



RESOLUTION No. 7 OF 2002

FRAMEWORK AGREEMENT: TRANSFORMATION AND RESTRUCTURING OF THE PUBLIC SERVICE (UTILISATION OF HUMAN RESOURCES)

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1. SCOPE

This Agreement applies to the employer and the employees who-

- (a) are employed by the State; and
- (b) fall within the registered scope of the PSCBC.

2. APPLICATION

- 2.1 This Agreement does not affect the validity of restructuring and transformation processes that commenced prior to the signing hereof.
- 2.2 On the effective date of this Agreement, departments must endeavour to align the processes, referred to in clause 2.1, to the spirit of this Agreement.
- 2.3 The benefits of all employees affected by the restructuring and transformation processes referred to in clause 2.1 must be as per Annexures B, C, D and E, whichever are applicable.

3. IMPLEMENTATION

This Agreement comes into effect on the date of signing, and remains in force for twelve months. In the event that the terms of this Agreement have not been implemented in the period stipulated herein, the duration of this Agreement will be extended by a further three months.

4. OBJECTIVES AND PRINCIPLES

The objectives and principles of this Agreement are to-

- (a) develop a framework for transformation and restructuring of the public service in order to give effect to PSCBC Resolutions 7, 9 and 10 of 2001;
- (b) provide for redeployment, retraining and alternative employment of excess employees;
- (c) develop sector strategies within sectoral councils for job creation as envisaged in PSCBC Resolution 7, 9 and 10 of 2001; and
- (d) comply with the provisions of the Labour Relations Act, 1995, the Basic Conditions of Employment Act, 1997, the Employment Equity Act, 1998, the Skills Development Act, 1998 and all other relevant legislation.

5. DEFINITIONS

In this Agreement-

“**DTT**” means a Departmental Task Team established in terms of paragraph 1 of Annexure A;

“**employee party**” means a trade union party admitted to the PSCBC and/or a sectoral bargaining council;

“**employee representations**” means representations made by, or on behalf of, an employee in relation to possible redeployment, or representations made by employee parties on behalf of employees in relation to matters arising during the implementation of this Agreement;

“**employer**” means the State as employer in respect of employees falling within the registered scope of the PSCBC;

“**excess employee**” means an employee who is not placed in a defined post of a department in terms of clause 7; and

“**IDTT**” means the Inter-Departmental Task Team established in terms of paragraph 2 of Annexure A.

PHASE ONE PROCESS

6. COMPILATION OF DEPARTMENTAL PLANS AND EMPLOYEE PROFILES

- 6.1 Every department must, in accordance with the Public Service Regulations and other applicable regulations-
- (a) develop a strategic plan;
 - (b) determine the organisational structure;
 - (c) define the posts necessary to perform its functions;
 - (d) develop a human resource plan.
- 6.2 The human resource plan must include, among others, post requirements and employee profiles taking into account, amongst others:
- (a) qualifications;
 - (b) current and past experience in relevant and related fields;
 - (c) training requirements; and
 - (d) other skills and competencies.
- 6.3 Every department must develop an implementation plan which must include-
- (a) steps to implement its strategic plan and human resource plan; and
 - (b) time frames to implement those plans.
- 6.4 The strategic plan, human resource plan and implementation plan must be developed through meaningful consultation with the relevant employee parties.

7. MATCHING AND PLACEMENT OF STAFF AT DEPARTMENTAL LEVEL

- 7.1 A department must-
- (a) identify which employees profiles, referred to in clause 6.2, correspond with the requirements of the defined posts on the organisational structure of the department; and
 - (b) appropriately place employees in posts that their profiles correspond with.
- 7.2 In deciding which employees must be placed in defined posts that their profiles correspond with, a department must implement-
- (a) the relevant affirmative action policy for designated groups;

- (b) representivity targets; and
- (c) plans to redress under-representivity and advance persons in designated groups.

7.3 Employees who are not so placed in defined posts of a department, are excess employees in that department, but are not automatically redundant in the public service by virtue of being declared in excess in the department.

