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TO ALL HEADS OF THE –

**NATIONAL DEPARTMENT OF HEALTH
PROVINCIAL DEPARTMENTS OF HEALTH
DEPARTMENT OF CORRECTIONAL SERVICES
DEPARTMENT OF DEFENCE AND MILITARY VETERANS**

DPSA CIRCULAR NO. 2 OF 2011

IMPLEMENTATION OF THE OCCUPATION SPECIFIC DISPENSATIONS (OSDs) FOR THERAPEUTIC, DIAGNOSTIC AND RELATED ALLIED HEALTH PROFESSIONALS: 1 JULY 2009

INTRODUCTION

1. In giving effect to PSCBC Resolution 1 of 2007 on the implementation of OSDs, PHSDSBC Resolution 2 of 2010 was concluded in the PHSDSBC on an **OSD FOR THERAPEUTIC, DIAGNOSTIC AND RELATED ALLIED HEALTH PROFESSIONALS** for implementation with effect from 1 July 2009. The occupations/categories affected are listed in the attached Annex A.
2. The Resolution (revised dispensations and translation keys) is voluminous and is therefore not attached to this Circular. Departments can access the Resolution from the national Department of Health's and the PHSDSBC's websites.

PHSDSBC RESOLUTION 2 OF 2010

3. The Resolution is, in terms of scope, applicable to all employees on salary levels 1 to 12 in the identified professions/occupations (and salary level 13 in respect of the occupation Psychologist) who –
 - 3.1. work in the –
 - 3.1.1. National Department of Health; and
 - 3.1.2. provincial Departments of Health;
 - 3.2. are employed in health facilities (in other departments) in terms of the Public Service Act, 1994, and the Correctional Services Act.

4. Therefore, the Resolution is also applicable to employees in the Department of Correctional Services (Public Service Act and Correctional Services Act appointees), and employees in the Departments of Defence and Military Veterans, Education and the Police who are appointed in terms of the **Public Service Act, 1994**.
5. Other departments may, in respect of identified employees who are appointed in terms of the respective services Acts, adopt these OSDs (Resolution), and may amend it to meet departmental specific circumstances. This will require the relevant Executive Authorities to make appropriate determinations, taking into consideration the consultative processes required in terms of the Public Service Act, 1994.
6. In accordance with section 5(6)(a) of the Public Service Act, 1994, PHSDSBC Resolution 1 of 2010 is a **determination made by the Minister for the Public Service and Administration** in terms of section 3(5) of the Public Service Act, 1994. In accordance with section 5(6)(b) of the said Act the Minister for the Public Service and Administration may for proper implementation of the collective agreement elucidate or supplement such determination by means of a Directive, **provided that the Directive is not in conflict or does not derogate from the terms of the agreement**.
7. This Circular therefore serves as Implementation Directive by the Minister for the Public Service and Administration to elucidate or supplement the Determination.

DETAILS OF THE OSD

8. In short, the OSD can be summarized as follows:
 - 8.1. **Identified occupations where the required duration of training/study is 1 year or less and those occupations where it is more than 1 year, but less than 3 years – refer to Annex A for classification**
 - 8.1.1. A single (production) work level, which caters for a broad salary band consisting of two Grades for grade progression purposes.
 - 8.1.2. Provision is made for accelerated grade and pay progression after complying with determined criteria.
 - 8.2. **Identified occupations where the required duration of training/study is at least 3 years – refer to Annex A for classification**
 - 8.2.1. Three career streams in the identified occupations, namely normal operational and supervisory/middle management post structure, a policy stream and lastly for a so-called umbrella post stream.
 - 8.2.2. Recognition of the specialties Nuclear Medicine, Radiation Oncology, Ultrasound and Mammography in the field (occupation) of Radiology.
 - 8.2.3. A single (production) work level in the operational and specialty streams, which cater for a broad salary band consisting of three Grades for grade progression purposes.
 - 8.2.4. Provision is made for accelerated grade and pay progression after complying with determined criteria.

- 8.2.5. Differentiated experience requirements for appointment of RSA citizens in occupations where it is a requirement to perform statutory community service in South Africa versus those employees who are exempted from community service.

8.3. Councillors, Psychometrists and Psychologists

- 8.3.1. Three career streams, namely Counseling, Psychometrics and Psychology, which cater for the different levels of registration.
- 8.3.2. Provision is made for accelerated grade and pay progression after complying with determined criteria.
- 8.3.3. All employees are remunerated by means of total cost to employer remuneration packages, which they may structure within certain parameters.
- 8.3.4. Differentiated experience requirements for appointment of RSA citizens in the occupation Psychologist where it is a requirement to perform statutory community service in South Africa versus those employees who are exempted from community service.
- 8.3.5. De-classification of the post Chief Psychologist (SMS level 13) from the SMS.

