

# Annexure "E" Annexure "E"

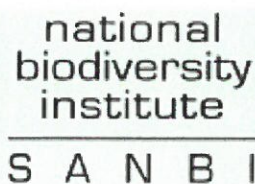


environmental affairs

Department:  
Environmental Affairs  
REPUBLIC OF SOUTH AFRICA

## Department of Environmental Affairs (DEA) Public Entities

## Human Resources Policy Framework Document



26<sup>th</sup> February 2016

---

## 1. ABBREVIATIONS

---

AFS	Annual Financial Statement(s)
COO	Chief Operations Officer
DEA	Department of Environmental Affairs
ED	Executive Director
DG	Director General
PO	Prescribed Officer
NED	Non-Executive Director
TBC	To be confirmed
TGP	Total Guaranteed Package

## 2. DEA PUBLIC ENTITIES HUMAN RESOURCES POLICY FRAMEWORK DETAILS

<b>Title</b>	Public Entities (PEs) Human Resources Policy Framework Document		
<b>Purpose</b>	The purpose of the HR Policy Framework is to provide a set of standards that will enable consistency in the application of human resources policies by the four DEA entities.		
<b>Objectives</b>	<ul style="list-style-type: none"> <li>a) To create a workplace where the minimum requirements for human resources policies are met.</li> <li>b) To convert practices into policies that will comply with the set of standards in this HR Policy Framework.</li> <li>c) To provide a framework that will foster adherence to processes and procedures emanating from the policies.</li> <li>d) To provide a simple guide on human resources policies that can be easily implemented.</li> </ul>		
<b>Scope</b>	<p>All employees of the four DEA entities namely:</p> <ul style="list-style-type: none"> <li>a) iSimangaliso Wetland Park Authority (iSimangaliso);</li> <li>b) South African National Biodiversity Institute (SANBI);</li> <li>c) South African National Parks (SANParks);</li> <li>d) South African Weather Service (SAWS);</li> </ul> <p>unless otherwise specifically excluded by a section in the HR Policy Framework.</p>		
<b>Related documents</b>	<ul style="list-style-type: none"> <li>a) Labour Relations Act</li> <li>b) Basic Conditions of Employment Act</li> <li>c) Employment Equity Act</li> <li>d) Public Service Act</li> <li>e) Public Service Regulations</li> <li>f) Public Finance Management Act</li> <li>g) Treasury Regulations</li> <li>h) Organised Labour Collective Agreements</li> <li>i) DEA Directives</li> <li>j) Any other agreement recognised by law</li> </ul>		
<b>Approved by</b>	Minister of the DEA	Date: 26 February 2016	
<b>Implementation date</b>	Date: 01 April 2016	Responsible Department	The DEA
<b>Body of HR Policy Framework</b>	<ul style="list-style-type: none"> <li>a) Abbreviations</li> <li>b) PE Human Resources Policy Framework Details</li> <li>c) Introduction</li> <li>d) Policy Statement</li> <li>e) Institutional Framework and Governance</li> <li>f) Remuneration and Employee Administration</li> <li>g) Benefits</li> <li>h) Conditions of Service</li> <li>i) Disciplinary and Standards of Conduct</li> <li>j) Employment Equity</li> <li>k) Appendix</li> <li>l) Glossary</li> </ul>		

---

### 3. INTRODUCTION

---

#### 3.1. The New PE Human Resources Policy Framework

---

The National Planning Commission: National Development Plan identified that salary levels have increased rapidly in many PEs and that instability in policy approaches and structures aggravates the difficulty of attracting and retaining appropriate people to address the challenges of strategic direction (National Planning Commission, 2011).

This PE Human Resources Policy Framework (hereinafter referred to as “the HR Policy Framework”) has been developed to guide the policy imperatives for a stable approach and structure for human resources policies that can be consistently applied by the four DEA entities.

---

#### 3.2. Background

---

PEs are instrumental in contributing to a developmental state however, one of the challenges identified by the Presidential Review Commission is that there is a proliferation of PEs across all spheres of Government. Not only are the governance structures inconsistent but the remuneration frameworks and practices are also inconsistent and require reconsideration because they impact on the performance of PEs and the supply and demand for skilled personnel in the market (Presidential Review Commission on State-Owned Entities).