7.4 Excess employees in a department are to be dealt with in terms of the redeployment measures contained in clause 8.

8. REDEPLOYMENT

8.1 The general rules applicable to redeployment are as follows:

- (a) The respective departments are responsible for the implementation of the transformation and restructuring process in the public service.
- (b) All employees affected by the transformation and restructuring process must be-
 - (i) treated fairly and in terms of relevant legislation and collective agreements; and
 - (ii) informed of the process to be followed in attempting to suitably accommodate them in the public service and any other sphere of government.
- (c) The employee may make representations on his or her own behalf or be assisted by a representative.
- (d) The employer must duly consider the representations made by the employee and/or his or her representative before making a final decision.
- (e) An excess employee may only be appointed in a post at a level equivalent to his or her post immediately before he or she became in excess.
- (f) The employer must apply measures to facilitate and enhance redeployment, which includes:
 - (i) provide training for excess employees to meet the requirements of vacant posts;
 - (ii) allow employees to retire early;

- (iii) where appropriate, approve applications for a severance package to excess employees who apply for that package as provided for in clauses 8.2(b), 8.3(b) and 9.2(a); and
- (iv) fill existing vacant and funded posts.
- (g) Redeployment costs as per Annexure B of redeployed employees in the public service will be met by-
 - (i) the relevant department if redeployment has been within the department; and
 - (ii) the receiving department in the event of inter-departmental redeployment.
- (i) Excess employees must participate in the redeployment and retraining process.
- (j) Subject to due processes, including being offered the opportunity to make representations, employees who unreasonably refuse to be redeployed will be deemed to have resigned.

8.2 Redeployment within a department must be dealt with as follows:

- (a) A department must develop a departmental list of excess employees, citing the particulars of the excess employees, including, amongst others, the following information:
 - (i) name of the employee and other relevant personal details;
 - (ii) rank and occupational classification;
 - (iii) qualification and/or experience;
 - (iv) short courses and/or capacity building exercises;
 - (v) other relevant skills and competencies;
 - (vi) present department, post and responsibilities;
 - (vii) written preferences with regard to redeployment; and
 - (viii) training needs.
- (b) Where appropriate, a department may, on application by an excess employee, grant a severance package as per Annexure C, and a once off payment of R5 000.
- (c) A department must, after completing the process in clause 7.1, develop a list of all the vacancies which exist in the department and advertise them within the department.
- (d) Only excess employees of a department may apply for the advertised vacancies in that department. Applications must be submitted to the department.

- (e) A department must shortlist, interview and appoint candidates. Employee parties must be given observer status in the interview process.
- (f) A department may require an employee appointed in terms of paragraph (e) to undergo training in line with the post requirements. The department must fund the training.
- (g) Each department must submit to the relevant IDTT-
 - (i) a departmental list of excess employees not appointed in terms of paragraph (e); and
 - (ii) a departmental list of vacancies not filled in terms of paragraph (e).
- (h) Each department not engaged in restructuring as envisaged in this Agreement must submit to the relevant IDTT a list of vacancies on the establishment of the department.
- (i) The DTT must monitor the process of redeployment of employees at departmental level as set out in this Agreement.

8.3 Redeployment from one department to another department must be dealt with as follows:

- (a) The departments within an IDTT are responsible for the co-ordination of all departmental lists of excess employees and vacancies into a provincial/national list of excess employees and into a provincial/national list of vacancies. The employer must consolidate these lists into one list of excess employees and one list of vacancies and circulate them.
- (b) Where appropriate, a department may, on application by an excess employee, grant a severance package as per Annexure C .
- (c) All vacancies in the list of vacancies must be advertised within the public service. Only employees on the list of excess employees may apply for the advertised post. An application must be submitted to the department in which the vacancy concerned exists.
- (d) The department must shortlist, interview and appoint candidates. Employee parties must be given observer status in the interview process.
- (e) The department may require an employee appointed under paragraph (d) to undergo training in line with the post requirements. The employer must fund the training.
- (f) All advertised vacancies of a department not filled by excess employees, may only be advertised externally with the approval of the IDTT.
- (g) An IDTT must monitor the process of redeployment of employees between departments as set out in this Agreement.

9. EXCESS EMPLOYEES NOT REDEPLOYED

- 9.1 The employer must explore reasonable alternative employment for excess employees who have not been redeployed.
- 9.2 An excess employee who cannot be redeployed in terms of this Agreement-
- (a) may apply for and, where appropriate, be granted a severance package as per Annexure C; or
 - (b) may apply for early retirement.