8.4. Medicine Control Officer, Medical Physicist and Radiation Control Officer

- 8.4.1. Separate dispensations for each identified occupation.
- 8.4.2. All employees are remunerated by means of total cost to employer remuneration packages, which they may structure within certain parameters.
- 8.4.3. Single (production) work level for each occupation, which caters for a broad salary band consisting of three Grades for grade progression purposes.
- 8.4.4. Differentiated experience requirements for appointment of RSA citizens in the occupation Medical Physicist where it is a requirement to perform statutory community service in South Africa versus those employees who are exempted from community service.
- 8.4.5. Provision is made for accelerated grade and pay progression after complying with determined criteria.

8.5. General characteristics of the OSD

- 8.5.1. Payment of a non-pensionable allowance (5% of pensionable salary) as a once-off gratuity to eligible employees who were in service on 30 June 2010. This gratuity is paid due to the non-implementation of the OSD in the previous financial year, and covers the period 1 July 2009 to 30 June 2010.
- 8.5.2. Increments between notches/packages are 1.5%, with annual pay progression.
- 8.5.3. Unique salary structures that address the unique requirements of the relevant occupations.

- 8.5.4. The pensionable component of total Cost-to-Employer packages is standardised at 70%.
- 8.5.5. Substantial overlap in salary scales between work levels. This will facilitate adequate salary progression for employees who choose to remain on production levels instead of applying for supervisory/management posts.
- 8.5.6. Scope/description of each occupation is defined in terms of the remuneration and career progression dispensation.
- 8.5.7. Centrally determined grading structure (work levels) to ensure consistent application between departments.
- 8.5.8. Career paths for the various categories through the introduction of a set of salary grades attached to posts to facilitate grade progression. The salary grades will provide longer career progression opportunities, as part of the defined career path.
- 8.5.9. Differentiated grade progression, based on performance after pre-determined periods, to allow accelerated pay progression for employees who distinguish themselves from their peers through consistent above average performance. This is a forward-looking model to systematically increase employees' salaries based on performance.
- 8.5.10. Standardised basis for salary recognition of appropriate experience. This will allow the appointment of employees from outside the Public Service on higher levels (grades) in production posts on the basis of appropriate experience.
- 8.5.11. Consolidation of the Scarce Skills allowances payable to eligible employees in terms of PHWSBC Resolution 1 of 2004 into salary.

DIRECTIVES BY THE MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION ON IMPLEMENTATION OF THE OSD

General

- 9. The following will apply:
 - 9.1. Employees will be translated from their current posts to the appropriate salary scales, grades and posts provided for in the OSD, taking into account their current duties and levels of service/experience (where applicable).
 - 9.2. No employee will, on translation, receive a salary (notch) or total remuneration (package) that is less than he/she received before implementation of the OSD, taking into account the consolidation of the Scarce Skills allowance into salary (where applicable)..
 - 9.3. Translation to the OSD will be done in accordance with the post that an employee occupied on 30 June 2010. This means that no employee will, upon translation, translate to a post other than the equivalent post he/she occupied on the said date.

Implementation of OSDs

10. To expedite and ensure the consistent implementation of the dispensations, the OSD will be implemented in the following distinct phases:

10.1. Phase A - Payment of 5% once-off non-pensionable gratuity to full-time and part-time employees (5/8th and 6/8th appointees)

10.1.1. PERSAL concluded payment by December 2010.

10.1.2. Departments will have to deal with outstanding cases at departmental level.

10.2. Phase B - Alignment of the PERSAL system

10.2.1. Alignment of the PERSAL system with the organisational (post) structure and remuneration scales contained in the relevant OSDs.

10.2.2. The **DPSA** and the Department of Health are currently engaging PERSAL in this regard.

10.2.3. Departments will be provided with the appropriate codes and details on implementation once PERSAL has made it available.

10.3. Phase C - Alignment of departmental establishments

10.3.1. Alignment of the post (organisational) establishment of each affected Department by converting the current post establishment in line with the post structure contained in the relevant OSDs.

10.3.2. Departments were already requested through the National Department of Health's coordination mechanisms (implementation workshops) to commence with this process.

10.3.3. The primary objective with the re-alignment of departmental establishments should be to convert existing posts in line with the post structure contained in the respective OSDs, and not the outright expansion of establishments, unless it is dictated by the revised post structure or to meet service delivery imperatives within the normal budget allocations.

