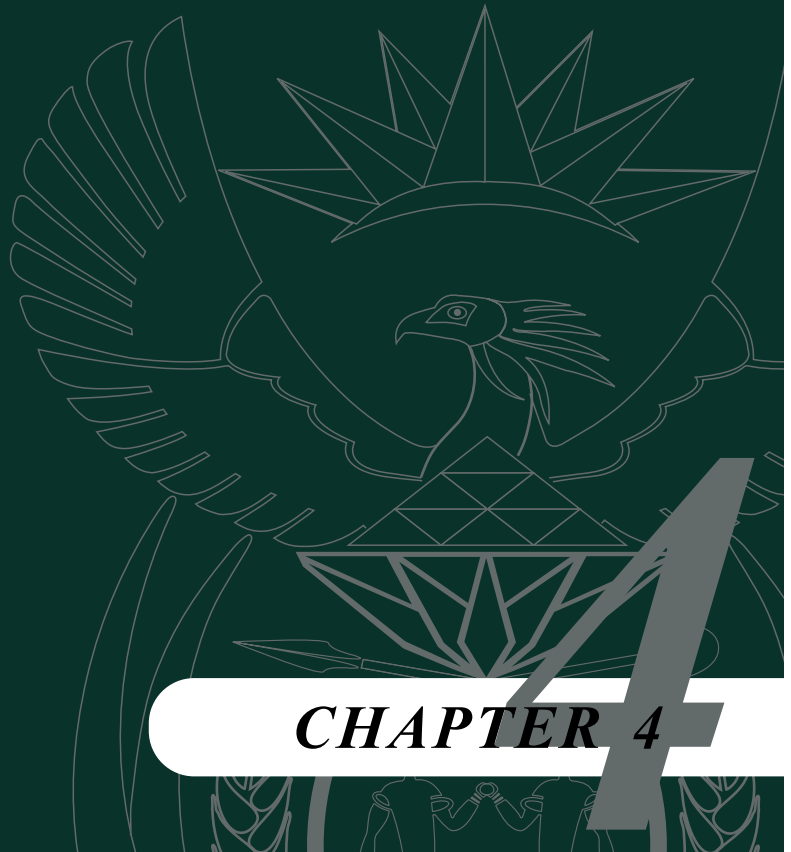
MEMBER CATEGORY	ANNUAL LEAVE DAYS
	AS WORKING DAYS
(a) Members appointed prior to July 1, 1966	28
(b) Other members:	
• Less than 10 years service.	22
• 10 or more years of service	26

EXAMPLES OF STRUCTURE OF INCLUSIVE PACKAGES



EXAMPLES OF STRUCTURING OF FLEXIBLE PORTION

Example 1	Flexible portion (R.p.a.)	31,000
	Motor Car Allowance	14,000
	13th Cheque	
	Medical assistance	8,000
	Housing Allowance	5,000
	Non-pensionable Cash Allowance	4,000
	Total:	31,000
Example 2	Flexible portion (R.p.a.)	62,000
	Motor Car Allowance	40,000
	13th Cheque	
	Medical assistance	5,000
	Housing Allowance	4,900
	Non-pensionable Cash Allowance	12,100
	Total:	62,000
Example 3	Flexible portion (R.p.a.)	93,000
	Motor Car Allowance	40,000
	13th Cheque	15,000
	Medical assistance	8,000
	Housing Allowance	19,100
	Non-pensionable Cash Allowance	10,900
	Total:	93,000
Example 4	Flexible portion (R.p.a.)	155,000
	Motor Car Allowance	101,000
	13th Cheque	25,000
	Medical assistance	12,000
	Housing Allowance	
	Non-pensionable Cash Allowance	17,000
	Total:	155,000



CHAPTER 4

CHAPTER 4

PERFORMANCE MANAGEMENT AND DEVELOPMENT

1. INTRODUCTION AND CONTEXT

1.1 This chapter describes the process and requirements of performance management and development for members of the SMS. It is issued as a directive by the Minister for the Public Service and Administration (MPSA) in terms of Part III.B3 of Chapter 4 of the Public Service Regulations, 2001 (PSR). In as far as national heads of department (HoDs) are concerned, this chapter should be applied in conjunction with the system for the evaluation of HoDs, issued by the Office of the Public Service Commission. The same applies to those provincial administrations that have adopted the national HoD evaluation system for their provincial HoDs. The performance management and development system is summarised at Annexure A.

1.2 This directive replaces circular 2/3/1/1/P of 12 May 1999 and the Handbook - Management of Performance Agreements, but should be read in conjunction with the Handbook - Performance Management and Development (August 2000). There are two key reasons for the substitution of the mentioned circular and Handbook:

- (1) The competency framework specifying core competencies for members of SMS needs to be clearly linked to performance management (PM).
- (2) Departments have had the opportunity to work with PM generally and performance agreements (PAs) specifically, for a period of time and have learnt some valuable lessons. The Department of Public Service and Administration (DPSA) has drawn on these experiences to identify areas where clearer and more specific guidance would be useful to departments.

1.3 **The new elements** introduced by this chapter are (Mandatory elements summarised at Annexure B):

- (1) Mandatory assessment of demonstrated managerial competence of members of the SMS by means of the Core Management Criteria(CMC);
- (2) Standardised rating scale to which performance related rewards must be directly related;

- (3) Two-tier reward system comprising pay progression and performance bonuses; and
- (4) The introduction of personal development plans.

2. PURPOSE

The chapter aims to:

- (1) Consolidate the provisions regarding performance management and development (PM&D) for the SMS that must be applied by departments;
- (2) Provide guidance on linking the SMS Competency Framework developed to guide recruitment and selection to the management of SMS performance;
- (3) Encourage and further develop good practice in the management and development of the SMS based on an assessment of existing practice and the feedback obtained from members during consultation processes;
- (4) Create a better understanding of the context and best practice parameters for implementing PM&D for the SMS;
- (5) Give guidance on the implementation and management of PAs within the context of a PM&D system;
- (6) Explain and illustrate the critical areas of a PM&D cycle that links with related HR - systems; and
- (7) Suggest the conditions that departments will need to create in order to manage performance effectively.

3. DATE OF IMPLEMENTATION

The system came into effect on 1 April 2002.

4. KEY PRINCIPLES

- 4.1 The key principles underpinning the effective implementation of PM are outlined in the PSR. These principles are captured below. For details, departments must refer to the relevant sections of the PSR (Part VIII A of Chapter 1) and the Handbook - Performance Management and Development (August 2000).

4.2 The principles are:

- (1) Departments shall manage performance in a consultative, supportive and non-discriminatory manner in order to enhance organisational efficiency and effectiveness, accountability for the use of resources and the achievement of results;
- (2) Performance management processes shall link to broad and consistent staff development plans and align with the department's strategic goals;
- (3) Performance management processes shall be developmental, but shall allow for effective response to consistent inadequate performance and for recognising outstanding performance [including demonstration of agreed CMC's]; and
- (4) Performance management procedures should minimise the administrative burden on supervisors (and members of the SMS) while maintaining transparency and administrative justice.

5. REGULATORY FRAMEWORK

5.1 Performance management in the public service is guided by the Act, the PSR, resolutions of the Public Service Co-ordinating Bargaining Council (PSCBC) and the Treasury Regulations, 2001.

(1) **Public Service Act, 1994**

- (a) **Section 3 (5):** Assigns powers and duties concerning the internal organisation of a department to its EA. This includes:
 - The determination and grading of the post establishment; and
 - The career incidents of employees other than HoDs, such as performance management and discipline in a department.
- (b) **Section 3 B:** Assigns the President and relevant Premiers the powers and duties concerning the appointment and other career incidents of HoDs, which may be delegated.

- (c) **Section 7(3)(b):** Provides for the following responsibilities of HoDs:
- Efficient management and administration
 - Effective utilisation and training of staff
 - Maintenance of discipline
 - Promotion of sound labour relations
 - Proper use and care of state property
- (d) **Section 12(4)(b):** Provides for the inclusion, by mutual agreement, of “specific performance criteria for evaluating the performance of the HoD.”
- (2) **Public Service Regulations, 2001**
- (a) **Paragraph B.2.1 of Part VII, Chapter 1:** Indicates that the prescribed employment contract of an HoD shall be as set out in Annexure 2 of the PSR.
- (b) **Paragraph 7 of the employment contract (Annexure 2):** Contains the measures that govern the PA of an HoD.
- (c) **Paragraph B.1 of Part VIII, Chapter 1:** Indicates that an EA shall determine a system for performance management for employees in her/his department other than employees in the SMS. This implies that the MPSA should determine such a system for members of the SMS.
- (d) **Chapter 4** provides for the establishment of the SMS. **Paragraph A, Part III** states that the performance of all members of the SMS will be managed through a PA, which should be linked to the department’s strategic plan. **Paragraph B** states that all new members of the SMS shall enter into a PA, which will define key responsibilities and priorities, encourage improved communication and enable the supervisor to assess the work of the member of the SMS.
- (3) **PSCBC Resolution No 13 of 1998**
- (a) The resolution states that the purpose of the negotiated collective agreement is to set a framework for senior managers to agree to individual PAs.
- (b) The agreement thus extends the signing of PAs from HoDs to all senior managers (levels 13-16)

and prescribes the following five items that must be included in a PA:

- Key duties and responsibilities
- Output targets for the PA period
- Dates for performance review
- Dispute resolution mechanism
- Date on which salary increments will come into effect and mechanisms for the management/awarding of salary increases.

(4) PSCBC Resolution No 9 of 2000

This resolution extends Resolution 13 of 1998. It provides for the remuneration packages of senior managers/professionals to be translated to a more transparent total cost-to-employer and inclusive flexible remuneration package system.

(5) Treasury Regulations, 2001

- (a) Departments must comply with the Treasury Regulations regarding strategic planning and budgeting. Part 3, Chapter 5 of the Treasury Regulations deals with strategic planning. The Guidelines provided by National Treasury give detailed and extensive outlines of what is required to effectively link departmental strategy to budgets. Departments need to budget for projected salary increases and financial rewards that may be allocated to members of the SMS based on framework determinations made by the MPSA.
- (b) This chapter contains both advisory and mandatory elements. The advisory part is captured in paragraphs 6 – 7. The mandatory elements are set out in paragraphs 8 – 19. Please note that the latter part has been designed so as to allow departments flexibility during the implementation process, while ensuring that there will be consistency across departments when assessing SMS members and deciding on monetary rewards.

6. INTEGRATION OF THE PM&D SYSTEM WITH ALL OTHER ORGANISATIONAL PROCESSES

- 6.1 PM&D systems need to be integrated with all other organisational processes and systems to be effective.

Performance management and development is fundamentally an approach to how work is done and organised rather than a system. All other systems and processes should support or be informed by effective performance management and a focus on continuous improvement of performance. A further key determinant of success, flowing from this, is that the process is driven from the highest level in the organisation. The following should also be taken into account in managing PM&D at departmental level.

(1) Strategic planning and performance assessment

- (a) The content of PAs should clearly and directly devolve from and be related to the department's strategic/operational plan and the plans of the specific unit for the coming year. In practice this entails that departments should aim to have their plans prepared prior to the commencement of the financial year. This will enable relevant and appropriate PAs to be developed for members of the SMS and, if applicable, for other officials.
- (b) Individual performance assessments should therefore, be informed by and, in turn, inform the evaluation and review of organisational and unit achievement over the preceding period. Reviews of achievement against departmental strategic objectives and business plans should coincide with individual quarterly performance reviews, to enable individual and organisational performance to be more effectively linked. The mid-term individual performance review should coincide with the annual departmental or unit strategic review. Annual individual performance appraisals should be linked to and informed by evaluation of unit and organisational performance. New PAs should reflect decisions on how results could be improved in the forthcoming year.

(2) Strategic HR planning linked to PM & D and other HR systems

- (a) The PSR clearly indicate the processes and format for strategic HR planning (Part IIID of Chapter 1) that must enable the identification of core competencies and the subsequent identification of human resource development needs of a department. Jobs will need to be designed, analysed and evaluated in terms of the strategic HR plan and job profiles developed for each job.

- (b) These profiles will guide recruitment and selection and provide the basis for PM&D. The profiles, PAs and the outcomes of performance reviews and appraisal must, in turn, become the basis for staff development plans. Departments will need to budget for projected package progression and cash bonuses that may be allocated within the framework and policy as determined by the MPSA.
- (c) The HoD is responsible for ensuring that these systems are implemented in an integrated way in line with the department's strategic objectives, and that departmental information systems support easy access to, and integration of, information.

(3) Competency framework

- (a) The generic management competencies apply to all staff in the SMS. The core generic competencies are intended to help build a common sense of good management practice in the public service. As such, they will inform the selection process, performance management and the identification of development needs of members of the SMS.
- (b) This chapter provides advice on how the link between these generic CMCs and performance management should be made.

(4) Management development

- (a) Key conditions for effective performance in most management jobs are that managers take responsibility for results but also that they are given the space for ongoing learning and development about how best to achieve them. Managers should play an active role in the development of their PAs with their supervisors and in identifying ways in which performance could be improved. Managers should be encouraged and trained to make informed judgements, take responsibility for results and look for ways of improving what is achieved.
- (b) The performance management and development process should play a key role in effective management development. Departments should not allow the role of the appraisal in enabling the

determination of rewards and key career incidents to overshadow the developmental orientation of the PM&D system. The key purpose of PAs, reviews or appraisals is for supervisors to provide feedback and enable managers to find ways of continuously improving what is achieved.

- (c) The HoD is responsible for creating an environment conducive to this.

(5) Communication

- (a) Communication is key to performance management and development. Staff should not just know, but also understand, the strategic goals of the organisation. It should be clear to all managers how they are expected to contribute to the achievement of these goals. It is also important that information on achievement against these objectives is available to all staff.
- (b) Information on the department's PM&D system needs to be provided to all managers as well as staff in general to ensure that there is no confusion or misunderstanding about the PM&D policy and what is required.
- (c) It is the responsibility of the HoD to ensure that appropriate lines of communication are in place and effectively maintained.

(6) Organisational learning

- (a) Departments should ensure that systems are in place to enable learning to take place at individual and departmental level. This should inform future planning and decision-making.
- (b) The HoD must ensure that an environment is created in which achievement is honestly assessed in the public interest and ways found to improve service delivery. The performance of the department as a whole and the particular units of SMS members should inform individual assessment. It must also be possible to admit and take responsibility for problems or shortcomings and make proposals that will enable improvement.
- (c) Learning and improvement should apply to the performance management system itself.

Departments will need to review whether it is serving the intended purpose effectively.

(7) Managing poor/unacceptable performance

Departments are entitled to satisfactory work performance from members of the SMS. Should the performance of a member of the SMS fail to comply with required standards in this regard, departments are obliged to apply the applicable incapacity code and procedures in order to appropriately address the situation. These procedures are contained in Resolution 10 of 1999 and are explained in Chapter 7 of this Handbook. Refer to paragraph 15.11 for measures pertaining to unsatisfactory performance.

7. LINKING THE PM CYCLE TO PLANNING AND BUDGETING

7.1 Part 3 of the Treasury Regulations and Part III of Chapter 1 of the PSR require that strategic planning be undertaken by departments and a draft strategic plan be finalised and approved by the EA. It is the responsibility of the HoD to ensure this is effectively achieved. This strategic planning process should link to the PM&D cycle, where organisational requirements are translated into individual objectives or targets.

(1) Content of the strategic plan

(a) The strategic plan should cover a period of three years and be consistent with the department's published medium term estimates. In addition, it should:

- Define the vision, mission or strategic focus of the department, as informed by government policy and the constitutional mandates of that department;
- Set out clear strategic goals and objectives, strategies for achieving them and service delivery improvement plans (see Part III C of Chapter 1 of the PSR);
- Record budget decisions on strategic resource allocation based on strategic decisions, plans and what will be needed to implement them. This is the MTEF budget exercise, which should be an integral part of strategic planning and directly related to the

goals, strategies and plan. The budgeting process should not be run as a separate and parallel process as is often happening;

- Provide the basis for departmental and unit level business planning, by allocating to specific units the responsibility and resources for achieving an aspect of the overall departmental strategy within a financial year; and
 - Lay a clear basis for the monitoring of progress and evaluation of achievement by clarifying expected results with indicators, criteria and standards. This should provide a sound basis for the PAs of individual managers and for directly linking them to departmental and unit responsibilities and plans.
- (b) The strategic planning process and the actual draft strategic plan are among the key responsibilities of an HoD. The EA approves and is jointly responsible with the HoD for the strategic plan. The PAs of the HoD, her/his deputies and all other members of the SMS should be based on the departmental and unit strategy and operational plans.

(2) Proposed planning cycle

- (a) The diagram at Annexure C outlines the flow of activities which, if followed, would make it much easier for departments to achieve the goal of effectively using PAs as instruments to advance their strategic objectives and improve what is achieved.
- (b) As illustrated in the diagram, the planning cycle should typically commence by mid November.

8. ENTERING INTO A PERFORMANCE AGREEMENT

- 8.1 All members of the SMS (managers and professionals) **shall enter into PAs** by not later than 31 March annually. These PAs shall apply for a particular financial year and shall be reviewed annually. Newly appointed members of the SMS shall complete their PA within the first three months of appointment. Within that time, there should have been enough induction and

acclimatisation to the new environment to enable judgements about what it will take to deliver a good service for that year. The format at Annexure D shall be utilised as the basis of all PAs, with the understanding that departments may adjust the *pro forma* to suit their particular needs. The PAs of individual members shall be based on a department's strategic/operational plan, the milestones agreed upon by the relevant EA and top management, as well as the work plans of individual components.

- 8.2 Failure to deliver in terms of a PA cannot result in summary termination of service. However, it can serve as evidence in support of such termination based on incapacity should such a process become necessary.
- 8.3 The performance of a member of the SMS shall be reviewed on a **quarterly basis**, with the understanding that such reviews may be **verbal** if the SMS member's performance is **satisfactory**. **However, a minimum of two formal reviews must take place during the course of the year (one preferably in the middle of the PM&D cycle and the other towards the end of the cycle), linked to the review of the department's or unit's strategic/operational plan.**
- (1) Departments may decide to adjust the system to meet the needs of different jobs or categories of jobs but must use one standard assessment instrument (see paragraph 13.1) on which to base decisions on probation, rewards, promotion and skills development; and
 - (2) All members of the SMS must have a personal development plan, included as part of the PA.
- 8.4 PAs will only be effective if:
- (1) All members of the SMS are committed to proper management of performance, not because of a need to comply but rather because it is a good management tool. In this regard, each member of the SMS will need to have the effective implementation of the agreed PMDS as one of their priority organisational objectives;
 - (2) Objectives and competency gaps are reviewed more in terms of relevant departmental vision, mission and strategy rather than functional responsibilities and duties;
 - (3) All members of the SMS are properly inducted and trained in the use of performance management, CMC's and the PA system in particular; and

- (4) All performance assessment data is kept in an efficient database for continuous updating and re-use in various other competency based people management aspects.

9. CONTRACTING AND DETERMINATION OF ASSESSMENT CRITERIA

9.1 The criteria upon which the performance of a member of the SMS must be assessed shall consist of **two components**, both of which shall be contained in the PA. Each SMS member must be assessed against both components, with a weighting of **80:20** allocated to the **Key Result Areas (KRAs)** and the **Core Management Criteria (CMC)** respectively. Each area of assessment will be weighted and will contribute a specific part to the total score. KRAs covering the main areas of work of the SMS member, will account for 80% of the final assessment. The CMCs will make up the other 20% of the member's assessment score.

(1) Key Results Areas (KRAs)

- (a) KRAs describe what is expected from a member of the SMS in her/ his role. They focus attention on actions and activities that will assist units and ultimately the department in performing effectively.
- (b) The primary tool for capturing KRAs in a clear and concise manner is a work plan. The proposed PA template (see Annexure D) makes provision for the inclusion of a work plan which describes KRAs and the criteria for measuring them. The more precisely those KRAs are described, together with the criteria by which they will be measured, the more effective the performance management process will be.

(2) Core Management Criteria (CMC)

- (a) The eleven CMCs of the SMS could be used to determine expected performance standards in PAs and to assess achievement through performance review and appraisal meetings.
- (b) The purpose of including the CMCs in the PMS is to contribute to the process of developing a common understanding of, and set of expectations about, good management practice. These criteria and standards should not displace the importance of specific results-based performance criteria and expectations for a particular job and their

relationship to the specific goals of the organisation.

- (c) The CMCs are supplementary to the specific performance criteria (KRAs) for any particular job in any specific department.
- (d) The eleven CMCs are as follows:
- Strategic Capability and Leadership
 - Programme and Project Management
 - Financial Management
 - Change Management
 - Knowledge Management
 - Service Delivery Innovation
 - Problem Solving and Analysis
 - People Management and Empowerment
 - Client Orientation and Customer Focus
 - Communication
 - Honesty and Integrity
- (e) These core criteria and standards are:
- Related to **how** managers do their jobs - they do not describe the results that should be achieved; and
 - Generic – they identify areas that are important to most management jobs and provide standards based on how these should be carried out effectively in most organisational and job contexts.
- (f) A table that includes the elements of each criterion, a description and possible standards that may be expected for performance at the “Fully Effective” level only, is provided in Annexure E.
- (g) Note that not all CMC will be relevant to a specific job or to a specific work environment. The human resource units in departments should work with line management in their departments in deciding up-front which CMCs will be used during the evaluation process and how it will be weighted. Some level of consistency will be required for similar jobs within the department. (See paragraph 10.5 for details).

10. CONTENTS OF THE PERFORMANCE AGREEMENT

10.1 The PA shall address, at minimum, the following:

- (1) Description of the purpose of the job.
- (2) Identification of KRAs, their weighting and the standards for measuring them.
- (3) Agreement on which CMC's are relevant, their weighting and the standards for measuring them.
- (4) Agreement on the personal development plan.
- (5) Dates of reviews and formal assessment of the SMS member's performance.
- (6) Dispute resolution.
- (7) Dates for consideration of performance related rewards.

10.2 Description of the job

The purpose of the job should be based on the job profile and the department or unit operational plan.

10.3 Identification of Key Result Areas

- (1) The setting of KRAs should be derived directly from the required outputs of the approved strategic/operational plan.
- (2) **KRAs** should be broken down into specific activities or outputs in a work plan. Indicators are then used to indicate how the successful performance/achievement of the activities or outputs will be measured.
- (3) The identification of KRAs can cover many different aspects of the work:
 - (a) Specific tasks or events which the member should ensure are achieved;
 - (b) Levels of performance which the member should maintain and promote;
 - (c) Actions or situations for which the member is personally responsible for delivering her/his "unique contribution"; and

- (d) Duties and responsibilities related to advice and support given, for example, by specialists to clients.
- (4) The KRAs of a member of the SMS should not simply be a repetition of the outputs of the persons under her/his control or the consultants to be contracted, but should where possible indicate the value to be added by the member.
- (5) The KRAs should exclude generic managerial and/or leadership responsibilities, since these are to be covered by the CMC.
- (6) Although there is no limit to the number of KRAs to be included in a PA, they should preferably not exceed five or six. Each KRA should be broken down into measurable outputs and/or duties/responsibilities.

10.4 Agreement on how achievement of KRAs will be measured

- (1) The manner in which performance objectives in a work plan are formulated, need to satisfy five primary criteria:
 - S** Simple, clear and understandable
 - M** Measurable, in terms of quantity and where possible, quality, money and time
 - A** Agreed between the member and the supervisor
 - R** Realistic – within the control of the member, taking account of her/his experience – but challenging
 - T** Timely – to reflect current priorities, assessable within the annual reporting cycle of the PA
- (2) It is important to realise that there must be flexibility when agreeing on performance objectives and measures. There should be a mutual understanding that the PA may have to be adjusted during the course of the financial year because of changed circumstances.
- (3) The KRAs should be weighted according to the importance that they have in the member's job. The weighting of all the KRAs should add up to 100.

10.5 Agreement on the standards for measuring Core Management Criteria (see also paragraph 11)

- (1) Every member of the SMS should be assessed against all those CMCs that are applicable to her/his job. The number of CMCs chosen should preferably not exceed five or six. A scientist may for example not have any employees under her/his control (People Management and Empowerment) or may have no financial responsibilities (Financial Management). Moreover, all CMC will not be equally important in a particular job context, or may apply in different ways to different jobs. To adapt the CMCs to specific jobs and job contexts, the SMS member together with her/his supervisor will need to:
 - (a) **Decide** which of the CMCs apply to the member's job.
 - (b) **Weight each relevant criterion** to show the extent to which it relates to the specific member's job. One way of jointly arriving at decisions on how important any specific criterion is to a specific job is to use the factors of impact and frequency. The greater the impact and frequency, the greater the importance that criterion is likely to have on the achievement of effective performance results. The weighting of all the criteria should add up to 100.
 - (c) **Adapt the generic standards** to the demands and context of the job as necessary.
- (2) The agreements reached on the **job-specific performance results and criteria** and knowledge of the **context** will inform this process. Departments should view the inclusion of CMCs in the PAs of members of the SMS as a window of opportunity to promote behaviour change and service delivery improvement in their specific environments.
- (3) For all members of the SMS with managerial responsibilities* the following CMCs shall **as a minimum** be included in their PAs:
 - (a) Financial management
 - (b) People management and empowerment
 - (c) Client orientation and customer focus

- * **Note:** For professionals, departments should decide on their own which CMCs are relevant

10.6. Agreement on the personal development plan

- (1) Identify developmental requirements of the member through using either the self assessment tool produced by DPISA (available at or <http://www.dpsa.gov.za/project/sms/202/selfevaluatinquestionnaire.xls>) or working through the CMC, as well as identifying job-specific development needs;
- (2) Agree on the steps to be taken to address the developmental gaps and the date at which a review of progress will be undertaken; and
- (3) Note these undertakings as part of the PA, using the format attached to Annexure D (Appendix C thereof), or another jointly agreed on.

10.7 Dates of assessment and monitoring of the performance of members of the SMS

- (1) Dates and the format for reviews and the annual appraisal shall be agreed and adhered to (refer to paragraph 12). It is advisable to keep a record of the mid-term review meeting and the annual appraisal, in the event of differences of opinion arising out of these meetings. In the case of review meetings:
 - (a) A review of the SMS member's progress in achieving her/his objectives is required as it may lead to modifications to the PA;
 - (b) The performance of the SMS member in achieving the results required by the PA should be discussed against the background of the criteria in the performance management instrument that will be used to evaluate her/his performance over the whole PA period; and
 - (c) This approach provides a natural build-up to formal assessment.
- (2) The above approach should ensure that the member of the SMS:
 - (a) Reports to her/his supervisor against all parts of their agreement, particularly where performance varies from expectations;

- (b) Alerts the supervisor to any emerging factors that could preclude the achievement of any PA undertakings;
- (c) Establishes and maintains appropriate internal controls and reporting systems in order to meet performance expectations; and
- (d) Reports to the supervisor on revision of targets (if necessary) and progress towards the achievement of PA undertakings.

10.8 **Dispute resolution**

- (1) The PA must specify mechanisms to resolve disputes about all aspects of the PA:
 - (a) Mechanisms for dispute resolution must include any differences which might arise out of the assessment of work performance;
 - (b) In agreeing on a mutually acceptable person to resolve disputes that might arise, an individual within the public service should be considered first;
 - (c) If possible, the person identified should be involved in the conclusion of the PA. This will enhance her/his understanding of the contents of the PA and may even prevent disputes from arising; and
 - (d) Persons selected to resolve disputes should preferably be chosen on the basis of their functional expertise and people skills and not their legal qualifications since dispute resolution should preferably be an informal process.

10.9 **Annual remuneration package adjustment and performance related rewards**

- (1) All members of the SMS are eligible for a cost-of-living (remuneration package) adjustment with effect from 1 January of a particular year, irrespective of the outcome of performance evaluation.
- (2) The MPSA will annually issue a directive on the extent of the above-mentioned adjustment.
- (3) Members of the SMS may furthermore be considered for performance related pay increases and/or rewards (see paragraphs 15.4 and 15.5 in this regard).
- (4) The annual PA of a member of the SMS forms the basis in terms of which the granting of performance related pay increases and/or rewards will be considered. Failure to

sign a PA may furthermore result in disciplinary action being instituted against members who are at fault.

11. APPLICATION OF THE CMC

11.1 At the start of each performance cycle, an HoD, assisted by her/his human resource unit, should do the following:

(1) Selection of the CMC

- (a) Determine which of the eleven CMC are applicable to particular jobs within her/his department and weight those that are relevant according to importance, taking into account the minimum requirements outlined in par 10.5; **OR**
- (b) Allow SMS members and their supervisors to select and jointly agree the appropriate CMC's for the member's job role; **OR**
- (c) Apply a combination of (1) and (2) above (e.g. decide that certain CMC must be part of the assessment of all members of the SMS, while others may be included depending on the specific situation).

(2) Determination of standards

- (a) Determine which standards are to apply to each of the selected CMCs (using the generic standards at Annexure E as a guide); **OR**
- (b) Decide to allow managers, together with their supervisors, flexibility to agree appropriate standards according to their position within the department and their job description; **OR**
- (c) Apply a combination of (1) and (2) above.

(3) Formalised agreement

Note that the selected CMCs, and their relevant standards, are part of the PA and ensure that both the manager and supervisor sign off on these as a basis for assessment.

12. REVIEW AND APPRAISAL

Regular performance reviews and an annual performance appraisal are required for all members of the SMS.

(1) Performance reviews

- (a) Reviews are important feedback sessions that take place at regular intervals during the course of the year. They provide an opportunity for members to receive feedback on how they are performing. They also provide a time for structured reflection by the member using the process of self-assessment.
- (b) At minimum, one formal performance review should take place annually (preferably in the middle of the cycle), in addition to the formal (end of cycle) appraisal session.
- (c) Departments may use their own instruments according to which they conduct these reviews. An example of such a form is provided at Annexure F.

(2) Performance appraisal

- (a) The appraisal discussion takes place at the end of the performance management and development cycle. This discussion should enable:
 - An opportunity for the member to assess her/his own performance and its contribution to organisational goals and allow for reflection on what would be needed to improve what was achieved;
 - An opportunity for the supervisor to give more formal feedback on performance over the year and draw on the experience of the member to identify ways of improving what was achieved;
 - An opportunity for the member to contribute to, and respond to comments regarding her/his performance and identify issues beyond her/his control that limit the achievement of results;
 - An open discussion between the member and her/his supervisor in which achievements can be fully recognised and ideas for problem solving agreed; and

- Agreement on an overall appraisal outcome reflecting judgement on the level of achievement attained in terms of the performance agreement that can be used to determine performance-related salary increments and rewards.
- (b) The next paragraphs contain detailed guidance on the process to be followed.

13. ASSESSMENT INSTRUMENT FOR ANNUAL PERFORMANCE APPRAISAL

- 13.1 The PSR require departments to use a single instrument to assess the performance of employees:

An executing authority may establish separate instruments for different occupational categories or levels of work; but when assessing an individual employee, a single assessment instrument shall be used in order to assist in deciding on probation, rewards, promotion and skills development of the employee. (PSR, 2001)

- 13.2 With a view to achieving the above, the assessment instrument attached at Annexure G has been developed. Departments may customise this to suit their particular needs. This particular *pro forma*:

- (1) Allows an overall judgement of performance at the appraisal meeting to be made that is clear and unambiguous;
- (2) Enables the department to compare the appraisal outcomes of individual members;
- (3) Provides clear descriptions that clarify the meaning of a specific rating for each level in the rating scale. These should be clear to both the member and the supervisor at the start of the performance cycle;
- (4) Enables the fair and equitable determination and allocation of package progression and cash rewards based on performance by providing a clear link between the policy on salary and rewards for the department's SMS members and the standard rating scale;
- (5) Enables the fair management of key career incidents such as probation and action as a result of incapacity or

incompetence by making an explicit link between the rating that summarises the appraisal outcome and its implications for these key career incidents. This link should be transparently specified in departmental policy; and

- (6) Enables the systematic identification of an individual's skills development needs based on the demonstrated competency of individuals through performance.

