DISPENSATION FOR THE APPOINTMENT AND REMUNERATION OF PERSONS (SPECIAL ADVISERS) APPOINTED TO EXECUTIVE AUTHORITIES ON GROUNDS OF POLICY CONSIDERATIONS IN TERMS OF SECTION 12A OF THE PUBLIC SERVICE ACT, 1994



Issued by the Department of Public Service and Administration

ACRONYMS

ABBREVIATION	Full name
AO	Accounting Officer
DPSA	Department of Public Service and Administration
DG	Director-General
EA	Executive Authority
EE	Employment Equity
GEPF	Government Employees Pension Fund
MEC	Member of Executive Council
MMS	Middle Management Service
MPSA	Minister for the Public Service and Administration
SAQA	South African Qualifications Authority
SMS	Senior Management Service

INTRODUCTION

- In order to ensure an acceptable degree of uniformity, Cabinet has determined the Dispensation for the Appointment and Remuneration for Special Advisers ("the Dispensation").
 The Dispensation provides for four compensation / remuneration levels to accommodate different levels of expertise.
- 2. The Dispensation for Appointment and Remuneration of Special Advisers is aligned to the Professionalisation of the Public Service as approved by Cabinet. To ensure the realisation of the professionalisation agenda it is paramount to ensure that Special Advisers have the necessary level of expertise, competencies, qualifications, skills and experience (including experience related to the portfolio or functions of the relevant Executive Authority and any international relations experience) to maximise the limited resources of the State and augment existing capacity in the State to avoid a duplication of expertise already available in the relevant Department.
- 3. Serious concerns have been raised over the last few years about the size of the Public Service wage bill, as well as the size of the wage bill of the broader public sector and its impact on the fiscus. The growing wage bill is leading to a reduction in other types of government expenditure such as operational and capital expenditure. Despite the rapid increase in the Public Service wage bill, there is no commensurate improvement in performance (productivity). It is crucial to introduce an effective, efficient, defendable and sustainable remuneration model that clearly defines and communicates the objectives of remuneration in the Public Service, which will create an effective and conductive administrative environment. Therefore, the Dispensation must take into cognisance the issue of reducing high compensation of employees' level that has significant impact on the public service wage bill.
- 4. During the appointment of suitably qualified individuals, Executive Authorities must take into account the provision of section 5 of the Employment Equity Act to promote the appointment of Female candidates. In order to comply with this Act, requests for appointment of persons who are not in line with the above-mentioned provision, must be accompanied by the detailed motivation, i.e. appointment of two Male candidates instead of 50/50 split.
- 5. Executive authorities are guided to source skills or expertise unavailable within the relevant department to ensure that resources are not duplicated but are complimentary, valuable and geared towards achieving the relevant mandate, priorities and objectives of the department.

SCOPE OF APPOINTMENT

- 6. Section 12A of the Public Service Act, 1994, as amended, provides for Executive Authorities to appoint Special Advisers in a full-time or part-time capacity.
- 7. In terms of decisions by Cabinet, the number of Special Advisers that may be appointed is determined as follows:
 - 7.1 The **President and Deputy President** unlimited number of Special Advisers.