10.3.4. The National Department of Health, in conjunction with National Treasury (PERSAL), will after final implementation of these dispensations de-activate old salary codes that were contained in the CORE, as well as vacant posts with these old salary codes, that have not been converted to OSD posts.

10.3.5. Translation of affected employees to the OSD – see Phase D - cannot commence until the department's post (organisational) establishments have been aligned and implemented on the PERSAL system.

10.3.6. The appropriate post class and job title codes will be made available in due course.

10.4. Phase D – Translation of employees to the OSD

10.4.1. Departments/ Provinces, **at head office level**, will translate affected employees to their correct notch/package, based on instruction of the joint DPSA/national DoH Task Team that will oversee the implementation of the OSDs. This will entail the following (practical) processes:

10.4.1.1. Departments must complete an **Individual Form** (template) for each employee to be translated. The following are mandatory fields to be completed:

- Personal details (including PERSAL number).
- Qualifications and/or registration details.
- Relevant (recognisable) experience.
- Position (post) on 30 June 2010.
- Salary notch/package on 30 June 2010.
- Pre-OSD** notch/package on 1 July 2010 – therefore notch/package after cost-of-living adjustment and pay progression.
- Scarce Skills allowance (where applicable) based on 1 July 2010 **pre-OSD** notch/package.
- Proposed** OSD position (post and grade) (after translation).
- Proposed** OSD notch/package (after translation).
- Revised** Rural allowance based on the **proposed** OSD notch/package (where applicable).
- Signing-off by compiler/supervisor (at departmental level).

10.4.1.2. Apart from the above information, departments must include the macro benefits of the affected employees (or alternatively the value of payment of 37% in lieu of benefits), based on the 1 July 2010 **pre-OSD** notch/package, in the Individual Template in respect of employees who were remunerated by means of a notch (basic salary) plus benefits in the following OSD occupations:

- Medicine Control Officer
- Medical Physicist
- Radiation Control Officer
- Psychologist

10.4.1.3. The joint DPSA/national DoH Task Team will conduct a sampling of at least 5% of the proposed translations by departments, as contained in individual forms. The joint DPSA/national DoH Task Team will, based

on the outcome of the sampling, grant permission to a Department to continue with implementation.

- 10.4.1.4. It is important that the translation to the OSD is based on the proper recording of the transaction. The completed **Individual Form** will serve as record for this purpose, and must be filed accordingly on the employee's personal file (record).

- 10.4.2. The National Department of Health already provided departments with the Individual templates (active Excel spreadsheets).

Cost-of-living adjustment with effect from 1 July 2010

11. As departments are aware, the 1 July 2010 annual cost-of-living adjustment has been concluded and duly implemented. This has the following implications:
- 11.1. The OSD scales contained in the Resolution have been adjusted accordingly to reflect (contain) the cost-of-living adjustment as on 1 July 2010 – see Annexure B in this regard. An updated document will be provided to departments once PERSAL has issued the post class and job title codes.
- 11.2. The translation keys attached to the Resolution have also been revisited to facilitate translation to a **post cost-of-living OSD notch/package**. The revised translation keys are attached as Annexes C1 to C7.

DIRECTIVES BY THE MINISTER FOR PUBLIC SERVICE AND ADMINISTRATION ON MATTERS NOT INCLUDED IN RESOLUTION (DETERMINATION)

Actual registration with a Professional Council

12. **Actual** registration with a relevant Health Professions Council is an appointment requirement in all the OSD posts (and Grades) (where applicable) (e.g. registration as Physiotherapist with the HPCSA).
13. Health professionals may only apply for registration after they have complied with the requirements laid down by the professional council for the specific registration category. Therefore, it is appreciated that they do not obtain **actual** registration immediately due to administrative processes. Hence, should **actual** registration be applied to the letter, departments would be unable to appoint employees in the relevant OSD with effect from the date following the date that they have complied with the requirements for the specific registration category. The appointment of Radiographers in the OSD post Diagnostic Radiographer with effect from the date following the date that they have completed their statutory community service is a typical example.
14. Therefore, the MPSA approved that actual registration, as contained in the OSD, must be interpreted as follows:
- 14.1. Actual registration
- OR**
- 14.2. If registration is to be based on a South African qualification, furnishing of proof –

- 14.2.1. that the requirements (including academic qualifications), as prescribed by the relevant professional council, for registration have been complied with;
- 14.2.2. of application to register with the relevant professional council; and
- 14.2.3. of payment of the prescribed registration fees;

provided that appointment is subject to actual registration within three (3) calendar months after meeting the registration requirements, as prescribed by the relevant professional council.