The recommendations made by the Presidential Review Commission are yet to be realised and until these recommendations are not implemented, PEs will continue functioning within inconsistent governance structures and remuneration frameworks and practices.

---

## 4. POLICY STATEMENT

---

---

### 4.1. Purpose

---

The purpose of the HR Policy Framework is to provide a set of standards that will enable consistency in the application of human resources policies by the four DEA public entities.

---

### 4.2. Objectives

---

- a) To create a workplace where the minimum requirements for human resources policies are met.
- b) To convert practices into policies that will comply with the set of standards in this HR Policy Framework.
- c) To provide a framework that will foster adherence to processes and procedures emanating from the policies.
- d) To provide a simple guide on human resources policies that can be easily implemented.
- e) To recognise deviation from the provisions in this HR Policy Framework where such deviations may be justified.

---

### 4.3. Scope

---

The HR Policy Framework is applicable to all employees of the four DEA entities namely:

- a) iSimangaliso Wetland Park Authority (iSimangaliso);
- b) South African National Biodiversity Institute (SANBI);
- c) South African National Parks (SANParks);
- d) South African Weather Service (SAWS);

unless otherwise specifically excluded by a section in the HR Policy Framework.

---

### 4.4. Guiding Principles

---

- a) **Transparency and Communication** – Employees in the four DEA entities are to be informed of the HR Policy Framework and its application.
- b) **Holistic** – The HR Policy Framework guides the four DEA entities on human resources policies throughout its operations.
- c) **Compliance** – The four DEA entities must comply with the HR Policy Framework unless non-compliance can be justified and exempt.
- d) **Accountability** – The four DEA entities will be accountable for the application and implementation of the HR Policy Framework to their human resources policies.
- e) **Review** – This HR Legal Framework will be reviewed once every two years by the DEA who shall make recommendations to the Minister.

---

## 5. INSTITUTIONAL FRAMEWORK AND GOVERNANCE

---

---

### 5.1. Legal Status

---

The HR Policy Framework needs the approval of the Minister of the DEA before it can be applied and/or implemented in the four DEA public entities.

---

### 5.2. Management of the HR Policy Framework

---

The DEA is the custodian of the HR Policy Framework. The DEA is responsible for developing, managing and reviewing the HR Policy Framework which includes the following:

- a) Coordination, review, formulation and implementation of the HR Policy Framework.
- b) Issuing further guidelines and procedures to the HR Policy Framework approved by the Minister of the DEA.
- c) Monitoring the four DEA entities' implementation and management of the HR Policy Framework.
- d) Liaising with relevant Government Departments and institutions, when required for the purposes of the HR Policy Framework.

---

### 5.3. The DEA Central Remuneration Advisory Committee

---

5.3.1. The DEA Central Remuneration Advisory Committee will be established and authorised as an advisory committee to make recommendations to the Minister of the DEA.

5.3.2. The DEA Central Remuneration Advisory Committee shall comprise of not less than eight members as follows:

- a) An independent external Chairperson;
- b) the DG of DEA;
- c) the DG of National Treasury (or delegated senior official);
- d) a serving Executive Director (ED) in the private sector having remuneration expertise;
- e) one nominated person from each of the four DEA entities.

5.3.3. Provided that this is not inconsistent with any current applicable legislation or regulations, the DEA Central Remuneration Advisory Committee will be responsible to consider and make recommendations to the Minister of the DEA on the following after receiving submissions from the four DEA entities' Remuneration Committees for EDs and senior managers:

- a) Remuneration Strategy and Policy of the four DEA entities;
- b) Entity Performance Management Policy of the four DEA entities including Entity and Executive scorecards;
- c) Bonus (Incentive) provisions in the relevant Policy or a Bonus (Incentive Policy);
- d) Executive Job Evaluation/Grading Policy;

- e) Any other variable payment if applicable other than the Bonus (Incentive) in terms of a relevant Policy.
- 5.3.4. Members in the DEA Central Remuneration Advisory Committee shall be disqualified if he/she:
- a) Is an unrehabilitated insolvent;
  - b) Holds office in any political party or political organisation;
  - c) Has been convicted or previously convicted of an offence and was sentenced to imprisonment with or without the option of a fine.

