

**CONDITIONS OF APPOINTMENT
(INCLUDING REMUNERATION AND OTHER
CONDITIONS OF SERVICE) APPLICABLE TO
THE MEMBERS OF THE PUBLIC SERVICE
COMMISSION, AS DETERMINED BY THE
PRESIDENT**



January 2011

**Issued by the Department for Public Service and
Administration**

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CONDITIONS OF APPOINTMENT (INCLUDING REMUNERATION AND OTHER CONDITIONS OF SERVICE) APPLICABLE TO THE MEMBERS OF THE PUBLIC SERVICE COMMISSION (PSC)

SCOPE OF APPOINTMENT

1. The Public Service Commission is established in terms of the Public Service Commission Act, 1997. The President appoints the Commissioners to the PSC, from whose ranks he or she designates one Commissioner as Chairperson and another as Deputy Chairperson.
2. In terms of section 6(1) of the Public Service Commission Act, 1997, the authority is vested in the President to determine the remuneration and any conditions of service of the Chairperson, Deputy Chairperson and the Commissioners. The Chairperson's, Deputy Chairperson's and Commissioners' conditions of service (including their inclusive flexible remuneration packages) are derived from (or linked to) the salaries and conditions of service which apply to comparable (identified) Senior Management positions (SMS) in the Public Service.
3. A Commissioner shall not hold office in any political party or political organisation. He/she shall not, without the consent of the President, perform or engage himself/herself to perform any remunerative work outside the duties of his/her office.

REMUNERATION (INCLUSIVE FLEXIBLE REMUNERATION PACKAGES)

4. The following inclusive flexible remuneration package apply with effect from 1 January 2011:

Position	Package: 1 January 2010	Package 1 January 2011
Commissioner	R976,317	R1,025,133
Deputy Chairperson	R1,275,732	R1,339,518
Chairperson	R1,314,294	R1,380,009

5. The translation key for the translation of the members to the packages referred to in paragraph 4 above is attached as Annexure A.

COMPOSITION OF THE INCLUSIVE FLEXIBLE REMUNERATION PACKAGE

6. General

- (a) The inclusive remuneration package consists of the **basic salary**, the **State's contribution to the GEPF** and a **flexible portion**.
- (b) The **basic salary** consists of **60%** of the inclusive flexible remuneration package.
- (c) The State's contribution to the GEPF is calculated on the basic salary.
- (d) The remaining portion of the remuneration package is the flexible portion and may be structured by the member in terms of the rules for the structuring of the flexible portion, as set out below.

7. Flexible portion (amended with effect from 1 January 2003)

- (a) Members may structure the flexible portion into the following items:
 - (1) **Motor car allowance**
To a maximum amount of 25% of the total package per annum.
 - (2) **13th Cheque**
A 13th Cheque equal to one-twelfth of the basic salary, to be structured as a once-off non-pensionable bonus and payable in the anniversary month of birth.
 - (3) **Medical Assistance**
Contribution to a medical aid scheme.
 - (4) **Housing Allowance**
An amount as decided by the member.
 - (5) **Non-pensionable cash allowance**
Any remaining amount of the flexible portion.
- (b) Members are not obliged to utilise all the items when structuring the flexible portion of their packages. However, the total amount structured for these allowances/benefits must equal the amount available in the flexible portion of the package.