- 7.2 Each Minister or Premier is limited to a maximum of two Special Advisers (full-time or part-time).
- 7.3 Members of Executive Councils (MEC's), Deputy Ministers and the Chairperson of the Public Service Commission excluded from the provision to appoint Special Advisers.
- 7.4 Special Advisers appointed to Ministers and Premiers may be utilised by Deputy Ministers and MEC's for specific tasks by arrangement with the Minister or Premier concerned.
- Any person appointed as Special Adviser must comply with the provisions of Regulations 11,
 12, 13 and 14 of the 2016 Public Service Regulations. No person shall be appointed as a Special Adviser unless she or he is-
 - 8.1 a South African citizen:
 - 8.2 a fit and proper person; and
 - 8.3 has a good understanding of work on the relevant portfolio (experience).
- 9. All candidates for appointment as Special Advisers must be subjected to a Personnel Suitability Check as directed by the Minister for the Public Service and Administration (MPSA), including the verification of qualifications (normal internal Human Resource process), criminal record checks, credit checks and verification of citizenship, before appointment.
- 10. Within 30 working days of appointment, the Department must apply to obtain a security clearance from the State Security Agency on behalf of the appointed Special Adviser. Note should be taken that the Departments would not be required to reapply for security clearance for those Special Advisers who already are in possession of a valid security clearance.
- 11. In appointing Special Advisers, the provisions of the Employment Equity Act on achieving gender equality in the workplace and promoting the employment of females must be adhered to. The prevention of gender discrimination and the promotion of gender equality are therefore recognised as key legislative and developmental areas in South Africa. Therefore, any appointment of Special Advisers must have 50/50 split, i.e., 1 Male and 1 Female.
- Any person appointed as Special Adviser must attend Nyukela course, competency and integrity assessment, provided by the National School of Governance (NSG) within 90 days of appointment into political office.

ROLE OF SPECIAL ADVISERS

- 13. Section 12A of the Public Service Act provides that Special Advisers may be appointed-
 - 13.1 to advise the Executive Authority on the exercise or performance of the Executive Authority's powers and duties;
 - 13.2 to advise the Executive Authority on the development of policy that will promote the relevant department's objectives; or
 - 13.3 to perform such other tasks as may be appropriate in respect of the exercise or performance of the Executive Authority's powers and duties.
- 14. Since a Special Adviser would act in an advisory capacity to advise an Executive Authority on, or perform other tasks in respect of, the exercise or performance of the Executive Authority's powers and duties, or to advise the Executive Authority on the development of policy that will promote the objectives of the relevant department, there shall be no relationship of authority between the Special Adviser and the Head of Department concerned. The Special Adviser shall direct his/her inputs to the Executive Authority and shall have no role in the administration and/or management of the department including entities and/or government components which in law is the function and responsibility of the Director-General / Head of Department.
- 15. A Special Adviser shall not be appointed or seconded to act in any vacant SMS post, including the post of Director-General. Likewise, a Special Adviser shall not be appointed to a department without following a due recruitment and selection process as provided for in the Public Service Amendment Regulations.
- 16. The serving of Special Advisers on statutory boards or councils (or similar bodies) for which the Executive Authority is individually or collectively accountable, would be inappropriate since it could give rise to a direct or indirect conflict of interest or advice which could be biased or perceived to be biased. Therefore, if a person who is to be appointed as a Special Adviser serves on a statutory board or council (or similar body) for which the relevant Executive Authority is individually or collectively accountable, his/her/ their appointment to such boards or councils must be terminated with effect from the date of appointment as Special Adviser to the relevant Executive Authority.
- 17. Special Advisers are appointed in terms of section 12A of the Public Service Act, which therefore means they are not deemed as "employees". As such, an employee appointed in terms of section 9 of the Public Service Act cannot be appointed as Special Adviser in terms of section 12A, concurrently. Therefore, if he / she wishes to assume the role of Special Adviser, he /she must resign from the Public Service. If he / she does not wish to resign, he / she may be reassigned / seconded to the office of the relevant Executive Authority. However, should he / she agree to be reassigned / seconded, it would be done without any change to his / her salary level or notch/package for a period linked to the term of office of the President / Deputy President / Minister / Premier. In this regard, the MMS / SMS remuneration dispensation and conditions of service would continue to be applicable to him / her. In view of the above, the provisions contained in section 15 of the Public Service Act, 1994 as amended, apply.

PUBLIC ADMINISTRATION MANAGEMENT ACT

18. Section 8 of the Public Administration Management Act, 2014, stipulates that an employee may not conduct business with the State or be a director of a public or private company conducting business with the State. Therefore, this section applies to the Special Advisers.