10. DISPUTE RESOLUTION

- 10.1 If any issue arising out of the redeployment proposal cannot be resolved by agreement between the employer and the employee, the issue may be referred by either party to the DTT in an attempt to resolve it.
- 10.2 Any dispute concerning the general interpretation or application of this Agreement must be tabled in the relevant DTT, with a view to resolve such a dispute, if it concerns only a department or in the IDTT if it concerns more than one department.
- 10.3 If the parties are unable to resolve the dispute at the DTT within 14 days of the matter being tabled in writing at a meeting of the DTT, any party to the dispute may refer the dispute in writing to the IDTT within 7 days of the expiry of the 14-day period.
- 10.4 If the matter is not resolved at the IDTT, within 14 days of the matter being tabled in writing at a meeting of the IDTT, any party to the dispute may refer the dispute to the PSCBC for resolution in terms of the dispute resolution procedures of the PSCBC or the relevant sectoral council, whichever has jurisdiction over the dispute.
- 10.5 The parties to the dispute may agree in writing to extend the time periods mentioned in clause 10.3 and 10.4.

10.6 Nothing in this clause prevents the parties from concluding a written and binding agreement to resolve a particular dispute in the manner they consider fit.

ANNEXURE A**STRUCTURES TO FACILITATE RESTRUCTURING****1. DEPARTMENTAL TASK TEAM**

- 1.1 A Departmental Task Team must be established for each department that is engaged in the restructuring process.
- 1.2 The DTT consists of-
 - (a) not less than three and not more than seven representatives from the employer at departmental level; and
 - (b) proportional representatives collectively nominated from the employee parties,
unless otherwise agreed to by parties at departmental level.
- 1.3 Both the employer and employee parties at the departmental level must elect a chairperson, in the event of disagreement on the election of the chairperson, the PSCBC must appoint an independent chairperson.
- 1.4 The chairperson must chair all DTT meetings and also act as facilitator of the restructuring processes within the department.
- 1.5 The chairperson must function in terms of this Agreement, and provide written reports to the DTT and the relevant IDTT.
- 1.6 The department concerned must provide secretarial services to the DTT, and its records must be lodged with the relevant IDTT and the PSCBC.
- 1.7 The DTT must meet at least once a month, but may meet more often, when necessary.
- 1.8 The DTT must perform the following functions:
 - (a) monitor the co-ordination and implementation of the restructuring process in a department;

- (b) oversee and promote the redeployment and make recommendations in this regard to the head of the department, the relevant IDTT, the relevant sectoral council and the PSCBC;
- (c) monitor the department's establishment and updating of the list of excess employees;
- (d) oversee the process of matching and placement;
- (e) oversee the training process of excess employees;
- (f) monitor the process of the determination of the training needs;
- (g) ensure that the appointed training institutions used are accredited, recognised and comply with the relevant legislation;
- (h) develop criteria for determining employees in excess; and
- (i) other functions assigned to the DTT by the relevant IDTT, or elsewhere in this Agreement.

2. INTER-DEPARTMENTAL TASK TEAMS

- 2.1 An Inter-Departmental Task Team for each province, and one Inter-Departmental Task Team for all national departments, must be established.
- 2.2 An Inter-Department Task shall consist of-
 - (a) not less than three and not more than seven representatives from the employer at the relevant provincial/national level; and
 - (b) proportional representatives collectively nominated from the employee parties.
- 2.3 The parties at an IDTT must elect a chairperson, in the event of disagreement on the election of the chairperson, the PSCBC must appoint an independent chairperson.
- 2.4 The employer must provide secretarial services to an IDTT and the records of an IDTT must be lodged with the PSCBC.
- 2.5 An IDTT must perform the following functions:
 - (a) monitor the co-ordination and implementation of the restructuring processes provincially/nationally;

- (b) promote redeployment by submitting reports and making recommendations in this regard to all national and provincial departments, DTTs and the PSCBC;
- (c) monitor the establishment and updating of the provincial/national list of excess employees; and
- (d) other functions assigned to an IDTT elsewhere in this Agreement.

2.6 The chairperson must submit written reports to an IDTT prior to each meeting and submit the reports to the relevant sectoral councils and the PSCBC.

ANNEXURE B**REDEPLOYMENT COSTS**

The employer will pay the following costs up to a maximum all-inclusive amount of R25 000:

- (a) actual costs for-
 - (i) transport, travel and subsistence;
 - (ii) interim accommodation; and
 - (iii) transfer of property fees;
- (b) for each dependent child who must change school, a once-off amount according to the tariffs published by the Minister for the Public Service and Administration; and
- (c) to meet incidental expenditure, an amount equal to the employee's basic salary on the date of resettlement, but limited to R5 000, when the employee moves into permanent accommodation.

