TO HEADS OF NATIONAL/ PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

REMUNERATION OF MEMBERS OF THE SMS WHO ARE/WERE ABSORBED IN LOWER GRADED POSTS (POSITIONS)

1. This Department’s letter E1/6/4/1 dated 22 June 2001 refers. (A copy of the said letter is attached for easy reference.)

2. This Department provided a framework under cover of the above letter to address the remuneration position (and the future adjustments) of Senior Managers who were absorbed in posts of Deputy Directors and lower. Due to the implementation of the inclusive flexible remuneration package system for the SMS as of 1 January 2001, it is not appropriate to apply the said framework in respect of the absorption of members of the SMS as of 1 January 2001.

3. The Minister for Public Service and Administration has therefore determined a revised policy (attached as Annexure A) to address the remuneration (and future adjustments) of members of the SMS who are to be (were absorbed since 1 January 2001) in lower graded positions (posts) with retention of their inclusive flexible remuneration packages on a personal basis, but with the awarding of the grading applicable to the lower post. Therefore, such officials will retain their salaries as personal on absorption in a lower position and will not qualify for any general adjustments in terms of the policy until their personal salaries are at least equivalent to the standard grading attached to their new ranks.
4. It is the **responsibility** of the Departments to ensure that this policy is accurately implemented. However if a case cannot be addressed in terms of this policy, it must be submitted to DPSA for assistance.

5. Application of this policy has the effect that the salary position of certain affected personnel will have to be addressed with effect from a retrospective date (e.g. 1 January 2001). Any expenditure will therefore have to be defrayed from departmental budgets.

DIRECTOR-GENERAL

DATE: 5/09/02.