15. Only **actual** registration will be accepted if a candidate registers in the required professional category with the relevant professional council based on a **foreign qualification**.

Pay progression

16. It should be noted that the 2009/10 pay progression cycle concluded on 31 March 2010, with awarding of pay progression to eligible employees with effect from 1 July 2010. Therefore, employees who met the criteria for pay progression in terms of the DPSA Incentive Policy Framework **must have** received the pay progression for the said period on 1 July 2010 before translation to the OSD in terms of Phase D.
17. It is assumed that all pay progressions for the said cycle were finalised (implemented). If not, Departments will appreciate that the awarding of pay progression has a direct impact on the position (notches/packages) to which employees will translate on the OSD salary structure. Therefore, if it has not been finalised, **departments are requested to finalise the awarding thereof as a matter of urgency.**
18. No amendments have been made to the Incentive Policy Framework that was issued by the DPSA in 2003. The change in employees' salaries due to implementation of the OSDs during the course of the 2010/11 pay progression cycle does not affect their eligibility for pay progression on 1 July 2011 in their OSD positions.

Appointment/progression to higher grades and posts

19. As indicated, departments must convert all existing posts to the new dispensation as indicated in the OSD. In order to facilitate grade progression from a post establishment perspective, the **MPSA has directed** that –
 - 19.1. employees on the repetitive grades attached to the OSD posts are kept in service against that post on the department's establishment, per the prescribed post class code; and
 - 19.2. progression to the next higher grade (salary scale) attached to the post is **not** dependent on a vacancy (on the higher grade) or subject to the principle of open competition.
20. Appointment (promotion) of an existing employee to a **higher OSD post** is dependent on the availability of a funded vacancy and such vacancy shall be advertised and filled through open competition.

21. If an employee is appointed (internal appointment (promotion)) to a **higher OSD post**, the employee must commence on the minimum salary notch of such higher OSD post. However, if the OSD provides for overlapping of salary between work (post) levels, it may have the result that an employee may already be on a salary notch equal or higher than the minimum salary notch of the higher OSD post. To address this situation the **MPSA has directed** that an employee must, upon internal appointment (promotion) to the higher post, gain one salary notch – see section on appointment (promotion) rule.

Application of Public Service Regulations, 2001 (PSRs), Chapter I, Part V. C.3 – awarding of a higher salary for recruitment and retention purposes

19. Public Service Regulations (PSR), Chapter I, Part V. C.3, provides that an Executive Authority may award a higher salary to an employee for recruitment and retention purposes.
20. The OSD provides for a recognition basis in production posts (grades attached to the posts) for purposes of the awarding of a higher salary **based on relevant experience** on appointment. The objective with this recognition basis is to ensure that existing employees, once translated to the OSD salary structure, and new employees who are appointed in these production posts, are positioned relative to each other based on their relevant experience.
21. The salary recognition basis provided for in the production levels of the OSD is therefore not compatible with the PSR provision. Therefore, if departments are allowed to continue the practice of awarding higher salaries in an arbitrary manner, other than that permissible in terms of the OSD recognition basis for experience, it will defeat this objective.
22. Furthermore, it transpired during the development phase of the OSDs that certain health departments have applied the said PSR provisions to award entire categories of staff a higher salary (even at supervisory levels). As the said PSR provision may only be applied in respect of an individual, the “loose” application of the provision is not desirable as it would allow for further inequities amongst provinces.
23. Therefore, the **MPSA directed** that PSR Chapter I, Part V. C.3 PSR is not applicable to employees covered by the OSD.
24. Practically this means that candidates who are to be appointed in -
 - 24.1. production posts (grades) may only be awarded a higher salary in terms of the prescribed salary recognition basis for appropriate experience, as contained in the respective OSDs; and
 - 24.2. supervisory posts (grades) where a salary recognition basis for appropriate experience does not exist, may only be awarded the minimum notch/package attached to the scale (scale attached to the 1st Grade where two of more Grades are attached to the post), unless the “promotion rule” is applicable.

Impact of PSCBC and sectoral resolutions on conditions of service (benefits) on the OSD salary structures

25. The conditions of service (benefits) regulated by PSCBC and sectoral resolutions will be applicable to employees covered by these OSDs. The qualifying criteria for certain of these conditions of service are based on salary cut-off points on the standard 16-level salary grading system applicable to non-OSD employees.
26. The best examples in this regard are the collective agreements on the employer subsidy to members of GEMS and the cap on the maximum overtime rate. Employees on salary levels 1 to 5 are eligible for the so-called free medical cover and the maximum overtime rate is capped at the commencing salary notch of salary level 8.
27. The **MPSA directed** that the monetary value of the cut-off points on the 16 level salary grading system prevail for employees covered by this OSD in respect of benefits which are based on cut-off points.