8. RULES GOVERNING THE FLEXIBLE PORTION

(a) **Motor car allowance**

- (1) A Commissioner is obliged to maintain a reliable vehicle to be utilised for official journeys (when necessary).
- (2) A Commissioner may purchase/lease a new or reliable pre-owned vehicle.
- (3) No time frames exist when a vehicle should be replaced.
- (4) The Commissioner must at all times have his or her vehicle (or a substitute) available for official journeys.
- (5) The Chairperson (or his or her delegate) must decide whether a member must utilise his or her own vehicle or make use of the provisions for official journeys when transport is used for official purposes, taking into account practical implications, cost effectiveness, road conditions etc.
- (6) A Commissioner must secure his or her own financing of loans. The State's contract with Stannic to grant loans to members is available. Should a Commissioner not be able to successfully secure a loan, the office of the PSC may apply for a guarantee from the National Treasury in order to secure a loan.
- (7) A Commissioner must obtain and maintain comprehensive insurance on the vehicle, and is fully responsible for all running and maintenance costs and the cost of registration and licensing of the vehicle.
- (8) A Commissioner may not participate in the Subsidised Motor Transport Scheme.
- (9) Any journey between a Commissioner's home and usual place of work constitutes a private journey.
- (10) If a Commissioner utilises his or her vehicle to travel for official purposes away from his or her usual place of work, the Executing Authority shall reimburse toll fees as well as parking fees in excess of R10 per month. The Commissioner is responsible for parking fees (if it is levied) at the place of work.

- (11) As far as possible, a Commissioner is obliged to provide free transport to official passengers to the same destination on an official journey.
- (12) If a Commissioner utilises his or her private vehicle to carry out official duties, the Executing Authority will compensate the member for kilometers for **all** official kilometers, as Department of Transport's determinations on tariffs for the use of private motor transport, provided they comply with all the prescribed qualifying criteria (i.e **approved official journey**). (Amended with effect from 1 September 2008)

(b) **13th Cheque**

- (1) The 13th Cheque is an annual payment in the month of birth.
- (2) The 13th Cheque will be paid on the day the member is normally paid his or her salary and allowances.
- (3) New appointees will receive a pro rata 13th Cheque for the period from the date of appointment until the month of birth.
- (4) In the event of a member's services being terminated (i.e. resignation, retirement) before he/she reaches his/her next month of birth, a pro rata 13th Cheque is payable on the last day of service. This pro rata 13th Cheque is calculated for the period from the last date on which the member received his/her last 13th Cheque until the last day of service.
- (5) If a member **restructures** his/her package **from a position where a 13th Cheque HAS BEEN structured to a position where a 13th Cheque IS NOT BEING structured**, the following will apply:
- A pro rata 13th Cheque will be paid, calculated from the date that the member's last 13th Cheque has been paid until the month prior to the effective date of the revised restructuring. This pro rata 13th Cheque will be payable in the next month of birth based on the basic salary in the month prior to the effective date of the revised restructuring.
 - In the event of a member's services being terminated before he/she reaches his/her next month of birth referred

to above, a pro rata 13th Cheque is payable on the last day of service. This pro rata 13th Cheque is calculated for the period from the last date on which the member received his/her last 13th Cheque until the month prior to the effective date of the revised restructuring.

(6) If a member **restructures** his/her package **from a position where a 13th Cheque HAS NOT BEEN structured to a position where the member STRUCTURES a 13th Cheque**, the following will apply:

- A pro rata 13th Cheque will be payable in the member's next month of birth of that year.
- In the event of a member's services being terminated before the member's next month of birth, a pro rata 13th Cheque is payable on the last day of service. The pro rata 13th Cheque should be calculated for the period from the effective date of the revised restructuring to the last day of service.
- In the event of a member's services being terminated after the member's next month of birth, a pro rata 13th Cheque is payable on the last day of service. The pro rata 13th Cheque should be calculated from the date on which the member received his/her last 13th Cheque to the last day of service.

(7) If a member dies while in service, the Executing Authority shall pay the 13th Cheque (calculated proportionally) directly –

- to a person or persons whom the member designated in writing for this purpose; or
- if the member did not designate such a person, to a surviving spouse/life partner; or
- if the member has no spouse/life partner, to her or his dependant children; or
- if no dependant child exist, into the member's estate.