---

#### 5.4. Key Role Players

---

- a) The four DEA public entities' Board of Directors will consider the recommendations made by the Central Remuneration Advisory Committee for EDs and senior managers. The four DEA entities' Board of Directors will provide justifiable reasons when the recommendations made by the Central Remuneration Advisory Committee are not followed.
- b) Managers in the four DEA entities will implement the approved recommendations on policies in their individual units/divisions/departments where the policies need to be applied.
- c) Human Resources in the four DEA entities will effect the changes on the human resources policies in accordance with the HR Policy Framework

---

#### 5.5. Institutional Role Players

---

- a) The DEA is responsible for issuing policy directives through the Minister of the DEA and bears an oversight role over the four DEA entities in terms of compliance with the Quarterly Reports against which entity performance measures must be set.
- b) The National Treasury role is in terms of the revenue and especially in this context with regards to the budget for remuneration and Bonuses (Incentives). The DEA obtains the required budget from National Treasury for the four DEA entities.
- c) Parliament evaluates the performance of the four DEA entities by interrogating the AFS. The Portfolio Committee reviews non-financial information in the four DEA entities' AFS and has an oversight on the four DEA entities' service delivery performance.

---

## 6. REMUNERATION AND EMPLOYEE ADMINISTRATION

---

### 6.1. Remuneration Strategy

---

- 6.1.1. The four DEA entities shall have a Remuneration Strategy that will detail including but not limited to the following:
- 6.1.1.1. Internal Equity;
  - 6.1.1.2. External Competitiveness (optional);
  - 6.1.1.3. Pay for Performance (optional);
  - 6.1.1.4. Reward and Recognition;
  - 6.1.1.5. Any other relevant provision.
- 6.1.2. The Remuneration Strategy may formalise the four DEA entities' employee value proposition (optional).
- 6.1.3. The Remuneration Strategy shall be a separate document/policy from the Remuneration Policy.

---

### 6.2. Job Evaluation

---

- 6.2.1. The four DEA entities' shall have a Job Evaluation Policy that will detail including but not limited to the following:
- 6.2.1.1. The Job Evaluation System;
  - 6.2.1.2. The factors of the Job Evaluation System;
  - 6.2.1.3. The current jobs in the and the grades of the jobs;
  - 6.2.1.4. Any other relevant provision.
- 6.2.2. The Job Evaluation Policy of the four DEA entities will include a review provision that will set out when a job evaluation shall be reviewed.

---

### 6.3. Remuneration

---

- 6.3.1. The four DEA entities shall have a Remuneration Policy that will detail including but not limited to the following:
- 6.3.1.1. Whether the TGP or salary plus add on or both and when is it applicable;
  - 6.3.1.2. How the employee's salary is structured (pensionable and flexible portion);
  - 6.3.1.3. General provisions on benefits (Housing, Pension/Provident Fund and Medical Aid) and Allowances;
  - 6.3.1.4. Details on the pay scale(s) design;
  - 6.3.1.5. Whether the pay scale(s) is being compared to the market and if so at which percentile of the market are Executives and General Employees pegged;
  - 6.3.1.6. At which point of the pay scale(s) are new employees hired;



- 6.3.1.7. When salaries are reviewed and increases are applied and what criteria/factors are considered to apply increases;
- 6.3.1.8. How do employees progress or move within the pay scales;
- 6.3.1.9. Career Paths (optional);
- 6.3.1.10. Provisions on counter offers;
- 6.3.1.11. General provisions on performance management and reward and recognition if applied;
- 6.3.1.12. Any other relevant provision.