GENERAL

- 19. The standard contract attached as **Annexure A**, as approved by Cabinet is entered into between the Special Adviser and the Executive Authority concerned. The duration of the contract shall be agreed upon and be limited to the term of the Executive Authority serving in a specific portfolio as at time of appointment.
- 20. Executive Authorities must submit proposals/recommendations of the individual Special Advisers to the Minister for the Public Service and Administration (MPSA) for approval of the individual's appropriate compensation level before the appointment is effected. Therefore, Special Adviser shall only be appointed by Executive Authorities after the MPSA has approved the relevant compensation level. The date of appointment shall be with effect as agreed between the Special Adviser and the Executive Authority following the approval of the compensation level by the Minister for the Public Service and Administration. It must be further noted that the MPSA does not have any authority to deviate to grant approval for appointment retrospectively or grant deviation for the work rendered prior to the necessary approval.
- 21. If an Executive Authority is re-assigned to another portfolio and wishes to re-appoint a current serving Special Adviser to the new portfolio, it will be deemed as a new appointment in the new department. This requires a new appointment submission to the MPSA for the approval of the appropriate compensation level in terms of the provisions of this Dispensation.
- 22. Special Advisers do not qualify for pay progression, however he/she must sign an annual performance agreement as agreed with the relevant Executive Authority that determines -
 - 22.1 outputs for performance cycle.
 - 22.2 well-defined measures for performance in terms of each output.
 - 22.3 quarterly review dates that will make it possible to modify outputs as necessary as well as ensuring open discussion of progress.
 - 22.4 The SMS Performance Assessment tools / templates may be utilised as a guideline for the Executive Authority to assess the performance of the Special Advisers.
 - 22.5 Employees who are seconded / transfers to the role of a Special Adviser are required to comply with the relevant PMDS Directive.
- 23. In addition to annual cost of living salary adjustment, an EA may, after the first 24 months since the date of appointment, award an annual salary advancement limited to a one notch increment of 1.5% per annum with effect from 1 April, based on substantive service delivery outcomes. It should be noted that the qualifying period for such advancement runs from 1 April after the date of appointment to 31 March of the following year. Such advancements shall not exceed the top notch of the relevant compensation level.

24. Special Advisers are not admitted to the Government Employees Pension Fund (GEPF) and do not qualify for any other remuneration benefits additional to the total cost of remuneration package.

INCLUSIVE FLEXIBLE REMUNERATION PACKAGE

24. The following compensation levels (Table 1) with ranges of inclusive flexible remuneration packages apply with effect from 1 April 2025 to **full-time Special Advisers** (therefore Special Advisers who work 40-hours per week).

TABLE 1: Compensation levels for full-time Special Advisers

	Flexible Remuneration Package	
Compensation Level	1 April 2024 (Rand per annum)	1 April 2025 (Rand per annum)
I	1 216 824	1 266 714
	1 235 076	1 285 713
	1 253 601	1 305 000
	1 272 405	1 324 575
	1 291 491	1 344 441
	1 310 865	1 364 610
	1 330 527	1 385 079
	1 350 486	1 405 857
_	1 370 742	1 426 941
	1 391 304	1 448 346
	1 412 172	1 470 072
	1 433 355	1 492 122

Compensation Level	Flexible Remuneration Package	
	1 April 2024 (Rand per annum)	1 April 2025 (Rand per annum)
II	1 436 022	1 494 900
	1 457 562	1 517 322
	1 479 426	1 540 083
	1 501 617	1 563 183
	1 524 141	1 586 631
	1 547 004	1 610 430
	1 570 209	1 634 589
	1 593 762	1 659 105
	1 617 666	1 683 990
	1 641 933	1 709 253
	1 666 560	1 734 888
	1 691 559	1 760 913

	Flexible Remuneration Package	
Compensation Level	1 April 2024 (Rand per annum)	1 April 2025 (Rand per annum)
III	1 741 770	1 813 182
	1 767 897	1 840 380
	1 794 414	1 867 986
	1 821 330	1 896 006
	1 848 651	1 924 446
	1 876 380	1 953 312