13.3 When assessing the performance of SMS members, departments shall use the following standard rating scale:

LEVEL 5: OUTSTANDING PERFORMANCE – Performance far exceeds the standard expected of a member at this level. The appraisal indicates that the jobholder has achieved exceptional results against all performance criteria and indicators and maintained this in all areas of responsibility throughout the year.

LEVEL 4: PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS - Performance is significantly higher than the standard expected in the job. The appraisal indicates that the member has achieved better than fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.

LEVEL 3: FULLY EFFECTIVE - Performance fully meets the standard expected in all areas of the job. The appraisal indicates that the member has achieved effective results against all significant performance criteria and indicators and may have achieved results significantly above expectations in one or two less significant areas throughout the year.

LEVEL 2: PERFORMANCE NOT FULLY SATISFACTORY – Performance is below the standard required for the job in key areas. The appraisal indicates that the member has achieved adequate results against many key performance criteria and indicators but has not fully achieved adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected in the job.

LEVEL 1: UNACCEPTABLE PERFORMANCE – Performance does not meet the standard expected for the job. The appraisal indicates that the member has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

14. ANNUAL PERFORMANCE APPRAISAL PROCESS

14.1 The annual performance appraisal involves:

- (1) **Assessment of the achievement of results as outlined in the work plan**
 - (a) Each **KRA** should be assessed according to the extent to which the specified standards (example 1) or performance indicators (example 2) have been met.
 - (b) An indicative rating on the five-point scale should be provided for each KRA.
 - (c) This rating should be multiplied by the weighting given to the KRA during the contracting process, to provide a score.
 - (d) The assessment rating calculator (refer to paragraph 14(3)) may then be used to add the scores and calculate a final KRA score, based on the 80% weighting allocated to the KRAs.
- (2) **Assessment of the core management criteria**
 - (a) Each CMC should be assessed according to the extent to which the specified standards that have been selected are met.
 - (b) An indicative rating on the five-point scale should be provided for each CMC.
 - (c) This rating should be multiplied by the weighting given to each CMC during the contracting process, to provide a score.
 - (d) The assessment rating calculator (refer to paragraph 14(3)) may then be used to add the scores and calculate a final CMC score, based on the 20% weighting allocated to the CMC.
- (3) **Overall rating**
 - (a) An overall rating, in accordance with the assessment rating calculator (hard copy at Annexure H and soft copy available at <http://www.dpsa.gov.za/docs/policy/index.htm> or <http://www.dpsa.gov.za/project/sms/index.htm>) is provided as a summary of the outcome of the performance review for both the specific job-

related performance results and the assessment against the core management criteria.

- (b) The assessment-rating calculator may then be used to provide a final score based on adding the scores achieved for the KRAs and the CMCs.

15. USING PERFORMANCE APPRAISAL TO ALLOCATE REWARDS AND DECIDING ON KEY CAREER INCIDENTS

15.1 National policy and guidelines on performance based pay and rewards

- (1) As mentioned in par 10.9, all members of the SMS are eligible for a cost-of-living package adjustment to be determined by the MPSA, irrespective of the outcome of the performance evaluation. This will be granted in January of each year.
- (2) All members of the SMS are furthermore eligible to be considered for performance related pay increases (package progression) on a biennial basis (once every two years) provided that their performance is evaluated to be fully effective (total score : 65% or higher). Those with scores of significantly above expectations (total score: 80% or higher) annually qualify for performance rewards. The measures that apply to both these types of monetary rewards are set out in paragraphs 15.2 to 15.7.
- (3) Final decisions on the awarding of such rewards shall be taken by the EA personally, who shall act on the advice of a moderating committee (see par 15.10).

15.2 Departmental decisions on appraisal results and budgeting for monetary rewards

- (1) Departments may use performance appraisal results to make decisions in a range of areas. The PSR dictate that a single system be used to determine those decisions that will materially affect staff and their careers such as:
 - (a) Confirmation/non-confirmation of probation
 - (b) Promotability assessment
 - (c) Pay progression (within framework determined by MPSA)
 - (d) Performance bonus allocation (within framework determined by MPSA)
 - (e) Non-financial rewards
 - (f) Staff development needs

- (g) Access to career development opportunities
 - (h) Initiation of incapacity procedures.
- (2) The single rating scale outlined above can be used to ensure that clear decisions are made on the above. The descriptions attached to each rating on the scale are designed to ensure transparency, consistency and fairness in the assessment of performance.
 - (3) Departments will need to project the resource implications of monetary rewards and ensure that these are provided for in the budget (refer to paragraphs 15.4 and 15.5).
 - (4) Departments should integrate the provisions of this chapter in their departmental policy on performance management and development and ensure that there are proper linkages between the performance measures that apply to members of the SMS and non-SMS members. At provincial level, there may be a need to co-ordinate the integration of this chapter into provincial/ departmental policy/policies. Such an integrated policy should show how the SMS performance management and development arrangements will link to the departmental/provincial system as a whole.

15.3 Non-financial rewards

- (1) Other more creative rewards for performance, which are non-monetary, need to be explored and used. The ideal way of doing this is to discuss the nature of non-monetary rewards preferred by managers within a particular department, and to develop policy guidelines accordingly.
- (2) The following examples of non-financial rewards could be applied:
 - (a) Increased autonomy to organize own work, trust and the resources to carry on doing what you have proved you do well;
 - (b) Explicit acknowledgement and recognition in publications or other publicity material; and
 - (c) Public awards of various kinds made by senior leadership in recognition of a specific achievement or innovation or for consistent achievement over a specific period.
- (3) Departments using any reward system must ensure that it is clear, transparent and fair or it may actually end up being de-motivating to other members.

15.4 Performance rewards (cash bonuses)

- (1) EAs have the authority to reward members of the SMS for meritorious performance.
 - (2) For a member of the SMS who has achieved a total score of 80 – 84%, a cash bonus calculated up to a maximum of 5% (but not less than 3%) of her/his total remuneration package, may be awarded. For a member of the SMS who has achieved a total score of 85% and above, a cash bonus calculated up to a maximum of 8% (but not less than 6%) of her/his total remuneration package may be awarded.
 - (3) Performance rewards may only be granted to SMS members who have completed an assessment period of at least 12 months over a period commencing on 1 April of a particular year and ending on 31 March of the following year: Provided that the member of the SMS remained on the same level (e.g. level 14) for the duration of the said period. Moreover, departments may not spend more than 1,5%* of their total annual SMS remuneration budget (i.e. the budget for the all inclusive flexible remuneration packages of all their SMS members) on performance rewards for the SMS.
- *Note: The mentioned 1,5% is the maximum percentage that may be spent: Provided that it may, in exceptional cases, be exceeded with the approval of the relevant EA.
- (4) Should a situation occur where the budgeted amount (i.e. 1,5% of the SMS remuneration budget) for cash bonuses prove to be insufficient to award the maximum of 5% and 8% to deserving members, departments will have to manage the situation by scaling down the applicable percentages to be granted or setting tighter standards for the granting of performance rewards.
 - (5) In the case of HoDs of national departments and of those provinces who have adopted the system for the evaluation of HoDs issued by the Office of the Public Service Commission, the assessment processes outlined by the Commission must be followed. HoDs will, however, qualify for exactly the same performance rewards as other SMS members, with the understanding that the 10% non-pensionable HoD allowance should not be factored into the total remuneration package when calculating the percentage cash bonus.

- (6) The following table summarises the cut-off points and maximum percentages that will apply for the awarding of cash bonuses:

CASH BONUSES		
CATEGORIES	TOTAL SCORE	CASH BONUS
A: Outstanding performance	85% and above	In the range 6 - 8%
B: Performance significantly above expectations	80 – 84%	In the range 3 - 5%

- (7) The cash bonus is to be calculated on the package of the member of the SMS at the time that she/he completed the assessment cycle of 12 months (i.e. 31 March).

15.5 Pay progression system

- (1) Pay progression is an upward progression in remuneration from a lower remuneration package to a higher remuneration package. This is effected by way of progression within the same remuneration band from the lowest to the highest package based on a time schedule of 24 months to a member of the SMS who achieves a total score of 65% and above (fully effective).

15.6 Applicability

- (1) This centralised pay progression system is applicable to all members of the SMS (in a full-time capacity) including Senior Professionals (in a full-time and part-time capacity) on SMS Grades 13 to 16 who are on a **standard remuneration band** and who are assessed and received at least a **fully effective assessment** in terms of the new PMS.

15.7 Implementation and application of system

- (1) The assessment for pay progression shall be in terms of the PMS.
- (2) Although the implementation date of this system is 1 April 2002, the first pay progression can only be effected on 1 April 2003.
- (3) First progression shall be based on assessments for the period 1 April 2001 to 31 March 2003: Provided that the affected members are at least in service for a period of 24 months on their current remuneration packages on 1 April 2003.

- (4) Future progression cycles will run over 24 months, commencing on 1 April of a particular year.
- (5) Members must have been on a specific remuneration package within a band for at least two years (24 months) in order to be considered for pay progression with effect from the next 1st of April. **(In practice this may have the effect that a member appointed/promoted with effect from 1 May of a year to a SMS position shall only qualify 35 months later for possible pay progression.)**
- (6) Members shall be eligible for progression to the next higher remuneration package, within the relevant remuneration band, after completion of at least 2 years service at the current remuneration package and she/he should have received at least a fully effective assessment on completion of the two year period in question.
- (7) If a member is appointed/retained on a higher remuneration package in terms of the recruitment and retention policy (Part V.C3 of Chapter 1 of the PSR) she/he shall also be eligible for pay progression as outlined above (i.e. completion of qualifying periods on the specific remuneration package and after being assessed).
- (8) Members who benefit from this pay progression system during a financial year will receive the benefit in addition to possible annual cost-of-living package adjustments.
- (9) This system does not affect the authority of EAs to award higher packages to members within the scope of their remuneration bands in terms Part V. C3 of Chapter 1 of the PSR.
- (10) Members who are awarded a higher remuneration band by EAs (in terms of Part V. C3 of Chapter 1 of the PSR) that does not correlate to the job weight attached to their job, shall not qualify for pay progression in the higher remuneration band. This relates to members who were on personal notches and translated to a remuneration package that is above the salary level or remuneration band linked to the job weight.
- (11) Members may receive a (once-off) performance (cash) award and pay progression in the same year if the member has achieved a total score of 80% or more - see paragraph 15.4 for performance rewards.

15.8 General matters

- (1) The pay progression system will have the effect that members who achieved a score of at least 65% over the last 12 months of a pay progression cycle, will qualify every 24 months for the awarding of the next higher package. Only continuous service over 24 months on the same level will count for purposes of such pay progression. A member who benefited from pay progression will only be eligible for further pay progression after completion of a further period of 24 months.

15.9 Linking the rating scale to specific consequences

- (1) Departmental policy should make either a direct or indirect link between performance appraisal ratings and specific consequences for members of the SMS.
- (2) If a direct link is made, the policy should specify for each rating what such consequences would be.
- (3) Departments may, however, prefer a more indirect link to be made that would enable supervisors to consider other factors in making final decisions. Other situational factors departments might want to consider are:
 - (a) The level of difficulty and uncertainty in a specific job;
 - (b) Whether the incumbent has taken on a new area of responsibility;
 - (c) Whether the incumbent is on probation and not yet familiar with all aspects of the job;
 - (d) Whether the incumbent has acted on learning from past experience; and
 - (e) The labour market and the scarcity of a particular skill or expertise.
- (4) The following is how the relationship between performance rating and decisions in other areas must be established:
 - (a) **OUTSTANDING PERFORMANCE (85% and higher)**
 - Probation confirmed
 - In the range of 6 to 8% of total remuneration package as performance bonus (taking into account framework determined by MPSA)

- Progression to next higher package in remuneration band (taking into account framework determined by MPSA)
 - Access to development opportunities in line with promotion along career path
- (b) **PERFORMANCE SIGNIFICANTLY ABOVE EXPECTATIONS (80 to 84%)**
- Probation confirmed
 - In the range of 3 and 5% of total remuneration package as performance bonus (taking into account framework determined by MPSA)
 - Progression to next higher package in remuneration band (taking into account framework determined by MPSA)
 - Access to development opportunities to improve results in areas of less outstanding performance and in line with promotion along career path
- (c) **FULLY EFFECTIVE (65 to 79%)**
- Probation confirmed
 - Progression to next higher package in remuneration band (taking in account framework determined by MPSA)
 - Access to development opportunities to improve results in areas of less than excellent performance and in line with promotion along career path
- (d) **PERFORMANCE NOT FULLY ADEQUATE (50 to 64%)**
- Probation confirmed or, in exceptional cases, probationary period extended
 - Performance improvement measures agreed and responsibility for remedial action identified
 - Agreed programme for supporting and monitoring performance improvement
- (e) **UNACCEPTABLE PERFORMANCE (49% and lower)**
- Probation extended or employment terminated (after prescribed incapacity procedures have been followed).

- (5) Departments will need to clearly indicate in their PM&D policy whether there is a direct or indirect link between specific ratings and specific consequences and what that might be. If the link is indirect, departments must indicate what additional factors will be taken into account.

15.10 Moderation of agreements and performance appraisal results

- (1) The EA shall appoint a committee that can assist her/him to ensure that effective PAs that lay a fair basis for appraisal are developed and reviewed. This committee should ensure that there is consistency across the department in the development of performance standards and measures.
- (2) The committee should also moderate assessment results and make recommendations to the EA on the granting of performance rewards and pay progression.
- (3) The process of moderation should not become a bottleneck that slows down the finalisation of agreements and performance appraisal results.
- (4) Departmental Corporate Services Units should support this committee, individual supervisors and jobholders in the process of developing PAs and reviewing/appraising performance. They should also be able to provide technical advice for the ongoing development and maintenance of the PM&D policy and system. Moreover they need to assist with financial calculations on the granting of rewards.

15.11 Corrective measures for dealing with performance not fully adequate/unacceptable

- (1) **Members on probation**
- (a) Members who perform unsatisfactorily during probation must be dealt with in the following manner:
- Training/re-training
 - Counselling/coaching
 - Be given a verbal and subsequently a written notice on extension of their period of probation.
 - Supervisors should be able to determine during the process of assessment of

performance what the reason for unsatisfactory performance is. Corrective measures should be designed accordingly and suitable action be taken. The considerations mentioned in par 6.1(7) also apply here.

(2) Members permanently employed

(1) Supervisors are responsible for dealing with unsatisfactory performance of managers within the period of assessment. Supervisors should take into consideration the following:

- The need to set clear performance standards
- Provision of enabling working facilities and resources
- Counselling/coaching
- Training/re-training

15.12 Personal development plan

- (1) To address the gap that exists between the required competency profile and actual competencies needed, a training and development plan will be designed for the individual member. The training and development needs will not only be identified during performance reviews and assessments, but also on initial appointment when the work plan is developed.
- (2) Members should have ongoing and equitable access to development. Development should support work performance and career development, driven by the needs of individual members linked to their department's strategic plan and operational plans.
- (3) Training and development activities will focus on equipping members with the competencies they require to perform effectively in their current jobs and to prepare them for the future. The training and development needs of the members will be determined through continuous monitoring, quarterly reviews and annual assessments. Also refer to paragraph 10.6 regarding the self-assessment tool.

16. OVERSIGHT AND MODERATION

16.1 The roles and responsibilities of the key role-players with regard to oversight and moderation of the PMS are largely determined by the legal and regulatory framework.

- (1) The role of **DPSA** is to:
 - (a) Provide directives and guidelines to supplement the PSR in identified areas;
 - (b) Work with departments to determine, to develop and refine the reward framework;
 - (c) Pro-actively support problem-solving approaches on performance management and other systems in the public service;
 - (d) Better facilitate learning through benchmarking and assisting departments to develop better measures of performance against strategic objectives; and
 - (e) Support and advise the MPSA in fulfilling her/his responsibilities in regard to the PMS.

- (2) The role of the **EA** is to:
 - (a) Ensure that there is a performance management policy and approved system in place in her/his department.
 - (b) Adapt the PMS used in the department, based on experiences during the implementation process.
 - (c) Hold the HoD accountable for performance under her/his own performance agreement.
 - (d) Ensure that there is an appropriate and valid strategic plan as well as a departmental operational plan in place, to guide the development of PAs; and
 - (e) Ensure that a mechanism is in place for the development of effective PAs and the moderation of appraisal results.

- (3) The role of the **HoD** is to:
- (a) Ensure that the department designs or chooses and communicates among all its members a suitable PMS, underpinned by the use of a PA. As a minimum, the HoD ensures that there is articulation between the system for SMS members and that used by the rest of the department;
 - (b) Lead by example, completes and adheres to her/his PA, champion and enforce compliance by all SMS members to their PAs;
 - (c) Build a culture of performance and open discussion in her/his department to enable the PAs to be fully and appropriately developed and implemented;
 - (d) Ensure that the compulsory fields provided on **PERSAL** relating to performance management for members of the SMS are kept up to date and properly maintained;
 - (e) Ensure that all the strategic resources are effectively utilised and other planning processes are efficiently run, in order to support implementation of the departmental strategic plan;
 - (f) Require of every member to prioritise the correct implementation of the department's PMS;
 - (g) Make provision for a database for capturing and updating all performance assessment results;
 - (h) Make decisions based on recommendations, whether they be for recognition or sanction; and
 - (i) Take final decisions on sanctions, especially where they are being disputed.
- (4) The role of the **HR or Corporate Services Unit** is to:
- (a) Facilitate the full understanding of the PMS, and implementation of PAs in their departments;
 - (b) Assist the HoD to develop the best PMS required for that department and to maintain/refine the system;

- (c) Assist the EA in assessing and managing appraisal results and reward or sanction recommendations;
 - (d) Provide information on how the whole process is being implemented to monitoring bodies such as the DPSA and PSC, as required; and
 - (e) Provide the administrative support to the HoD to comply with the requirements in par 16.1(3) above.
- (5) The role of all members of the **SMS** is to:
- (a) Ensure that they complete and implement their own PAs; and
 - (b) Commit to proper implementation policy and procedures agreed in their department on the implementation of the PMS.
- (6) The role of the **PSC** is to:
- (a) Monitor the effective implementation of the PMS as a whole, in line with the PSC's constitutional mandate; and
 - (b) Develop and align the PA system for HoDs to the system described in this chapter.

17. RECORDING PERFORMANCE RELATED DATA

17.1 Performance management data collection, recording and aggregation are vital to the continued efficient implementation of the system. The systems for data collection on performance must allow aggregation and cross-checking against performance criteria at the relevant level. In this regard, aggregated performance data can be used to discuss team and group progress during meetings.

17.2 All performance reviews and annual appraisals should be fully recorded, and the resultant records signed as a true reflection of the discussion and outcome by both the SMS member and the supervisor. This is done:

- (1) As a basis for future action, e.g. in meeting training and developmental needs;

- (2) As evidence for both parties agreeing to what has taken place;
- (3) As an indication to the manager that performance matters are being taken seriously and documented; and
- (4) As an indication that departmental PM procedures are being implemented correctly.

17.3 The following data and information should be stored in an HR information system:

- (1) All results of performance reviews and annual appraisals, including discussions, as well as counselling provided;
- (2) All performance related pay and rewards given to the manager year on year, indicating the level of performance being rewarded and the nature of the reward; and
- (3) All disputes that had to be resolved. The record must include any disagreements voiced by the manager regarding any aspect of the assessment and how this was resolved.

17.4 DPSA will arrange with PERSAL for the introduction of appropriate fields to capture the results of performance assessments and for processing decisions on pay progression and performance rewards.

18. CONFIDENTIALITY

All personal performance information recorded as suggested above must be kept confidential and only be released to third parties (other than the SMS member and her/his supervisor or EA/HoD as employer) with the member's written permission.

19. REPORTING

The MPSA will determine which information pertaining to the PM&D system for the SMS must be included in the annual reports of departments. Proper record keeping will facilitate the collection of data.

SUMMARY OF PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

1. Introduction

- 1.1 Departments have had the opportunity to work with performance management arrangements for the SMS since the introduction of performance agreements in 1998. Based on an assessment of these experiences, DPSA has developed a more comprehensive and integrated performance management policy framework in the form of a chapter of the SMS Handbook. This particular chapter attempts to integrate and consolidate information that was previously scattered across different circulars and guides. It also attempts to fill in various gaps identified by DPSA and departments.
- 1.2 By providing for a higher degree of uniformity in performance management and development for the SMS, the DPSA hopes to foster greater consistency in assessment processes and ultimately, to impact positively on productivity and service delivery. The new system should also assist in retaining competent SMS members, by providing for a clear system of package progression and performance rewards. At the same time, direct links are made to incapacity processes in the event of a SMS member failing to perform according to expectations.
- 1.3 Another feature of the system is the link to the recently introduced SMS competency framework. The assessment of all SMS members will henceforth include core management criteria, which are aimed at ensuring that SMS members pay sufficient attention to their managerial responsibilities without sacrificing the output orientation that has been introduced by performance agreements.

2. How does the new system differ from the previous one?

- 2.1 The following table summarises the similarities as well as differences between the old and the new performance management framework:

Old policy framework	New policy framework
<u>Similarities</u>	
✓ Provided for performance agreements	✓ Continues to provide for performance agreements
✓ Provided for the payment of cash	✓ Also provides for the payment of cash

Old policy framework	New policy framework
<p>bonuses to high achievers</p> <p>✓ Emphasised outputs as opposed to personality traits or processes.</p>	<p>bonuses, but within a clearer policy framework and within set parameters</p> <p>✓ Continues to focus on measurable outputs, but balances this with good management practice in the form of Core Management Criteria</p>
<u>Differences</u>	
<p>X Not development-orientated</p>	<p>✓ Includes a development orientation by focusing on management/leadership competencies and by providing for personal development plans</p>
<p>X No guidance on the linkages between organisation planning processes and individual performance management</p>	<p>✓ Linkages are clearly indicated</p>
<p>X Lack of clarity on formats to be used for performance agreements and assessment instruments</p>	<p>✓ Key elements of performance agreements and assessment instruments clearly highlighted and examples of formats to be used are provided</p>
<p>X No standardised rating scale</p>	<p>✓ Standardised rating scale</p>
<p>X No indication up-front of maximum percentages and amounts to be spent on performance bonuses</p>	<p>✓ Parameters of monetary rewards clearly spelt out</p>
<p>X No provision for pay progression</p>	<p>✓ Pay progression provided for</p>
<p>X No common assessment cycle</p>	<p>✓ Clarity on assessment cycle which is linked to the financial year</p>
<p>X Cost-of-living increases linked to satisfactory performance</p>	<p>✓ Cost-of-living increases delinked from performance, while clear linkages are provided between appraisal results and consequences such as monetary rewards as well as the initiation of incapacity procedures</p>

3. Conclusion

- 3.1 As indicated above, many of the positive elements of the previous performance management framework have been retained. At the same time a number of new elements have been added, which should assist in managing performance more effectively in future.

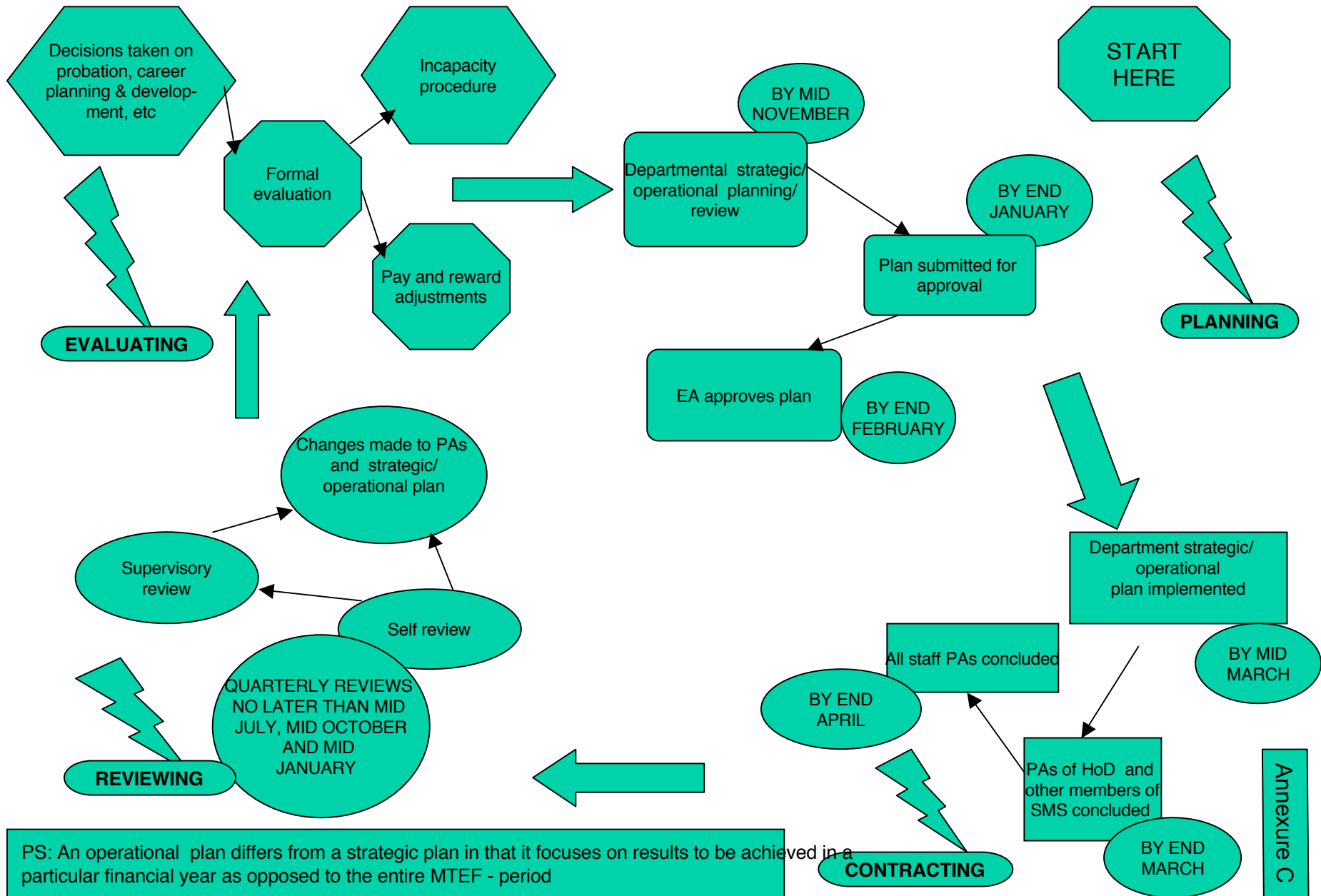
Annexure B

MANDATORY ELEMENTS IN THE PERFORMANCE MANAGEMENT AND DEVELOPMENT SYSTEM

No	Subject	Item
1	All members of the SMS shall enter into PAs	8.1
2	PAs shall apply for a particular financial year	8.1
3	To complete a PA within first three months of appointment	8.1
4	Format of PA at Annexure D shall be used as basis	8.1
5	PAs shall be based on a dept's strategic/operational plan	8.1
6	Performance of a member shall be reviewed on a quarterly basis – may be verbal if satisfactory	8.3
7	Minimum of 2 formal reviews must take place during course of year	8.3
8	Must use one standard assessment instrument on which to base decisions on probation, rewards, promotion and skills development	8.3(1)
9	All members must have a personal development plan included as part of the PA	8.3(2)
10	Criteria upon which the performance of a member must be assessed – shall consist of two components – with a weighting of 80:20 allocated to Key Result Areas and CMC's (for SMS members with managerial responsibilities)	9.1
11	The PA shall address, at minimum, the following: <ul style="list-style-type: none"> - Description of the purpose of the job. - Identification of KRAs, their weighting and the standards for measuring them. - Agreement on which CMCs are relevant, their weighting and the standards for measuring them. - Agreement on the personal development plan. - Dates of reviews and formal assessment of the SMS member's performance. - Dispute resolution. - Dates for consideration of performance related rewards. 	10
12	Identified 3 CMC's shall as a minimum be included in a PA – financial management, people management and empowerment and client orientation and customer focus (for SMS members with managerial responsibilities)	10.5(3)
13	Dates of assessment and the format for quarterly reviews and the annual appraisal shall be agreed and adhered to	10.7(1)
14	The PA must specify mechanisms to resolve disputes	10.8(1)

No	Subject	Item
15	All members of the SMS are eligible for a cost of living adjustment	10.9(1)
16	MPSA will annually issue a directive on the extent of the cost of living adjustment (remuneration package)	10.9(2)
17	Annual PA forms the basis in terms of which the granting of performance related pay increases and/or rewards will be considered	10..9(4)
19	Regular performance reviews and an annual performance appraisal are required for all members of the SMS	12.1
20	Dept shall use a standard rating scale (level 1 to 5) when assessing performance	13.3
21	All members are eligible to be considered for – performance related pay increases (package, progression) on a biennial basis provided that their performance is evaluated to be fully effective (65 and higher)	15.1(2)
22	Those who score significantly above expectations (80% +) annually qualify for performance rewards	15.1(2)
23	Final decisions on the awarding of rewards shall be taken by the EA, who shall act on the advice of a moderating committee	15.1(3)
24	Performance rewards may only be granted to members who have completed an assessment period of at least 12 months	15.4(3)
25	Depts may not spend more than 1,5% of their total annual SMS remuneration budget on performance rewards (cash bonus)	15.4(3)
26	For HoDs (Provinces who adopted system) the assessment processes outlined must be followed	15.4(5)
27	Cut off points and maximum % that will apply is provided in item 15.4(6)	15.4(6)
28	Cash bonus to be calculated on package of member at a time that member completed the assessment cycle of 12 months	15.4(7)
29	Assessment for pay progression shall be in terms of the new system	15.7(1)
30	First pay progression can only be effected 1 April 2003	15.7(2)
31	First progression shall be based on assessments for period 1/4/2001 – 31/3/2003; - members should have been in service for period of 24 months	15.7(3)
32	Members who are awarded a higher remuneration band that does not correlate to the job weight attached to the job – shall not qualify for pay progression	15.7(10)
33	EA shall appoint a committee that can assist to ensure that effective PAs are developed and reviewed	15.10(1)
34	Managers who perform unsatisfactory during probation must be dealt with in the manner stipulated in 15.11(1)	15.11(1)

PM & D CYCLE



PS: An operational plan differs from a strategic plan in that it focuses on results to be achieved in a particular financial year as opposed to the entire MTEF - period

SENIOR MANAGEMENT PERFORMANCE AGREEMENT

NAME OF DEPARTMENT/PROVINCE (AS APPLICABLE)

BETWEEN
(Names and Designations of parties to agreement)

SMS MEMBER:

AND

HEAD OF DEPARTMENT (OR DELEGATED SUPERVISOR)

PERIOD OF AGREEMENT:

(indicate from when until when, i.e a full financial year (from 1 April 200__
to 31 March 200__)

1. JOB DETAILS

Persal number :

Component :

Location :

Salary level :

Notch (package) :

Occupational classification :

Designation :

2. JOB PURPOSE

Describe the purpose of the job (overall focus) as it relates to the Vision and Mission of the Department. Capture the overall accountability that the jobholder has in relation to her/his position.