---

#### 6.4. Performance

- 6.4.1. The four DEA entities shall have a Performance Management Policy that will detail including but not limited to the following:
  - 6.4.1.1. Entity performance against measures in the Shareholders Compact;
  - 6.4.1.2. Individual performance provisions (performance agreements and/or performance work plans);
  - 6.4.1.3. Details of the process and procedure on Entity and Individual performance;
  - 6.4.1.4. The rating scale applied;
  - 6.4.1.5. How the performance score for the Entity and Individual is calculated;
  - 6.4.1.6. The Performance Development Plan;
  - 6.4.1.7. Details of the Bonus (Incentive) that is applied;
  - 6.4.1.8. Provisions on what constitutes poor performance and steps on how to address poor performance;
  - 6.4.1.9. Any other relevant provision.
  - 6.4.1.10. Entity performance is subject to 5.3 above namely the approval of the DEA Central Remuneration Committee is required for Entity performance.

---

#### 6.5. Training And Development

- 6.5.1. The four DEA entities shall have a Training and Development Policy that will detail including but not limited to the following:
  - 6.5.1.1. What constitutes training and development;
  - 6.5.1.2. How is training and development of an employee determined (the Personal Development Plan);
  - 6.5.1.3. What training and development is provided for employees;
  - 6.5.1.4. Duration of the training and development;
  - 6.5.1.5. Duties of the Line Manager, employee and any other relevant party;
  - 6.5.1.6. Any other relevant provision.

- 6.5.2. Outline who is responsible (namely the immediate Supervisor/Manager) for aligning the employee's training and development with the mandate/objectives/business requirements of the four DEA entities through the Personal Development Plan).

---

## 6.6. Skills Retention

---

- 6.6.1. The four DEA entities shall have a Skills Retention Policy that will detail including but not limited to the following:
- 6.6.1.1. Definitions of scarce and critical and/or core skills;
  - 6.6.1.2. Include a provision that indicates when a skill is scarce and/or critical;
  - 6.6.1.3. Include a provision in the policy that an allowance is to be paid for skills retention and the premium that is paid in terms of the market;
  - 6.6.1.4. Include provisions on when to review the skills in the four DEA entities to determine whether these skills are still scarce or not;
  - 6.6.1.5. Outline process and procedure for receiving the scare skills allowance;
  - 6.6.1.6. Include provisions on talent management;
  - 6.6.1.7. Include provisions on succession planning;
  - 6.6.1.8. Any other relevant provision.

---

## 6.7. Reward and Recognition

---

- 6.7.1. The four DEA entities shall have a Reward and Recognition Policy that will detail including but not limited to the following:
- 6.7.1.1. What employees will be recognised and rewarded on;
  - 6.7.1.2. Informal and/or formal methods of recognition and reward;
  - 6.7.1.3. Process and procedure for nomination, recognition and reward;
  - 6.7.1.4. Awards for recognition and reward, whether monetary or non-monetary;
  - 6.7.1.5. Any other relevant provision.

---

## 7. BENEFITS

---

---

### 7.1. Housing

---

- 7.1.1. The four DEA entities shall have a Housing Policy (optional) that will detail including but not limited to the following:
- 7.1.1.1. Explain eligibility to either housing or housing allowances;
  - 7.1.1.2. Set out the process and procedure to apply for housing or housing allowance;
  - 7.1.1.3. Detail what housing or housing allowance is available;
  - 7.1.1.4. Detail how the value of the housing is calculated;
  - 7.1.1.5. Include any other relevant provision.

---

### 7.2. Pension/Provident Fund

---

- 7.2.1. The four DEA entities shall set out provisions on the Pension/Provident Fund in the Remuneration Policy that will detail including but not limited to the following:
- 7.2.1.1. Explain the Pension/Provident Fund that will be applicable to employees;
  - 7.2.1.2. Set out contribution amounts or percentages as contained in the Pension/Provident Fund rules;
  - 7.2.1.3. Include provisions on disability and risk if applicable;
  - 7.2.1.4. Set out process and procedure and when will the employee be entitled to claim the Pension/Provident Fund;
  - 7.2.1.5. Any other relevant provision.