1 904 526	1 982 613
1 933 095	2 012 352
1 962 090	2 042 535

	Flexible Remuneration Package	
Compensation Level	1 April 2024 (Rand per annum)	1 April 2025 (Rand per annum)
IV	2 259 984	2 352 642
	2 293 884	2 387 934
	2 328 291	2 423 751
	2 363 217	2 460 108
	2 398 665	2 497 011
	2 434 644	2 534 463
	2 471 163	2 572 482
	2 508 231	2 611 068
	2 545 854	2 650 233

24. The inclusive compensation for **Special Advisers who work less than 40 hours per week** (therefore Special Advisers who are not full-time), are calculated as follows and the actual hours should be recorded and claims submitted accordingly:-

Annual inclusive flexible remuneration package X Actual hours worked 2080

(rounded off to the nearest Rand amount)

Composition of the inclusive flexible remuneration package for full-time Special Advisers

- 25. The total inclusive flexible remuneration packages may be structured by the Special Adviser in terms of the provisions and rules as set out below.
- 26. Provisions for the structuring of the inclusive flexible remuneration package

(a) Full-time Special Advisers may structure the inclusive flexible remuneration packages into the following items:

(1) Motor car allowance

Special Advisers are obliged to maintain a reliable vehicle to be utilised for official journeys (when necessary). To a maximum amount of 25% of the total package per annum.

(2) Medical Assistance

State's contribution to a registered medical aid scheme.

(3) Housing Allowance

An amount as decided by the member.

(4) Non-pensionable cash allowance

Any remaining amount of the flexible portion.

- (b) Special Advisers are not obliged to utilise all the items when structuring the flexible portion of their packages.
- 27. Rules governing the structuring of the inclusive flexible remuneration packages

27.1 Motor car allowance

- (a) Special Advisers are obliged to maintain a reliable vehicle to be utilised for official journeys (when necessary).
- (b) Special Advisers may purchase/lease a new or reliable pre-owned vehicle.
- (c) No time frames exist when a vehicle should be replaced.
- (d) The Special Adviser must at all times have his or her vehicle (or a substitute) available for official journeys.
- (e) The Executive Authority must decide whether a Special Adviser 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.
- (f) A Special Adviser must secure his or her own financing or loans.

- (g) A Special Adviser 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.
- (h) If a Special Adviser utilises his or her vehicle to travel for official purposes away from his or her usual place of work, the Executive Authority shall reimburse toll fees as well as parking fees in excess of R10 per month. The Special Adviser is responsible for parking fees (if they are levied) at the place of work.
- (i) Any journey between a Special Adviser's home and usual place of work constitutes a private journey.
- (j) If a Special Adviser utilises his or her private vehicle to carry out official duties, the Executive Authority will compensate the Special Adviser for **all** official kilometres, as per 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).

27.2 Medical assistance

- (a) Special Advisers who are members of registered medical aid schemes **are not obliged** to structure for an employer contribution towards the scheme.
- (b) The Executing Authority shall pay the total medical aid scheme subscription fee directly (per the pay system) on a monthly basis to a registered medical scheme.
- (c) In respect of those Special Advisers who are members of registered medical aid schemes and **who elect** <u>not</u> to structure for an employer contribution, the total medical aid scheme subscription fee will be a normal (monthly) salary deduction.
- (d) In respect of those Special Advisers 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 <u>maximum</u> of the annual medical aid subscription fee, in the form of an employer contribution.

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.

AMENDMENTS TO THE COMPOSITION OF THE FLEXIBLE PORTION OF THE PACKAGE

- 28. 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) If the Special Adviser is awarded a higher compensation level or a higher package within his/her existing compensation level.
 - (c) General adjustment of the packages in the compensation levels.
 - (d) Substantial changes to tax legislation.
 - (e) Any changes to the total contribution to a registered medical aid scheme and where funds to be obtained from or directed to in terms of the Special Adviser's inclusive flexible remuneration packages.
 - (f) On decision by the Minister for the Public Service and Administration.