3. JOB FUNCTIONS

Describe the key functions that the jobholder is required to perform, based on the job profile, and the departmental strategic/operational plan.

4. REPORTING REQUIREMENTS/LINES & ASSESSMENT LINES

- 4.1 The SMS member shall report to theas her/his supervisor on all parts of this agreement. The SMS member shall:
- (1) Timeously alert the supervisor of any emerging factors that could preclude the achievement of any performance agreement undertakings, including the contingency measures that she/he proposes to take to ensure the impact of such deviation from the original agreement is minimised.
 - (2) Establish and maintain appropriate internal controls and reporting systems in order to meet performance expectations.
 - (3) Discuss and thereafter document for the record and future use any revision of targets as necessary as well as progress made towards the achievement of performance agreement measures.

4.2 In turn the supervisor shall:

- (1) Create an enabling environment to facilitate effective performance by the SMS member.
- (2) Provide access to skills development and capacity building opportunities.
- (3) Work collaboratively to solve problems and generate solutions to common problems within the department that may be impacting on the performance of the SMS member.

5. PERFORMANCE APPRAISAL FRAMEWORK

Performance will be assessed according to the information contained in the work plan (attached as Appendix A) and the Core Management Criteria (CMC) framework (attached as Appendix B). The specific KRAs and CMCs together with their weightings are, for example, as follows:

5.1 The KRAs and CMCs during the period of this agreement shall be as set out in the table below.

5.2 The SMS member undertakes to focus and to actively work towards the promotion and implementation of the KRAs within the framework of the laws and regulations governing the Public Service. The specific duties/outputs required under each of the KRAs are outlined in the attached work plan. KRAs should include all special projects the SMS member is involved in. The work plan should outline the SMS member's specific responsibilities in such projects.

KEY RESULT AREAS (KRAs)	Weight
1.	
2.	
3.	
4.	
5.	
TOTAL	100%

5.3 The SMS member's assessment will be based on her/his performance in relation to the duties/outputs outlined in the attached work plan as well as the CMCs marked here-under. CMCs should be selected (✓) from the list that are deemed to be critical for the SMS member's specific job.

CORE MANAGEMENT CRITERIA		Weight	CORE MANAGEMENT CRITERIA		Weight
			TOTAL		100%

6. DEVELOPMENTAL REQUIREMENTS

Provide details on the areas in which development is required. These may relate to the attainment of specific objectives or standards specified for Key Result Areas (KRAs), as well as to the CMCs.

The plan for addressing developmental gaps is attached as Appendix C.

7. TIMETABLE AND RECORDS OF REVIEW DISCUSSIONS AND ANNUAL APPRAISAL

Specify the dates when progress reviews and feedback sessions will take place, as well as the annual evaluation session:

8. MANAGEMENT OF PERFORMANCE OUTCOMES

Identify and specify what actions will be taken in recognition of superior performance or to address poor/non-performance: (These should be based on Chapter 4 of the SMS Handbook).

9. DISPUTE RESOLUTION

- 9.1 Any disputes about the nature of the senior manager's PA, whether it relates to key responsibilities, priorities, methods of assessment and/or salary increment in this agreement, shall be mediated by:
- 9.2 If this mediation fails, the dispute-resolution procedures referred to in Chapter 4 of the SMS Handbook will apply.

10. AMENDMENT OF AGREEMENT

Amendments to the agreement should be in writing and can only be effected after discussion and agreement by both parties.

11. SIGNATURES OF PARTIES TO THE AGREEMENT

The contents of this document have been discussed and agreed with the SMS member concerned.

Name of SMS member:

Signature:

Date:

AND

Name of supervisor of SMS member:

Signature:

Date:

APPENDIX A: PERFORMANCE WORK PLAN

Two examples of work plans are described here. Managers would select the appropriate form based on the nature of their job.

EXAMPLE 1

KEY RESULT AREA	PERFORMANCE STANDARDS	RESOURCE REQUIREMENTS	ENABLING CONDITIONS

OR

EXAMPLE 2

KEY RESULT AREA	KEY ACTIVITIES/ OUTPUTS	PERFORMANCE MEASURES		RESOURCE REQUIREMENTS	ENABLING CONDITIONS
		TARGET DATE	INDICATOR		

APPENDIX B: GENERIC CORE SMS MANAGEMENT CRITERIA AND STANDARDS

This shows one example of a criterion and its standards. The same approach would apply to all others

CRITERIA	STANDARDS		WEIGHTING
	GENERIC	DEPARTMENT SPECIFIC	
Strategic Capability and Leadership	<ul style="list-style-type: none"> <input type="checkbox"/> Gives direction to team in realising the organisation's strategic objectives; <input type="checkbox"/> Impacts positively on team morale, sense of belonging and participation; <input type="checkbox"/> Develops detailed action plans to execute strategic initiatives; <input type="checkbox"/> Assists in defining performance measures to evaluate the success of strategies; <input type="checkbox"/> Achieves strategic objectives against specified performance measures; <input type="checkbox"/> Translates strategies into action plans; <input type="checkbox"/> Secures co-operation from colleagues and team members; <input type="checkbox"/> Seeks mutual benefit/win-win outcomes for all concerned; <input type="checkbox"/> Supports stakeholders in achieving their goals; <input type="checkbox"/> Inspires staff with own behaviour – "walks the talk"; <input type="checkbox"/> Manages and calculates risks; <input type="checkbox"/> Communicates strategic plan to the organisation; and <input type="checkbox"/> Utilises strategic planning methods and tools. 	<ul style="list-style-type: none"> <input type="checkbox"/> 	(as percentage – indicated in paragraph 5 of this Annexure)

APPENDIX C: PERSONAL DEVELOPMENT PLAN

Competency to be addressed	Proposed actions	Responsibility	Time-frame	Expected outcome

GENERIC CORE MANAGEMENT CRITERIA (CMC) AND STANDARDS

	Description	Generic Standards for “Fully Effective” Performance
1. Strategic Capability and Leadership	Provides a vision, sets the direction for the organisation and/or unit and inspires others to deliver on the organisational mandate	<input type="checkbox"/> Gives direction to team in realising the organisation’s strategic objectives; <input type="checkbox"/> Impacts positively on team morale, sense of belonging and participation; <input type="checkbox"/> Develops detailed action plans to execute strategic initiatives; <input type="checkbox"/> Assists in defining performance measures to evaluate the success of strategies; <input type="checkbox"/> Achieves strategic objectives against specified performance measures; <input type="checkbox"/> Translates strategies into action plans; <input type="checkbox"/> Secures co-operation from colleagues and team members; <input type="checkbox"/> Seeks mutual benefit/win-win outcomes for all concerned; <input type="checkbox"/> Supports stakeholders in achieving their goals; <input type="checkbox"/> Inspires staff with own behaviour – “walks the talk”; <input type="checkbox"/> Manages and calculates risks; <input type="checkbox"/> Communicates strategic plan to the organisation; and <input type="checkbox"/> Utilises strategic planning methods and tools.
2. Programme and Project Management	Plans, manages, monitors and evaluates specific activities in order to deliver the desired outputs and outcomes.	<input type="checkbox"/> Establishes broad stakeholder involvement and communicates the project status and key milestones; <input type="checkbox"/> Defines roles and responsibilities for project team members and clearly communicates expectations; <input type="checkbox"/> Balances quality of work with deadlines and budget; <input type="checkbox"/> Identifies and manages risks to the project by assessing potential risks and building contingencies into project plan; <input type="checkbox"/> Uses computer software programmes to help manage project; and <input type="checkbox"/> Sets and manages service level agreements with contractors.
3. Financial Management	Compiles and manages budgets, controls cash flow, institutes risk management and administers tender procurement processes in	<input type="checkbox"/> Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate; <input type="checkbox"/> Manages and monitors financial risk; <input type="checkbox"/> Continuously looks for new opportunities to obtain and save funds; <input type="checkbox"/> Prepares financial reports and guidelines based on prescribed format;

	Description	Generic Standards for “Fully Effective” Performance
	accordance with generally recognised financial practices in order to ensure the achievement of strategic organisational objectives.	<input type="checkbox"/> Understands and weighs up financial implications of propositions; <input type="checkbox"/> Understands, analyses and monitors financial reports; <input type="checkbox"/> Allocates resources to established goals and objectives; <input type="checkbox"/> Aligns expenditure to cash flow projections; <input type="checkbox"/> Ensures effective utilisation of financial resources; <input type="checkbox"/> Develops corrective measures/actions to ensure alignment of budget to financial resources; and <input type="checkbox"/> Prepares own budget in line with the strategic objectives of the organisation.
4. Change Management	Initiates, supports and champions organisational transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments	<input type="checkbox"/> Performs analysis to determine the impact of changes in the social, political and economic environment; <input type="checkbox"/> Keeps self and others calm and focused during times of change or ambiguity; <input type="checkbox"/> Initiates, supports and encourages new ideas; <input type="checkbox"/> Volunteers to lead change efforts outside of own work team; <input type="checkbox"/> Consults and persuades all the relevant stakeholders of the need for change; <input type="checkbox"/> Inspires and builds commitment within own area for the change by explaining the benefits of change, and the process of implementing the change; <input type="checkbox"/> Coaches colleagues on how to manage change; <input type="checkbox"/> Proactively seeks new opportunities for change; <input type="checkbox"/> Identifies and assists in resolving resistance to change with stakeholders; <input type="checkbox"/> Designs specific projects to enable change that are aligned to the organisational objectives; and <input type="checkbox"/> Uses the political, legislative and regulatory processes of the Public Service to drive and implement change efforts.
5. Knowledge Management	Obtains, analyses and promotes the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the organisation.	<input type="checkbox"/> Uses appropriate information systems to manage organisational knowledge; <input type="checkbox"/> Uses modern technology to stay abreast of world trends and information; <input type="checkbox"/> Evaluates information from multiple sources and uses information to influence decisions; <input type="checkbox"/> Creates mechanisms and structures for sharing of knowledge in the organisation; <input type="checkbox"/> Uses libraries, researchers, knowledge specialists and other knowledge bases appropriately to improve organisational efficiency;

	Description	Generic Standards for “Fully Effective” Performance
		<input type="checkbox"/> Promotes the importance of knowledge sharing within own area; <input type="checkbox"/> Adapts and integrates information from multiple sources to create innovative knowledge management solutions; and <input type="checkbox"/> Nurtures a knowledge-enabling environment.
6. Service Delivery Innovation	Champions new ways of delivering services that contribute to the improvement of organisational processes in order to achieve organisational goals.	<input type="checkbox"/> Consults clients and stakeholders on ways to improve the delivery of services; <input type="checkbox"/> Communicates the benefits of service delivery improvement opportunities to stakeholders; <input type="checkbox"/> Identifies internal process improvement opportunities to SDI; <input type="checkbox"/> Demonstrates full knowledge of principles on service delivery innovations; <input type="checkbox"/> Identifies and analyses opportunities where innovative ideas can lead to improved service delivery; <input type="checkbox"/> Creates mechanisms to encourage innovation and creativity within functional area and across the organisation; and <input type="checkbox"/> Implements innovative service delivery options in own department/organisation.
7. Problem Solving and Analysis	Systematically identifies, analyses and resolves existing and anticipated problems in order to reach optimum solutions in a timely manner.	<input type="checkbox"/> Explains potential impact of problems to own working environment; <input type="checkbox"/> Demonstrates logical problem solving approach and provides rationale for proposed solutions; <input type="checkbox"/> Determines root causes of problems and evaluates whether solutions address root causes; <input type="checkbox"/> Demonstrates objectivity, thoroughness, insight fullness, and probing behaviours when approaching problems; and <input type="checkbox"/> Demonstrates the ability to break down complex problems into manageable parts and identify solutions.
8. People Management and Empowerment	Manages and encourages people, optimises their outputs and effectively manages relationships in order to achieve organisational goals.	<input type="checkbox"/> Seeks opportunities to increase personal contribution and level of responsibility; <input type="checkbox"/> Supports and respects the individuality of others and recognises the benefits of diversity of ideas and approaches; <input type="checkbox"/> Delegates and empowers others to increase contribution and level of responsibility; <input type="checkbox"/> Applies labour and employment legislation and regulations consistently; <input type="checkbox"/> Facilitates team goal setting and problem solving;

	Description	Generic Standards for “Fully Effective” Performance
		<ul style="list-style-type: none"> <input type="checkbox"/> Recognises individuals and teams and provides developmental feedback in accordance with performance management principles; <input type="checkbox"/> Adheres to internal and national standards with regards to HR practices; <input type="checkbox"/> Deals with labour matters; <input type="checkbox"/> Identifies competencies required and suitable resources for specific tasks; <input type="checkbox"/> Displays personal interest in the well-being of colleagues; <input type="checkbox"/> Able to manage own time as well as time of colleagues and other stakeholders; and <input type="checkbox"/> Manages conflict through a participatory transparent approach.
9. Client Orientation and Customer Focus	Willing and able to deliver services effectively and efficiently in order to put the spirit of customer service (Batho Pele) into practice.	<ul style="list-style-type: none"> <input type="checkbox"/> Develops clear and implementable service delivery improvement programmes; <input type="checkbox"/> Identifies opportunities to exceed the expectations of customers; <input type="checkbox"/> Designs internal work processes to improve customer service; <input type="checkbox"/> Adds value to the organisation by providing exemplary customer service; and <input type="checkbox"/> Applies customer rights in own work environment.
10. Communication	Exchanges information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.	<ul style="list-style-type: none"> <input type="checkbox"/> Expresses ideas to individuals and groups both in formal and informal settings in an interesting and motivating way; <input type="checkbox"/> Receptive to alternative viewpoints; <input type="checkbox"/> Adapts communication content and style according to the audience including managing body language effectively; <input type="checkbox"/> Delivers messages in a manner that gains support, commitment and agreement; <input type="checkbox"/> Writes well structured complex documents; <input type="checkbox"/> Communicates controversial sensitive messages to stakeholders tactfully; <input type="checkbox"/> Listens well and is receptive; and <input type="checkbox"/> Encourages participation and mutual understanding.
11. Honesty and Integrity	Displays and builds the highest standards of ethical and moral conduct in order to promote confidence and trust in the Public Service.	<ul style="list-style-type: none"> <input type="checkbox"/> Conducts self in accordance with organisational code of conduct; <input type="checkbox"/> Admits own mistakes and weaknesses and seeks help from others where unable to deliver; <input type="checkbox"/> Reports fraud, corruption, nepotism and maladministration; <input type="checkbox"/> Honours the confidentiality of matters and does not use it for personal gain or the gain of others;

Description	Generic Standards for “Fully Effective” Performance
	<ul style="list-style-type: none"><li data-bbox="801 292 1279 316">☐ Discloses conflict of interests issues;<li data-bbox="801 323 1424 347">☐ Establishes trust and shows confidence in others;<li data-bbox="801 355 1319 379">☐ Treats all employees with equal respect;<li data-bbox="801 387 1659 411">☐ Undertakes roles and responsibilities in a sincere and honest manner;<li data-bbox="801 419 1565 443">☐ Incorporates organisational values and beliefs into daily work;<li data-bbox="801 451 1727 475">☐ Uses work time for organisational matters and not for personal matters; and<li data-bbox="801 483 1715 507">☐ Shares information openly, whilst respecting the principle of confidentiality.

SENIOR MANAGEMENT PERFORMANCE REVIEW FORM

NAME OF DEPARTMENT/PROVINCE (AS APPLICABLE)

1. PERSONAL DETAILS

SURNAME:

NAME:

DATE OF BIRTH:

DESIGNATION:

OCCUPATIONAL CLASSIFICATION:

DATE APPOINTED IN RANK:

COMPONENT:

DEPARTMENT/PROVINCIAL DEPARTMENT:

HIGHEST EDUCATIONAL QUALIFICATION:

PERSAL NUMBER:

PERIOD OF REPORT:

2. PARTICULARS ON DEPLOYABILITY/TRANSFERABILITY

Please indicate whether you are deployable/transferable, and if so, your preferences in respect of departments and geographical areas.

3. ACTION POINTS FROM PERFORMANCE REVIEW DISCUSSION

At the end of the performance review, the interviewer should record the conclusion of the performance review discussion here, showing agreed action and recording the outcome of the discussion of the individual's aspirations and possible lateral moves. Any aspects that may possibly have an influence on the confirmation/non-confirmation of the member's probation, should also be included here.

Signature of SMS member:

Signature of supervisor:

Date:

Date:

4. SELF ASSESSMENT AGAINST WORKPLAN

Work through each KRA and assess performance to date in meeting the requirements outlined in the performance measures. Note gaps, reasons for the gaps and steps to be taken to address them.

Ask yourself:

What did you achieve?

What were the constraints that you experienced?

5. SELF ASSESSMENT AGAINST CMC FRAMEWORK

Work through core management criteria and assess the extent to which the specified standard has been met. Note any gaps, and steps to be taken to address the gaps.

Ask yourself:

What are your areas of strength?

What are your areas of weakness?

What do you aim to do about the weaknesses?

6. PERFORMANCE ASSESSMENT BY REPORTING OFFICER (SUPERVISOR)

ACHIEVEMENT IN KEY RESULT AREAS

(Please give your assessment of the extent to which the jobholder has achieved the desired results, and any shortfalls)

ASSESSMENT OF CORE MANAGERIAL RESPONSIBILITIES

(Please comment on the performance of the jobholder against the requirements of the CMC framework)

7. ASSESSMENT OF POTENTIAL

Comment on the potential of the individual covering the range of areas and career opportunities for which the individual might be most suited, any limitations and your reasons.

Annual Performance Assessment Instrument

Following completion of this form, a copy must be forwarded to the departmental HR Unit

CONFIDENTIAL

PERFORMANCE APPRAISAL

Period under review

Surname and initials

Job title

Rank

Remuneration level

Persal no.

Component

Date of appointment to current remuneration level:

Age

Designated group

African

Coloured

Male

Disabled

Indian

White

Female

Probation

Extended probation

Permanent

Contract

PART 1 – COMMENTS BY RATED SMS MEMBER

(To be completed by the SMS member, prior to appraisal. If the space provided is insufficient, the comments can be included in an attachment)

1. During the past year my major accomplishments as they related to my performance agreement were:

2. During the past year I was less_successful in the following areas for the reasons stated:

PART 2 – PERFORMANCE APPRAISAL

Standard Rating Schedule for CMCs and KRAs:

Term	Description	Rating
Level 5: Outstanding performance	Performance far exceeds the standard expected of a member at this level. The appraisal indicates that the jobholder has achieved exceptional results against all performance criteria and indicators and maintained this in all areas of responsibility throughout the year.	5
Level 4: Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the member has achieved better than fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.	4

Level 3: Fully effective	Performance fully meets the standard expected in all areas of the job. The appraisal indicates that the member has achieved effective results against all significant performance criteria and indicators and may have achieved results significantly above expectations in one or two less significant areas throughout the year.	3
Level 2: Performance not fully satisfactory	Performance is below the standard required for the job in key areas. The appraisal indicates that the member has achieved adequate results against many key performance criteria and indicators but has not fully achieved adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected in the job.	2
Level 1: Unacceptable performance	Performance does not meet the standard expected for the job. The appraisal indicates that the member has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The member has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.	1

Rating by Supervisor and SMS member of Key Result Areas (KRAs):

Key Result Areas	Weight (%)	Own rating (1- 5)	Super-visor's rating (1- 5)	Mode-rating Com's rating (1- 5)	Score
1.					
2.					
3.					
4.					
5.					
Total	100%				80%

Rating by Supervisor and SMS member of Core Management Criteria (CMCs)

(Details to be completed by Supervisor and SMS member with the aid of the attached guide.)

Assessment factor	Weight (%)	Own rating (1-5)	Supervisor's rating (1-5)	Moderating com's rating (1-5)	Score
Strategic Capability and Leadership					
Programme and Project Management					
Financial Management					
Change Management					
Knowledge Management					
Service Delivery Innovation					
Problem Solving and Analysis					
People Management and Empowerment					
Client Orientation and Customer Focus					
Communication					
Honesty and Integrity					
TOTAL	100%				20%

FINAL SCORE

GRAND TOTAL KRA + CMC (80% + 20%)	OWN RATING	SUPERVISOR'S RATING	MODERATING COM'S RATING

PART 3 - DEVELOPMENT, TRAINING, COACHING, GUIDANCE AND EXPOSURE NEEDED BY SMS MEMBER

(To be completed by Supervisor in consultation with SMS member)

PART 5: CONFIRMATION/EXTENSION/TERMINATION OF PROBATION.

Supervisor's comments:

1. I recommend the confirmation of the probation of Ms/Mr _____ in view of the member's diligence and as her/his conduct has been uniformly satisfactory.

OR

2. I recommend that the probation of Ms/Mr _____ be extended for a period of _____ months for the following reasons:
3. I recommend that _____ probation be terminated for the following reasons:

Signature

Name

Date

Member's comments:

Signature

Name

Date

Comments of Chairperson of Moderating Committee:

Signature

Name

Date

Decision by Executing Authority or her/his delegate:

Signature

Name

Date

ANNEXURE H

Senior Management Service Department Annual Performance Assessment Assessment Rating Calculator											
Name:											
Year:											
KRA	Weight	Rating	Score		CMC	Weight	Rating	Score			
	1	20%	3	0.6		1	20%	4	0.8		
	2	30%	3	0.9		2	50%	5	2.5		
	3	30%	3	0.9		3	30%	5	1.5		
	4	20%	3	0.6		4			0		
	5			0		5			0		
	6			0		6			0		
	7			0		7			0		
	8			0		8			0		
	9			0		9			0		
	10			0		10			0		
	11			0		11			0		
100%				60	100%				96		
KRA weight				80%	CMC weight				20%		
KRA SCORE				48%	CMC SCORE				19%		
FINAL SCORE									67%		

GUIDELINES FOR USING THE SMS ASSESSMENT RATING CALCULATOR

FOR THE KRA

1. For each KRA fill in the weighting that you have allocated to it. Ensure that the weighting adds up to 100. Note that space is made for 11 KRAs, but you should try to limit this to 5 or 6. Fill in whatever number of KRAs are relevant to you.
2. Rate each KRA according to the extent to which performance has met the criteria specified in the standards and indicators. Use the five point scale described in the guidelines.
3. The assessment rating calculator will automatically calculate a score for each KRA by multiplying the weighting by the rating.
4. The calculator will then automatically calculate a total score for the workplan by adding up the scores and multiplying this total by the 60% weighting allocated to the KRAs.

FOR THE CMC

5. For each relevant CMC fill in the weighting that you have allocated to it. Ensure that the weighting adds up to 100. Note that there are certain CMC's that are compulsory for HoDs and for other SMS members with managerial responsibilities. Also note that departments are advised to limit the total number of CMCs to five or six.
6. Rate each CMC according to the extent to which performance has met the specified standards. Use the five point scale described in the guidelines.
7. The assessment rating calculator will automatically calculate a score for each CMC by multiplying the weighting by the rating.
8. The calculator will then automatically calculate a total score for the CMC by adding up the scores and multiplying this total by the 40% weighting allocated to CMC.

FOR THE OVERALL RATING

9. The assessment rating calculator will provide a final appraisal score by adding the totals obtained for the KRAs and the CMC.



CHAPTER 5

CHAPTER 5

COMPETENCY FRAMEWORK

1. INTRODUCTION

1.1 The introduction of the SMS Competency Framework is key in ensuring that the Public Service achieves its objective of professionalising the Public Service, especially at the Senior Management level. The SMS Competency Framework will assist in ensuring a consistent approach to human performance throughout the Public Service from National to Provincial levels, and thus help to drive and support all human performance initiatives.

1.2 In developing the SMS Competency Framework focus was placed on critical generic competencies, which senior managers would be expected to possess, rather than functional/technical competencies, which are essential to a specific department or a specific job. The SMS Competency Framework consists of a set of eleven (11) generic competencies that communicate what is expected of Senior Managers. In addition, this Framework seeks to establish a shared understanding of the critical success factors for performance in the Senior Management Service. This Framework does not describe the functions or responsibilities of particular senior management levels for example manager, senior manager or director, chief director, etc. However, they are based on the requirements for the whole of the Senior Management Service in both its current and emerging form.

2. SCOPE OF APPLICABILITY

2.1 The SMS Competency Framework applies to members of the SMS as defined in the Public Service Regulations, 2001.

3. ESTABLISHING THE NEED FOR COMPETENCY PROFILING

3.1 Developing the SMS Competency Framework

- (1) There are various definitions that are used to define a competency, even though the terminology and concepts in use do vary somewhat, there is general consensus that competency refers to the set of behaviour patterns an individual needs to **display** in order to **perform** effectively and efficiently **in his or her position**. The Public Service Regulations, 2001 defines 'competence' as "... the blend of knowledge, skills, behaviour and aptitude that a person can apply in the work environment, which indicates a person's ability to meet the requirements of a specific post."
- (2) The SMS Competency Framework has emerged from an exhaustive process of interviews, desktop studies, surveys, focus group sessions and analysis. The data gathering exercise spanned across the Senior Management Service and culminated in a wealth of raw data on behaviours. In the process a wide range of stakeholders, subject matter experts and senior managers were consulted. These competencies will have to be reviewed in the future to ensure currency and ongoing relevance within the Public Service.

3.2 Why Competency Modeling

- (1) A Competency Framework defines the competencies that are important for the Public Service to be successful, and ensures that Senior Managers have the requisite competencies and associated proficiency levels to succeed at the strategic level.

- (2) A Competency Framework is the foundation for, and a key driver of effective Human Resource Management. It describes the activities and behaviours of employees using a common set of terms and scales, thus creating a common language across HR processes. Having the knowledge, skills, behaviours and attitudes described in one place in a competency model is a helpful tool that allows both the individual and the organisation to know what knowledge and skills are needed to be effective in a given role.

4. STRUCTURE OF THE COMPETENCY FRAMEWORK

4.1 How to use the SMS Competency Framework

- (1) The components of the SMS Competency Framework are: -

COMPETENCY NAME	Name used to identify the Senior Manager's behaviour or groupings of behaviours;
COMPETENCY DEFINITION	General description of behaviours and activities that must be demonstrated by Senior Managers to achieve the desired competency; and
PROFICIENCY LEVEL	Description of the degree to which a Senior Manager has mastered the criteria of a competency. The competency scale classifies observable and measurable behaviours (behavioural indicators) sequentially. Individual progresses through the hierarchy by mastering the knowledge, skills, behaviours, or outcomes required at the level below.

Table 1: Components of the SMS Competency Framework

- (2) The competencies that appear in the SMS Competency Framework are in **no** order of importance to the role of senior managers in the Public Service. All the following competencies are viewed as being critical for high performance in the senior manager's role:

- (a) Strategic Capability and Leadership;
- (b) Programme and Project Management;
- (c) Financial Management;
- (d) Change Management;
- (e) Knowledge Management;
- (f) Service Delivery Innovation (SDI);
- (g) Problem Solving and Analysis;
- (h) People Management and Empowerment;
- (i) Client Orientation and Customer Focus;
- (j) Communication; and
- (k) Honesty and Integrity.

- (3) The SMS Competency Framework has four proficiency levels that consist of specific behavioural indicators that noticeably reflect different expected levels of performance/expertise. The following guide reflected in Table 2 should be used to interpret the different proficiency levels as depicted in the SMS Competency Framework. Note that these behaviours are only indicators and are not intended to be a definitive set.

Proficiency Level	Description
Basic	APPLIES BASIC CONCEPTS AND METHODS BUT REQUIRES SUPERVISION AND COACHING.
Competent	INDEPENDENTLY DEVELOPS AND APPLIES MORE ADVANCED CONCEPTS AND METHODS. PLANS AND GUIDES THE WORK OF OTHERS. PERFORMS ANALYSIS.
Advanced	UNDERSTANDS AND APPLIES MORE COMPLEX CONCEPTS AND METHODS. LEADS AND DIRECTS PEOPLE OR GROUPS OF RECOGNISED SPECIALISTS. ABLE TO PERFORM IN-DEPTH ANALYSIS.
Expert	SOUGHT OUT FOR DEEP, SPECIALISED EXPERTISE. LEADS THE DIRECTION OF THE ORGANISATION. DEFINES MODEL/THEORY.

Table 2: SMS Competency Framework Proficiency Level Guide

4.2 **How to use the SMS Competency Dictionary**

- (1) There are several benefits of establishing a competency-based approach to human resources, among them:

4.3 **Strategic Alignment**

- (1) A competency model will enable the Public Service to bring strategic vision, values and capabilities “down to earth” so they can be linked to daily operations, and have a motivating impact on all staff. A competency model can be a key tool used to create effective alignment between people and the organisation’s strategic requirements as it strives to reform itself.

4.4 **Common Performance Expectations**

- (1) The competency model provides the Public Service with a description of the key skills, knowledge, behaviours and attitudes that are expected of its Senior Management cadre. It helps to establish a common set of performance expectations that can be consistently applied throughout the Public Service.

4.5 **Certainty and Clarity**

- (1) The development of competencies provides Senior Managers with more certainty and clarity of expectations of their performance. Competencies involve a common language, revealing the “rules of the game”. This provides the opportunity to do an objective comparison and to identify and analyse a competency gap.
- (2) The competency model empowers senior managers to proactively manage their own careers. For example, employees are able to view profiles of their individual competencies, compare them with current or desired job requirements, and determine where competencies match and where gaps exist. They then are able to work and train towards meeting their own career goals.

4.6 **Human Resources**

- (1) Analysing individual competencies gives a profound understanding of the available human resources. By paying attention to the organisation’s workforce in a structured way using competency management, the investments in the workforce lead to the creation of human capital as a major resource/asset aligned with the strategies of the Public Service.

The Public Service will then be more flexible in using and adjusting its human resources, and will have a powerful tool to adjust their human resources to match the requirements of organisational processes and activities.

- (2) The competency methodology provides consistency across all human resource processes (e.g. recruitment, selection, performance management and training/development). This helps to prepare a common base for all human resource systems.

5. APPLICATION OF THE COMPETENCY FRAMEWORK

- 5.1 As mentioned above, the competency framework should underpin all key human resource management and development practices for the SMS. As an example, a competency assessment battery has been developed based on these competencies. Similarly, a performance management system that has been developed is based on these competencies.
- 5.2 Details on the integration of the competency framework into key human resource systems will therefore still be made available to departments. This includes issues such as measurement instruments to be utilised for selection and performance management purposes.