Application of the 70/30 split in the total salary package and structuring thereof

28. The Middle Management Service (MMS) and Senior Management Service (SMS) dispensations currently provides for the following pension structuring choices:
 - 28.1. **MMS**
 - 28.1.1. Salary level 11

Choice between either 70% or 75% of total package.
 - 28.1.2. Salary level 12

Choice between either 70% or 76% of total package.
 - 28.2. **SMS**

Fixed percentage of 60%.
29. These different percentages that constitute pensionable salary in members' respective remuneration packages are standardised to a uniform **70% (so-called 70%-30% split)** in the OSD. The 70% of the total remuneration package constitutes pensionable salary and the remaining 30% is to be structured for service benefits (including the employee's contribution towards the GEPP). This percentage will apply to MMS and SMS members who were remunerated by means of total packages on 30 June 2010, as well as those employees in the occupations Medicine Control Officer, Medical Physicist, Radiation Control Officer, Psychologist, Psychometrist and Councillor who, for the first time, are translated to total packages with implementation of the OSD.
30. Another existing major difference between the MMS and the SMS dispensation is that SMS members (e.g. Chief Psychologists on salary level 13) are excluded from participation in the Subsidised Motor Transport Scheme (SMTS), whereas MMS members (e.g. Principal Psychologists), who meet the qualifying criteria, may participate in the SMTS, provided that affected members do not structure their packages for a Motor Vehicle Allowance.

31. In order to address the situation, the **MPSA directed** that the above classification be maintained in the OSD that eligible Principal Psychologists (or equivalent levels) in the OSD retains the provision to participate in the SMTS; whereas Chief Psychologists (or equivalent levels) are excluded from participation.
32. The **MPSA also directed** that the all CTE package employees may structure their packages in terms of the OSD Package Dispensation attached as Annexure D. The Dispensation is applicable to all employees covered by an OSD who are remunerated by means of a total remuneration package.

De-classification of Principal Psychologist (and other equivalent posts on salary level 13) from the SMS

33. The **MPSA has directed** that Principal Psychologists (and other equivalent posts on salary level 13), are de-linked from the SMS with effect from 1 July 2010 – therefore the SMS Handbook does not apply to them with effect from the said date.
34. This means that aspects such as the SMS performance management system, performance agreements and financial disclosure, to name a few, are not applicable to these categories of employees with effect from 1 July 2010. However, from a practical view to ensure a seamless transition to the OSD, it would be necessary that affected employees must complete with the current 2010/11 SMS performance management cycle, with all the (possible) awards for which they may be eligible in terms of the SMS provisions.

Appointment (so-called promotion) rule

35. The **MPSA has directed** an **appointment (so-called promotion) rule**. This entails that an employee must gain at least 1 (one) notch on –
 - 35.1. internal appointment (“promotion”) to a higher grade (grade progression); and
 - 35.2. internal appointment (“promotion”) to a higher post (post promotion).

Appointment to and advertisement of posts in the period 1 July 2010 to date of this Implementation Directive (Circular)

36. The OSD is implemented with retrospective effect, and therefore it has an impact on advertisements and appointments made during the period 1 July 2010 to date of this Implementation Directive. To address the position of employees appointed during the said period, the **MPSA has directed** the following:
 - 36.1. The salaries (position) of all employees appointed on and after 1 July 2010, based on the pre-OSD provisions, must, after translation in terms of the translation keys, be assessed to determine whether they would qualify for a higher salary (or Grade) if they were appointed in terms of the OSD provisions.
 - 36.2. Advertisements that already closed on date of the Implementation Directive should be finalised and the employees must be appointed under the conditions contained in the advertisement. However, departments must assess whether the successful candidate would

have received a more favourable salary (or higher Grade) under the OSD provisions, in which case the most favourable salary or Grade (position) must be awarded.

- 36.3. If the advertisement did not close yet on date of this Circular, then departments **must** amend the advertisements to be in line with the OSD requirements through the publishing of an erratum.
- 36.4. All advertisements placed after the date of this directive should be done in accordance with the OSD requirements.