(c) **Medical assistance** (amended with effect from 1 March 2011)

- (1) A Commissioner who is a member of a registered medical aid scheme **is not obliged** to structure for an employer contribution towards the scheme.
- (2) The Employer shall pay the total medical aid scheme subscription fee directly (per the pay system) on a monthly basis to a registered medical scheme.
- (3) In respect of those Commissioners who are members of registered medical aid schemes and **who elect not to structure** for an employer contribution, the total medical aid scheme subscription fee will be a normal (monthly) salary deduction.
- (4) In respect of those SMS members who are members of registered medical aid schemes and **who elect to structure** for an employer contribution, the subscription fee shall be composed as follows:-

- **Employer contribution**

- Any amount, to a maximum of the following caps - depending on their membership profile - in the form of an employer contribution.

Membership profile	<u>Maximum</u> amount that member may structure as an employer contribution (wef 1 March 2011)
First beneficiary (Principal member)	R720 pm (R8 640 pa)
Second beneficiary (irrespective the age of the beneficiary)	Additional R720 pm (R8 640 pa)
Further additional beneficiaries (irrespective the age of the beneficiary)	Additional R440 pm (R5 280 pa) per beneficiary

- **Member contribution**

- The difference between the total registered medical aid scheme fee and the amount structured as employer contribution.
- The member's own contribution is a normal (monthly) salary deduction.

9. **AMENDMENTS TO THE COMPOSITION OF THE FLEXIBLE PORTION OF THE PACKAGE**

The flexible portion of the package may only be changed in the following circumstances:-

- (a) One year after the date of implementation of the inclusive flexible remuneration package system.
- (b) On promotion to a higher grade (position).
- (c) Adjustment of the remuneration scale.
- (d) On transfer to another post.
- (e) Substantial changes to tax legislation.
- (f) Any changes to the total contribution to a registered medical aid scheme.
- (g) On decision by the Minister for the Public Service and Administration.

10. **OTHER CONDITIONS OF SERVICE**

The provisions contained in the Senior Management Service Handbook apply in respect of the following:-

- (a) Leave

Note:

On terminating the service of a person employed in terms of the Public Service Act, 1994 (with the view to appoint her/him as a

member of the Public Service Commission in terms of the Public Service Commission Act, 1997) accrued vacation leave should be paid out in accordance the applicable prescripts, unless the person elects to retain the accumulated vacation leave standing to her or his credit on the day before appointment in the Public Service Commission, and the previous service in respect of which the leave credits is carried forward, shall then count as service for leave purposes.

- (b) Medical assistance at retirement or termination of service
- (c) Official journey

Note:

The Chairperson of Public Service Commission has the authority to approve deviations from the prescribed class of travel.

- (d) Resettlement
- (e) Sessional assistance

Note:

Except for the Chairperson and the Deputy Chairperson, members of the Public Service Commissions will not be required to perform sessional duties in Cape Town during Parliamentary sessions. However, should (a) Commissioner(s) from time to time be required to perform certain duties in Cape Town related to the Parliamentary session, the normal provisions for official journeys as applicable to Senior Managers/Professionals of comparable levels in the Public Service, who in the interest of the State performs official duties away from her or his headquarters, will apply.

- (f) Assistance with residential telephones
- (g) Recognition of long service
- (h) Pension Benefits

Notes:

- (1) Members of the Public Service Commission are required to become members of the Government Employees Pension Fund (GEPF).
- (2) Membership to the GEPF should be continued when a person who was employed in terms of the Public Service Act, 1994 is appointed to the Public Service Commission without a break in service.

- (i) Frequent flying credits

11. **OFFICIAL HOURS OF ATTENDANCE**

The official hours of attendance and work week of members of the Public Service Commission shall be determined by the Chairperson of the Public Service Commission, but the official hours shall not be less than 40 hours per week.

12. **PERFORMANCE MONITORING**

A Commissioner shall, on a bi-annual basis, supply the President with a detailed report of the activities undertaken and the outcomes achieved by her or him, in order to measure her or his conduct, capacity and competence.