



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) 465 5484

Enq : *AJ van der Walt*
Tel : *(012) 336 1258*
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TO HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

INTERPRETATION OF CLAUSES 5.3 AND 5.4 OF PSCBC RESOLUTION 1 OF 2007

1. The dpsa Circular 1 of 2007 and dpsa letter 18/1/P dated 7 April 2008 refer.
2. As departments are aware, the said Resolution provided for the translation of qualifying employees on salary levels 1 and 2 to salary levels 2 and 3 respectively with effect from 1 July 2007 **as a once-off measure**. Further to this, the Minister for the Public Service and Administration determined that the affected employees will be eligible for annual pay progression, **as contained in the dpsa Incentive Policy Framework**, on their respective new salary levels. The Minister for the Public Service and Administration's determination was contained in **dpsa Circular 1 of 2007**.
3. The dpsa is inundated with enquiries whether the affected employees are eligible for annual pay progression on 1 July 2008 on their new salary levels, based on their performance in the performance cycle that span the period 1 April 2007 to 31 March 2008.
4. Departments attention are invited to the **Incentive Policy Framework** which stipulates that an employee must complete a continuous period of at least 12 months on her or his relative notch on 31 March of a year and must have performed at least satisfactorily, as assessed by means of departments' performance management policies, in order to qualify for **pay progression** on the subsequent 1 July.

5. In view thereof that the affected employees were translated to the commencing notches of salary levels 2 and 3 respectively with effect from 1 July 2007, they do not meet the qualifying period of 12 months continuous service, and therefore do not qualify for pay progression on 1 July 2008. The affected employees will at the earliest qualify for pay progression on their respective new salary levels on 1 July 2009.

6. The question also arises whether these affected employees are eligible for **performance awards** (cash bonuses) based on their service in the performance cycle 1 March 2007 to 31 March 2008 despite the change in salary on 1 July 2007. It should be noted that the Public Service Regulations, as amended, provides for the development and implementation of departmental performance management systems. The Incentive Policy Framework further provides for the development and implementation of departmental performance incentive schemes. The eligibility of effected employees for performance awards (cash bonuses) must therefore be assessed in terms of departmental performance management policies in this regard.

for 

DIRECTOR-GENERAL

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