6. COMPETENCY FRAMEWORK

COMPETENCY NAME	STRATEGIC CAPABILITY AND LEADERSHIP
COMPETENCY DEFINITION	Must be able to provide a vision, set the direction for the organisation and inspire others in order to deliver on the organisational mandate.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> Understands organisational and departmental strategic initiatives, but weak in inspiring others to achieve the set objectives; Describes how specific tasks link to organisation's strategies, but experiences difficulty in putting the links into practice; Aligns and prioritises own action plans to organisational strategies but has limited influence in determining the strategic direction; and Demonstrates commitment through actions. 	<ul style="list-style-type: none"> Gives direction to team in realising the organisation's strategic objectives; Impacts positively on team morale, sense of belonging and participation; Develops action plans to execute strategic initiatives; Assists in defining performance measures to evaluate the success of strategies; Identifies and communicates obstacles to executing specific strategies; Supports stakeholders in achieving their goals; Inspires staff with own behaviour - "walks, the talk"; 	<ul style="list-style-type: none"> Evaluates all activities to determine value added and alignment with the organisation's strategic goals. Displays and contributes in-depth knowledge to strategic planning at the organisational level; Ensures alignment of strategies across various functional areas to the organisation strategy; Defines performance measures to evaluate the success of organisation's strategy; Monitors and reviews strategic plans consistently and takes corrective action to keep plans on track in light of new challenges in the environment; Promotes organisation's mission and vision to all relevant stakeholders; Empowers others to deal with complex and ambiguous situations; 	<ul style="list-style-type: none"> Structures and positions the organisation to Government priorities; Develops and implements strategies for the organisation utilising in-depth knowledge of customers and clients, the conventions, changing trends, processes and constitutional framework of the Government; Holds self accountable for executing the strategy; Builds and maintains a wide network of internal and external relationships to gain confidence, trust and respect from others; Sought out as a leader who can motivate others to achieve a common goal;

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
	<ul style="list-style-type: none"> • Manages and takes calculated risks; • Communicates strategic plan to the organisation; and • Utilises strategic planning methods and tools. 	<ul style="list-style-type: none"> • Achieves agreement or consensus in an adversarial environment; • Guides the organisation through complexity and uncertainty of vision; • Leads and unites diverse workgroups across divisions to achieve organisational objectives; and • Develops and implements risk management. 	<ul style="list-style-type: none"> • Creates loyalty, comradeship and an organisation environment that permits innovative thinking; and • Develops strategic planning methods and tools.

COMPETENCY NAME	PROGRAMME AND PROJECT MANAGEMENT
COMPETENCY DEFINITION	Must be able to plan, manage, monitor and evaluate specific activities in order to deliver the desired outputs.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> Commences project after go-ahead from higher authority; Understands procedures of project management, its implications and the importance of stakeholder involvement; Understands the outcome of the project in relation to organisation's goals. Displays basic project management skills; Documents and communicates issues and risks associated with own work; Uses results of other successfully completed projects as points of reference; and Applies existing policies in own field of work. 	<ul style="list-style-type: none"> Establishes broad stakeholder involvement and communicates the project status and key milestones; Defines roles and responsibilities for project team members and clearly communicates expectations; Balances quality of work with deadlines and budget; Identifies and manages risks to the project by assessing potential risks and building contingencies into project plan; Uses computer software programmes to help manage project; Sets and manages service level agreements with contractors; Provides advice and guidance on policies; and Complies with statutory requirements and apply policies consistently. 	<ul style="list-style-type: none"> Manages multiple projects and balances priorities and conflicts between projects based on broader organisational goals; Manages risks across multiple projects by examining total resource requirements and assessing impact of projects on the day-to-day operations; Modifies project approach and budget without compromising the quality of outcomes and the desired results; Involves top-level political authority and other relevant stakeholders in the buy-in process; Keeps abreast and applies international trends in project management; Motivates and coaches project teams to achieve highest project results; and Monitors policy implementation and puts in place procedures to manage risks. 	<ul style="list-style-type: none"> Conceptualises the long term effects of the desired outcomes of project; Initiates several projects after conducting strategic analyses of organisation on the micro and macro levels; Persuades political heads to adopt and implement results/outcomes of project; Initiates projects that lead to the achievement of the long-term strategic objectives of the organisation; and Sponsors multiple projects by allocating resources and supports the goals of these projects; and Leads and coordinates the translation of policy into action plans.

COMPETENCY NAME	FINANCIAL MANAGEMENT
COMPETENCY DEFINITION	Must be able to compile and manage budgets, control cash flow, institute risk management and administer tender procurement processes in accordance with generally recognised financial practices in order to ensure the achievement of strategic organisational objectives.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Articulates basic financial concepts and techniques as they relate to organisational/departmental processes and tasks (e.g. performance budgeting and value for money); • Displays awareness of the different sources of financial data, reporting mechanisms and financial processes and systems; • Understands importance of financial accountability; • Understands the necessity for asset control; 	<ul style="list-style-type: none"> • Demonstrates knowledge of general concepts of financial planning, budgeting and forecasting and how they interrelate; • Assesses, manages and monitors financial risks; • Continuously looks for new opportunities to obtain and save funds; • Prepares financial reports based on prescribed format; • Understands and weighs up financial implications of propositions; • Controls assets according to prescribed policies and procedures; 	<ul style="list-style-type: none"> • Takes ownership of key planning, budgeting and forecasting processes and answers questions related to topics within own responsibility; • Manages financial planning, forecasting and reporting processes; • Prepares budgets that are aligned to the strategic objectives of the organisation\department; • Addresses complex budgeting and financial management issues; • Formulates long term financial plans and resource allocations; • Develops and implements systems, procedures and processes in order to improve financial management; • Advises on policies and procedures regarding asset control; 	<ul style="list-style-type: none"> • Develops planning tools that assist with evaluating and monitoring future expenditure trends; • Sets budgeting guidelines for the department/organisation; • Recognised internally and externally as a financial expert; • Sets strategic direction for the organisation/department in relation to expenditure and other financial processes; • Identifies and implements partnerships and explores other avenues to achieve financial savings and improved service delivery; • Identifies and implement new techniques to improve asset control;

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Recognises key expenditure and financial accounting and reporting concepts; • Performs key financial management processes (expenditure, accounting and reporting) with guidance/direction; • Tracks and measures actual expenditure against budget; and • Understands the role of an audit function. 	<ul style="list-style-type: none"> • Understands, analyses and monitors financial reports; • Allocates resources to established goals and objectives; • Manages expenditure in relation to cash flow projections; • Ensures effective utilisation of financial resources; • Develops corrective measures/ actions to ensure alignment of budget to financial resources; • Prepares and manages own budget in line with the strategic objectives of the organisation; and • Makes realistic projections in routine reports. 	<ul style="list-style-type: none"> • Dynamically allocates resources according to internal and external objectives (broader government objectives); • Develops expenditure Key Performance Indicators (KPI's); • Succeeds in achieving maximum results with limited resources; • Assists others with financial accounting\reporting tasks; • Coaches and teaches others on key financial concepts; and • Analyses projections in reports. 	<ul style="list-style-type: none"> • Evaluates financial impact of strategic decisions across the organisation; • Develops long-term plans, performance measures and budgets that are aligned with strategic objectives; and • Possesses in-depth financial acumen and understanding and runs the finances according to sound principles.

COMPETENCY NAME	CHANGE MANAGEMENT
COMPETENCY DEFINITION	Must be able to initiate and support organisational transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> Communicates status, benefits and issues relating to change; Identifies gaps between the current and the desired situation and reasons for resistance to change; Accepts and successfully performs a supporting role in the change effort; Identifies the need for change; Participates in change programmes and piloting of change initiatives; and Understands the impact of change initiatives on the organisation within the broader political and social context. 	<ul style="list-style-type: none"> Performs analysis to determine the impact of changes in the social, political and economic environment; Keeps self and others calm and focused during times of change or ambiguity; Initiates, supports and encourages new ideas; Volunteers to lead change efforts outside of own work team; Consults and persuades all the relevant stakeholders of the need for change; Proactively seeks new opportunities for change; Identifies and assists in resolving resistance to change with stakeholders; and Designs activities to enable change that are aligned to the organisational objectives. 	<ul style="list-style-type: none"> Monitors results of change; Secures buy-in and sponsorship for change efforts; Designs, develops, evaluates and continuously improves the overall change strategy after wide consultation with the relevant stakeholders; Customises and applies approaches to facilitate change; Capitalises on relationships with various stakeholders in establishing strategic alliances in facilitating change efforts; Leads major change programmes; Benchmarks change initiatives and strategies against best practice; Exhibits sensitivity to dynamics within the organisation which affect how quickly change is accepted; Takes calculated risks and is constantly seeking new ideas from leading edge organisations and external sources; 	<ul style="list-style-type: none"> Sponsors “change agents” (responsible for implementing the change) and creates a network of leaders who support and own the change; Adapts current infrastructure to change initiatives; Mentors others on the leadership of change; Viewed as a thought leader in change management; and Inspires change that has impact even wider than the organisation.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
		<ul style="list-style-type: none">• Defines outcomes and measurement criteria for change programmes; and• Creates innovative ways of reinforcing change, rewarding change acceptance and discouraging change resistance.	

COMPETENCY NAME	KNOWLEDGE MANAGEMENT
COMPETENCY DEFINITION	Must be able to promote the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the organisation.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Collects, categorises and tracks relevant information required for specific tasks and projects; • Analyses and interprets information to draw conclusions; • Seeks new sources of information to increase own knowledge base; and • Shares information and knowledge with co-workers. 	<ul style="list-style-type: none"> • Uses appropriate information systems to manage organisational knowledge; • Uses modern technology to stay abreast of world trends and information; • Evaluates information from multiple sources and uses information to influence decisions; • Creates mechanisms and structures for sharing of knowledge in the organisation; • Uses libraries, researchers, knowledge specialists and other knowledge bases appropriately to improve organisational efficiency; 	<ul style="list-style-type: none"> • Anticipates future knowledge management requirements and systems; • Develops standards and processes to meet future knowledge management requirements; • Shares and promotes best practices across the organisation; • Coaches others on knowledge management techniques; • Monitors and measures knowledge management capability in organisation; • Creates a culture of a learning organisation; and • Holds motivational sessions with colleagues to share information and new ideas. 	<ul style="list-style-type: none"> • Consulted by others for expert knowledge management capability; • Creates and supports a vision and culture where staff feel empowered to seek and share knowledge; • Establishes partnerships across organisational boundaries to facilitate knowledge management; • Recognises and exploits knowledge nodes in interactions with clients; • Strives to ensure that there is a correlation between the organisational and the knowledge strategies; and

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
	<ul style="list-style-type: none">• Promotes the importance of knowledge sharing within own area;• Adapts and integrates information from multiple sources to create innovative knowledge management solutions; and• Nurtures a knowledge-enabling environment.		<ul style="list-style-type: none">• Works across organisations to identify and share critical knowledge.

COMPETENCY NAME	SERVICE DELIVERY INNOVATION (SDI)
COMPETENCY DEFINITION	Must be able to explore and implement new ways of delivering services that contribute to the improvement of organisational processes in order to achieve organisational goals.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Recommends new ways of performing tasks within own function; • Identifies and seeks potential sources of new ideas and approaches to enhance service delivery; • Proposes simple remedial solutions to simple service delivery orientated problems; and • Listens to the ideas and perspectives of others and explores opportunities to enhance these ideas. 	<ul style="list-style-type: none"> • Consults clients and stakeholders on ways to improve the delivery of services; • Communicates the benefits of service delivery improvement opportunities to stakeholders; • Identifies internal process improvement opportunities; • Identifies and analyses opportunities where innovative ideas can lead to improved service delivery; 	<ul style="list-style-type: none"> • Formulates and implements new ideas throughout the organisation; • Ensures buy-in from key stakeholders; • Consults and utilises international best practices on SDI; • Aligns the SDI initiatives with the latest technology; • Researches needs of clients; • Coaches others on innovation techniques; and • Inspires service providers to improve delivery of services. 	<ul style="list-style-type: none"> • Creates and supports a non-threatening environment where individuals feel empowered to come forward with new and unconventional ideas; • Plays an active role in international seminars/workshops/conferences on SDI; • Highly regarded by the private, the public and the international community on SDI; and • Integrates processes, policies and structures across the organisation to achieve improved efficiency and effectiveness on SDI.

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
	<ul style="list-style-type: none">• Creates mechanisms to encourage innovation and creativity within functional area and across the organisation; and• Implements innovative service delivery options in own department/organisation.	•	•

COMPETENCY NAME	PROBLEM SOLVING AND ANALYSIS
COMPETENCY DEFINITION	Must be able to systematically identify, analyse and resolve existing and anticipated problems in order to reach optimum solutions in a timely manner.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Understands the basic steps in problem solving and analysis and solves basic problems using organisation guidelines; • Identifies when to solve problems independently and when to consult others for resolution beyond own authority; • Participates actively and constructively in problem solving discussions; and • Identifies and documents issues associated with problems. 	<ul style="list-style-type: none"> • Explains potential impact of problems to own working environment; • Demonstrates logical problem solving approach and provides rationale for proposed solutions; • Determines root causes of problems and evaluates whether solutions address root causes; • Demonstrates objectivity, thoroughness, insightfulness, and probing behaviours when approaching problems; and • Demonstrates the ability to break down complex problems into manageable parts and identify solutions. 	<ul style="list-style-type: none"> • Coaches others on the analytical techniques and problem solving methods; • Anticipates organisational problems and strategises to counteract potential impact; • Involves the appropriate people, to resolve complex, inter-departmental problems; • Generates various solutions/ options and contingency plans for problems; • Identifies the impact of solutions on multiple areas within the organisation; and • Develops contingency measures and explores various problem solving options. 	<ul style="list-style-type: none"> • Designs complex problem solving tools and methods; • Establishes and fosters an environment which encourages analytical and fact-based problem solving; • Puts preventative measure in place to ensure that problems do not recur in the future; • Identifies, solves and monitors unique issues or problems that have total organisational impact in consultation with the stakeholders; • Sought after by other organisations as a thought leader in problem solving; and • Establishes completely new approaches to solving complex inter-departmental problems.

COMPETENCY NAME	PEOPLE MANAGEMENT AND EMPOWERMENT
COMPETENCY DEFINITION	Must be able to manage and encourage people, optimise their outputs and effectively manage relationships in order to achieve organisational goals.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Participates in team goal setting and problem solving; • Interacts and collaborates with diverse groups of people; • Understands team strengths, weaknesses and preferences; and • Is aware of the appropriate steps and guidelines for employee development and feedback, but not yet fully able to implement these. 	<ul style="list-style-type: none"> • Seeks opportunities to increase personal contribution and level of responsibility; • Supports and respects the individuality of others and recognises the benefits of diversity of ideas and approaches; • Delegates and empowers others to increase contribution and level of responsibility; • Applies labour and employment legislation and regulations consistently; • Facilitates team goal setting and problem solving; 	<ul style="list-style-type: none"> • Analyses ineffective team and work processes and recommends improvement; • Recognises and rewards desired behaviours and results; • Mentors and counsels others; • Addresses balance between individual career expectations and organisational needs; • Considers developmental needs of personnel when building teams and assigning tasks; • Establishes an environment in which personnel can maximise their potential; • Guides others on managing people; • Inspires a culture of performance excellence by giving positive and constructive feedback to the team; 	<ul style="list-style-type: none"> • Develops and incorporates best practice people management processes, approaches and tools across the organisation; • Creates processes to ensure accountability for people management and development; • Exceeds set goals for employment equity and affirmative action; • Has a reputation as a leader in fostering professional growth; • Sought after as a mentor; • Develops comprehensive, integrated strategies and approaches to managing human resources;

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
	<ul style="list-style-type: none"> • Recognises differences between individuals, cultures and teams and provides developmental feedback in accordance with performance management principles; • Adheres to internal and national standards with regards to human resource practices; • Identifies competencies required and suitable resources for specific tasks; • Displays personal interest in the well-being of colleagues; • Able to manage own time as well as time of colleagues and other stakeholders; and • Manages conflict through a participatory approach. 	<ul style="list-style-type: none"> • Creates links among various individuals, cultures and teams and instils a common sense of identity towards the achievement of goals by various team members and stakeholders; • Shares knowledge of the big picture to help others understand their role; and • Creates a culture of continuous learning and development. 	<ul style="list-style-type: none"> • Develops systems and processes to recruit and retain high quality staff; and • Adapts leadership style to different people, cultures and situations

COMPETENCY NAME	CLIENT ORIENTATION AND CUSTOMER FOCUS
COMPETENCY DEFINITION	Must be willing and able to deliver services effectively and efficiently in order to put the spirit of customer service (Batho Pele) into practice.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> • Acknowledges customers rights; • Applies customer knowledge to improve own organisation or department; • Maintains good relationship with customers and understands their priorities; and • Redirects queries to the most appropriate person/ solution provider and follows through to ensure customer needs are met. 	<ul style="list-style-type: none"> • Develops clear and implementable service delivery improvement programmes; • Identifies opportunities to exceed the expectations of customers; • Designs internal work processes to improve customer service; • Adds value to the organisation by providing exemplary customer service; and • Applies customer rights in own work environment. 	<ul style="list-style-type: none"> • Coaches others about the importance and application of customer and client knowledge; • Fosters an environment in which customer satisfaction is valued and delivered; • Addresses and resolves high-risk, high-profile stakeholder issues; and • Takes advantage of opportunities to learn about stakeholders and brings this information to own functional area. 	<ul style="list-style-type: none"> • Coordinates the implementation of service delivery improvements within budget, time, quality and targets set by the department; • Establishes guidelines to balance cost-consciousness and service delivery; • Establishes the organisation's strategic direction for managing services towards stakeholders; • Demands broad and deeper knowledge of clients and customers to ensure better service delivery; and • Utilises long term, collaborative and strategic relationships with clients and customers to better service delivery.

COMPETENCY NAME	COMMUNICATION
COMPETENCY DEFINITION	Must be able to exchange information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> Shows understanding for communication tools appropriate for the audience but needs assistance in utilising them; Expresses ideas in a clear and coherent manner but not always taking into account the needs of the audience; and Assimilates information reasonably well. 	<ul style="list-style-type: none"> Expresses ideas to individuals and groups both in formal and informal settings in an interesting and motivating way; Receptive to alternative viewpoints; Adapts communication content and style according to the audience including managing body language effectively; Delivers messages in a manner that gains support, commitment and agreement; Compiles documents on complex matters that are clear, concise and well structured; 	<ul style="list-style-type: none"> Communicates high risk sensitive matters to all relevant stakeholders; Develops well defined communication strategy; Balances political views with organisational needs when communicating differing viewpoints on complex issues; Steers negotiations around complex issues and arrive at a win/win situation; Markets and promotes the organisation to external stakeholders; and Communicates with the media without compromising the integrity of the organisation. 	<ul style="list-style-type: none"> Consulted as an expert in communication both externally and internally; Is sought after to lead negotiations and represent the organisation; Inspires people with use of language; Creates an environment that is conducive to productive communication; and Coordinates negotiations at different levels within the organisation and externally.

PROFICIENCY LEVELS

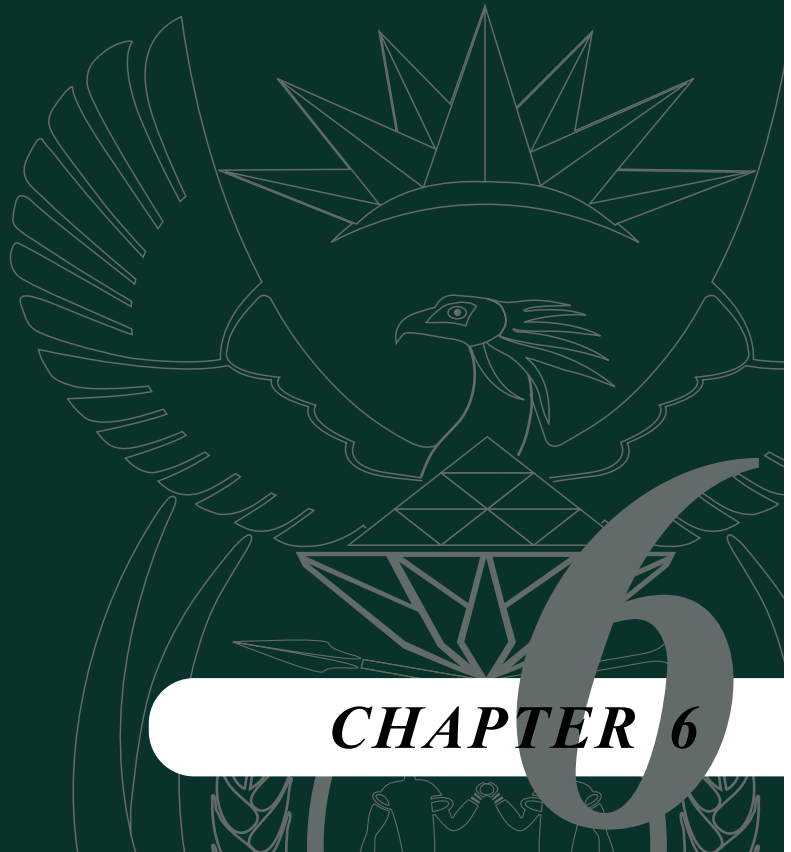
BASIC	COMPETENT	ADVANCED	EXPERT
	<p>Communicates controversial sensitive messages to stakeholders tactfully;</p> <ul style="list-style-type: none"> • • Listens well and is receptive; and • Encourages participation and mutual understanding. 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> •

COMPETENCY NAME	HONESTY AND INTEGRITY
COMPETENCY DEFINITION	Must be able to display and build the highest standards of ethical and moral conduct in order to promote confidence and trust in the Public Service.

PROFICIENCY LEVELS			
BASIC	COMPETENT	ADVANCED	EXPERT
<ul style="list-style-type: none"> Realises the implications of not speaking and acting with integrity, but needs guidance in implementing these principles; Follows through on commitments under supervision; and Follows the rules and regulations of the organisation. 	<ul style="list-style-type: none"> Conducts self in accordance with organisational values; Admits own mistakes and weaknesses and seeks help from others where unable to deliver; Reports fraud, corruption, nepotism and maladministration; Honours the confidentiality of matters and does not use it for personal gain or the gain of others; Deals promptly, and in the interest of the State, with situations where conflict of interest arises; 	<ul style="list-style-type: none"> Develops and applies self-corrective measures; Makes proposals and recommendations in a way that wins the trust and support of others; Promotes transparent and accountable administration; Presents ideas and beliefs in a manner which is consistent with the rules and regulations of the organisation/department; Acts decisively against corrupt and dishonest conduct; Promotes the values and beliefs of the organisation internally and externally; Co-operates with others and works as a team and not for personal benefit; and 	<ul style="list-style-type: none"> Creates an environment where integrity, honesty and accountability flourish; Develops and implements anti corruption measures; Is widely recognised as an expert in fighting fraud, corruption and other acts of dishonesty; Sets shared accountabilities and integrity standards across the organisation in support of organisational objectives; Is fully responsible for own actions even if it reflects negatively on self or organisation; and

PROFICIENCY LEVELS

BASIC	COMPETENT	ADVANCED	EXPERT
	<ul style="list-style-type: none"> • Establishes trust and shows confidence in others; • Treats all employees with equal respect; • Takes responsibility for own actions; • Undertakes roles and responsibilities in a sincere and honest manner; • Uses work time for organisational matters and not for personal matters; and • Shares information openly, whilst respecting the principle of confidentiality. 	<ul style="list-style-type: none"> • Oversees the acceptance of responsibility and accountability in the organisation 	<ul style="list-style-type: none"> • Creates a culture of accountability



CHAPTER 6

6

CHAPTER 6

ETHICS AND CONDUCT

1. INTRODUCTION

- 1.1 The purpose of this chapter is to contribute to the development of high ethical standards in the Senior Management Service. It should not be viewed as a set of rules. Rather it serves to illustrate the values and principles that should underpin a manager's behaviour in the work environment. As such, this Chapter is advisory in nature except insofar as reference is made to specific statutory provisions that are binding on public servants generally or members of the Senior Management Service specifically. Managers should familiarize themselves with the provisions as failure to do so might have legal implications for Government.
- 1.2 It is important to note that there are rules and guidelines that govern some aspects of senior managers' behaviour, but in some situations senior managers must apply general principles and values based on the nature of public service work. An awareness and understanding of how the application of the rules, guidelines, principles and values come together is essential if senior managers are to make ethical judgements and defensible decisions.
- 1.3 Protocols on conduct and ethics cannot cover every possible situation. If a senior manager is unsure of the appropriate action to take in a particular situation, she/he must discuss the matter with her/his colleagues and supervisors. She/he should also obtain as much information as possible on the topic.
- 1.4 Through this chapter, the DPSA hopes to contribute to a situation where senior managers take responsibility for their own behaviour and lead such behaviour and practices in their work environment. This chapter will hopefully also give meaning to the competency "Honesty and Integrity" that has been taken up in the SMS Competency Framework.

2. MANDATORY AND REGULATORY FRAMEWORK

- 2.1 All public service activities are governed to a greater or lesser degree by legislation. The following provisions specifically regulate the conduct of senior managers:

- (1) Section 195(1)(a) of the Constitution, 1996, requires that a high standard of professional ethics must be promoted and maintained in public administration generally.
- (2) Section 41(1)(d)(ii) of the *Public Service Act*, 1994, allows the Minister to make regulations on the management of conduct of officials.
- (3) The Code of Conduct in Chapter 2 of the Regulations gives practical expression to the Constitution and the Public Service Act, 1994.
- (4) The Financial Disclosure of members of the SMS in Chapter 3 of the Regulations prescribes that all managers must disclose their financial interests.
- (5) Part VII/B of Chapter 4 of the Regulations further addresses the promotion of ethical conduct in that it allows the Minister for the Public Service and Administration to issue directives to promote ethical conduct amongst members of the SMS.

2.2 This Chapter will thus supplement the Code of Conduct (Chapter 2 of Regulations) and the Financial Disclosure Framework (Chapter 3 of Regulations) in that it highlights the key principles that should underpin the conduct of a senior public servant.

3. VALUES AND PRINCIPLES

- 3.1 The terms values, ethics and conduct are often used interchangeably and uncertain language is one of the barriers to establish a widely understood framework for ethics.
- 3.2 For purposes of uniformity, the following definitions will apply in this chapter:
 - (1) ethics – what ought to be the ideals of what is just, good and proper;
 - (2) values – the commonly held beliefs that guide judgement about what is good and proper, and from which ethical principles derive;
 - (3) code of conduct – the rules that translate ideals and values into everyday practice; and
 - (4) conduct – the actual behaviour and actions of senior managers

- 3.3 Certain values and principles such as integrity and impartiality have always been part of the ethical standard of the Public Service and will remain fundamental to it. The weight placed on values will change and new values will emerge. The notion of changing values does not suggest that there will not be a consistent set of values for public servants/senior managers. Certain values have become more important in recent years, the most obvious being accountability, responsiveness and improved service delivery (Batho Pele). Values reinforce each other and provide the base for a stronger ethical culture.
- 3.4 Rules also play a role in safe-guarding ethical standards as it will govern aspects of senior managers' behaviour. Hence rules have a key role in guiding one's conduct and where there are laws and rules, they must be observed.
- 3.5 Less formal sets of rules can augment matters covered by legislation and be an important pointer to correct behaviour in a wide range of circumstances. As mentioned above, the Office of the Public Service Commission (OPSC) has issued a manual to explain the contents of the Code of Conduct. This manual serves as a practical guide to the code in specific kinds of situations.
- 3.6 The rest of this chapter highlights the key values and principles that should guide members of the Senior Management Service in their interaction with their superiors, peers, subordinates, and members of the public.

4. RESPONSIVENESS AND IMPARTIALITY

- 4.1 The public service exists to provide advice to, and give effect to the policies of the government of the day. Elected governments, whatever their political make-up, are entitled to expect loyalty and dedication from senior managers.
- 4.2 Departments have to make their decisions and implement policies and programmes in an environment of rapid change. Therefore, the main responsibilities of senior managers are to:
- (1) carry out decisions and implement programmes promptly, conscientiously and effectively, and
 - (2) provide advice which represents the facts accurately, is impartial and maintain a high standard of professional integrity.
- 4.3 Decisions must be made (and be seen to be made) impartially. By requiring reasonable and procedurally fair administrative action, section 33 of the Constitution obliges senior managers to

take decisions which are free from any actual or apparent bias or prejudice. The Promotion of Administrative Justice Act, 3 of 2000 also promotes responsiveness.

- 4.4 In both policy development and program implementation, senior managers need to exercise judgement as to which facts are most relevant, which policy options are most appropriate and which considerations in delegated decision-making are most important. Senior managers should ensure that executing authorities are aware of the values which underpin the policy-advice they have given.
- 4.5 Senior managers must have the ability to interpret the priorities and goals of government. An essential quality is to render free and frank advice, and to draw attention to any unforeseen implications or unintended consequences.
- 4.6 Senior managers are responsible for reporting criminal offences that are committed, or if they suspect that such offences could have been committed. They are further expected to be supportive of staff who make or intend to make protected disclosures.

5. ACCOUNTABILITY

- 5.1 Accountability is fundamental to good governance and is one of the essential elements of ethical administration. The perceptions of the public on the state of governance and administration are to a large extent determined by whether the government and administration are seen to account for its actions.
- 5.2 A description of the responsibilities of accounting officers and senior managers is to be found in Parts 2 and 3 of Chapter 5 of the *Public Finance Management Act, 1999* (PFMA).
- 5.3 Important points relating to accountability are:
 - (1) adherence to the rule of law is of paramount importance.
 - (2) the Head of a Department is the accounting officer for a department and may in writing delegate any of the powers (section 44 of the PFMA) entrusted or delegated to her/him to a senior manager in that department or instruct any senior manager to perform any of the duties assigned to the accounting officer in terms of the PFMA.

- (3) senior managers provide services on behalf of government to all manner of client groups and individuals in a great variety of circumstances and in so doing -
 - (a) they must adhere to the law and to the policies of government and not pursue their own interests;
 - (b) they are accountable for the quality of their dealings; and
 - (c) they are required to deal equitably, justly and responsibly with all individuals/groups.

- 5.4 In terms of the PFMA National Treasury may make regulations or issue instructions to promote sound financial administration. In general the regulations and instructions are aimed at the effective, efficient, economical and transparent use of resources.

- 5.5 Section 81 of the PFMA clearly indicates that senior managers to whom a power or duty is assigned in terms of section 44 commits an act of financial misconduct if that senior manager willfully or negligently fails to exercise that power or perform that duty.

- 5.6 Senior managers are further required to be frank, open and cooperative with other bodies established under legislation such as the Public Service Commission, Portfolio Committees and the Auditor-General.

6. LEADERSHIP

- 6.1 It is of utmost importance that a culture of ethical behaviour is manifested in the senior management and that they exhibit the highest ethical standards in carrying out their duties.

- 6.2 Senior managers must provide leadership in the area of ethics and “walk the talk”. They should give firm support to staff who raise problems of an ethical nature and ensure an openness on what constitutes correct conduct.

- 6.3 To fulfil this duty senior managers must have a thorough understanding of the Code of Conduct and the ethical standards and values that should shape the ethical culture of their units.

- 6.4 Senior managers should treat all people with whom they interact fairly, with courtesy and sensitivity. They must take pride in any advice or service they provide.

- 6.5 It is also essential for the proper functioning of departments that senior managers retain the trust and confidence of their Executing Authority and their colleagues in the manner in which they handle their official responsibilities and accountability.
- 6.6 Senior managers must lead by example and encourage their staff members to exercise similar qualities of personal and professional behaviour. They should also avoid unnecessary delays in making decisions or taking action.