ANNEXURE C**SEVERANCE PACKAGE ON APPLICATION****1. PENSION BENEFITS FROM THE GEPF**

1.1 An employee who is 55 years or older and has completed at least 10 years' pensionable service may opt for one of the following benefits:

- (a) the actuarial interest payable to the employee in own right or into an approved retirement fund of the employee's choice; or
- (b) normal retirement benefits without the scaling down of pension benefits and without an addition of pensionable service.

1.2 An employee, other than an employee referred to in paragraph 1.1, will receive the actuarial interest payable to the employee in own right or into an approved retirement fund of the employee's choice.

1.3 General assistants will receive pension benefits in terms of this paragraph. Such benefits will be adjusted in accordance with the outcome of the processes outlined in clause 7 of PSCBC Resolution 7 of 1998.

2. SEVERANCE PAY

Two week's basic salary for every full year of service, provided that a minimum payment of R15 000 will be made.

3. LEAVE PAY

All leave due shall be paid as per PSCBC Resolution 7 of 2000, as amended.

4. COMPENSATION FOR MEDICAL AND HOUSING BENEFITS

4.1 Employees who are 55 years or older-

- (a) will receive medical assistance in terms of the current provisions; and
- (b) who resettle will be entitled to payment for costs as per Annexure B.

4.2 Employees, other than employees referred to in paragraph 4.1, will be paid an all-inclusive amount of R9 000 in lieu of medical and housing benefits, regardless of their participation in the said benefits.

5. SERVICE BONUS

A pro rata service bonus will be paid.

6. CONTRACTUAL OBLIGATIONS

- 6.1 Employees will be released from contractual obligations that require from them to remain in service.
- 6.2 Payments to third parties under the State Guarantee System and departmental debt will be recovered from pension benefits if employees do not make suitable arrangements to settle debt.

7. OFFICIAL HOUSING

The employer must give one month's notice to an employee to vacate official housing. An employer may offer to compensate the employee in lieu of notification.

8. NOTICE OF TERMINATION OF SERVICE

The employee will be given one month's notice to terminate service, unless the contract determines a different period.

9. PAYMENT IN LIEU OF NOTICE

In the event the employee's services are terminated by mutual written agreement before the end of the notice period, the following all-inclusive amount to compensate for the unexpired period of notice will be paid:

- (a) Basic salary;
- (b) Fixed remunerative allowances;¹
- (c) Pro rata service bonus;
- (d) Monthly employer's contribution to the Pension Fund;
- (e) Cash value of pro rata leave entitlement.

10. SUBSIDISED CAR SCHEME

Subsidised motor vehicles will be dealt with in terms of the policy of the Department of Transport on subsidised motor vehicles.

¹ Allowances based on individual conditions of service which relate to specific functions, excluding medical aid and housing allowance.

PHASE TWO PROCESS

11. EXCESS EMPLOYEES NOT ACCOMMODATED DURING REDEPLOYMENT IN PHASE 1

11.1 The employer may take such steps as the law permits in respect of excess employees in terms of clause 4(d) of this Agreement.

11.2 Excess employees, referred to in clause 11.1, will receive the benefits as provided for in Annexure D.

12. SOCIAL PLAN

12.1 A department must, in accordance with this clause and Annexure E, implement a social plan for all employees affected by the transformation and restructuring process. This clause applies to all employees to whom severance packages referred to in Annexure C or D are granted (herein referred to as “affected employees”).

12.2 A department must through the social plan-

- (a) equip affected employees with life and portable skills; and
- (b) facilitate the assessment of potential and development of a career plan in order to help affected employees to identify their options and assist them in the choices they have to make between further skills training, small, micro and medium enterprise training and/or finding new employment.

12.3 The social plan must require the department to-

- (a) ensure certification of prior learning to facilitate new employment through awarding of formal qualifications where appropriate;
- (b) provide, among others, training on financial management, job seeking and entrepreneurial skills to facilitate the channelling of affected employees into new employment. Such training is targeted and short term in nature and will be funded by the department;
- (c) provide time-off for employees to undergo training whilst they are in the employ of the public service;
- (d) provide group and individual counselling to assist affected employees in dealing with the emotional impact and adjusting to new conditions;

- (e) facilitate links with local business service centres or other appropriate support institutions; and
- (f) advise affected employees on the available placement service agencies to facilitate new employment opportunities.