Employment capacity

37. In order to provide flexibility, departments may employ employees in the following capacities:
 - 37.1. Permanent, either in a full-time or part-time (5/8th or 6/8th) capacity.
 - 37.2. Fixed-term contract in a full-time or part-time (5/8th or 6/8th) capacity.
 - 37.3. Sessional appointees (fixed number of hourly sessions per week).
38. The provision to employ persons on a sessional basis is a **special interim measure** in order to accommodate an abnormal situation. The aim should therefore be to reduce the number of vacancies through full-time employment, where possible.
39. Sessional employees are to be accommodated (kept in service) against **production** posts on departments' establishments. The **MPSA has directed** that the combined numbers of hours of sessional employees to be accommodated against a single production post may not exceed 40 hours per week – therefore equivalent to the work hours of a full-time employee.
40. As the Resolution (Determination) does not contain any rates for these sessional appointees, the MPSA has **directed** the sessional rates attached as Annexure F with effect from 1 July 2010 (post-OSD).
41. If departments currently pay higher rates to sessional employees than those contained in Annexure E, then such higher rates must be capped at pre-1 July 2010 levels until it is in line with the prescribed sessional rates.

OTHER MATTERS CONTAINED IN RESOLUTION (DETERMINATION)

Application of grade progression measures

42. Certain departments have not assessed affected employees consistently the last couple of years, and therefore the provision for accelerated grade progression cannot be implemented at this stage. Therefore, the Resolution (Determination) contains a provision that employees will at the earliest qualify with effect from 1 April 2012 for grade progression based on **above average performance**.
43. The application of the grade progression (e.g. interpretation of the relationship between the prescribed periods for grade progression purposes (especially the periods based on above average performance), actual performance assessments, and cumulative assessments based on above average performance) are elucidated as follows:

43.1. Relationship between the prescribed periods for grade progression purposes based on ABOVE AVERAGE performance and actual performance assessments

- 43.1.1. The OSD provides for grade progression for employees who perform **ABOVE AVERAGE**, based on compliance with the prescribed grade progression periods for above average performance – commonly called as accelerated grade progression. As indicated above, employees will at the earliest qualify for accelerated grade progression with effect from 1 April 2012.
- 43.1.2. The number of ABOVE AVERAGE assessments an employee must obtain during the prescribed period for grade progression for employees based on **ABOVE AVERAGE** is prescribed in the respective dispensations.
- 43.1.3. Assessments are still to be done in terms of departmental/provincial performance management systems until further notice.

43.2. Cumulative assessments

- 43.2.1. Accelerated grade progression will be based on the stipulated number of **cumulative** ABOVE AVERAGE performance assessments. Cumulative means growing, snowballing or accumulating, and it is not necessary that the ABOVE AVERAGE assessments have to be for each assessment cycle in successive order. Therefore, a break in obtaining an ABOVE AVERAGE performance assessment in a particular assessment cycle does not result in the affected employee having to restart with a “fresh” basket of ABOVE AVERAGE performance assessments.
- 43.2.2. This is best illustrated by means of the following example:
- 43.2.2.1. Qualifying periods for grade progression for Official A are 8 and 4 years based on AVERAGE and ABOVE AVERAGE performance respectively.
- 43.2.2.2. The ABOVE AVERAGE performance assessments do not have to be for consecutive years.
- 43.2.2.3. Official A performs as follows:
- Assessment period 1: Above average performance assessment
 - Assessment period 2: Above average performance assessment
 - Assessment period 3: Average performance assessment
 - Assessment period 4: Above Average performance assessment
 - Assessment period 5: Average performance assessment

- Assessment period 6: Above Average performance assessment

43.2.2.4. Therefore, Official A accumulated 4 ABOVE AVERAGE performance assessments over the 6 assessment cycles, thus qualifying for grade progression based on the requirements for ABOVE AVERAGE performance.

43.2.2.5. If Official A does not obtain the 4 prescribed ABOVE AVERAGE performance assessments during the stipulated period of 8 years for grade progression based on AVERAGE performance, he/she would only grade progress after complying with the prescribed period of 8 years based on AVERAGE performance.

43.3. Grade progression based on compliance with the periods prescribed for AVERAGE performance

43.3.1. Grade progression, based on compliance with the periods prescribed for AVERAGE performance, is subject to the following:

43.3.1.1. If the employee has completed at least 1 (one) full performance cycle in the Public Service prior to the date on which he/she qualify for grade progression, he/she must have attained a performance assessment of at least AVERAGE performance for the performance cycle.

43.3.1.2. However, if the employee has not been in service long enough to complete his/her 1st full performance cycle prior to the date on which he/she qualifies for grade progression, the Department must certify that the affected employee's performance was at least at the level of AVERAGE performance since the date of appointment.