7. COMMUNICATION

- 7.1 Effective communication is vital in planning, organising and carrying out the activities of government.
- 7.2 How the senior manager communicates is often as important as what she/he communicates. While words are important, gestures and body signals, often unconsciously exhibited, serve to either reinforce or contradict messages you want to send.
- 7.3 It is important to note that public servants may only communicate with the media if they are permitted to do so in terms of departmental policy (see Regulation H.4 of Chapter 2 of the Public Service Regulations, 2001). An employee may also not release information to the public if she/he does not have the necessary authority – see Regulation E of Part 11 of Chapter 1 of the Regulations.
- 7.4 Under certain circumstances it is not appropriate for senior managers to make public comment. Senior managers, in their private capacity as members of the community, have the right to make public comment and enter into public debate issues. When making comment a senior manager must not take improper advantage of official information and may not act in a way that will constitute a breach of C.5.4 of Chapter 2 of the Regulations (disclose official information for personal gain), or act in a way that gives rise to a conflict of interest. Equally a manager may not in her or his official capacity publicly criticise Government policy.
- 7.5 Senior managers are expected, where possible, to try to resolve complaints internally, without resorting to public comment or criticism.
- 7.6 Senior managers who make public comments in their private capacity, must make it clear that they act in their personal capacity.

8. MANAGEMENT OF MISCONDUCT

- 8.1 An ethical culture cannot develop in an environment where there are no effective mechanisms for the detection, investigation and institution of misconduct.
- 8.2 Prompt and decisive disciplinary action should be seen as a means of reinforcing high standards. There must be a will to use such mechanisms and such actions can demonstrate to staff and the community that government is committed to eliminating unethical conduct – see chapter 7 of the SMS Handbook. Action in this regard can demonstrate to staff and the public that departments/government are committed to eliminating unethical conduct.
- 8.3 Senior managers must report any unethical behaviour or wrongdoing by any other official (Refer to C4.10 of Chapter 3 of the Regulations). This may include behaviour that they believe violates any law, rule or regulation, constitutes mismanagement, or is a danger to public health or safety. Such reporting is called “whistle blowing”. The Protected Disclosure Act, 2000 provides procedures in terms of which any senior manager may disclose information relating to an alleged offence or a malpractice in the workplace by her/his employer, colleagues or other officials. The Act further provides for the protection of a person, who made a disclosure in accordance with the procedures provided for by the Act, against any reprisals as a result of such disclosure.
- 8.4 Senior managers may also complain to the Public Protector Provincial Public Protector, the Public Service Commission or the Auditor General where they believe that a department has acted wrongly in its decision-making or actions.

9. CONFIDENTIALITY OF OFFICIAL INFORMATION

- 9.1 A fundamental rule on the use of official information is that senior managers must not disclose any official information to any persons unless they are acting:
 - (1) in the course of their official duty;
 - (2) with the express authority of the their department; or
 - (3) for other lawful purposes
- 9.2 This restriction on the use of official information derives from C4.12 and C5.4 of Chapter 2 of the Regulations.

- 9.3 Senior managers should not misuse information gained in their official capacity in seeking to take advantage for personal reasons. They should further take care to maintain the integrity and security of official documents/information for which they are responsible. Every attempt should be made to avoid leaks.
- 9.4 Official information or documents acquired in the course of employment should only be disclosed when required to do so by law, in court, or when proper authority has been given. In such cases a senior manager's disclosure should be limited to factual information and should not express any personal opinion.
- 9.5 It is also important for Senior Managers to act and advise with honesty and integrity in all aspects of official duties. If a senior manager believes an aspect of policy or administration may have unforeseen consequences or otherwise requires review, it should be brought to the attention of the Head of Department or to the Executing Authority.

10. FINANCIAL AND OTHER PRIVATE INTERESTS (DISCLOSURE)

- 10.1 Chapter 3 of the Regulations prescribes that all senior managers must disclose their financial interests on an annual basis. Financial interests may take the form of shares, directorships or property which have the potential of conflict with official duties. Part D of the Regulations further describes the kinds of interests to be disclosed.
- 10.2 C4.5 and C4.6 of Chapter 2 of the Regulations place the onus on senior managers to alert their departments to any actual or potential conflict of interest, financial or otherwise. Hence they must disclose situations where their private interests may conflict with their official duties and take steps to avoid such conflict.
- 10.3 Senior managers should disclose all their registrable interests according to the prescribed form and procedures. Should circumstances change drastically after an initial disclosure has been made, and new or additional facts become material, the senior manager should disclose the further information.
- 10.4 Senior managers should not allow themselves to be improperly influenced by personal relationships. They should recuse themselves from any decision when there might be a conflict between their personal relationships/interests and the public interest.
- 10.5 A senior manager should perform the duties of her/his office impartially, uninfluenced by fear or favour.

- 10.6 A senior manager should not use information obtained in the course of official duties to gain direct or indirect advantage for her/himself or for any other person. (refer to 9.3 *supra*)
- 10.7 Senior managers must not solicit or accept any bribe or other improper inducement. Only in exceptional circumstances should gifts be accepted (where the gift is offered as part of a formal exchange of gifts).
- 10.8 Senior managers may accept unsolicited gifts or moderate acts of hospitality. Accepting such gifts or benefits is essentially a matter of judgement for the individual concerned. In such instance they must be satisfied that their position will not in any way be compromised by acceptance.
- 10.9 In terms of the Financial Disclosure Regulations (Regulation E(f) of Chapter 3) senior managers are required to disclose details with regard to gifts and hospitably with a value in excess of R350. They must further disclose any material advantage that they received from any source e.g. any discount prices or rates that are not available to the general public.

11. POLITICAL PARTICIPATION

- 11.1 Senior managers should be aware of the potential for conflict of interest and must not take part in any political activity when on duty or on official premises. They must further not attend in their official capacity outside conferences or functions convened by or under the aegis of a party political organisation.
- 11.2 The use of a public office or public resources for political activities is not acceptable and is contrary to Regulation C3.7 of Chapter 2 where it is clearly stated that senior managers must refrain from party political activities in the workplace.
- 11.3 Senior managers should not in their official capacity, participate in the political process. Similarly, they should not place their peers/subordinates in a position of conflict by inviting their participation in political events.
- 11.4 Senior managers should also be aware of the following statutory measures that regulate the participation of public servants in party political activities.
- 11.5 A public servant may not become a member of the National Assembly or any provincial legislative in terms of section 47 and 106 of the Constitution. This implies that should she/he be elected to one of these bodies, she/he is deemed to have resigned from the

public service with effect from the date on which her/his election is officially announced.

- 11.6 The same disqualification does not apply to municipal councils. Section 21(1) of the Municipal Structures Act, 1998, determines that every citizen who may vote for a municipal council is entitled to stand as a candidate in a municipal election and if elected, to be a councillor, except certain categories of persons mentioned in section 158(1)(a), (c), (d) or (e) of the Constitution. (Note: The aforementioned subsections do not apply to Public Service Act employees).
- 11.7 But despite the above “concession”, senior managers must note that an employee must place the whole of his/her time at the disposal of the State (section 30 of the Public Service Act, 1994). Employees may not perform remunerative work (for instance in the capacity as municipal councillors) outside their employment in the Public Service without the permission of the relevant Executing Authority or his/her delegate.
- 11.8 Section 36 of the Public Service Act, 1994 provides that a public servant may be a member and serve on the management of a lawful political party or may attend a public political meeting, but may not preside or speak at such a meeting. A public servant may also not draw up or publish any writing or deliver a public speech to promote or prejudice the interests of any political party.
- 11.9 The Code of Conduct (Chapter 2 of the Public Service Regulations, 2001), requires of employees to avoid conflicts of interest and not to abuse their positions in the Public Service to promote or prejudice any political party or interest group. (See parts B2, C2.7, C3.7, C4.5, C4.6, C5.4 and C5.5).
- 11.10 In summary:
- (1) Section 158(1)(b) of the Constitution disqualifies public servants from becoming members of municipal councils if such disqualification is prescribed by national legislation. National legislation prescribes no specific prohibition in this regard, hence it follows that senior managers are not *per se* excluded from serving on municipal councils.
 - (2) It should nevertheless be borne in mind that councillors will be remunerated and serve in either full-time or part-time capacities on municipal councils. Departments have therefore, in terms of the measures and principles enshrined in section 30 of the Public Service Act, 1994 and the Code of Conduct, a duty to carefully consider the position of senior

managers in this regard. Should a conflict arise between the duties and responsibilities of a senior manager and her/his activities as a councillor, departments are entitled to review their position and require her/him to either withdraw as a councillor or to resign from service.

- (3) Section 36 of the Public Service Act, 1994 contains certain provisions that limit the activities of senior managers and they must therefore ensure that they adhere to these.

- 11.11 Should a senior manager be elected to a municipal council, she/he should be required to inform designated persons of such election, the nature of their duties and responsibilities as a councillor, whether she/he will be required to perform such duties during official hours and details of her/his remuneration.
- 11.12 Should a senior manager be elected to a position as a full-time councillor, she/he will have to resign from the Public Service. As regards those who wish to take up part-time positions, they must ensure that they undertake their duties as a councillor as far as possible outside official hours of work. Specific approval has to be granted that the senior manager can retain her/his remuneration, as required by section 30 of the Public Service Act, 1994.
- 11.13 If a senior manager has to perform duties as a councillor during her/his official hours of work, they should apply for/take vacation leave on a basis of 1 day for every 8 hours of absence.
- 11.14 The position of members of the SANDF, SAPS, Correctional Services, state educational institutions, SASS and NIA must be managed in accordance with the applicable legislation that regulate their conditions of service.

12. OUTSIDE EMPLOYMENT

- 12.1 As mentioned above, section 30 of the Public Service Act, 1994, stipulates that public servants must place the whole of their time at the disposal of the State. They must not perform remunerative work outside their employment in the Public Service without permission of the relevant executing authority or her/his delegate. The Code of Conduct also stipulates that a public servant does not, without approval, undertake remunerative work outside her/his official duties or use office equipment for such work.
- 12.2 In considering requests to engage in outside employment, departments should establish whether the outside employment

would interfere with the proper performance of senior managers' duties and whether it would give rise to a conflict of interest.

- 12.3 Any outside/secondary work or unpaid activity should not place the senior manager in a conflict with her/his official duties, and must not adversely affect the efficiency or performance of the senior manager. Such work must be performed entirely after normal working hours.
- 12.4 Chapter 4 of the Regulations (disclosure framework) further requires of senior managers to disclose remunerated work outside the public service. By completing the prescribed form, the senior manager is not exempted from the statutory requirements of obtaining approval for performing remunerative work outside the public service.
- 12.5 Equipment like computers and fax machines at work is provided for official use only. Permission has to be obtained before such equipment can be used for private purposes.
- 12.6 Senior managers should not seek to engage in outside employment if that employment would place them in a conflict with their official duties or is likely to affect their efficiency in the performance of their official duties.
- 12.7 When applying for permission to engage in outside employment, senior managers should provide the following information:
 - (1) details of the proposed outside employment including the proposed hours of employment.
 - (2) whether the employment will adversely affect her/his efficiency and effectiveness in the performance of official duties; and
 - (3) whether it is likely to cause (or be perceived to cause) any conflicts or difficulties in relation to departmental requirements.

13. LABOUR RELATIONS

- 13.1 In performing their duties, senior managers must ensure equity in employment processes and manage staff fairly. They must further ensure that the workplace is free from discrimination and harassment. They should avoid acting in a way that is or could be seen to be unreasonable or could be construed as unlawful discrimination.

- 13.2 Senior managers must be attuned to detect unhappiness amongst staff. They should deal with complaints and grievances in a prompt and fair manner. They should ensure that the time frames prescribed by the grievance procedure are adhered to.
- 13.3 It is the responsibility of senior managers to ensure that the conduct of staff does not undermine service delivery of a department. Misconduct must therefore be dealt with and not be overlooked or swept under the carpet.
- 13.4 In dealing with the misconduct of staff, the senior manager must act promptly, fairly and consistently and according to the prevailing disciplinary procedure.
- 13.5 Senior managers must defend their department in labour disputes of staff members. This entails that the necessary assistance, be it legal or otherwise, be obtained to present a proper case on behalf of the department in arbitration or court. It also means that the senior manager should attempt to resolve the dispute before it reaches the arbitration or court stage. It is advisable that a supervisor do not represent a fellow employee unless she/he is a trade union representative.
- 13.6 Senior managers must strictly apply the principle of “no work, no pay” in instances where staff members participate in industrial or protest action. Failure to do so can seriously compromise the employer in negotiations.
- 13.7 Senior managers involved in negotiations with trade unions must ensure that they have the necessary mandates before entering into an agreement. In instances where the matter has financial implications, it must also be ensured that the necessary funds are available.
- 13.8 Although it is expected of senior managers involved in dealing with trade unions to promote and defend the views of the employer, they should do so in a manner that does not disrupt or undermine the relationship with the trade unions.

14. INTELLECTUAL PROPERTY

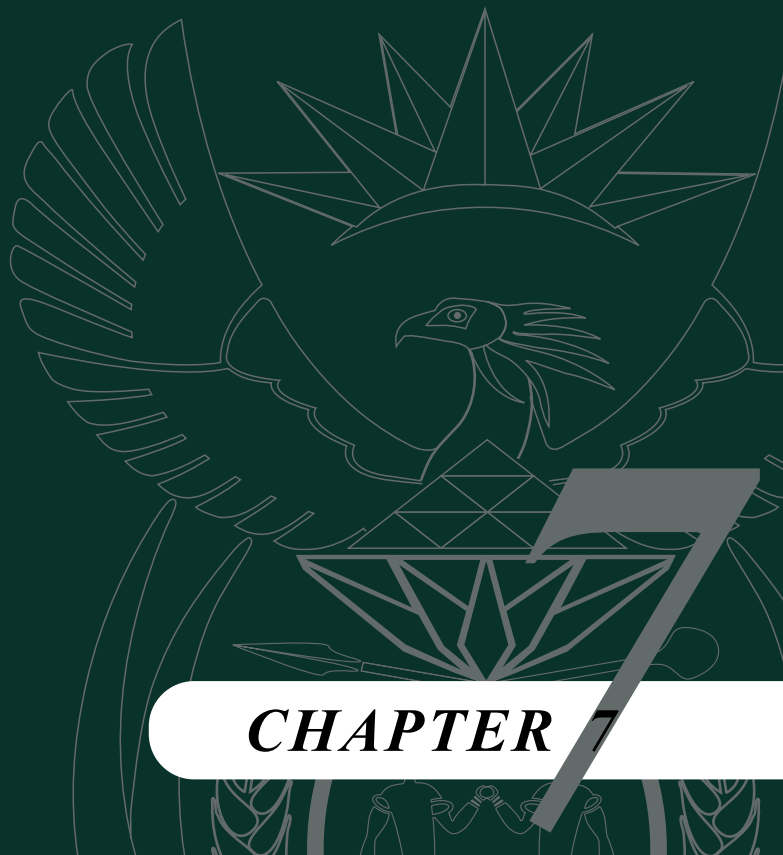
- 14.1 Government or a department retains the copyright of work produced by a senior manager during her/his employment. Refer to sections 5 and 21 of the Copyright Act 98 of 1978.

15. ACCESS TO INFORMATION AND ADMINISTRATIVE JUSTICE

- 15.1 One of the general aims of both the Promotion of Access to Information Act 2 of 2000 and the Promotion of Administrative Justice Act 3 of 2000 is to promote efficient, accountable, open and transparent administration.
- 15.2 The Promotion of Access to Information Act seeks to give effect to the constitutional right of access to any information held by the State. Requests for access to public records are dealt with by the respective information officers of the relevant public bodies that hold the records. In the public service the head of department is the information officer, and he or she may appoint deputy information officers. However, it should be noted that, for purposes of the Act, the Director-General of a provincial administration is regarded as the information officer of ALL departments in the province.
- 15.3 The information officer must—
- (1) ensure that the request for a record complies with the prescribed procedures;
 - (2) inform third parties to whom the information relates;
 - (3) determine whether any of the exemptions for non-disclosure applies; and
 - (4) thereupon refuse or grant the request.
- 15.4 A copy of the Act and the Regulations made under that Act can be found at www.gov.za/gazette/acts/2000/a2-00.pdf and www.doj.gov.za/reg/r223.pdf.
- 15.5 The **Promotion of Administrative Justice Act** aims to give effect to the constitutional rights of just administrative action. The Act—
- (1) sets out the rules and guidelines that administrators must follow when making decisions;
 - (2) requires administrators to give reasons for their decisions;
 - (3) requires administrators to inform people about their rights to review or appeal and to request reasons; and
 - (4) gives members of the public the right to challenge decisions of administrators in court.
- 15.6 A copy of the Act can be found at www.gov.za/gazette/acts/2000/a3-00.pdf.

16. CONCLUSION

- 16.1 This chapter is advisory in nature and may be altered from time to time to take account of changing circumstances. If a senior manager is in doubt about the appropriate course of action to be adopted in any circumstances, the matter should be discussed with her/his supervisors in the department, the Head of Department, the Executing Authority, and/or the Office of the Public Service Commission.



CHAPTER 7

CHAPTER 7

MISCONDUCT AND INCAPACITY

1. INTRODUCTION

- 1.1 The chapter contains the procedures that must be applied in cases of misconduct, incapacity due to poor performance and incapacity due to ill health of members of the SMS (hereafter referred to as “members”). As regards misconduct, PSCBC Resolution 1 of 2003 envisages the issuing of a directive by the Minister for the Public Service and Administration to cover the disciplinary matters of members of the SMS. The procedures for misconduct in paragraph 2 below incorporates those provisions of PSCBC Resolution 1 of 2003, which were considered appropriate and practicable in respect of members of the SMS. Regarding incapacity, paragraph 3 reflects PSCBC Resolution 10 of 1999, which deals with the incapacity code and procedure and paragraph 4 reflects PSCBC Resolution 12 of 1999 which deals with the procedure in respect of ill health or injury.
- 1.2 This chapter must always be read and applied in conjunction with the Act, the PSR and the Labour Relations Act, 1995, and the PSCBC Resolutions applicable to members of the SMS on the subject matter of this chapter. The DPSA must be approached for assistance whenever uncertainty is experienced regarding the interpretation of any provision contained in this chapter.

2. DISCIPLINARY CODE AND PROCEDURES FOR MEMBERS

2.1 Purpose and scope

- (1) The purpose of this Code and Procedure is to -
- (a) support constructive labour relations in the public service;
 - (b) promote mutual respect between members and between members and the employer;
 - (c) ensure that supervisors and members share a common understanding of misconduct and discipline;
 - (d) promote acceptable conduct;
 - (e) provide members and the employer with a quick and easy reference for the application of discipline;
 - (f) avert and correct unacceptable conduct; and

- (g) prevent arbitrary or discriminatory actions by supervisors toward members.

2.2 Principles

- (1) The following principles inform the Code and Procedure and must inform any decision to discipline a member:
- (a) Discipline is a corrective measure and not a punitive one.
 - (b) Discipline must be applied in a prompt, fair, consistent and progressive manner.
 - (c) Discipline is a management function.
 - (d) A disciplinary code is necessary for the efficient delivery of service and the fair treatment of members, and ensures that members -
 - have a fair hearing in a formal or informal setting;
 - are timeously informed of allegations of misconduct made against them; and
 - receive written reasons for a decision taken.
 - (e) As far as possible, disciplinary procedures shall take place in the place of work and be understandable to all members.
 - (f) If a member commits misconduct that is also a criminal offence, the criminal procedure and the disciplinary procedure will continue as separate and different proceedings.
 - (g) Disciplinary proceedings do not replace or seek to imitate court proceedings.
 - (h) The Code and Procedure constitutes a framework within which departmental policies may be developed to address appropriate circumstances, provided such policies do not deviate from the provisions of the framework.

2.3 Scope of application

- (1) This Code and Procedure applies to the employer and all members. It does not, however, apply to the employer and members covered by a disciplinary code and procedure -

- (a) concluded in a sectoral council and approved by the PSCBC to ensure uniformity of procedures across the public service; or
- (b) contained in legislation or regulations.

2.4 Code, rules and standards

- (1) The Code of Good Practice contained in Schedule 8 of the Labour Relations Act, insofar as it relates to discipline, constitutes part of this Code and Procedure.
- (2) Member conduct that may warrant a disciplinary action is listed in Annexure A of this chapter. This list is not exhaustive. Management may discipline a member in respect of other conduct, if the member knew, or ought to have known, that the conduct constituted grounds for disciplinary action.
- (3) In applying Annexure A of this chapter, management must assess the seriousness of the alleged misconduct by considering -
 - (a) the actual or potential impact of the alleged misconduct on the work of the public service, the member's component and colleagues, and the public;
 - (b) the nature of the member's work and responsibilities; and
 - (c) the circumstances in which the alleged misconduct took place.

2.5 Procedure: disciplinary actions

- (1) **Corrective counselling.** In cases where the seriousness of the misconduct warrants counselling, the supervisor of the member must:
 - (a) bring the misconduct to the member's attention;
 - (b) determine the reasons for the misconduct and give the member an opportunity to respond to the allegations;
 - (c) seek to get agreement on how to remedy the conduct; and
 - (d) take steps to implement the agreed course of action.
- (2) **Verbal warnings.** In cases where the seriousness of the misconduct warrants a verbal warning, the supervisor of the member may give a verbal warning. The supervisor must inform the member that further misconduct may

result in more serious disciplinary action, and record the warning. Verbal warnings remain valid for three months. If during the validity of the warning, the member is subjected to disciplinary action on a same or related transgression, the warning may be taken into account in deciding an appropriate sanction.

(3) **Written warnings.** In cases where the seriousness of the misconduct warrants a written warning, the supervisor may give the member a written warning. The following provisions apply to written warnings:

- (a) The written warning may be given in the form of Annexure B of this chapter.
- (b) The supervisor must give a copy of the written warning to the member, who must sign receipt of it. If the member refuses to sign receipt, the supervisor must hand the warning to the member in the presence of another member/employee, and sign in confirmation that the written warning was conveyed to the member.
- (c) The written warning must be filed in the member's personal file.
- (d) A written warning remains valid for six months. At the expiry of the six months, the written warning must be removed from the member's personal file and destroyed.
- (e) If during the six-month period, the member is subject to disciplinary action on a same or related transgression, the written warning may be taken into account in deciding an appropriate sanction.

(4) **Final written warnings.** In cases where the seriousness of the misconduct warrants a final written warning, the supervisor may give the member a final written warning. The following provisions apply to final written warnings:

- (a) The final written warning may be given in the form of Annexure C of this chapter.
- (b) The supervisor must give a copy of the final written warning to the member, who must sign receipt of it. If the member refuses to sign receipt, the supervisor must hand the warning to the member in the presence of another member/employee, and sign in confirmation that the final written warning was conveyed to the member.
- (c) The final written warning must be filed in the member's personal file.
- (d) A final written warning remains valid for six months. At the expiry of the six months, the final

written warning must be removed from the member's personal file and destroyed.

- (e) If during the six-month period, the member is subject to disciplinary action on a same or related transgression, the final written warning may be taken into account in deciding an appropriate sanction.

- (5) For less serious forms of misconduct, no formal enquiry shall be held.

- (6) For the purpose of determining appropriate disciplinary actions, valid warnings for similar or related transgressions by the member shall be taken into account.

2.6 Serious misconduct

- (1) If the alleged misconduct justifies a more serious form of disciplinary action than provided in paragraph 2.5, the employer may initiate a disciplinary enquiry. The employer must appoint a person, from within or from outside the public service, as its representative to initiate the enquiry.

2.7 Disciplinary enquiry

(1) Notice of enquiry

- (a) The member must be given notice at least five working days before the date of the hearing.
- (b) The member must sign receipt of the notice. If the member refuses to sign receipt of the notice, it must be given to the member in the presence of a fellow member/employee who shall sign in confirmation that the notice was conveyed to the member.
- (c) The written notice of the disciplinary meeting may be given in the form of Annexure D of this chapter and provide -
- a description of the allegations of misconduct and the main evidence on which the employer will rely;
 - details of the time, place and venue of the hearing; and
 - information on the rights of the member to representation by a fellow member/employee or a recognised trade union, and to bring witnesses to the hearing.

(2) Precautionary suspension or transfer

- (a) The employer may suspend or transfer a member on full pay if -
- the member is alleged to have committed a serious offence; and
 - the employer believes that the presence of a member at the workplace might jeopardise any investigation into the alleged misconduct, or endanger the well being or safety of any person or state property.
- (b) A suspension or transfer of this kind is a precautionary measure that does not constitute a judgement, and must be on full pay.
- (c) If a member is suspended or transferred as a precautionary measure, the employer must hold a disciplinary hearing within 60 days. The chair of the hearing must then decide on any further postponement.

(3) Conducting the disciplinary hearing

- (a) The disciplinary hearing must be held within ten working days after the notice referred to in paragraph 2.7(1)(a) is delivered to the member.
- (b) The employer must appoint a person, from within or from outside the public service, as chairperson of the disciplinary hearing.
- (c) If the member wishes, he or she may be represented in the hearing by a fellow member/employee, a representative or an official of a recognised trade union.
- (d) If necessary, an interpreter may attend the hearing.
- (e) In a disciplinary hearing, neither the employer nor the member may be represented by a legal practitioner, unless the member is a legal practitioner. For the purposes of this agreement, a legal practitioner is defined as a person who is admitted to practise as an advocate or an attorney in South Africa.
- (f) If the member fails to attend the hearing and the chairperson concludes that the member did not have a valid reason, the hearing may continue in the member's absence.

- (g) The chairperson must keep a record of the notice of the disciplinary hearing and the proceedings of the meeting.
- (h) The chairperson will read the notice for the record and start the hearing.
- (i) The representative of the employer will lead evidence on the conduct giving rise to the hearing. The member or the member's representative may question any witness introduced by the representative of the employer.
- (j) The member will be given an opportunity to lead evidence. The representative of the employer may question the witnesses.
- (k) The chairperson may ask any witness questions for clarification.
- (l) If the chairperson decides the member has committed misconduct, the chair must inform the member of the finding and the reasons for it.
- (m) Before deciding on a sanction, the chairperson must give the member an opportunity to present relevant circumstances in mitigation. The representative of the employer may also present aggravating circumstances.
- (n) The chairperson must communicate the final outcome of the hearing to the member and the employer within five working days after the conclusion of the disciplinary enquiry, and the outcome must be recorded on the member's personal file.

(4) **Sanctions**

- (a) If the chairperson finds a member has committed misconduct, the chairperson must pronounce a sanction (within the period referred to in paragraph 2.7(3)(n)), depending on the nature of the case and the seriousness of the misconduct, the member's previous record and any mitigating or aggravating circumstances. Sanctions consist of -
 - counselling;
 - a written warning;
 - a final written warning;
 - suspension without pay, for no longer than three months;
 - demotion;
 - a combination of the above; or
 - dismissal.

- (b) With the agreement of the member, the chairperson may only impose the sanction of suspension without pay or demotion as an alternative to dismissal. If a member is demoted, after a year he or she may apply for promotion without prejudice.
- (5) External disciplinary hearing
- (a) The employer and the employee charged with misconduct may agree that the disciplinary hearing will be chaired by an arbitrator from the relevant sectoral bargaining council appointed by the council. The decision of the arbitrator will be final and binding and only subject to review by the Labour Court.
 - (b) All the provisions applicable to disciplinary hearings in terms of this Code and Procedure, will, with the necessary changes required, apply for purposes of such hearings. The employer will be responsible to pay the costs of the arbitrator.
 - (c) For purposes of a disciplinary hearing in terms of paragraph 2.7(5)(a), both the employer and the employee may be represented by a legal practitioner.

2.8 Definitions

In this Code and Procedure, unless the context otherwise indicates –

“employer” means –

- (i) in respect of all members (excluding heads of department in their capacity as employees), the head of department or any member of his/her department designated to perform the specific action; and
- (ii) in respect of heads of department, the relevant executing authority,

“fellow employee” means an employee from the same office/institution than the member charged with misconduct;

“recognised trade union” means all the unions admitted to the PSCBC as well as any other union that enjoys organisational rights from a particular department, provided

that the latter union is recognised for the particular department only.

- 2.9 Nothing in this Code and Procedure detracts from a member's right to utilise dispute-settlement mechanisms provided under the Labour Relations Act.

3. INCAPACITY CODE AND PROCEDURES FOR MEMBERS

3.1 Aim

- (1) The objectives are to -
- (a) assist members to overcome poor performance;
 - (b) promote efficient and effective performance;
 - (c) avert and correct inadequate performance;
 - (d) ensure that the employer and members share a common understanding of incapacity;
 - (e) prevent arbitrary or discriminatory actions by the employer toward members;
 - (f) give reasonable assistance to members who are incapable of performing in accordance with the needs of their jobs;
 - (g) promote mutual respect between members/ employees and between employers and members; and
 - (h) support constructive labour relations in the Public Service.

3.2 Scope of application

- (1) This procedure applies to the employer and all members falling within the registered scope of the PSCBC. It does not, however, apply to the employer and members covered by an incapacity procedure -
- (a) concluded in a sectoral council and approved by the PSCBC to ensure uniformity of procedures throughout the Public Service; or
 - (b) contained in any other legislation regulating employment conditions.

3.3 Codes, rules and standards

- (1) The Code of Good Practice contained in Schedule 8 of the Labour Relations Act, insofar as it relates to incapacity, constitutes part of this procedure.

- (2) In applying this procedure, the employer must assess the incapacity by considering -
- (a) the extent to which the incapacity impacts on the work of the Public Service, the member's components, colleagues, and the public;
 - (b) the extent to which the member fails to meet the required performance standards established by the employer;
 - (c) the extent to which the member lacks the necessary skills to perform in accordance with his/her performance agreement;
 - (d) the nature of the member's work and responsibilities; and
 - (e) the circumstances of the member.

3.4 Procedure in respect of poor performance

- (1) If the employer is of the view that a member, whether on probation or a permanent staff member, is not performing in accordance with the job that the member has been employed to do, the employer must -
- (a) give written reasons why it is necessary to initiate this procedure; and
 - (b) after serving the written reasons referred to in sub-paragraph (a) above, meet with the member, and if the member so chooses with his/her representative and/or a fellow member/employee.
- (2) In the meeting described in sub-paragraph (1)(b), the employer must -
- (a) explain the requirements, grade, skills and nature of the job;
 - (b) evaluate the member's performance in relation to the requirements of the job;
 - (c) indicate reasons for perceived poor performance; and
 - (d) hear the member or his/her representative on -
 - whether the member has performed in accordance with the requirements of the job; and
 - if the member agrees he/she has not performed in accordance with the requirements of the job, give reasons.
- (3) After hearing the member's standpoint, the employer must, if necessary -

- (a) develop and initiate a formal programme of counselling and instruction to enable the member to reach the required standard of performance, which must include -
- assessing with the member the time that it would take for him/her to overcome the poor work performance;
 - on the basis of the assessment defined in the previous bullet, establishing realistic time frames within which the employer will expect the member to have met the required performance standards; and
 - if necessary, identify and provide appropriate training for the member to reach the required standards of performance, and
- (b) establish ways to address any factors that affect the member's performance that lie beyond the control of the member.
- (4) If the poor performance of the member is not remedied within the time frames established by the programme referred to in sub-paragraph (3) above, the employer must -
- (a) give the member a written report on the outcome of the procedure; and
- (b) consult again with the member to explain the outcome of the procedure, and on measures to address any problems indicated in the report.
- (5) After consulting with the member, the employer must consider whether-
- (a) to continue to give the member the appropriate guidance, instruction and counselling and establish a further, appropriate period for the member to meet the required standard of performance;
- (b) to mentor the member;
- (c) to place the member in a more appropriate job; or
- (d) to dismiss the member.
- (6) Before exercising the option of dismissal or placement in an alternative job, the employer must give the member a hearing to establish failure to meet required standards.
- (7) If the employer places a member in a different job that entails lower pay, the member must first agree.

