



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 : L Reutener
Tel : (012) 336 1182/1130
Email : Louisar@dpsa.gov.za
File : 18/1/5

TO ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

APPLICABILITY OF THE PAY PROGRESSION REQUIREMENT OF 24 MONTHS FOR FIRST TIME PARTICIPANTS TO SENIOR MANAGEMENT SERVICE (SMS) MEMBERS AND EFFECT THEREOF ON PAYMENT OF PERFORMANCE BONUSES

1. Clause 4 of the Public Service Coordinating Bargaining Council (PSCBC) Resolution 1 of 2012 provides for the qualifying period for first time participants to be extended from 12 to 24 months.
2. The *Incentive Policy Framework for employees on salary levels 1 to 12 and those covered by Occupation Specific Dispensations* has been aligned accordingly to provide for the qualifying period for first time participants who were appointed after 1 July 2012, to commence with effect from 1 April 2013 and to run until 31 March 2015. and with pay progression on 1 July 2015. This Policy Framework is therefore not applicable to SMS members. .
3. However, although the determining of SMS members remuneration and remuneration dispensation (including annual cost-of-living adjustments) are delinked from the collective bargaining process in terms of PSCBC Resolution 9 of 2000, SMS members continue to fall within the scope of the PSCBC, and therefore their other conditions of service are subject to collective bargaining. Therefore, Clause 4 of the PSCBC Resolution 1 of 2012, which provides for the extension of the qualifying period for pay progression for first time participants from 12 to 24 months, also applies to first time participants at SMS level.
4. The necessary validations have been incorporated in the PERSAL system at SMS level to ensure that 1st time participants (at SMS level) only receive pay progression after at least 24 months.
5. The performance cycle in the Public Service runs over a continuous period of 12 months, commencing on 1 April of a year to 31 March of the next year. Departmental performance managements systems provides for the payment

of **annual** performance bonuses, based on the outcome of performance for a particular performance cycle. The requirements for pay progression for 1st time participants does not affect the provisions for payment of performance bonuses.

6. Therefore, any 1st time participant (including SMS members) who completed the entire performance cycle, and who complies with the stipulated performance criteria, is eligible for an annual performance bonus. This means that 1st time participants do not have to wait for at least 24 months to qualify for a performance bonus, as is the case with pay progression.



DIRECTOR-GENERAL

DATE: 19/12/2014