43.3.2. Departments are sensitized to establish appropriate mechanisms to identify employees eligible for grade progression timeously.

Performance management system

44. The National Department of Health is currently investigating the possible introduction of a performance management and development system that could be utilised uniformly in the health sector. It is the intention that the said system would apply to all the provincial departments of Health to ensure consistent performance management in the Public Health sector. Departments must continue to apply their current performance management and development systems until further notice.

Advertising of positions at production level

45. The production posts in the OSD consist of various salary grades. Departments have the flexibility to advertise and fill these posts in the following manner:
 - 45.1. Advertising of the appointment requirements (i.e. statutory and experience requirements) and salary of a specific grade attached to the production post with the view to appointing the designated candidate on the specific grade if he/she complies with the stipulated criteria for the grade.
 - 45.2. Advertising of the requirements (i.e. statutory and experience requirements) and salaries of all the grades attached to the production post with the view to appointing the designated candidate on the appropriate production grade based on his/her relevant experience.
46. The requirements for appointment should be clearly stated in the advertisement and no deviations are allowed from the requirements as contained in the OSD.

Post establishment matters

47. In converting current posts at production and supervisory levels, and for the creation of posts on these levels in future, departments **shall** only create posts on their establishments based on the OSD post designation and post class/job title codes.
48. Where two or more (salary) grades, with different scales, are attached to a post, then the post is created on the PERSAL system with the scale attached to the 1st Grade by using the relevant post class code. Employees on the 2nd grade (and applicable higher grades) are kept in service against the post on the establishment.
49. Progression of employees to the next higher grade (salary scale) attached to the post is **not** dependent on a vacancy.

Recognition of relevant experience on appointment from outside the Public Health Sector

50. Relevant experience after compliance with the prescribed appointment requirements is recognised for appointment and salary recognition purposes as indicated in the OSD.
51. Health Professional Councils do not verify the registration with a Professional Council in a foreign country, but only the foreign qualification. After verification of the qualification, and after compliance with other requirements which may be laid down by the relevant professional council, such a council normally issues the applicant with an appropriate registration certificate from a current date.
52. Notwithstanding this, relevant experience gained after registration in the appropriate discipline (category) in a foreign country, but before date of registration with the relevant professional council in South Africa in a comparable registration category, may be recognized for appointment purposes. It is Departments' responsible to assess whether such experience is deemed relevant and meet the requirements of the post to be filled.

Calculation of allowances (or any other payments derived from salary)

53. Allowances (or any other payments derived from salary) payable to -
- 53.1. employees on salary levels 1 to 10 were calculated on the employee's notch;
 - 53.2. MMS members were calculated on the basic salary component in terms of SET 1 of the MMS package (i.e. 75% for salary level 11 and 76% for salary level 12), irrespective whether the members has set the basic salary in his or her package in terms of SET 2; and
 - 53.3. SMS members were calculated on the basic salary component (60% of the package).
54. In terms of the OSD all allowances (or any other payments derived from salary) payable to employees who are remunerated by means of OSD packages are calculated on the basic salary component (70%) of the individual employee's OSD package.

Scarce Skills allowance payable in terms of PHWSBC Resolution 1 of 2004

55. The Scarce Skills allowance payable to **eligible** employees in terms of PHWSBC Resolution 1 of 2004 is discontinued with effect from effective from 1 July 2010 on translation to the OSD. The Scarce Skills allowance payable to eligible employees prior to 1 July 2010 has been consolidated into employees' salaries on translation to the OSD. Effectively the payment of scarce skills allowances to health professional categories in terms of the above-mentioned resolution has been terminated with effect from 1 July 2010. No further payment of scarce skills allowance is therefore allowed and PERSAL would be requested to terminate the relevant code as well as any amounts still paid to recipients.

Rural allowance payable in terms of PHWSBC Resolution 2 of 2004 to employees who work in identified areas

56. The payment of Rural allowances in terms of PHWSBC Resolution 2 of 2004 to employees working in identified areas is not affected by the OSD. Departments must continue to pay these allowances in terms of the current dispensation.

Application of Public Service Regulations, 2001, Chapter I, Part IV and Part V, C.4 to C.8 – job evaluation and upgrade/down grade of jobs (posts)

57. The grading of jobs in the OSD is centrally determined through the Resolution (Determination). Therefore, the (re)grading of jobs covered by the OSD by means of job evaluation is not permissible.