4. INCAPACITY PROCEDURES IN RESPECT OF ILL HEALTH

4.1 Procedure in respect of ill health or injury

- (1) If the employer is of the view that a member is not performing in accordance with the job that the member has been employed to do as a result of poor health or injury the employer must investigate the extent of the incapacity or injury.
- (2) In conducting this investigation the employer must give the member, and his/her representative of her/his choice, the opportunity of stating the member's case and being heard on all the issues that the employer investigates and considers. Relevant medical and other information must be considered.
- (3) After the investigation the employer must provide the member with a written report setting out the results of the investigation.
- (4) In the investigation the employer must consider whether the nature of the member's ill health or injury is of a temporary nature and the period of time that the member is likely to be absent from work. In this investigation the employer must consider -
 - (a) the nature of the job;
 - (b) the likely period of absence;
 - (c) the seriousness of the illness or injury;
 - (d) the remuneration of the member during her/his period of absence; and
 - (e) the possibility of securing a temporary replacement for the ill or injured member.
- (5) If the member's ill health or injury is of a permanent nature the employer must investigate the possibility of -
 - (a) securing alternative employment for the member;
 - (b) adapting the duties or work circumstances of the member to accommodate his/her disability; and
 - (c) offer boarding on the grounds of ill health or injury.
- (6) If the investigation conducted by the employer suggests that the member's ill health is as a result of alcohol or drug abuse, the employer may -

- (a) counsel the member;
 - (b) encourage the member to attend rehabilitation;
 - (c) establish a formal rehabilitation programme which the member will be expected to follow; or
 - (d) terminate the employment of the member after following fair procedures, if the behaviour is repetitive.
- (7) If the member fails to follow the formal programme or to attend rehabilitation or to address the problem of alcohol or drug abuse, the employer must give the member or his/her representative a written report and consult again with the member. After consulting with the member the employer may consider whether to terminate the employment of the member after the normal disciplinary process is concluded.

ANNEXURE A

ACTS OF MISCONDUCT

A member will be guilty of misconduct if she or he, among other things (this list is not exhaustive):

1. Fails to comply with, or contravenes an Act, regulation or legal obligation.
2. Wilfully or negligently mismanages the finances of the State.
3. Without permission possesses or wrongfully uses the property of the State, or that of another member/employee and/or a visitor.
4. Wilfully, intentionally or negligently damages and or causes loss of state property.
5. Endangers the lives of self or others by disregarding safety rules or regulations.
6. Prejudices the administration, discipline or efficiency of a department, office or institution of the State.
7. Misuses his or her position in the public service to promote or to prejudice the interest of any political party.
8. Steals, bribes or commits fraud.
9. Accepts any compensation in cash or otherwise from a member of the public or another member/employee for performing her or his duties without written approval from the department.
10. Fails to carry out a lawful order or routine instruction without just or reasonable cause.
11. Absents or repeatedly absents herself/himself from work without reason or permission.
12. Commits an act of sexual harassment.
13. Discriminates against others on the basis of race, gender, disability, sexuality or other grounds outlawed by the Constitution.
14. Performs poorly or inadequately for reasons other than incapacity.
15. Without written approval from her or his department, performs work for compensation in a private capacity for another person or organisation either during or outside working hours.
16. Without authorisation, sleeps on duty.
17. While on duty, is under the influence of an intoxicating, illegal, unauthorised, habit-forming and/or stupefying drug, including alcohol.
18. While on duty, conducts herself or himself in an improper, disgraceful and unacceptable manner.
19. Contravenes any prescribed Code of Conduct for the public service.
20. Assaults, or attempts or threatens to assault, another member/employee or person while on duty.
21. Incites other personnel to unprocedural and unlawful conduct.
22. Displays disrespect towards others in the workplace or demonstrates abusive or insolent behaviour.
23. Intimidates or victimises fellow members/employees.
24. Prevents other members/employees from belonging to any trade union or body.

25. Operates any money lending scheme for members/employees for own benefit during working hours or from the premises of the public service.
26. Carries or keeps firearms or other dangerous weapons on state premises, without the written authorisation of the employer.
27. Refuses to obey security regulations.
28. Gives false statements or evidence in the execution of her or his duties.
29. Falsifies records or any other documentation.
30. Participates in unprocedural, unprotected and/or unlawful industrial action.
31. Commits a common law or statutory offence while on state premises.

ANNEXURE B**WRITTEN WARNING**

[DATE]

[NAME OF MEMBER]

[PERSONAL DETAILS OF THE MEMBER]

This is a written warning in terms of the disciplinary procedure. Should you engage in further misconduct, the written warning may be taken into account in determining a more serious sanction.

The written warning will be placed in your personal file and will remain valid for a period of six months from the date of the written warning. After six months the written warning will be removed from your personal file and be destroyed.

The nature of the misconduct is:

SIGNATURE OF MEMBER

DATE

SIGNATURE OF SUPERVISOR

DATE

SIGNATURE OF WITNESS (If applicable)

DATE

FINAL WRITTEN WARNING

[DATE]

[NAME OF MEMBER]

[PERSONAL DETAILS OF THE MEMBER]

This is a final written warning in terms of the disciplinary procedure. Should you engage in further transgressions, it could lead to formal misconduct proceedings being instituted against you.

This final written warning will be placed in your personal file and will remain valid for a period of six months from the date of the written warning. After six months the written warning will be removed from your personal file and be destroyed.

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The nature of the misconduct is:

SIGNATURE OF MEMBER

DATE

SIGNATURE OF REPRESENTATIVE OF THE EMPLOYER

DATE

SIGNATURE OF WITNESS (If applicable)

DATE

ANNEXURE D

NOTICE OF DISCIPLINARY HEARING

[DATE]
[NAME OF MEMBER]
[PERSONAL DETAILS OF THE MEMBER]

You are hereby given notice to attend a disciplinary hearing in terms of clauses 6 and 7 of the Disciplinary Code (Paragraphs 15 and 16 of Chapter 4 of the SMS Handbook).

The alleged misconduct and the available evidence is:

[A DETAILED DESCRIPTION OF MISCONDUCT MAY BE ATTACHED].

The meeting will be held at _____ [PLACE] on _____
[DATE] at _____ [TIME].

If you do not attend and cannot give reasonable grounds for failing to attend, the meeting will be held in your absence.

A fellow member/employee or a representative of a recognised union may represent you.

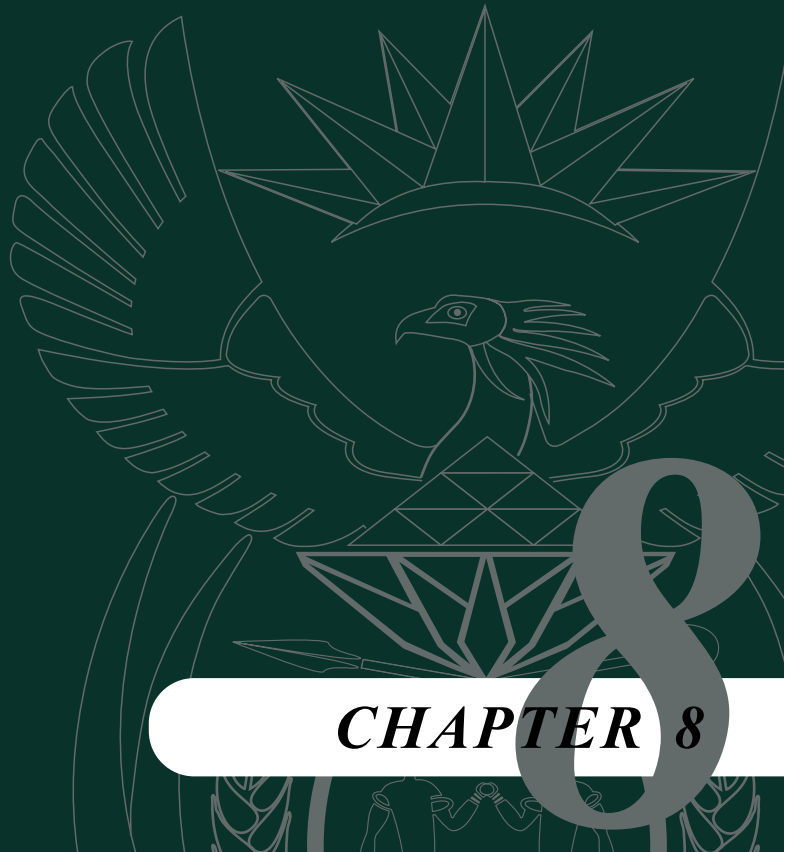
You may give evidence to the hearing in the form of documents or through witnesses. You will be entitled to question any witness introduced by the employer.

If the enquiry holds that you are guilty of misconduct, you may present any relevant circumstances in determining the disciplinary sanction.

SIGNATURE OF MEMBER
DATE

SIGNATURE OF REPRESENTATIVE OF THE EMPLOYER
DATE

SIGNATURE OF WITNESS (If applicable)
DATE



CHAPTER 8

CHAPTER 8

EMPLOYMENT OF HEADS OF DEPARTMENTS

1. INTRODUCTION

- 1.1 In accordance with the new management framework EAs have been granted extensive powers relating to the day to day management of their departments. These powers *inter alia* relate to appointment and other career incidents of Heads of Department.
- 1.2 Whilst the amended Public Service Act, 1994 and the Public Service Regulations, 2001 have freed EAs from the bureaucratic stranglehold of the previous regulatory framework, it remains a huge challenge to effectively communicate the basic requirements of the new framework.
- 1.3 Many EAs do not have time to study the Act and Regulations, hence this chapter has been developed to provide the relevant information in a concise format and in simple language.
- 1.4 Since HoDs normally have no career progression or prolonged employment opportunities, they have unique conditions of service. These conditions of service are all explained in this chapter. The chapter also provides information and examples on the management of all career incidents of HoDs, from appointment right through to termination of service.
- 1.5 Statutory provisions referred to in this chapter do not necessarily reflect the precise wording or meaning of that provision and are for easy reference only. In applying this chapter, it is important that the original statutory provision(s) be consulted and read in conjunction with this document.

2. DELEGATION OF POWERS

- 2.1 The *Public Service Act, 1994* (Section 3(B)(I)) entrusts –
 - (1) The President with the power to undertake and manage the appointment and other career incidents of Heads of Department of National Departments and organisational components; and
 - (2) Premiers with the power to deal with the appointment and other career incidents of a head of a provincial administration and Provincial Heads of Department.
- 2.2 The Act (Section 3(B)(4)) further stipulates that the President/ Premier may delegate:
 - (1) The power to appoint a HoD as well as;
 - (2) Any other power regarding the other career incidents of HoDs.

- 2.3 The President has delegated his powers to the Deputy President and Ministers. (Section 3(B)(4) of the Act. Letter of President dated 8 October 1999 – Annexure A). This chapter has been drafted on the assumption that EAs have been awarded the power to manage the career incidents of HoDs. The position at Provincial level may differ from Province to Province.
- 2.4 Attached at Annexure A is a copy of the letter to the Deputy President and Ministers. These delegated powers may be used by Premiers to guide them in the delegation of their powers for managing the appointment and other career incidents of HoDs at provincial level.
- 2.5 The powers for deployment of HoDs in terms of section 3 B of the Act has not been delegated.
- 2.6 Attached as Annexure B is a protocol document on the principles and procedures to be followed for the recruitment and filling of posts of HoD's and Deputy Directors-General at National level. This document only applies to national departments. However, the document may also prove to be useful at provincial level since it highlights regulatory requirements pertaining to recruitment and selection of senior managers.

3. ADVERTISING

- 3.1 The original power to recruit vests in the EA, which implies that a department has discretion to advertise or re-advertise a vacancy. An EA must determine the composite requirements for employment in the relevant post on the basis of the inherent requirements thereof (PSR Chapter 1 Part VII/C).
- 3.2 An EA must:

Step	Action
1.	Record the inherent requirements of a job.
2.	Comply with statutory requirements for appointment of employees.
3.	Draft the contents of the advertisement.

- 3.3 The advertising process must comply with the following PSR Chapter 1 Part VII/C:
- (1) Any vacant post of HoD must be advertised nationally inside and outside the Public Service.
 - (2) An EA shall ensure that the vacant post is advertised in such a way that, as far as possible, the entire pool of potential applicants is reached, especially those historically disadvantaged.

3.4 An advertisement should preferably contain the following particulars:

- (1) Job title, grade and department
- (2) Place to be stationed
- (3) Core functions and inherent requirement of the post
- (4) All inclusive remuneration package
- (5) Contact person to whom enquiries can be addressed
- (6) Closing date
- (7) Notification that it is a term contract appointment and an indication of the contract period
- (8) Notification that the HoD will have to enter into an employment contract and to sign an annual PA
- (9) That all shortlisted candidates will be subject to security vetting
- (10) Notification that the HoD will be required to disclose her/his financial interests in accordance with the prescribed regulation and form

3.5 An EA may fill a vacant post without advertising, if the post is filled in terms of section 3B of the Act (deployment by the President/a Premier) or through a transfer in terms of section 14 of the Act (PSR Chapter 4 Part V/B).

3.6 An EA may use an appropriate agency or selection consultant to assist in part or all of the advertising/selection process as long as she/he ensures that the advertising and selection procedures comply with the prescribed principles and procedures (PSR Chapter 1 Part VII/C).

4. RE-ADVERTISING VACANCIES

4.1 The re-advertisement of a vacancy should be done for good reasons and in exceptional circumstances only. These include:

- (1) No suitable candidate could be found. This is subject to a fair process of selection having been applied.
- (2) The operational requirements (or job contents) for the vacancy have changed drastically since the vacancy was advertised.
- (3) A long delay in finalising the selection process due to various unforeseen departmental circumstances, resulting in candidates no longer being available.
- (4) The exposure of the initial advertisement having been found to be too limited, not reaching all potential candidates.

Note:

The department should invite candidates who responded to the initial advertisement to apply again should they still wish.

5. SELECTION

5.1 The pre-selection and shortlisting of candidates should be based on a process and methods agreed to by the assigned selection committee i.e.

- (1) The selection process commences after the closing date of the advertisement.
- (2) For ease of reference, applications should be scheduled alphabetically indicating e.g. the surname, initials, gender, race, occupation, qualifications and experience.
- (3) The pre-selection and shortlisting, based on identified criteria, should be done in consultation with the EA.
- (4) It is of utmost importance for departments to verify the track record and qualifications of short listed candidates, especially the one nominated.
- (5) All shortlisted candidates must be subjected to security clearance. All cabinet memoranda dealing with the appointment of HODs must contain an indication whether the shortlisted candidate have been subjected to a security clearance or not.

5.2 During the pre-selection and shortlisting candidates can be eliminated by using legends related to the advertised requirements for the post such as:

- (1) lack of specific knowledge, competencies or high level skills.
- (2) lack of identified managerial skills.
- (3) lack of proven high level communication skills; and
- (4) candidate does not comply with requirements with regard to educational qualifications.

5.3 The EA's office shall arrange a date and venue for interviews and notify both panel members and candidates. An EA shall appoint a selection committee to make recommendations on appointments (PSR Chapter 1 Part VII/D).

5.4 A selection committee shall include the following EAs (PSR Chapter 1 Part VII/D):

For a head of a...	The committee shall include...
national department/organisational component	at least three Ministers.
provincial administration or provincial department	at least three Members of the Executive Council of that province .

5.5 The EA of the specific department/provincial administrations acts as chairperson of the selection committee.

- 5.6 Employees graded lower than that of the post to be filled may provide secretarial or advisory services during the selection process/interview but shall not form part of the selection committee.
- 5.7 The selection committee shall make a recommendation on the suitability of a candidate after considering *only* (PSR Chapter 1 Part VII/D):
- (1) information based on selection methods that are free from any bias or discrimination (i.e. using a scoring grid which provides space to rate each individual according to the weighted inherent requirements of the post), and
 - (2) the training, skills, competence and knowledge necessary to meet the inherent requirements of the post.
- 5.8 During the selection process, care should be taken that all candidates are provided equal opportunities. This implies that they must be evaluated against the same requirements and criteria implying that they be asked the same questions and be subjected to the same testing.
- 5.9 A selection committee shall record the reasons for its decision. These records together with all the information on the pre-selection process should be filed properly so that any queries can be responded to. The appointment of the successful candidate should only be approved after consultation with the MPSA (who is responsible for informing Cabinet). The latter requirement does not apply at provincial level.

6. APPOINTMENTS

- 6.1 According to a Cabinet decision, HoDs of national departments/organisational components must as a general rule be appointed for a period of three years or such shorter or longer period as may be approved by the relevant EA. This must not exceed five years, as stipulated in the Act (Section 12 of the Act. Cabinet minutes dated 1/9/99).
- 6.2 A serving employee who is appointed to the post of HoD, will automatically lose his/her status as a permanent employee. Her/his accrued pension and other benefits will, however, only be payable on the date that his/her term expires.
- 6.3 Section 7 read with amendments to section 12 of the Act changed the permanent employment status of serving Provincial Heads of Department with effect from 1 July 1999, to that of a five year term of office (contract).
- 6.4 Certain appointments are made only by the President. The President as head of the national executive:
- (1) is Commander in Chief of the Defence Force and must therefore appoint the Military Command of the Defence Force (Section 202(1) of the Constitution);

- (2) must appoint the National Commissioner of the Police Service (Section 209(2) of the Constitution); and
 - (3) must appoint the head of each Intelligence Service established in terms of the Constitution (Section 209(2) of the Constitution)
- 6.5 As regards national departments, the MPSA must be consulted on the selected candidate (Letter of President dated 8 October 1999). The MPSA is further responsible for obtaining Cabinet's concurrence on the appointment. To facilitate this process national EA's must provide the MPSA with a Cabinet Memorandum containing all relevant information - see Annexure B (Cabinet Minutes dated 4 August 1999). The Cabinet Memorandum should be sent to the MPSA at least a week before Cabinet's next meeting under cover of a letter containing the information indicated at Annexure C.
- 6.6 Following Cabinet's concurrence the relevant EA is responsible for issuing an appointment letter to the successful candidate which should include the following:
- (1) Provisions of the Act in accordance with which the appointment is effected (Section 12 of the Act) and probation period
 - (2) Term of contract and salary per annum
 - (3) Indicate need to sign an employment contract and enter into a PA
 - (4) Date of assumption of duty
 - (5) Requirement to disclose financial interests within one month after appointment.
- 6.7 The employment contract to be concluded by the EA and the HoD will be as set out in Annexure 2 of the Public Service Regulations.
- 6.8 Should any candidate require reasons why she/he was not appointed, it will be the responsibility of the relevant EA to provide such reasons.
- 6.9 The relevant EA must require the appointee to be subjected to security clearance (PSR Chapter 1 Part VII/B). In this respect the measures contained in the Minimum Information Security Standards, issued by the National Intelligence Agency must be complied with. Also refer to Annexure B item 12 in this regard.
- 6.10 The date of appointment will be with effect from a date as agreed to by the relevant EA and the appointee (which date should be after the date of approval of the appointment).
- 6.11 An EA shall not re-appoint a former employee as HoD where (PSR Chapter 1 Part VII/B):

- (1) the former employee left the public service earlier on condition that she/he would not accept or seek re-appointment;
- (2) the original grounds for termination of service militate against re-appointment; or
- (3) the former employee left the public service due to ill health and cannot provide recent and conclusive evidence of recovery.

7. EMPLOYMENT CONTRACTS

7.1 The purpose of an employment contract is to:

- (1) Regulate the appointment of HoDs.
- (2) Confirm the employment provisions and conditions of service of HoDs as determined by the Act and Regulations.

7.2 The contract entered into between an EA and a HoD shall be as set out in the PSR (Section 12 of the Act. PSR Chapter 1 Part VII/B). The Act provides that a contract may include any term and condition agreed upon between the relevant EA and the HoD as to:

- (1) Particular duties
- (2) Specific performance criteria for evaluating the performance of the HoD (Section 12(4) of Act).
- (3) Grounds upon and procedure according to which the services of an HoD may be terminated; and
- (4) Any other matter which may be prescribed.

7.3 The prescribed contract (PSR, Annexure 2) includes the following:

- (1) The appointment as HoD (dates of commencement and expiry dates)
- (2) Remuneration
- (3) Deployment
- (4) Renewal and extension of term office
- (5) Conduct, including confidentiality
- (6) Terms and conditions covering the entering into of PAs and management incentives
- (7) General aspects pertaining to good faith, applicability of the Act and interpretation of the contract, and

(8) Signatures of the EA and HoD.

7.4 Parties to an employment contract include the:

(1) relevant EA; and

(2) HoD.

7.5 EAs at national level should provide the MPSA with a copy of the contract as soon as possible after its completion. The MPSA is responsible for record keeping and involved in re-determination of HoDs' contract periods.

8. PERFORMANCE AGREEMENTS

8.1 The Act stipulates that an employment contract may include any term and condition agreed upon between the EA and the HoD on particular duties and specific performance criteria for evaluating the performance of the HoD (Section 12(4) of the Act).

8.2 The employment contract states that a HoD shall enter into an annual PA with the EA (PSR Annexure 2). This is linked to a specific financial year and shall include at least the minimum requirements prescribed in item 7 of the prescribed contract. The HoD should enter into a PA not later than three months after assumption of duty/entering into a new post.

8.3 Copies of PAs entered into by National HoDs should be forwarded to the MPSA at the latest on 30 June every year. (For attention: SMS Unit)

8.4 The minimum requirements for a PA are (Resolution No 13/1998. Chapter 4):

(1) Description of the purpose of the job.

(2) Identification of KRA's, their weighting and the standards for measuring them.

(3) Agreement on which CMCs are relevant, their weighting and the standards for measuring them.

(4) Agreement on the personal development plan.

(5) Dates of reviews and formal assessment of the SMS member's performance.

(6) Dispute resolution.

(7) Dates for consideration of performance related rewards.

8.5 Chapter 4 will assist HoDs by providing guidelines regarding the development of PAs. The chapter explains the elements that should be included in a PA in more detail.

8.6 The signing of a PA will form the basis of the assessment of HoDs for cash bonuses and package progression.

9. PROBATION

9.1 The appointment of HoDs is effected on a minimum probation period of 12 calendar months unless the EA directs otherwise (Section 13 of the Act).

9.2 The purpose of a probationary period is to facilitate the process of evaluating a HoD in the post while freeing the EA from lengthy and cumbersome processes should it be necessary to (Section 13 of the Act). PSR, Part VII/E):

- (1) terminate the appointment; and
- (2) transfer/deploy her/him.

9.3 The process followed in evaluating a HoD during a probationary period and the actions to be taken are prescribed in the Act and in the Regulations (Section 13 of the Act. PSR Chapter 1 Part VII/E). The HoD should be supported by the EA and be given a fair opportunity to meet the conditions of her/his appointment. The relevant EA must quarterly evaluate the HoD's work performance in terms of her/his PA (Refer to Chapter 4). The HoD must endorse each report as confirmation that she/he is aware of how her/his work performance is being regarded and which areas if any, need to be improved on.

9.4 On expiry of the twelve months probationary period, the EA must:

- (1) Confirm the appointment; or
- (2) Extend the probation period; or
- (3) Terminate the appointment.

Also refer to Chapter 4 pertaining to the assessment.

9.5 The probation period may be extended under the following circumstances:

- (1) The period of probation must be extended by the number of days leave taken by the HoD during the initial period or any extension thereof.
- (2) If a probationary period is extended, the process of evaluation and reporting on a quarterly basis must be continued until the probation is ended by terminating the appointment or confirming it.
- (3) A shorter period of probation may be directed by the relevant EA when a HoD is deployed or transferred while on probation.
- (4) Where a decision is taken to extend the HoD's probationary period, it would be advisable to first apply the *audi alteram partem* rule, i.e. allow the HoD to state a case in response.

- 9.6 HoDs who are employed for a period not exceeding one year do not serve a probationary period.
- 9.7 The EA of a HoD on probation shall ensure that the probationer:
- (1) Knows the performance and other requirements needed for confirmation of probation at the start of the probationary period.
 - (2) Receives written feedback each quarter on her/his performance and compliance with other requirements
 - (3) Receives training, counselling or other assistance if needed.
 - (4) Receives written confirmation of appointment at the end of the probationary period if she or he has been found suitable.
 - (5) Is allowed to state her or his case if dismissal as a result of poor performance is considered. During this process the probationer may be assisted by a colleague or a trade union representative.
 - (6) Is managed in compliance with the stipulations of Schedule 8 Code of Good Practice, of the *Labour Relations Act, 1995*.

10. REMUNERATION AND SERVICE CONDITIONS

- 10.1 Provincial HoDs and Heads of organisational components (Schedule 2 and 3 of the Act) shall not by virtue only of their post be entitled to the rank, status or salary scale and benefits of the HoD mentioned in the second column of Schedule 1 of the Act (Section 7 of the Act). The all inclusive remuneration package that the HoD shall receive should be based on the grading of the post as determined through job evaluation and as specified in the prescribed employment contract (PSR, Annexure A, Appendix A). Only remuneration packages contained in the remuneration scale may be utilised.
- 10.2 The remuneration packages of HoDs will be in accordance with determinations made in this regard by the MPSA. The EA may set the remuneration package above the minimum notch of the salary range to enable the recruitment of suitable candidates (PSR Chapter 1 Part V/C). In such a case, the EA:
- (1) Must ensure that the decision will not create an anomaly or disparity compared with other HoDs, and
 - (2) Record the reasons for the decision.
- 10.3 The inclusive remuneration package consists of the basic salary, the state's contribution to the GEPF and a flexible portion. The structure and rules of the inclusive and flexible remuneration package are spelled out in Chapter 3. General conditions of service are also spelled out in Chapter 3 and benefits may be amended by determinations by the MPSA in terms of the Act. HoDs are also eligible for additional compensation in the form of a non pensionable

HoD allowance equal to 10% of the member's annual all inclusive remuneration package, payable in equal portions per month for the time that a member is designated as a HoD. Refer to Chapter 3 for more details as well as the circumstances under which the allowance is not payable as well as the circumstances under which the allowance is not payable.

10.4 HoDs are eligible for a cost of living (remuneration package) adjustment with effect from 1 January of a particular year, irrespective of the outcome of performance evaluation.

10.5 HoDs may furthermore be considered for performance related package increases and/or rewards (see Chapter 4 in this regard).

10.6 All jobs of Provincial HoDs as listed in Schedule 2 of the Act, must be evaluated with the EQUATE job evaluation system before amendments to the grading of such jobs (e.g. upgrading) are considered (PSR Chapter 1 Part IV.B. Letter from Minister to Premiers dated 3/11/99).

11. OVERTIME

The compensation for the overtime is not applicable for members of the SMS.

12. DEPLOYMENT

12.1 The Act states that (Section 3(B)(2) of the Act):

“any person appointed as head of department may before or at the expiry of his or her term of office be deployed with her/his consent to perform functions in a similar or any other capacity in a post or against a post of equal, higher or lower grading or additional to the establishment, as the EA deems fit.”

12.2 A HoD may be deployed (Section 3(B)(3) of the Act) only if:

- (1) The President deploys a HoD of a national department or organisational component to perform functions in a national department or organisational component; and
- (2) The relevant Premier deploys a head of provincial administration, department or office, to perform functions in the administration, department or office of the relevant province.

12.3 The Act states (Section 3(B) of the Act) that:

- (1) A deployed HoD shall be appointed for the unexpired portion of her/his term of office at the same salary and conditions of service.
- (2) If a HoD is deployed to a new HoD position with a higher grading, the position is to be job evaluated (if not already evaluated) and the HoD's salary should be adjusted accordingly for the remainder of her/his contract period.

- (3) A deployed HoD may be appointed at the expiry of her/his term of office (without advertising the post) at the salary and conditions of service attached to the post or capacity in which she/he is appointed.

12.4 In order to deploy a HoD, it is important to note that:

- (1) There should be consensus between the President/Premier and the responsible Minister/MEC that deployment is required to deal with the situation.
- (2) The arrangement cannot be made unilaterally as deployment is, in terms of the provisions of the Act, subject to the consent of the HoD.
- (3) Reasons must be given to the HoD for making the arrangement.
- (4) Further arrangements related to the new position and the level of employment shall be formalised in a service contract, and
- (5) It is the prerogative of the EA to determine the level of utilisation.

12.5 At the expiry of the term of office it is for the relevant HoD (Section 3(B) of the Act) to:

- (1) Accept the salary and conditions attached to the deployed position if appointed, or
- (2) Let her/his term of office expire, after which she/he will receive the normal benefits applicable at the expiry of a HoD's term of office in terms of section 16(3) of the Act.

13. TRANSFERS

13.1 The Act stipulates that a HoD may, when the public interest requires, be transferred to any post/position in the same or any other department (Section 14 of the Act). This transfer may occur irrespective of the grade of the post (lower or higher) and notwithstanding whether it is within or outside the Republic.

13.2 The transfer of a HoD from one post/position to another may be made upon the authority of the EAs having the power of transfer. Both EAs have to approve the transfer. A vacant post that is to be filled through a transfer in terms of section 14 of the Act, is not required to be advertised in terms of regulation VII C.2.3 of Chapter 1 (PSR V.B2 of Chapter 4).

13.3 A HoD shall not upon a transfer suffer any reduction in her/his salary/scale without her/his consent, except when wrongly granted remuneration was awarded in accordance with section 38 of the Act (Section 14 of the Act).

13.4 The HoD who has been transferred to or employed in a post which is graded higher than her/his own grade shall not by reason only of that transfer or employment be entitled to the higher scale or salary status that is applicable to the post (Section 14 of the Act).

14. SECONDMENT

14.1 A HoD can be seconded (Section 15 of the Act) to:

- (1) any other department within the Public Service; or
- (2) another government, institution, body or persons established by or under any law from such government; institution or person.

14.2 A secondment must (PSR, Part VII/B) occur:

- (1) With the mutual agreement of the HoD involved;
- (2) Under predetermined or prescribed conditions, and
- (3) After consultation with Treasury.

14.3 The President or a Premier will exercise this power together with the relevant EA's (and others in Cabinet/Executive Councils).

14.4 A HoD remains subject to the laws applicable to her/him in the public service while on secondment.

14.5 Posts of HoD may not be filled on the basis of secondment. The reason being that a seconded person does not hold the status of an employee as defined in the Public Service Act.

15. EXTENSION OF TERM OF OFFICE

15.1 The Act provides for the extension of the term of office of a HoD (Section 12(2) of the Act). Extension occurs at the expiry of the term and is carried out in accordance with the terms and conditions of the contract. A further contract may be concluded between the EA and the HoD for a period/successive periods of not less than twelve months and not more than five years at a time. **In accordance with a Cabinet decision the extension of national HoDs term of office must as a general rule not be extended for a period of longer than three years. There is no limit to the number of times a term of office can be extended.**

15.2 Departments shall establish clearly when terms of HoDs are due to expire (PSR, Annexure A):

Stage	Description
Three months prior to the expiry of the term of office	
1	The EA should inform the MPSA of her/his intention to extend a contract or not (Situation will be different in a Province, depending on the delegation of power)
2	The MPSA informs Cabinet prior to the expiry of the term of office of the intention to extend the term (Situation will be different in a Province, depending on the delegation of power).
At least two calendar months prior to the expiry of the term of office	
3	The EA communicates in writing with the HoD on whether she/he intends to retain the HoD's services for a further period not exceeding five years (60 calendar months)
Within one calendar month of the date of communication	
4	The HoD informs the EA in writing whether she/he accepts the offer of extended employment.