APPOINTMENT WITHIN A COMPENSATION LEVEL

29. Special Advisers must be appointed on the minimum inclusive flexible remuneration package of the compensation level approved by the Minister for the Public Service and Administration for the specific Special Adviser.

BENEFITS

30. Leave provisions shall be in accordance with the Determination and Directive on Leave of Absence in the Public Service as determined by the Minister for the Public Service and Administration.

CRITERIA FOR THE AWARDING OF A COMPENSATION LEVEL

- 31. The MPSA is mandated to determine the compensation levels of Special Advisers, with due consideration to the recommendations submitted by the Executive Authorities. In making such recommendation the relevant Executive Authority shall take cognisance of the level of expertise, education and skills of the envisaged candidate for potential appointment as a Special Adviser.
- 32. For the purposes of determining which compensation level should apply, Executive Authorities should take cognisance of the particular individual's level of expertise and the stature in the particular field before submitting a request for approval to the Minister for the Public Service and Administration.
- 33. The Executive Authorities must adhere to the following principles:

SPECIAL ADVISERS APPOINTED BY THE PRESIDENT / DEPUTY PRESIDENT, MINISTERS AND PREMIERS:

Candidates considered for appointments as Special Advisors, must be competent experts at National and/or International Level with demonstrated portfolios of evidence as testimony to their successes within their specific field of expertise.

(a) Compensation level I

- 5 years' experience at the level equivalent to Director level with relevant experience applicable to the portfolio or functions of the Office of the Presidency / Ministry / Premier (EA.
- (ii) Complexity of advice to be rendered comparable to that given by a Director (Senior Management Service Grade A) in the Public Service.
- (iii) A qualification at NQF Level 7 as recognised by the South African Qualifications Authority (SAQA).

(b) Compensation Level II

- 5 years' experience at the level equivalent to Chief Director level with relevant experience applicable to the portfolio or functions of the Office of the Presidency / Ministry / Premier (EA).
- (ii) Complexity of advice to be rendered comparable to that given by a Chief Director (Senior Management Service Grade B) in the Public Service.
- (iii) A qualification at NQF Level 7 as recognised by the South African Qualifications Authority (SAQA).

(c) Compensation level III

- (i) 5 years' experience at the level equivalent to Deputy Director-General (DDG) level with relevant experience applicable to the portfolio or functions of the Office of the Presidency / Ministry / Premier (EA).
- (ii) Understanding and knowledge of international relations.
- (iii) Complexity of advice to be given comparable to that given by a Deputy Director-General (Senior Management Service Grade C) in the Public Service.
- (iv) A qualification at NQF Level 8 as recognised by the South African Qualifications Authority (SAQA).

(d) Compensation level IV

- (i) 10 or more years' experience at senior management level comparable to the level of Head of Department / Director- General applicable to the portfolio or functions of the relevant EA.
- (ii) Complexity of advice to be rendered comparable to that given by a Director-General (Senior Management Service Grade D) in the Public Service.
- (iii) Knowledge and understanding of international relations.
- (iv) To appoint and retain persons with very high-level skills and/or scarce skills.
- (v) NQF level 8 as recognised by the South African Qualifications Authority (SAQA).
- 33. Requests addressed to the Minister for the Public Service and Administration must include the following:
 - (a) Full motivation
 - (b) Employment Equity target / ratio.
 - (c) Comprehensive CV of the person (s).
 - (d) Copies of qualifications.
 - (e) Copy of South African Identity Document / Proof of South African Citizenship.
 - (f) Proof of the Personnel Suitability Check as directed by the Minister for the Public Service and Administration (MPSA), including the verification of qualifications, criminal record and credit checks.