ANNEXURE D**SEVERANCE PACKAGE FOR EMPLOYEES WHO CANNOT BE REDEPLOYED****1. PENSION BENEFITS FROM THE GEPF**

1.1 An employee who is 55 years or older and has completed at least 10 years' pensionable service may opt for one of the following benefits:

- (a) the actuarial interest payable to the employee in own right or into an approved retirement fund of the employee's choice; or
- (b) normal retirement benefits without the scaling down of pension benefits and without an addition of pensionable service.

1.2 An employee, other than an employee referred to in paragraph 1.1, will receive the actuarial interest payable to the employee in own right or into an approved retirement fund of the employee's choice.

1.3 General assistants will receive pension benefits in terms of this paragraph. Such benefits will be adjusted in accordance with the outcome of the processes outlined in clause 7 of PSCBC Resolution 7 of 1998.

2. SEVERANCE PAY

Two week's basic salary for every full year of service, provided that a minimum payment of R 15 000 will be made.

3. LEAVE PAY

All leave due shall be paid as per PSCBC Resolution 7 of 2000, as amended.

4. COMPENSATION FOR MEDICAL AND HOUSING BENEFITS

4.1 Employees who are 55 years or older-

- (a) will receive medical assistance in terms of the current provisions; and
- (b) who resettle will be entitled to payment for costs as per Annexure B.

4.2 Employees, other than employees referred to in paragraph 4.1, will be paid an all-inclusive amount of R9 000 in lieu of medical and housing benefits, regardless of their participation in the said benefits.

5. SERVICE BONUS

A pro rata service bonus will be paid.

6. CONTRACTUAL OBLIGATIONS

- 6.1 Employees will be released from contractual obligations that require from them to remain in service.
- 6.2 Payments to third parties under the State Guarantee System and departmental debt will be recovered from pension benefits if employees do not make suitable arrangements to settle debt.

7. OFFICIAL HOUSING

The employer must give one month's notice to an employee to vacate official housing. An employer may offer to compensate the employee in lieu of notification.

8. NOTICE OF TERMINATION OF SERVICE

The employee will be given one month's notice to terminate service, unless the contract determines a different period.

9. PAYMENT IN LIEU OF NOTICE

In the event the employee's services are terminated by mutual written agreement before the end of the notice period, the following all-inclusive amount to compensate for the unexpired period of notice will be paid:

- (a) Basic salary;
- (b) Fixed remunerative allowances;²
- (c) Pro rata service bonus;
- (d) Monthly employer's contribution to the Pension Fund;
- (e) Cash value of pro rata leave entitlement.

10. SUBSIDISED CAR SCHEME

Subsidised motor vehicles will be dealt with in terms of the policy of the Department of Transport on subsidised motor vehicles.

² Allowances based on individual conditions of service which relate to specific functions, excluding medical aid and housing allowance.

ANNEXURE E

ASSISTANCE UNDER SOCIAL PLAN

The employer will provide redeemable training vouchers to the value of R5 000 per employee.

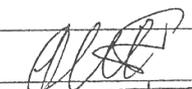
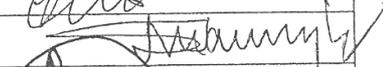
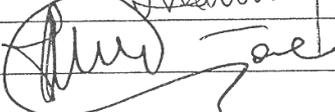
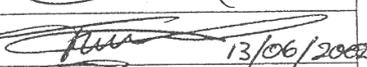
ENTERED INTO AND SIGNED AT Pretoria OF THIS

06 DAY OF March 2002.

ON BEHALF OF THE STATE AS EMPLOYER

	Name	Signature
State as Employer	Manoko Nchwe	Manoko

ON BEHALF OF TRADE UNION PARTIES

Trade Union	Name	Signature
DENOSA	JABU C. MASHAULA	
HOSPERSA		
NAPTOSA		
NUPSAW		
NPSWU		
NEHAWU	THEMBEKILE SIKO	
PAWUSA	DANIEL A. VAN WYK	
POPCRU	Masetlhane Phayane	
PSA		
SADTU	T. W. NKESI	 13/06/2002
SAPU	LES MASERUA	
SAOU		