15.3 If it is agreed that the HoD will enter into a further contract at the end of the present contract, her/his continued service will be recognised under the new contract. This will avoid any break of service and any accrued or *pro rata* entitlement will be carried forward into the new contract.

15.4 Should the EA not renew the contract beyond the initial period(s) (Section 16(3) of the Act) the HoD shall be entitled to the pension and other benefits directly linked to the specific section of the Act. The EA should inform the HoD at least one month before the lapse of the contract that it is not her/his intention to extend the contract.

Note:

For more details refer to the part dealing with termination of employment contracts.

16. ACTING AS HoD

16.1 When necessary, the EA shall appoint a senior manager in an acting capacity (Section 32 of the Act). If a Premier has not delegated powers to other EAs, she/he shall appoint a senior manager in an acting capacity.

16.2 An acting HoD may be compensated for acting as HoD in terms of a determination of the MPSA (PSR Chapter 1 Part VII/B5). Refer to paragraph 10 in Chapter 3 for more details pertaining to the acting allowance and the policy.

16.3 A manager acting as HoD may not do so for an uninterrupted period exceeding 6 months. The person to be appointed in the acting capacity should be informed in writing and the letter should include the following:

- (1) an indication that she/he has been appointed in accordance with section 32 of the Act;
- (2) the period of acting;
- (3) an indication of post requirements and responsibilities in accordance with section 7(3)(b) of the Act; and
- (4) an indication that she/he acts as accounting officer in terms of section 37 of the Public Finance Management Act, 1999.

17. ETHICAL CONDUCT

17.1 A HoD is expected to comply with the Code of Conduct provided for in Chapter 2 of the PSR. Specific measures have been introduced to regulate the involvement of HoDs in work outside the public service and to enforce the disclosure of their financial interests.

17.2 No HoD shall perform paid work outside the public service unless provided for in her/his conditions of employment and without written permission from the relevant EA (Section 30 of the Act). A HoD may not claim any extra remuneration for any official duty or work which she/he performs voluntarily or is required by an EA to perform.

17.3 A policy on the disclosure of financial interests is contained in Chapter 3 of the PSR. HoDs must disclose their financial interests to their EAs by 30 April of each year. New appointees must disclose their interests within 30 days after assumption of duty. The framework includes a standardised form that has to be completed and certified. The regulatory framework prescribes that if HoDs do not disclose their interests by the prescribed date they may be charged with misconduct – see chapter 10 on Financial Disclosure.

17.4 The role of the PSC is to keep a centralised database of information on financial matters of HoDs and members of the SMS. The OPSC is responsible for the management of the information.

18. SUSPENSION

18.1 The suspension of HoD's is covered in Chapter 7.

18.2 The EA may suspend a HoD on full pay if:

- (1) She/he is alleged to have committed a serious offence; and
- (2) The EA believes that the presence of the HoD at the workplace might jeopardise an investigation into the alleged misconduct, or endanger the well-being or safety of any person or state property.

18.3 A suspension of this kind is a precautionary measure that does not constitute a judgement and must therefore be on full pay.

18.4 When a HoD is suspended, a disciplinary hearing must be held within 60 days. The chair of the hearing must then decide on any further postponement and or further suspension.

19. DISCIPLINARY PROCEDURE

19.1 Chapter 7 applies to the disciplining of HoDs.

19.2 Paragraph 2.5 of Chapter 7 provides for the process to be followed in cases of less serious misconduct that warrants only counselling or warnings. It is an “informal” process that requires at least a meeting with the HoD where she/he will have the opportunity to state her/his case.

19.3 If the alleged misconduct justifies a more serious form of disciplinary action, the EA may initiate a disciplinary enquiry. The disciplinary enquiry may follow in cases where:

- (1) the transgression is so serious that counselling or warnings by an EA will not suffice.
- (2) the transgression constitutes a material breach of the employment relationship.
- (3) transgressions are repeated and/or during validity of a written or final written warning.

19.4 The criteria for assessment of the seriousness of the alleged misconduct must be based on:

- (1) Actual or potential impact on the work of the public service, department, organisational component, colleagues and public.
- (2) Nature of the HoD's work and responsibility.
- (3) Circumstances in which the alleged misconduct took place.

19.5 The following are the steps/actions as prescribed in Chapter 7 on the disciplinary hearing:

- (1) The EA may suspend a HoD in accordance with paragraph 18.2 as a precautionary measure.
- (2) The EA must appoint a representative to initiate the enquiry.
- (3) The relevant EA must appoint a person as chairperson for the hearing.

- (4) The HoD must be given written notice of at least 5 working days before the date of the hearing and must sign receipt of notice.
- (5) Written notice must be done in a form as indicated at Annexure D.

19.6 The following are the main issues pertaining to the conducting of a hearing (See Chapter 7 in this regard):

- (1) The disciplinary hearing must be held within 10 working days after the notice is delivered to the HoD
- (2) The HoD may be represented by a fellow employee or a representative of a recognised trade union, but not by a legal practitioner.
- (3) Both sides shall be allowed to present evidence and cross-examine.
- (4) The decision/final outcome of the hearing must be communicated to the HoD within 5 working days after conclusion of the disciplinary hearing.
- (5) If the Chair finds that the HoD has committed misconduct, she/he must pronounce a sanction.
- (6) The EA and the HoD may agree that the disciplinary hearing will be chaired by an arbitrator from the relevant sectoral council.

20. GRIEVANCES

20.1 An HoD has the right to lodge a grievance about an official act or omission which adversely affects her/him in her/his employment relationship (excluding an alleged unfair dismissal)

20.2 Section H of PSCBC Resolution 14 of 2002 contains the procedure to be followed if a HoD lodges a grievance.

21. INCAPACITY CODE AND PROCEDURES FOR THE PUBLIC SERVICE IN RESPECT OF POOR WORK PERFORMANCE

21.1 If the EA considers that the HoD is unfit for her/his duties or incapable of carrying them out efficiently and is not performing in accordance with the job requirements, she/he should be managed in accordance with the appropriate collective agreement (Resolution 10/99). The Code of Good Practice contained in Schedule 8 of the Labour Relations Act, 1995, insofar as it relates to incapacity, constitutes part of this agreement.

21.2 The purpose of the incapacity code is to help the HoD to:

- (1) Overcome poor performance;
- (2) Correct inadequate performance; and
- (3) Prevent arbitrary or discriminatory actions being taken.

21.3 In applying this procedure, the EA must assess the incapacity by considering:

- (1) the extent to which the incapacity affects the work of the public service, the HoD's department, colleagues, and the public;
- (2) the extent to which the HoD fails to meet the required performance standards established by the EA;
- (3) the extent to which the HoD lacks the necessary skills to perform in accordance with the HoD's PA;
- (4) the nature of the HoD's work and responsibilities; and
- (5) the circumstances of the HoD.

21.4 If the EA considers that a HoD is not performing in accordance with the PA or job that the HoD has been employed to do, then the EA must:

Step	Action
1	Give written reasons why it is necessary to initiate this procedure.
2	Serve the written reasons referred to in Step 1 on the HoD.
3	Meet with the HoD and (if the HoD chooses) with the HoD's trade union representative and/or a fellow employee.

Also refer to Chapter 4 on the Performance Management and Development System for SMS in this regard.

21.5 When meeting with the HoD, the EA must apply the following procedure:

Step	Action
1	Explain the requirements, grade, skills and nature of the job
2	Give feedback on the HoD's performance in relation to the requirements of the job
3	Indicate reasons for perceived poor performance
4	Hear the HoD or her/his representative on whether: <ul style="list-style-type: none"> • she/he has performed in accordance with the requirements of the job; and • the HoD agrees that she/he has not performed in accordance with the requirements of the job.

21.6 After considering the HoD's position, the EA must, if necessary:

Step	Action
1	Develop and initiate a formal programme of counselling and instruction to enable the HoD to reach the required standard of performance. This must include: <ul style="list-style-type: none"> • assessing with the HoD the time that it would take for her/ him to overcome the poor work performance; • establishing from the assessment realistic time frames for the HoD to have met the required performance standards; and • identifying and providing appropriate training for the HoD to reach the required standard of performance (if necessary).
2	Establish ways to address any factors that affect the HoD's performance that lie beyond her/his control.

21.7 If the poor performance of the HoD is not remedied within the time frames established by the programme referred to above, then the EA must:

Step	Action
1	Give the HoD a written report on the outcome of the procedure
2	Consult again with the HoD to explain the outcome of the procedure, and on measures to address any problems indicated in the report.

21.8 After consulting with the HoD, the EA must consider whether to:

- (1) continue to give the HoD appropriate guidance, instruction and counselling and establish a further appropriate period for the HoD to meet the required standard performance;
- (2) mentor the HoD;
- (3) place the HoD in a more appropriate job (deployment); or
- (4) dismiss the HoD.

Important:

Before exercising the option of dismissal or deployment/transfer to an alternative job, the EA must give the HoD a hearing to establish reasons for failure to meet required standards.

22. INCAPACITY CODE IN RESPECT OF ILL HEALTH

22.1 If the EA considers that as a result of poor health or injury, a HoD is not performing in accordance with the job that she/he has been employed to do, then the EA shall investigate the extent of the incapacity or injury, with due consideration to the provisions of Resolution 12/99 and the leave provisions contained in Chapter 3.

22.2 In conducting the investigation, the EA must:

Step	Action
1	Give the HoD (and the HoD's trade union representative) the opportunity of stating the HoD's case and being heard on all the issues that the EA investigates and considers.
2	Consider relevant medical and other information.
After the investigation	
3	Provide the HoD with a written report setting out the results of the investigation.

22.3 In the investigation the EA must consider whether the nature of the HoD's ill health or injury is of a temporary nature and the period of time that she/he is likely to be absent from work. In this investigation the EA must consider the:

- (1) nature of the job;
- (2) likely period of absence;
- (3) seriousness of the illness or injury;
- (4) remuneration of the HoD during her/his period of absence; and
- (5) possibility of securing a temporary replacement for the ill or injured HoD.

22.4 If the EA established that the HoD's ill health or injury is of a temporary nature the period of absence must be covered by sick/incapacity leave whichever is applicable. Please refer also the Chapter 3 for more details.

22.5 If the HoD's ill health or injury is of a permanent nature the EA must investigate the possibility of:

- (1) securing alternative employment for the HoD (deployment in accordance with section 3B of the Act);
- (2) adapting the duties or work circumstances of the HoD to accommodate her/his disability; and
- (3) offering boarding on the grounds of ill health or injury.

22.6 If the investigation conducted by the EA suggests that the HoD's ill health is as a result of alcohol or drug abuse, the EA may:

- (1) counsel the HoD;
- (2) encourage the HoD to attend rehabilitation;
- (3) establish a formal rehabilitation programme which the HoD will be expected to follow; or
- (4) terminate the employment of the HoD after following fair procedures, if the behaviour is repetitive.

22.7 If the HoD fails to follow the formal programme or to attend rehabilitation or to address the problem of alcohol or abuse, then the EA must:

- (1) give the HoD or her/his representative a written report; and
- (2) consult again with the HoD.

22.8 The EA may, if applicable and after consulting the HoD, consider whether to terminate the employment of the HoD after the normal disciplinary process is concluded.

23. TERMINATION OF CONTRACT OF EMPLOYMENT

23.1 Overview

- (1) The term of office of a HoD may be terminated in the following ways. Each of these reasons for termination of contract of employment is dealt with in greater detail below.

No.	Reason	Reference
1	On reaching the prescribed (or earlier optional) retirement age.	Section 16(1); (2), 2(A) and (4) of the Act
2	On completing a term or extended term of office.	Section 16(3) of the Act
3	Premature retirement at own request.	Section 16(5) of the Act
4	Discharge in terms of any of the subsections of section 17 of the Act.	Section 17 of the Act
5	Re-determination of original or extended term of office.	Section 12(1) or (2) of the Act
6	Voluntary resignation.	
7	Death.	

- (2) The employment contract provides that either party may after consultation and agreement, terminate the contract before the expiry of an original term of office or an extended term of office, by giving to the other party three months notice of termination (PSR Annexure 2). This notice must be given in writing and be given on or before the last day of a month and take effect of the first day of the succeeding month.
- (3) The payment of pension and other benefits is directly linked to the:
- (a) specific section of the Act;
 - (b) Government *Employees Pension Law*, 1996 and Rules of the Government Employees Pension Fund and regulations promulgated as applicable to a HoD;
 - (c) Public Service Regulations; and
 - (d) collective agreement(s) reached.

Note:

The following part illustrates the benefits that are payable in different circumstances. These are illustrations only and actual calculations must be done with reference to the above acts/ regulations/ agreements and with the help of experts.

23.2 Reaching retirement age

- (1) The following severance benefits are payable when a term of office is terminated by reaching the prescribed (or earlier optional) retirement age (Section 16(1); (2); 2(A) and (4) of the Act).
- (2) These are the pension benefits payable:

Length of service	Pension benefit
Less than 10 years pensionable service.	<ul style="list-style-type: none"> • <i>Actuarial interest.</i>
	HoDs who are <i>younger than 55</i> : Period of pensionable service x average salary over the last 24 months of service x actuarial factor.
	HoDs who are <i>older than 55</i> : $[6,72\% \times \text{average salary over last 24 months of service} \times \text{years of pensionable service}] + [(1/55 \times \text{average salary over last 24 months of service} \times \text{period of pensionable service}) \times \text{actuarial factor}]$.

At least 10 years pensionable service.	• Gratuity at 6,72% x average salary over last 24 months of service x years of pensionable service.
	• Annuity at 1/55 x average salary over last 24 months of service x years of pensionable service.

Note: An HoD with at least 10 years of pensionable service may elect in writing to have either the gratuity or annuity reduced in favour of an increased spouse's pension entitlement.

- (3) A leave payout is made in respect of any unused leave credits of the previous and/or current leave cycle, and annual leave credits prior to 1 July 2000 (capped leave) on basis provided for in Chapter 3.
- (4) A *pro rata* 13th cheque is paid, if structured.
- (5) Resettlement benefits are paid as per the policy contemplated in Chapter 3.
- (6) The following post retirement medical assistance benefits are paid:

Length of service	Medical assistance
At least 15 years	Continued employer contribution from the age of 50 onwards as follows: Two-thirds of membership fees limited to the same maximum employer contribution applicable to serving employees.
At least 10 but less than 15 years	Cash benefit of 36 times the actual employer contribution as at the last day of service.
Less than 10 years	Cash benefit of 12 times the actual employer contribution as at the last day of service.

Note:

Medical benefits are only payable if the HoD is a member of a registered medical scheme for at least the 12 months before retirement.

23.3 Completing term (section 17 of the Act)

- (1) On expiry of a HoD's term of office, section 16(3)(b) of the *Act*, applies, which stipulates that the HoD must be deemed to be discharged in terms of section 17(2)(b) of the *Act*.

- (2) The following pension benefits are payable:

Length of service	Pension benefits
Less than 10 years pensionable service	Gratuity calculated at 15,5% of average salary over the last 24 months of service x the period of pensionable service. (The amount of the gratuity payable shall be increased by one-third of the said amount).
At least 10 years pensionable service	Gratuity calculated at 6,72% of average salary over the last 24 months x the period of pensionable service.
	Annuity calculated at 1/55 of average salary over the last 24 months x the period of pensionable service, and
	A supplementary amount of R360 per year.

- (3) For the purposes of the calculation of the gratuity and annuity of HoD's with at least 10 years of pensionable service, the period of pensionable service, (excluding all completed terms of office) shall be increased by:
- (a) one third of the period of pensionable service (excluding term of office) but not exceeding five years or the number of years up to the 60th birthday (or 65 in the case of a person in office on 1 May 1997), and
 - (b) one half of the (completed) period during which she/he held office as HoD.

Notes:

Provided that the total of a member's pensionable service shall not exceed 55 years.

An HoD with at least 10 years of pensionable service may elect in writing to have either the gratuity or annuity reduced in favour of an increased spouse's pension entitlement.

- (4) A leave payout is made in respect of any unused annual leave credits of the previous and/or current leave cycle on the basis provided for in Chapter 3.
- (5) A *Pro rata* 13th cheque is paid, if structured.

- (6) Medical assistance is based on the following:

Length of service	Medical assistance
At least 15 years	Continued employer contribution from the age of 50 onwards as follows: Two-thirds of membership fees limited to the same maximum employer contribution applicable to serving employees. A person who does not immediately qualify for the continued employer contribution may be paid a cash amount equal to 6 times the maximum employer contribution.
At least 10 but less than 15 years	Cash benefit equal to 36 times the actual employer contribution as at the last day of service.
Less than 10 years	Cash benefit equal to 12 times the actual employer contribution as at the last day of service.

Note:

Medical benefits are only payable if the HoD is a member of a registered medical scheme for at least the 12 months before retirement.

- (7) Resettlement benefits paid as per the policy contemplated in Chapter 3.

23.4 Premature retirement at own request

- (1) Section 16(5) of the Act provides that the HoD may be allowed to request retirement from the Public Service before her/his term of office expires.
- (2) If the HoD is allowed to retire from the Public Service in terms of this section, she/he shall not be entitled to any added pension benefits unless she/he retires during an *extended* term of office. In such a situation service is increased as if the term of office had been completed (maximum 5 years $\pm \frac{1}{2}$ of the completed term of office).
- (3) The following pension benefits will be payable:

Length of service	Pension benefit
Less than 10 years pensionable service	<ul style="list-style-type: none"> • Actuarial interest • HoDs who are <i>younger than 55</i>: <p>Period of pensionable service x average salary over the last 24 months of service x actuarial factor.</p>

Length of service	Pension benefit
More than 10 years pensionable service	<ul style="list-style-type: none"> HoDs who are <i>older than 55</i>: [6,72% x average salary over last 24 months of service x years of pensionable service] + [(1/55 x average salary over last 24 months of service x period of pensionable service) x actuarial factor]
	<ul style="list-style-type: none"> Gratuity at 6.72% x average salary over the last 24 months of service x period of pensionable service*.
	<ul style="list-style-type: none"> Annuity at 1/55 of average salary over the last 24 months of service x period of pensionable service*.
	<ul style="list-style-type: none"> Supplementary amount of R 360 per year.

Note:

If the HoD with 10+ years' service retires during an extended term of office, her/his pensionable service (excluding completed term of office) will be increased similar to the HoD who served a completed term, except that the uncompleted term is part of the pensionable service to be increased. An HOD with at least 10 years of pensionable service may elect in writing to have either the gratuity or annuity reduced in favour of an increased spouse's pension entitlement.

- (4) A leave payout is made in respect of any unused annual leave credits of the previous and/or current leave cycle on the basis provided for in Chapter 3.
- (5) *A pro rata* 13th cheque is paid if structured.
- (6) Resettlement benefits paid as per the policy contemplated in Chapter 3.
- (7) The following medical benefits apply:

Length of service	Medical assistance
At least 15 years	Continued employer contribution from age 50 as follows: Two-thirds of membership fees limited to the same maximum employer contribution applicable to serving employees.
At least 10 but less than 15 years	Cash benefit of 36 times the actual employer contribution as at the last day of service.
Less than 10 years	Cash benefit of 12 times the actual employer contribution as at the last day of service.

Note:

Medical benefits are only payable if the HoD is a member of a registered medical scheme for at least the 12 months before retirement.

23.5 Discharge (section 17 of the Act)

- (1) Payment of pension and other benefits are directly linked to the specific section of the Act, as regulated by the pension laws and other prescripts and collective agreements (section 17 of the Act).
- (2) The Act allows for the following circumstances under which the contract may be terminated:
 - (a) Continued ill health.
 - (b) Abolition of the post, or any reduction, reorganisation, or readjustment of the department or office.
 - (c) If, for reasons other than the HoD's own unfitness or incapacity, her/his discharge will promote efficiency or economy in the department or office, or will otherwise be in the interest of the public service.
 - (d) Unfitness for her/his duties or incapacity to carry them out efficiently.
 - (e) Misconduct.
 - (f) If, in the case of a HoD on probation, her/his appointment is not confirmed.
 - (g) Misrepresentation of her/his position in relation to a condition for permanent appointment.
 - (h) If her/his continued employment constitutes a security risk for the State.
 - (i) If the President or a Premier appoints her/him in the public interest under any law to an office to which the provisions of this Act do not apply.

23.6 Re-determination of original or extended term of office

- (1) It might under certain circumstances be necessary to re-determine a HoD's term of office to expire earlier (section 12(1) and (2) of the Act). This represents a breach of contract (if it is not due to inefficiency or misconduct). This breach of contract entitles the outgoing HoD to be compensated for damages incurred.
- (2) In practice, the situation can be dealt with by the EA reaching an agreement with the HoD to re-determine the HoD's term of office. Compensation is then paid for the unexpired portion of the term.

- (3) The following pension benefits are paid:

Length of pensionable service	Pension benefit
Less than 10 years pensionable service	Gratuity calculated at 15,5% of the average salary over the last 24 months of service x the period of pensionable service (+ the amount of the gratuity which is payable shall be increased by one-third of the said amount)
At least 10 years pensionable service	<ul style="list-style-type: none"> • Gratuity calculated at 6,72% of average salary over the last 24 months of service x the period of pensionable service. • An annuity calculated at 1/55 of average salary over the last 24 months of service x the period of pensionable service. • A supplementary amount of R360 per year.

Note:

For the purposes of the calculation of the gratuity and annuity in respect of HoD's with at least 10 years of pensionable service, the period of pensionable service (excluding all completed terms of office) shall be increased by a period equal to one third of the period of pensionable service, but not exceeding five years or the number of years up to the 60th birthday (or 65 in the case of a HoD in office on 1 May 1997), and one half of the (re-determined completed) period during which she/he held office as HoD (Provided that the total of a member's pensionable service shall not exceed 55 years). An HoD with at least 10 years of pensionable service may elect in writing to have either the gratuity or annuity reduced in favour of an increased spouse's pension entitlement.

- (4) A leave payout is made in respect of any unused annual leave credits of the previous and/or current leave cycle on the basis provided for in Chapter 3.
- (5) *Pro rata* 13th cheque is paid if structured.
- (6) Resettlement benefits paid as per the policy contemplated in Chapter 3.
- (7) The following medical benefits apply:

Length of service	Medical assistance
At least 15 years	Continued employer contribution from age 50 as follows: Two-thirds of membership fees limited to the same maximum employer contribution applicable to serving employees. A person who does not immediately qualify for the continued employer contribution may be paid a cash amount equal to 6 times the maximum employer contribution.

At least 10 but less than 15 years	Cash benefit of 36 times the actual employer contribution as at the last day of service.
Less than 10 years	Cash benefit of 12 times the actual employer contribution as at the last day of service.

- (8) Where the service of a HoD is re-determined before the expiry of her/his term of office for reasons acceptable to an EA, specific guidelines/ principles are applicable. The special benefits payable take into account the loss of income, and fairness. Special additional benefits are paid in terms of the provisions of section 37(2)(d) of the Act.
- (9) The Minister for the Public Service and Administration must be consulted on the fairness of the severance payment. The payment is subject to Treasury approval and normal income tax directives apply when paying the severance pay.

23.7 Voluntary resignation

- (1) When a HoD resigns from the Public Service, she/he shall receive the following pension benefits:
- A choice between:
- (a) A **cash resignation benefit** of 7.5% x average salary x years + (plus) increased with 10% interest for each full year of service between 5 and 15 years e.g. 6 years: 10%, 7 years: 20%; 8 years: 30% up to 100%; or
- (b) **Transfer benefit** equal to actuarial interest.
- (2) A leave payout is made in respect of any unused annual leave credits for the previous and/or current leave cycle on the basis provided for in Chapter 3.
- (4) A *Pro rata* 13th cheque, if structured.

Note:

A resignation is to be distinguished from early retirement in accordance with section 16(5) of the Act.

DELEGATION OF POWERS

8 October 1999

Dear Colleague

DELEGATION OF POWERS ENTRUSTED TO THE PRESIDENT: HEADS OF NATIONAL DEPARTMENTS

As you are aware, a new regulatory framework to effectively manage human resources within the Public Service has come into operation with effect from 1 July 1999.

Section 3B of the *Public Service Act*, 1994 entrusts me as President with the power to undertake and manage the appointment and other career incidents of heads of national departments. These powers include, *inter alia*, the appointment, deployment, performance management, salary increases, secondments and extension and termination of employment contracts of heads of departments in the national sphere of government.

In view of the fact that Ministers and their Departmental heads actively and continuously work together to optimise departmental functioning and to contribute towards effective service delivery, I have delegated, in accordance with section 3B(4)(a) of the *Public Service Act*, 1994, the powers entrusted to me as described in the first column of the attached Annexure, to Ministers. Please note that the deployment of heads of departments in terms of section 3B(2)(a) of the Act, is not delegated. I will exercise this power together with you and other Executing Authorities in Cabinet, as envisaged in the said section, read with section 85(2) of the Constitution, 1996. The application of the delegated powers listed in the Annexure is, besides the conditions laid down therein, also subject to the relevant provisions of the *Public Service Act*, 1994, the new Regulations and other instructions.

The Minister for the Public Service and Administration will gladly render support and give advice to the application of the delegated powers, if required.

Kind regards.

T M MBEKI
Dr E G Pahad
Minister in the Office of the Presidency
Room 223B
Tuynhuys
CAPE TOWN

(Submission to letter)

POWERS OF THE PRESIDENT IN TERMS OF SECTION 3 B(1) OF THE *PUBLIC SERVICE ACT*, 1994, WHICH ARE DELEGATED BY THE PRESIDENT TO MINISTERS FOR RECOMMENDATION OR APPROVAL

1. Purpose

- 1.1 To expedite as far as possible the taking of decisions regarding the appointment of Heads of Department (HoDs) as well as other career incidents of heads, within the new statutory framework.

2. Delegations

- 2.1 The President delegates the powers assigned to him in terms of Section 3 B(1) of the *Public Service Act*, 1994 (Proclamation 103 of 3 June 1994), to the extent indicated in the Annexure and subject to the conditions as set out thereunder, in terms of section 3B(4) of the *Public Service Act*, 1994 to Ministers as indicated.

3. Conditions

- 3.1 The delegations must be exercised with due regard to the Constitution of the Republic of South Africa, 1996, relevant statutory and financial requirements, the Public Service Regulations and applicable collective agreements.
- 3.2 The criteria prescribed/laid down in the *Public Service Act*, 1994, and the policy as contained in the new Regulations and other relevant documents, must be adhered to.
- 3.3 Even though the relevant powers have been delegated, the President may at any time decide to exercise/perform such powers personally.

**(Annexure to letter (submission):
Delegation of Powers)**

POWERS OF THE PRESIDENT IN TERMS OF SECTION 3 B(1) OF THE *PUBLIC SERVICE ACT, 1994*, WHICH ARE DELEGATED BY THE PRESIDENT TO MINISTERS FOR RECOMMENDATION OR APPROVAL

DELEGATED POWER			CONDITIONS	
TOPIC	MINISTER TO WHOM DELEGATED, EXCEPT WHERE OTHERWISE INDICATED	PRESCRIPT	EXECUTION	REPORTING
1. The recruitment/ appointment/ employment/ promotion/of any person or employee to the post of HoD.	Minister who is the executing authority for the department/ organisational component concerned or in the case of the Office of the Presidency, the President acting on his own.	Section 12(1) and (2) of <i>Public Service Act, 1994</i> Regulation VII/B, C and D	<ol style="list-style-type: none"> 1. Suitable vacancy. 2. The relevant Minister to beforehand notify the Minister for the Public Service and Administration (MPSA) of her/his intention to fill the post of HoD to allow the MPSA to advise the President* regarding possible redeployment of other HoDs. 3. Post to be advertised within and outside the Public Service. 4. Relevant Minister's Department to effect the shortlisting. 5. Selection Panel must comprise of the Minister concerned who must act as Chairperson, at least two other Ministers; and an official to provide secretarial support. 6. Appointment, etc. of the successful person to be decided upon by relevant Minister after consultation with MPSA. 7. Appointment to be effected with the signing of the employment contract prescribed in the Public Service Regulations, which contract must include a Performance Agreement between the Minister and the HoD. 8. Appointee to be security cleared. 	
2. Determination of commencing salary.	As in No. 1	Regulations V/A, B and C	<ol style="list-style-type: none"> 1. Commencing salaries should be negotiated between the relevant Minister and the selected person and decided upon after consultation with the MPSA. 2. The provisions contained in Regulations V/A,B and C should be adhered to. 	
3. Awards to HoD in recognition of suggestions, inventions, improvements, etc. and sustained above average job performance, for exceptional efficiency and/or for an exceptional achievement.	As in No.1	Section 37(2)(c) of <i>Public Service Act, 1994</i> Regulation VIII/F	An award must be made by the relevant Minister after consultation with the MPSA.	
4. Retirement when term expires	As in No.1	Section 16(3)	1. Three months prior to expiry of term of office relevant Minister	Cabinet to be informed prior to

DELEGATED POWER			CONDITIONS	
TOPIC	MINISTER TO WHOM DELEGATED, EXCEPT WHERE OTHERWISE INDICATED	PRESCRIPT	EXECUTION	REPORTING
			to inform MPSA of intention of HoD to retire. 2. Relevant Minister to take decision not to extend term of office of HoD after consultation with MPSA.	expiry of term of office by relevant Minister.
5. Permission for the performance of remunerative work outside employment in the public service.	As in No. 1	Section 30(b)	Approval by relevant Minister.	MPSA to be informed.
6. Suspension of HoD suspected of misconduct.	As in No.1	Resolution 2 of 1999 of PSCBC.	1. Relevant Minister may suspend HoD with emoluments. 2. Suspension may at any time be withdrawn by relevant Minister.	MPSA to be informed.
7. Extention of the term of office.	As in No.1	Section 12(1) and (2)	1. Three months prior to the expiry of term of office MPSA to be informed of intention to extend contract. 2. Extention to be dealt with after consultation with MPSA. 3. Extention must be effected with the signing of a new employment contract and a Performance Agreement. 4. Extention can be granted for up to 5 years.	Cabinet to be informed prior to expiry of term of office by relevant Minister.
8. Salary increases in accordance with the performance of the HoD.	As in No.1	Resolution 13 of 1998 of PSCBC.	To be determined in accordance with bases provided by the MPSA after consultation with MPSA.	
9. Secondment of HoD between departments; to the service of another government/board, institute, or body.	As in No.1	Section 15(3)	After consultation with MPSA.	Cabinet to be informed by relevant Minister.
10. Retirement on reaching the prescribed (or earlier optional) retirement age.	As in No.1	Section 16(1), (2) (2A) and (4)	HoD to notify relevant Minister.	MPSA to be informed. Cabinet to be informed by relevant Minister.
11. Premature retirement at request of HoD.	As in No.1	Section 16(5)	After consultation with the MPSA.	Cabinet to be informed by the relevant Minister.
12. Redetermination of original term/ extended term of office by Employer.	As in No.1	Section 12(1) & (2)	1. Recommendation by relevant Minister to MPSA to redetermine term of office of HoD. 2. MPSA to advise President* on redeployment if possible and advisable, otherwise MPSA has to approve and determine the benefits.	Cabinet to be informed by relevant Minister.
13. Resignation	As in No.1		Relevant Minister to note resignation.	MPSA to be informed. Cabinet to be informed by the relevant Minister.
14. Discharge due to continued ill-health.	As in No.1	Section 17(2)(a)	Approved by relevant Minister.	MPSA to be informed. Cabinet to be informed by the relevant Minister.

