



the dpsa

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

### CIRCULAR NO. 35 OF 2023

## IMPLEMENTATION OF PAYMENT OF PAY PROGRESSION IN TERMS OF 2019 INCENTIVE POLICY FRAMEWORK

### INTRODUCTION

1. The Minister for the Public Service and Administration determined that the expenditure on pay progression for non-OSD and OSD employees, and members of the SMS shall not exceed 2% of a department's wage bill for any given financial year (paragraph 9 of 2019 Incentive Policy Framework).
2. Paragraph 9 of 2019 Incentive Policy Framework indicates that "*Employees are eligible for pay progression on the following dates, based on the outcome of their performance in the previous performance cycles:*
  - 2.1 *Non-OSD and OSD employees: 1 July of a year.*
  - 2.2 *SMS members: 1 April of a year*".
3. Paragraph 17 of the DPSA Circular 20 of 2023 (non-SMS) stipulates that "*It must be noted that each department shall process the payment of the pay progression to all qualifying employees employed in the public service in respect of the 2022/23 performance cycle in terms of any or all provisions of the PSCBC and Sectoral Agreements regulating **the payment of pay progression** including the Incentive Policy Framework, **with effect from 1 July 2023***".
4. Paragraph 8 of the DPSA Circular 22 of 2023 (SMS) stipulates that "*It must be further noted that each department shall process the **payment of the pay progression** to all qualifying employees employed in the public service in respect of the applicable performance cycle in terms of the Incentive Policy Framework **with effect from 1 April 2023***".

## PAYMENT OF PAY PROGRESSION

5. As provided in paragraph 2 above, 2019 Incentive Policy Framework provides guidance on the implementation date for the payment of pay progression based on the outcome of the performance, after all the performance management processes have been concluded, during a performance cycle.
6. As per the PERSAL report, it has been observed that departments are not complying with the prescribed dates. Some of the departments are delaying the implementation of the payment of pay progression, with some implementing each December, with back-payments. Departments are therefore requested to align their performance management processes to ensure that they are within the regulated dates, in particular for employees below the SMS echelon, i.e. 1 July of each year, where the process must commence from April and end June of each year for implementation by 1 July.
7. In view of the above, Departments are requested to:
  - 7.1 Conclude the performance management processes as soon as possible **with the implementation date for payment of pay progression not later than 13 October 2023.**
  - 7.2 Ensure compliance with the above-mentioned prescripts and provisions on the implementation of the payment of pay progression for the qualifying or eligible employees.

## GENERAL

8. Should any challenges arise with the implementation of this Circular, Departments must approach the DPSA for assistance.
9. Further to paragraph 8 above, the provisions of the Public Service Regulations and specifically Regulation 6(2) provide that an employee **shall direct to his or her head of department** any enquiry on a matter that falls within the functions of the Minister for the Public Service and Administration. Departments must please ensure that their employees are aware of this provision in the Regulations and that they must address their enquiries to their departments for assistance. Where departments are not able to assist employees, the departments may approach the DPSA through their Director-General's / Head of Departments (HoDs) for assistance.

Kind regards

**Ms. Yoliswa Makhasi**

**Director-General**

**Date:**