



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

Private Bag X916, PRETORIA, 0001. Tel: (012) 336 1000, Fax: (012) 326 7802
Private Bag X9148, CAPE TOWN, 8000. Tel: (021) 467 5120, Fax: (021) 467 5484

Inquiry: AJ Van der Walt
Telephone: (012) 336 1258
File: 18/1/P

TO ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

2017 INCENTIVE POLICY FRAMEWORK FOR NON-OCCUPATION SPECIFIC DISPENSATION (OSD) EMPLOYEES ON SALARY LEVELS 1 TO 12 AND EMPLOYEES COVERED BY OSDs

1. The DPSA's evenly numbered letter dated 19 September 2017, under cover of which the *2017 Incentive Policy Framework for employees on salary levels 1 to 12 and those covered by Occupation Specific Dispensation (OSDs)* was communicated, refers.
2. Page 6 of the Framework is hereby substituted with the attached (amended) page 6. The examples contained in the pre-amended paragraph 19 have been deleted.

P.P. 
DIRECTOR-GENERAL
DATE: 20/12/2017

PART B:	PERFORMANCE BONUSES
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18. The MPSA determined that the annual expenditure on performance bonuses may **not** exceed 1.5% of a department's annual remuneration budget, effective from the 2017/18 performance cycle, which commenced on 1 April 2017. **This means that Executive Authorities do not have the authority to exceed the cap of 1.5% in "justifiable circumstances"**.
19. Departments may introduce flexibility in respect of performance bonuses within a maximum of **18%** of a salary notch and **14%** of a TCE package.

PART C:	GRADE AND ACCELERATED GRADE PROGRESSION
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20. Grade/Accelerated Grade progression is not automatic, but based on actual service on a particular OSD or non-OSD post and complying with the prescribed periods and performance ratings.
21. Employees qualify for grade and accelerated grade progression, based on the outcome of performance, as measured in terms of departmental performance management systems. Accelerated grade progression rewards those employees who demonstrated sustained above average performance over a period.
22. Grade and accelerated grade progression for non-OSD employees are effective from the 1st day of the month following the month in which the employee complies with the stipulated criteria, effective from date of issue of the *2017 Incentive Policy Framework* by the MPSA (e.g. an employee who complies with the stipulated criteria on 12 August 2018, will progress with effect from 1 September 2018).
23. Effective dates of grade and accelerated grade progression for OSD employees are contained in the respective OSDs.
24. PERSAL/PERSOL shall not implement pay progression automatically.