Notes:

- * The President exercises the executive authority together with the other members of Cabinet (section 85 (2) of the Constitution, 1996).
- * The President exercises the executive authority together with the other members of Cabinet (section 85 (2) of the Constitution, 1996).
- * Other administrative and operational arrangements related to the employment of Heads of Departments such as information on remuneration, working hours, leave etc. must be dealt with within the national norms and standards determined in terms of legislative and other prescripts.
- * Deployment of HoDs in terms of section 3 B(2)(a) of the *Public Service Act*, 1994, cannot be delegated and shall be dealt with by the President (who will exercise the power with other members of Cabinet).

**PROTOCOL DOCUMENT ON THE PRINCIPLES AND PROCEDURES
TO BE FOLLOWED FOR THE RECRUITMENT AND FILLING OF
POSTS OF HEADS OF DEPARTMENT (HoDs) AND DEPUTY
DIRECTORS-GENERAL (DDGs) AT NATIONAL LEVEL**

PRINCIPLES/PROCEDURES	REFERENCE
<p>1. The purpose of this document is to confirm the principles/procedures that apply in appointing HoDs and DDGs at national level.</p> <p>2. Although HoDs and DDGs are appointed by Executing Authorities (EAs), Cabinet also plays a role in their employment.</p> <p>3. The Minister for the Public Service and Administration (MPSA) has the responsibility to submit motivations for the filling of HoD and DDG posts to Cabinet. Only after Cabinet has concurred with the nomination, can the appointment of the candidate be formalised.</p> <p>4. HoDs are appointed for a term of five years or such shorter period as determined by the relevant EA. Cabinet, however, decided in September 1999 that HoDs should as a general rule be appointed for a period of three years.</p> <p>5. DDGs are normally appointed in the same way as any other career public servant.</p> <p>6. Before a post is advertised/filled, an EA must first determine the composite requirements of the post based on the inherent requirements of the job. The EA must -</p> <p style="margin-left: 20px;">(a) record the inherent requirements of the job; and</p> <p style="margin-left: 20px;">(b) comply with any statutory requirement for the appointment of employees.</p> <p>7. The job must also be evaluated, unless it has been evaluated before.</p> <p>8. An EA must ensure that the vacant post is so advertised to reach, as efficiently and effectively as possible, the entire pool of potential applicants. The filling of posts of HoD and DDG must be effected by means of advertising such vacancy nationally inside and outside the Public Service. An advertisement for a post must specify the following –</p> <ul style="list-style-type: none"> - Job title. - Core functions to be performed by the incumbent. - Inherent requirements of the post. - All-inclusive package payable. - Contact person to whom enquiries can be addressed. - Closing date. - The contract period (in the case of an HoD). - That the successful candidate will be required to enter into an annual performance agreement and that she/he will have to disclose her/his financial interests. - That all shortlisted candidates will be subjected to security vetting. 	<p>Section 12 of the <i>Public Service Act</i>, (PSA), 1994</p> <p>Section 9 and 11 of the PSA, 1994</p> <p>Public Service Regulations (PSR) Part VII/C</p> <p>PSR Part III/F.1</p> <p>PSR Part VIII/C</p>

<p>9. An EA may only fill the vacant post without advertising in the circumstances outlined in the PSR.</p>	<p>PSR Part VII/C</p>
<p>10. An EA may utilise an appropriate agency or selection consultant to assist in some or all of the selection processes as long as the prescribed advertising and selection procedures are followed.</p>	<p>PSR Part VII/C</p>
<p>11. After the closing date of the advertisement the department concerned must do the shortlisting. In this regard it is of the utmost importance for departments to verify the track record and qualifications of shortlisted candidates, especially the one nominated.</p>	
<p>12. All shortlisted candidates must be subjected to security clearance.</p>	<p>“Dear Colleague” letter by MPSA dated 24/4/2002 PSR Part VII/D</p>
<p>13. An EA must appoint a selection committee. Such a selection committee constituted for the appointment of an HoD shall include at least three Ministers. In accordance with a Cabinet decision, the Selection Committee for DDG’s must include a member of the Executive (Minister or Deputy Minister).</p>	
<p>14. During the selection process, care should be taken that all candidates are provided equal opportunities. This implies that they must be evaluated against the same requirements and criteria.</p>	
<p>15. The selection committee shall make a recommendation on the suitability of a candidate after considering only –</p> <p>(a) Information based on valid methods, criteria or instruments for selection that are free from any bias or discrimination (e.g. using a scoring grid which provides space to rate each individual according to the weighted inherent requirements of the post); and</p> <p>(b) the training, skills, competence and knowledge necessary to meet the inherent requirements of the post and the need to redress the imbalances of the past to achieve a representative public service.</p>	<p>Section 11 of the PSA PSR Part VII/D</p>
<p>16. The selection committee shall record the reasons for its recommendation. The appointment of the successful candidate should only be approved after consultation with the MPSA (who is responsible for obtaining Cabinet’s concurrence) and once the President has exercised his prerogative on deployment.</p>	<p>Cabinet Minutes of 4/8/1999</p>
<p>17. In order to allow the MPSA to add value and to facilitate the appointment of the suitable candidates, departments are requested to forward information on these candidates to her. For this purpose Cabinet Memorandum (Annexure C of this Chapter) and a pro-forma letter (Annexure D of this Chapter) containing all relevant information should be forwarded to her at least a week before the Cabinet meeting.</p>	
<p>18. In accordance with a Cabinet decision, agreement on the remuneration of prospective appointees must be concluded between the relevant EA and the prospective appointee before Cabinet is approached for approval of the appointment. The remuneration to be awarded to the</p>	<p>Cabinet Minutes of 28/5/2003</p>

<p>relevant person should be included in the proposal to be presented to Cabinet. An EA may not request a deviation after the Cabinet has taken a decision on the matter.</p> <p><u>Note:</u></p> <p>With reference to the Cabinet Memorandum (Annexure C of this Chapter), departments are required to list and inform Cabinet about the extent of representivity of the institution concerned, and how this will be affected by the appointment.</p> <p>19. After Cabinet's concurrence has been obtained the relevant EA will issue an appointment letter to the successful candidate. Such a letter should include the following:</p> <ul style="list-style-type: none"> - Indicate in accordance with which provision of the Act the appointment is effected. Term of contract and all-inclusive package. - Attach the prescribed employment contract (PSR, Annexure 2, Parts 1, 2 and 3) and refer to the requirement to enter into a performance agreement within first three months of appointment. - Date of assumption of duty (The date of appointment will be with effect from a date as agreed to by the relevant EA and the appointee.). - Requirement to disclose financial interests within one month of appointment. <p>20. Should any candidate require reasons why she/he was not appointed, it will be the responsibility of the relevant EA to provide such reasons.</p>	<p>Cabinet minutes of 5/12/2001</p> <p>Chapter 3 of PSR</p>
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Annexure C

Copy _____ of _____

CABINET MEMORANDUM NO _____ OF 2002

DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

DATE:

FILE NUMBER: _____

**FILLING OF ADVERTISED POST OF DIRECTOR-GENERAL/DEPUTY DIRECTOR-GENERAL AT
THE DEPARTMENT OF _____**

1. SUBJECT

Filling of a post of Director-General/Deputy Director-General: _____ in the Department of _____.

2. PURPOSE

To obtain Cabinet's concurrence for the intended appointment of Ms/Mr _____ to the advertised post of Director-General/Deputy Director-General at the Department of _____.

3. SUMMARY

It is the intention of the Minister of _____ to appoint Ms/Mr _____ to the post of Director-General/Deputy Director-General on the establishment of the Department of _____.

4. DISCUSSION

The relevant post was advertised in the media as well as in the Public Service Vacancy Circular with a closing date of _____.

A total of _____ applications for this post were received of which _____ candidates were shortlisted.

The following key performance areas for this post have been identified:

A pre-selection was done through scrutinising each of the applications received, with due consideration to the core functions and requirements for the post as indicated in the advertisement. On completion of this process a shortlist was compiled and the following candidates were invited for the interview:

Name:	Employer/Department	Rank/Position
Mr _____	_____	_____
Dr _____	_____	_____

Mr _____
Mr _____
Ms _____

A selection committee was constituted consisting of:

The Committee conducted interviews with the shortlisted candidates. After thorough consideration of the candidature of these individuals Mr/Ms _____, was found to be the most suitable candidate for the post. Security vetting was conducted i.r.o. all shortlisted candidates (Indicate outcome pertaining to nominated candidate). Their track records and qualifications were also verified.

(Provide motivation of most suitable candidate.)

A copy of the candidate's application form and *curriculum vitae* is attached for information.

The other candidates for the position were found to be either less suitable than the nominee or not suitable at all.

5. ORGANISATIONAL AND PERSONNEL IMPLICATIONS

The relevant vacant post exists on the establishment of the Department of _____ . The appointee will fill the vacant post on the establishment.

(Provide information about the representivity of the department/institution, and how the appointment of the candidate will affect the department's/institution's representivity)

6. FINANCIAL IMPLICATIONS

The post has been budgeted for. Funds are thus available to cover the relevant expenses.

7. COMMUNICATION IMPLICATIONS

The Department will inform the candidate of her/his appointment, if Cabinet concurs and also inform the other candidates that they have been unsuccessful.

8. STRATEGIC FOCUS

None

9. CONSTITUTIONAL IMPLICATIONS

None

10. **OTHER DEPARTMENTS/INSTITUTIONS CONSULTED**

None

11. **RECOMMENDATION**

That Cabinet concurs with the appointment of Mr/Ms _____ to the advertised post of Director-General/Deputy Director-General at the Department of _____ with a salary of R _____ per annum, for a term of _____ years – *(in the case of a contract employee)* with effect from a date as agreed to by the relevant Executing Authority and the appointee.

12. **CONTACT PERSON**

Mr/Ms _____ can be contacted at tel: _____, should there be any enquiries on the particulars provided in this Memorandum.

Annexure D

Ms GJ Fraser-Moleketi

Minister for the Public Service and Administration
Private Bag X884
PRETORIA
0001

Dear Colleague

FILLING OF THE VACANT POST OF _____: DEPARTMENT OF _____

The post mentioned above was advertised nationally within and outside the Public Service during _____. After assessment of these applications against the key performance areas and requirements attached to the post as advertised, candidates were shortlisted.

A Selection Committee conducted interviews with all the shortlisted candidates. Ms/Mr _____, acted as scribe to assist the Committee.

After thorough consideration of the candidature of these individuals against the backdrop of the particular requirements and circumstances of the post, _____ was found to be the most suitable candidate for the post.

The following documents regarding the filling of the post are attached:

- i) Copy of advertisement.
- ii) A list of the candidates who applied for the post.
- iii) A Cabinet Memorandum for submission to Cabinet.
- iv)
- v) Comments on suitability of shortlisted candidates.

In view of the aforementioned, it will be appreciated if you can obtain Cabinet's concurrence with the appointment of _____ (on a ____ year term of office), to the vacant post of Director-General/Deputy Director-General: _____, with a salary of _____ per annum with effect from a date to be agreed between myself and the nominee.

Thank you for your co-operation and assistance.

Kind regards

MINISTER

Mr _____
Mr _____
Ms _____

A selection committee was constituted consisting of:

The Committee conducted interviews with the shortlisted candidates. After thorough consideration of the candidature of these individuals Mr/Ms _____, was found to be the most suitable candidate for the post. Security vetting was conducted i.r.o. all shortlisted candidates (Indicate outcome pertaining to nominated candidate). Their track records and qualifications were also verified.

(Provide motivation of most suitable candidate.)

A copy of the candidate's application form and *curriculum vitae* is attached for information.

The other candidates for the position were found to be either less suitable than the nominee or not suitable at all.

5. ORGANISATIONAL AND PERSONNEL IMPLICATIONS

The relevant vacant post exists on the establishment of the Department of _____ . The appointee will fill the vacant post on the establishment.

(Provide information about the representivity of the department/institution, and how the appointment of the candidate will affect the department's/institution's representivity)

6. FINANCIAL IMPLICATIONS

The post has been budgeted for. Funds are thus available to cover the relevant expenses.

7. COMMUNICATION IMPLICATIONS

The Department will inform the candidate of her/his appointment, if Cabinet concurs and also inform the other candidates that they have been unsuccessful.

8. STRATEGIC FOCUS

None

9. CONSTITUTIONAL IMPLICATIONS

None

10. **OTHER DEPARTMENTS/INSTITUTIONS CONSULTED**

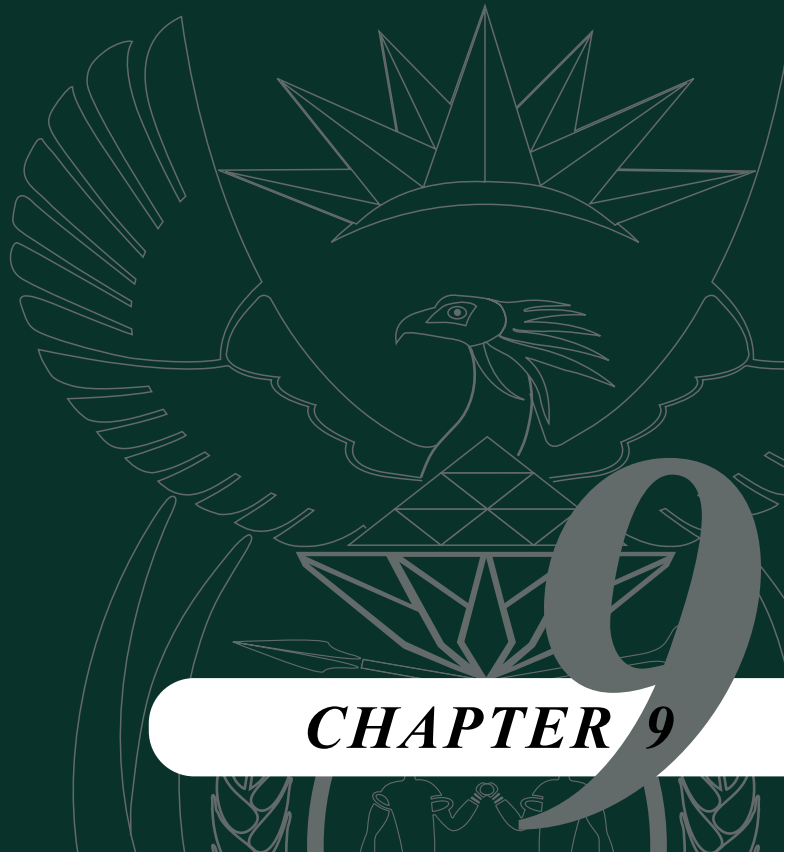
None

11. **RECOMMENDATION**

That Cabinet concurs with the appointment of Mr/Ms _____ to the advertised post of Director-General/Deputy Director-General at the Department of _____ with a salary of R _____ per annum, for a term of _____ years – *(in the case of a contract employee)* with effect from a date as agreed to by the relevant Executing Authority and the appointee.

12. **CONTACT PERSON**

Mr/Ms _____ can be contacted at tel: _____, should there be any enquiries on the particulars provided in this Memorandum.



CHAPTER 9

CHAPTER 9

DISCLOSURE OF FINANCIAL INTEREST

1. INTRODUCTION

1.1 Government is committed to promoting accountability in the Public Service. In terms of Section 196(4)(a) read with Section 195(1)(f) of the Constitution, the Public Service Commission is responsible to promote accountability within the Public Service.

1.2 According to section 196 of the Constitution the public administration is *inter alia* governed by the following principles:

- (1) A high standard of professional ethics must be promoted and maintained;
- (2) Services must be provided impartially, fairly, equitably and without bias; and
- (3) Public administration must be accountable.

The Public Service Commission is tasked with the promotion of these principles throughout the public service (section 196(4)(a) of the Constitution).

2. FRAMEWORK

2.1 The financial disclosure framework is also guided by the following key principles in the Code of Conduct in Chapter 2 of the Public Service Regulations:

- (1) Employees may not use public office for private gain;
- (2) Employees must act impartially and may not give preferential treatment to any private organisation; and
- (3) Employees may not undertake remunerative work outside their employment in the Public Service without prior approval.

2.2 The framework reflects the aim to prevent rather than to punish. The framework further serves not only to guide the relevant officials in making decisions, but also to protect them. Without the framework of disclosure it becomes impossible to prevent and detect conflict of interests where they occur.

- 2.3 The objective of Chapter 3 of the Public Service Regulations is to identify any conflict of interests in order to promote just and fair administrative actions of officials in senior positions and thereby to protect the public service from actions that may be detrimental to its functioning and that may constitute unlawful administrative actions as a result of ulterior motives. In general, it aims to promote open and accountable government and the lawful use of taxpayers' money and therefore the principles and values in section 195(1) of the Constitution. It also assists the SMS member by enabling her/him to disclose her/his financial interests and thereby places a duty on the employer (i.e. executing authority) to indicate if she/he is satisfied that the employee's financial interests will not negatively impact on the execution of her/his function(s). The Public Service Commission, as an independent oversight body has to establish whether a declared interest conflicts or is likely to conflict with the execution of an official duty of the employee in question.
- 2.4 In accordance with the amended Chapter 3 of the Public Service Regulations that became operational with effect from 1 May 2001, all members of the SMS in a national department, organisational component, provincial administration and provincial department are to disclose their financial interests.

3. RESPONSIBILITY OF EXECUTING AUTHORITIES

In view of sound management, it is of vital importance for EAs to ensure that all items on the forms are completed/signed. In instances where possible investigation or follow up actions are necessary, it must be brought to the attention of the PSC or further steps be taken to address the matter.

4. RESPONSIBILITIES OF SMS MEMBERS

- 4.1 Every designated employee shall not later than 30 April of a year, disclose to the relevant executing authority on the form determined for this purpose by the Commission, particulars of all her/his registrable interests in respect of the period 1 April of the previous year to 31 March of the year in question.
- 4.2 Any person who assumes duty as a designated employee after 1 April in a year shall make such disclosure within 30 days after assumption of duty in respect of the period of 12 months preceding her/his assumption of duty.
- 4.3 The form to be used in this regard is attached as Annexure A and general information as Annexure B (no other forms may be used. An electronic copy of the form is also available on line at: <http://www.gov.za/forms/index.html>. The form must be signed by the

Executing Authority and Commissioner of Oaths/Justice of the Peace after all requested items have been completed.

- 4.4 The original completed form must be submitted to the relevant EA who on her/his turn must submit a copy thereof to the PSC.
- 4.5 Specific measures have been introduced in regulation F of Chapter 3 of the Public Service Regulations to protect the confidentiality of information in question. Access to such information is limited to certain specified functions and unauthorised disclosure of such information constitutes misconduct.

FINANCIAL DISCLOSURE FORM

I, the undersigned (surname and initials) _____

(Postal address) _____

(Residential address) _____

(Position held) _____

(Name of Department) _____

Tel _____ Fax _____

hereby certify that the following information is complete and correct to the best of my knowledge:

1. Shares and other financial interests

See information sheet: note ↘

Number of shares/Extent of financial interests	Nature	Nominal Value	Name of Company/Entity

2. Directorships and partnerships

See information sheet: note →

Name of corporate entity or partnership	Type of business	Amount of Remuneration

CONFIDENTIAL

3. Remunerated work outside the public service

Must be sanctioned by your Executing Authority. See information sheet: note ↗

Name of Employer	Type of Work	Amount of remuneration

Name of Executing Authority _____ Portfolio _____

Signature of Executing Authority _____ Date _____

4. Consultancies and retainerships

See information sheet: note →

Name of client	Nature	Type of business activity	Value of any benefits received

5. Sponsorships

See information sheet: note →

Source of assistance/sponsorship	Description of assistance/sponsorship	Value of assistance/sponsorship

CONFIDENTIAL

CONFIDENTIAL

6. Gifts and hospitality from a source other than a family member

See information sheet: note →

Description	Value	Source

7. Land and property

See information sheet: note →

Description	Extent	Area	Value

SIGNATURE OF DESIGNATED EMPLOYEE

DATE: _____

PLACE: _____

CONFIDENTIAL

CONFIDENTIAL

OATH/AFFIRMATION

1. I certify that before administering the oath/affirmation I asked the deponent the following questions and wrote down her/his answers in his/her presence:
 - (i) Do you know and understand the contents of the declaration?
Answer _____
 - (ii) Do you have any objection to taking the prescribed oath or affirmation?
Answer _____
 - (ii) Do you consider the prescribed oath or affirmation to be binding on your conscience?
Answer _____

2. I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration. The deponent utters the following words: "I swear that the contents of this declaration are true, so help me God." / "I truly affirm that the contents of the declaration are true". The signature/mark of the deponent is affixed to the declaration in my presence.

Commissioner of Oath /Justice of the Peace

Full first names and surname: _____
 _____ (Block letters)

Designation (rank) _____ Ex Officio Republic of South Africa

Street address of institution _____

Date _____ Place _____

CONTENTS NOTED; EXECUTING AUTHORITY

DATE: _____

NOTE:

Remember that a copy of the completed form must be submitted by the EA to the Commission for purposes of recording it in the Register of Designated Employee's Interests.

Chapter 10 annexure A

CONFIDENTIAL

Annexure B

FINANCIAL DISCLOSURE FRAMEWORK

GENERAL INFORMATION

Why the framework

Designated employees are entrusted with public funds. As such, they need to maintain the highest standards of professional ethics. Their integrity and that of their departments must be beyond question.

This framework is aimed at preventing conflict of interests by requiring of designated employees to disclose their financial interests.

Who must file

The disclosure framework is applicable to any member of the SMS. For the purpose of this framework, they are referred to as designated employees.

Where must I file the form

The original completed form must be submitted to your Executing Authority (EA). Your EA must submit a copy thereof to the Public Service Commission (PSC), at the undermentioned address, not later than 31 May of the year in question. In the case of designated employees appointed after 1 April, the form should be submitted to the PSC not later than 30 days after it has been submitted by the designated employee to the EA.

Director-General: Office of the Public Service Commission
Directorate: Professional Ethics Promotion
Private Bag X 121
PRETORIA
0001

Who will have access to the information

Under normal circumstances only your EA, the Commission and those acting on their behalf, will have access to the information. They are required to liaise with you if they are concerned about a possible conflict of interest. Only your EA may grant a waiver if a conflict of interest is evident. Such a waiver needs to be attached to the original form.

No person who has access to the information may, except when a court so orders, disclose the information. Any person, other than a person referred to above, may only be given access to the information in terms of section 11 of the *Promotion of Access to Information Act, 2000*.

When must I file

A designated employee must not later than 30 April of each year, disclose to the relevant EA on the attached form particulars of all her/his registrable interests in respect of the period 1 April of the previous year to 31 March of the year in question.

Designated employees who are appointed after 1 April must make such disclosure within 30 days after assumption of duty in respect of the period of 12 months preceding her/his assumption of duty.

What happens if I do not disclose my interests

Any designated employee who fails to disclose her/his interests or wilfully provides incorrect or misleading details can be charged with misconduct.

Where/how can I obtain a copy of the form

A hard copy of the form is obtainable from the Directorate: Senior Management Services (see particulars below) while an electronic copy thereof is available on-line at: <http://www.gov.za/forms/index.html>

INSTRUCTIONS FOR COMPLETING THE FORM

The form needs to be completed in the person's own handwriting and certified by a Commissioner of Oaths/Justice of the Peace.

By completing the form, the person is not exempted from the statutory requirements of obtaining approval for performing remunerative work outside the public service.

Where insufficient space is provided or if the form does not provide for a certain type of financial interest, the required information should be provided on a separate sheet.

QUERIES AND DIFFICULTIES

Queries in regard to this form and Chapter 3 of the Public Service Regulations may be directed to:

Directorate: Senior Management Service
Department of Public Service and Administration
Private Bag X 916

PRETORIA

0001

Tel: (012) 314 7395

INFORMATION SHEET

The following notes will guide you in completing the relevant parts of the attached form (Annexure A):

NOTE ❶

Shares and other financial interests

Designated employees are required to disclose the following details with regard to shares and other financial interests held in any private or public company or any other corporate entity recognised by law:

- ❖ The number, nature and nominal value of shares of any type;
- ❖ the nature and value of any other financial interests held in any private or public company or any other corporate entity; and
- ❖ the name of that entity.

NOTE ❷

Directorships and partnerships

Designated employees are required to disclose the following details with regard to directorships and partnerships:

- ❖ The name, and type of business activity, of the corporate entity or partnership; and
- ❖ the amount of any remuneration received for such directorship or partnership.

Directorship includes any occupied position of director or alternate director, or by whatever name the position is designated.

Partnership is a legal relationship arising out of a contract between two or more persons with the object of making and sharing profits.

NOTE ❸

Remunerated work outside the public service (All remunerated employment must be sanctioned by the official's EA as required by section 30 of the Public Service Act, 1994.)

Designated employees are required to disclose the following details with regard to remunerated work outside the public service:

- ❖ The type of work;
- ❖ the name, and type of business activity, of the employer; and
- ❖ the amount of the remuneration received for such work.

Remuneration means the receipt of benefits in cash or kind.

Work means rendering a service for which the person receives remuneration.

NOTE 4*Consultancies and retainerships*

Designated employees are required to disclose the following details with regard to consultancies and retainerships:

- ❖ The nature of the consultancy or retainership of any kind;
- ❖ the name, and type of business activity, of the client concerned; and
- ❖ the value of any benefits received for such consultancy or retainership.

NOTE 5*Sponsorships*

Designated employees are required to disclose the following details with regard to sponsorships:

- ❖ The source and description of direct financial sponsorship or assistance; and
- ❖ the value of the sponsorship or assistance.

NOTE 6*Gifts and hospitality from a source other than a family member*

Designated employees are required to disclose the following details with regard to gifts and hospitality:

- ❖ A description and the value and source of a gift with a value in excess of R350;
- ❖ a description and the value of gifts from a single source which cumulatively exceed the value of R350 in the relevant 12 month period; and
- ❖ hospitality intended as a gift in kind.

Designated employees must disclose any material advantage that they received from any source e.g. any discount prices or rates that are not available to the general public.

All personal gifts within the family and hospitality of a traditional or cultural nature need not be disclosed.

NOTE 7*Land and property*

Designated employees are required to disclose the following details with regard to their ownership and other interests in land and property (residential or otherwise both inside and outside the Republic):

- ❖ A description and extent of the land or property;
- ❖ the area in which it is situated; and
- ❖ the value of the interest.

RESOLUTION NO. 13 OF 1998

SENIOR MANAGEMENT

1. Purpose

This agreement sets the framework for senior managers to agree to individual performance agreements that shall determine their annual increments.

2. Definitions

2.1 In this agreement

- (a) a *senior manager* refers to an employee
 - (i) with a salary equivalent to the minimum of level 13 or higher; and
 - (ii) not designated as a professional.
- (b) an *Executing Authority* refers to the Executing Authority of a senior manager, or the delegate of that Executing Authority.

3. Nature of performance agreements

3.1 A performance agreement aims:

- (a) to assist senior managers to define key responsibilities and priorities, and provide measures for assessing success;
- (b) to encourage improved communication between senior managers and their supervisors; and
- (c) to enable the Executing Authority or superiors of a senior manager to assess the senior manager's work and provide appropriate support.

3.2 A senior manager who is not head of a department shall sign an agreement with her or his Head of Department.

3.3 A performance agreement shall include at least the following parts:

- (a) Definition of a person's work according to her/his key duties and responsibilities;
- (b) Methods for assessing her/his performance in fulfilling those responsibilities;
- (c) Dates for quarterly assessment and, if necessary, revision;

(d) Mechanisms for resolving disputes about the assessment as described in paragraph 5.2; and

(e) Increment date.

3.4 In terms of paragraph 3.3(c), at least on a quarterly basis, the performance agreement shall provide for:

(a) a review of the senior manager's key responsibilities and/or methods of assessment, which may lead to modifications in either responsibilities or methods of assessment;

(b) the progress of and obstacles to the person's work.

3.5 A senior manager who signs a performance agreement shall continue to be subject to relevant collective agreements on benefits and allowances.

3.6 A performance agreement for a senior manager shall be open to public scrutiny and filed with the Senior Management Service of the DPSA.

4. Timeframes of assessment and date of increment

4.1 A performance agreement generally runs from 1 July to 30 June

4.2 If a senior manager signs a performance agreement after 30 July, she or he shall receive an increment:

(a) on the basis of at least two quarterly assessment reports, and

(b) as of the 1 July nearest to the date of the second assessment.

5. Dispute settlement

5.1 Disputes about the nature of senior manager's key responsibilities, priorities, methods of assessment and/or salary increment in an agreement

(a) shall be mediated initially by the DG:DPSA and/or his or her delegate, and

(b) if this mediation fails, the dispute-resolution procedures provided for by relevant collective agreements.

5.2 A performance agreement shall specify mechanisms to resolve disputes about the assessment of a senior manager's work, including:

(a) a process using resources from within the public service and agreed upon by all affected parties, and

(b) for the event that the process fails, the dispute-resolution resolution procedures provided for by relevant collective agreements.

6. Incentive for acceptance and annual increases

6.1 A senior manager who signs a performance agreement:

- (a) shall receive an increase of 5.5%
 - (i) backdated to 1 July 1998 if she or he signs the agreement by 28 February 1999, and
 - (ii) from the date of signature if she or he signs the agreement after 28 February 1999.

6.2 The increase based on a performance agreement shall provide the only salary increment for a senior manager who signs a performance agreement.

RESOLUTION NO 9 OF 2000

SENIOR MANAGEMENT SERVICE

1. Purpose

To extend Resolution No. 13 of 1998 that sets the framework for managers to agree to individual performance agreements. As such this agreement does not seek to diminish any existing rights of senior managers.

2. Definition

- 2.1 A member of the Senior Management Service (SMS) shall refer to an employee on salary level 13 or higher.
- 2.2 Total cost to the employer means a reflection of all existing benefits with direct financial implications into a package for Senior Managers/ Professionals.

3. Scope

This agreement applies to employer and employees who are classified in terms of 2.1 above and who fall within the registered scope of the PSCBC.

4. Noting

The PSCBC note that there is a need to:

- a) Attract and retain high calibre senior managers and professionals.
- b) Improve the training and development of senior managers/professionals.
- c) Develop the career path of senior managers/ professionals.
- d) Develop the employment framework.
- e) Promote high standards of ethical conduct among senior managers/ professionals.

5. Parties to the PSCBC therefore agree that: -

- a) The remuneration packages of senior managers/professionals be translated to a more transparent total cost-to-employer basis (herein referred to as a "clean wage") with effect from 1 January 2001.
- b) The clean wage be based on the principle of flexible remuneration which shall enable individual senior managers/professionals to structure a portion of their income.
- c) All existing benefits of senior managers/professionals with direct financial implications be included in the remuneration packages referred to above.

- d) The Minister for the Public Service and Administration will make annual determinations and provide guidelines on adjustments to the total cost-to-employer packages.
- e) During the process of converting the salary and benefits of members of the SMS to a total cost-to-employer basis, the benefits of members of the SMS will not be negatively affected.
- f) The rules governing the benefits of members of the SMS be included in a handbook and that these rules be based on the provisions of Resolution No 3 of 1999. These rules will not be amended without due process being followed.

6. Dispute Resolution

Disputes about the interpretation or application of this agreement shall be dealt with according to the dispute resolution procedure of the PSCBC.

7. Date of implementation

This agreement shall be implemented on 1 January 2001 and shall amend Resolution No. 13 of 1998 to the extent indicated above.