



**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

Inquiry : A J van der Walt  
Telephone : (012) 336 1258  
File : 1/18/4

**TO ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND  
PROVINCIAL ADMINISTRATIONS**

## **DPSA CIRCULAR 1 OF 2009**

**IMPROVEMENT IN CONDITIONS OF SERVICE OF MEMBERS OF THE SENIOR  
MANAGEMENT SERVICE: 1 SEPTEMBER 2008 AND 1 JANUARY 2009**

### **Introduction**

1. This Circular deals with the following determinations by the Minister for the Public Service and Administration (MPSA):
  - 1.1 Translation of Principal and Chief Medical/Dental Specialists graded on salary levels 13 and 14 respectively to the revised SMS remuneration scales with effect from 1 September 2008.
  - 1.2 Cost-of-living adjustment of the SMS remuneration scales with effect from 1 January 2009 and the translation of affected members to the revised scales.

### **Scope of applicability**

2. The determinations contained in this Circular apply only to SMS members who are appointed in terms of the following Acts:-
  - (a) Public Service Act, 1994.
  - (b) Correctional Services Act, 1998.
3. The MPSA's determination on a cost-of-living adjustment is also applicable to SMS members in SASSA in terms of the SASSA Remuneration, Grading and Performance Management Framework.

4. The determination on a cost-of-living adjustment for SMS members employed in terms of the following Acts will be dealt with by the Ministers of Safety and Security, Defence and Justice and Constitutional Development respectively:
  - (a) South African Police Service Act, 1995.
  - (b) Defence Act, 2002.
  - (c) National Prosecuting Authority Act, 1998.

#### **Determinations by the MPSA**

5. The MPSA has determined the following in terms of section 3(5)(a) of the Public Service Act, 1994, as amended, read with the Public Service Regulations (Chapter 4, Part 4, Section B1):
  - (a) Translation of Principal and Chief Medical/Dental Specialists graded on salary levels 13 and 14, and who are appointed in terms of the Public Service Act, 1994, to the revised SMS remuneration scales for SMS Grades A and B (Levels 13 and 14) respectively with effect from 1 September 2008, as per the translation key attached as Annexure A.
  - (b) Cost-of-living adjustment of 10.5%, effective from 1 January 2009, to the inclusive flexible remuneration packages of all members of the SMS (not based on the outcome of performance assessment) who are employed in terms of the Public Service Act, 1994 and the Correctional Services Act, 1998.
  - (c) The revised remuneration scales attached as Annexure B for SMS members referred to in (b) above with effect from 1 January 2009.
  - (d) The translation of the SMS members referred to in (b) above to the revised remuneration scales in terms of the following translation keys:
    - Full-time SMS members:      Annexure C
    - SMS members appointed in the following part-time capacities:
      - 6/8<sup>th</sup> capacity:              Annexure D
      - 5/8<sup>th</sup> capacity:              Annexure E
      - 3/8<sup>th</sup> capacity:              Annexure F

### Implementation of the cost-of-living adjustment

6. National Treasury (PERSAL) has been advised to implement the revised packages programmatically in the following manner:

- (a) **SMS members admitted to the GEPF**

The components "*basic salary*" and the "*employer's contribution to the GEPF*" will be adjusted programmatically, whilst the adjustment to the component "*flexible portion*" will be added to the sub-component "*non-pensionable allowance*" as default.


- (b) **SMS members not admitted to the GEPF**

The adjustment to the total package will be added to the sub-component "*non-pensionable allowance*" (in the component "*flexible portion*") as default.

7. The MPSA has approved that departments must afford those SMS members who wish to restructure (change) the composition of the "*flexible portion*" the opportunity to restructure after implementation of the packages by PERSAL.

### General

8. The expenditure emanating from the MPSA's determination **has to be defrayed** from the funds included in departmental budgets for the improvement in conditions of service for the 2008/09 financial year. Please note that National Treasury has indicated that no additional funds will be allocated to departments for this purpose.
9. SMS members must be informed in writing of their revised packages and the manner in which it will be implemented. They must also be informed that errors will be rectified, and that any amounts that may have been overpaid or underpaid will be adjusted.
10. Departments are requested to ensure that the MPSA's determinations and the measures contained in this Circular are implemented correctly. Departments are welcome to approach **the dpsa** for assistance.

  
DIRECTOR-GENERAL  
Date: 23/01/2009