

SWELLENDAM MUNICIPALITY



POLICY TO MANAGE REQUESTS FOR NOTCH INCREASES AND ONCE-OFF CASH COMPENSATION FOR UNRELATED AND ADDITIONAL DUTIES AND FUNCTIONS

Approved by Council as per Item ...

Date:

1. PURPOSE OF THE POLICY

This policy is formulated to attract, retain, motivate and reward high caliber employees and aims to encourage high levels of performance that are sustainable and aligned with the strategic direction and specific value drivers of the municipality.

This policy is drafted for the organisational needs of Swellendam Municipality and it should be noted that the remuneration arrangements of collective bargaining at the South African Local Government Bargaining Council (SALGBC) are not governed by this policy.

2. GUIDING PRINCIPLES

- 2.1 To consider notch increases and once-off cash payments over –and-above the remuneration to employees as determined by collective bargaining processes at the South African Local Government Bargaining Council;
- 2.2 To consider compensation for employees who perform work unrelated and distinctly separate from their primary job focus and purpose.
- 2.3 To determine the process the municipal manager/senior management must adhere to in order to consider notch increases and / or compensation as outlined in section (1) and (2) above.
- 2.4 To facilitate the implementation of such notch increase / compensation outcomes.

3. BACKGROUND

The Municipal Manager as the Accounting Officer is in terms of the Local Government Municipal Systems Act responsible for the development of the staff establishment of the municipality. The municipal manager, in terms of his legislative mandate, must submit the organogram to council, after all the internal processes have been followed, for consideration and approval.

a) TASK –JOB EVALUATION / GRADING

All the posts on the approved organogram must have job descriptions which must be evaluated in terms of the TASK process whereby the T-grade for permanent employees is determined.

b) AUTOMATIC NOTCH INCREASES

All employees who qualify for an annual increment, depending on the notch they are at, will in July or the month of their employment anniversary receive one automatic notch increase. These annual notch increments cease when the staff member reaches the top notch of his/her post salary scale. With the implementation of the performance management system, it might change in the future that automatic notch increases will be linked to the outcome of the performance evaluation, depending on the outcome of the SALGBC negotiations.

c) SALGA ANNUAL INCREASE

Permanent employees are eligible to receive the annual SALGA increase which is the outcome of a bargaining process between the employer representative (SALGA) and the employee representatives which are currently SAMWU and IMATU.

d) REQUESTS FOR NOTCH INCREASES AND/OR ADDITIONAL COMPENSATION

Currently there is no mechanism that allows the Accounting Officer /Senior Management to consider additional notch increases and / or any other form of additional compensation. This policy aims to address the gap.

4. PRECONDITIONS FOR NOTCH INCREASE REQUESTS TO BE CONSIDERED

- 4.1 Notch increase requests from individual staff members or their supervisors can only be considered if there is proof that the employee performs:
- Functions that are not regarded as part of the “core focus” or “purpose” of the employee’s current post and;
 - Where no provision is made for those functions on any other post on the organogram.
 - Functions that should be performed by another permanent post which is either not on the organogram or vacant / unfunded.
- 4.2 Line Managers may nominate employees in their departments / sections to their Director for notch increases based on the fact that these employees offer any one or more of the following:
- Scarce skills
 - Critical skills
 - Unique experience
 - financial savings / benefit for the municipality.
- 4.3 Notch increases may only be considered within the determined TASK Grade of the post
- 4.4 The requests for notch increases must be based on ad-hoc functions that occur for less than six (6) months but does not justify a permanent position on the organogram.

5. PRECONDITIONS FOR REQUESTS FOR ONCE-OFF CASH COMPENSATION TO BE CONSIDERED

The payment for once-off cash payments to individual employees may be appropriate in the following circumstances:

- For employees who take on responsibilities or duties that are distinctly separate from or in addition to their primary functions as outlined in their job descriptions and not covered by acting.

- For employees who must perform unrelated or additional duties in a crisis situation to protect the interest of the municipality or the public from loss or damage.
- For individuals who perform unrelated and additional duties in special circumstances until the situation returns to normal.

6. GENERAL FACTORS INFLUENCING THE ONCE-OFF CASH COMPENSATION

1. The compensation should be based on the skill level, knowledge and experience required to perform the additional and unrelated duties.
2. The compensation should be based on the environmental conditions prevailing when the additional and unrelated duties were performed.
3. The compensation should be based on the degree of physical, psychological and environmental hazard prevailing when the additional and unrelated duties were performed.

7. NATURE OF THE ONCE-OFF COMPENSATION PAYMENT

The compensation will be paid in the form of a once-off cash amount that will be considered by the Review Committee on a case-by-case basis:

- 15 % of the employee's basic monthly notch
Perform additional work not related to primary function and on same level as employee's primary function.
- 20% of the employee's basic monthly notch
Perform additional work not related to primary function and employee assumes responsibility for, and performance of work at a significantly higher level / scope of the employee's primary function.
- 25% of employee's basic monthly notch
Perform additional work not related to primary function and accomplishing extraordinary and above normal expectations of the duties of the job.

8. MECHANISM TO EVALUATE REQUESTS FOR ADDITIONAL NOTCH INCREASES AND ONCE-OFF CASH COMPENSATION

A Review Committee will be established and Requests must be submitted from the Line Manager to the relevant Director who will submit it to a "Review Committee" that will meet quarterly and consists of:

- The Director: Community Services
- The Director: Infrastructure Services
- Chief Financial Officer (Chairperson)
- One representative from Human Resources
- One representative of each Labour Union, as observers

All request must be in writing and submitted to the HR Manager 7 days prior to the meeting date of the Review Committee. The HR Manager will compile the Agenda for the review.

9. FINAL APPROVAL OF REQUESTS FOR NOTCH INCREASES AND ONCE-OFF CASH COMPENSATION

The Review Committee will motivate in writing the recommended notch increases or once-off cash compensation for the consideration and approval of the Municipal Manager. Any requests for notch increase and once-off cash compensation will be depending on the availability of budget.

10. IMPLEMENTATION OF NOTCH INCREASES / PAYMENT OF COMPENSATION

All approved notch increases / once -off cash compensation will be implemented by the Finance / Salary Department during the next month salary-run.