Calculation of relevant experience

58. Provision is made in the OSD for salary recognition of existing employees on translation to certain posts, and appointment to these posts from outside the Public Service, based on **relevant** experience (full years' service). Departments' attention is drawn to the field of **relevant experience** that must be completed in the Individual Template in this regard.
59. It is appreciated that it is difficult to calculate relevant experience of **full-time employees** who, at some stage in their careers, worked on a part-time basis (i.e. sessional employees who worked for a couple of hours per week or on a 5/8th basis). To assist departments, the DPSA advises that

2 080 hours of relevant experience (52 weeks X 40 hours per week) constitutes a full year for this purpose.

60. In cases where employees had private practices – therefore as single practitioner in the practice - only relevant experience, as affirmed by means of a sworn affidavit, may be considered. In order to could have practiced in the capacity, departments must ascertain that the affected employee have maintained registration with the appropriate Council and with the Board for Health Care Funders during the claimed period of relevant experience.

Position of employees who have left the service since 1 July 2010

61. As indicated, the OSD provides for the payment of a once-off non-pensionable gratuity to those employees who were in service on **30 June 2010**, as well as implementation of the OSD post and remuneration structure, with translation of eligible personnel, with effect from **1 July 2010**.
62. Any person whose services terminated on a date before 30 June 2010 is not entitled to any benefit in terms of PHSDSBC Resolution 2 of 2010. However, employees whose last day of service was on 30 June 2009 are eligible for payment of the once-off non-pensionable gratuity only.
63. Those employees whose last day of service was 1 July 2009 (or a date thereafter) are, apart from payment to them of the once-off gratuity, also eligible for translation to the appropriate OSD post and remuneration structure, considering that any overpayment of the scarce skills allowance, where applicable, should be recovered.

Translation of employees whose cases cannot be dealt with in terms of the provided translations keys

64. Cases of employees whose translation cannot be done in terms of the provided translation keys must be submitted to the DPSA to provide a special directive on how these cases should be dealt with.

Structuring of total remuneration packages on translation to the OSD

65. Apart from employees who were remunerated already by means of total remuneration packages, all employees below salary level 11 in the occupations Medicine Control Officer, Medical Physicist, Radiation Control Officer, Councillor, Psychometrist and Psychologist are translated to total remuneration packages. This means that these employees will have to structure their packages on translation to the OSD in terms of the OSD Package Dispensation. The DPSA's OSD Structuring Model (active Excel spreadsheet) is available on the DPSA website for this purpose.
66. In order to facilitate the implementation process, the DPSA advises that the following **default structuring of the flexible portion** of the package applies:
 - 66.1. **Employees on salary levels 11 and higher who were remunerated by means of a total remuneration package on 1 July 2010 (after 1 July cost-of-living adjustment):**
 - Structuring for the same benefits (items), with the same amounts, which applied on 1 July 2010 (after cost-of-living).
 - Any surplus amount must be allocated to the non-pensionable cash allowance.

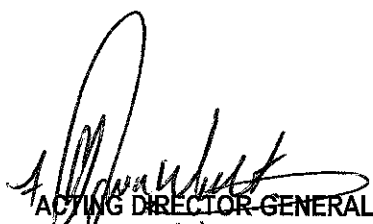
66.2. Employees below salary level 11 who were remunerated by means of a (basic) notch plus benefits on 1 July 2010 (after 1 July cost-of-living adjustment):

- 13th Cheque.
- Employer contribution towards a registered medical aid scheme (if employee received an employer contribution on 30 June 2010). The same amount applies with effect from 1 July 2010.
- Any surplus amount is to be allocated to the non-pensionable cash allowance.

66.3. These employee whose packages have been structured on translation in terms of the default structuring, must be afforded the opportunity to re-structure their packages with effect from a current date.

GENERAL MATTERS

- 67. Deviations from the measures as contained in the collective agreement are not permissible as it would constitute non-compliance with a resolution of the PHSDSBC. Any deviation from an existing resolution of a bargaining council may only be allowed after a further collective agreement in this regard had been signed, properly mandated by all the parties to such an agreement.
- 68. It is possible that the measures contained in this Directive may be erroneous or that errors may be made in the implementation of the Determination and/or measures contained in this Directive. All affected employees must be informed in writing that errors will be rectified and that any amounts that have been overpaid or underpaid because of errors will be rectified (either paid or recovered) in terms of applicable sections of the Public Service Act, 1994, as amended.
- 69. Departments are invited to approach the National Department of Health or the DPSA for assistance (if necessary).


ACTING DIRECTOR GENERAL
DATE: 11/11