---

### 7.3. Medical Aid

---

- 7.3.1. The four DEA entities shall set out provisions of the Medical Aid in the Remuneration Policy or have a separate Medical Aid Policy that will detail including but not limited to the following:
- 7.3.1.1. Explain the medical aid that will be applicable to employees;
  - 7.3.1.2. Set out contribution amounts or percentages as contained in the Medical Aid Fund rules;
  - 7.3.1.3. Set out process and procedure to apply for Medical Aid;
  - 7.3.1.4. Explain what is covered and can be claimed through the Medical Aid Fund;
  - 7.3.1.5. Set out the status of post-retirement medical aid;
  - 7.3.1.6. Any other relevant provision.

---

## 7.4. Allowances

---

- 7.4.1. The four DEA entities shall set out general provisions of the Allowances in the Remuneration Policy and have a separate Travel and Subsistence Policy, Relocation Policy, Tools of Trade Policy that will detail including but not limited to the following:
- 7.4.1.1. Explain eligibility to the allowance;
  - 7.4.1.2. Set out how the allowance is calculated and applied;
  - 7.4.1.3. Set out process and procedure to apply for the relevant allowance;
  - 7.4.1.4. Explain how the allowance can be claimed;
  - 7.4.1.5. Explain what happens when the tool of trade (laptop, cellular telephone etc.) is stolen/damaged and the process and procedure applicable in this instance;
  - 7.4.1.6. Any other relevant provision.

---

## 8. CONDITIONS OF SERVICE

---

---

### 8.1. Recruitment, Selection, Appointment

---

- 8.1.1. The four DEA entities shall have a Recruitment, Selection, Appointment Policy that will detail including but not limited to the following:
- 8.1.1.1. Include a provision referring to written job descriptions;
  - 8.1.1.2. Set out process and procedure for advertising internally, externally, when to use Recruitment agents (if required);
  - 8.1.1.3. Set out process and procedure for selection, interviewing and appointment
  - 8.1.1.4. Include provisions on when medical testing, psychometric testing and HIV testing will be applicable;
  - 8.1.1.5. Include provisions on conducting reference checks of appointed candidate;
  - 8.1.1.6. Include provisions on transfers and promotion (if applicable);
  - 8.1.1.7. Any other relevant provision.

---

### 8.2. Induction

---

- 8.2.1. The four DEA entities shall have a Conditions of Service Document detailing provisions on Induction including but not limited to the following:
- 8.2.1.1. Duration of the induction that is induction shall occur anytime from the employees first day at the office to three (3) months since the employee commenced employment;
  - 8.2.1.2. Set out process and procedure for holding the induction;
  - 8.2.1.3. Include provisions on documentation to be completed by the employee on the first day at the office;
  - 8.2.1.4. Include provisions on who will introduce the employee and to whom will the employee be introduced and also include duties of the relevant parties to the induction;
  - 8.2.1.5. Any other relevant provision.

---

### 8.3. Probation

---

- 8.3.1. The four DEA entities shall have a Conditions of Service Document detailing provisions on Probation including but not limited to the following:
- 8.3.1.1. Duration of the probation that is probation shall be six (6) months unless Public Sector prescripts are followed in which case probation will be twelve (12) months;
  - 8.3.1.2. Set out process and procedure for probation and performance during probation;
  - 8.3.1.3. Include provisions on how to address poor performance during probation;
  - 8.3.1.4. Include provisions on when probation will be extended;

8.3.1.5. Any other relevant provision.

---

#### 8.4. Hours Of Work

---

8.4.1. The four DEA entities shall have a Conditions of Service Document detailing provisions on Hours of Work including but not limited to the following:

8.4.1.1. Include provisions on the exact start and end times in a work day, an hour allocated for lunch, any flexible working arrangements and core hours that an employee needs to be in the office;

8.4.1.2. Include provisions on whether it is a 40 hour or 45 hour week;

8.4.1.3. Include provisions on shift work including night shift in accordance with the Basic Conditions of Employment Act, 2013;

8.4.1.4. Include provisions on essential services where applicable that deviates from 9.4.1.1, 9.4.1.2. and 9.4.1.3.

8.4.1.5. Any other relevant provision.

---

#### 8.5. Overtime

---

8.5.1. The four DEA entities shall have a Conditions of Service Document detailing provisions on Overtime including but not limited to the following:

8.5.1.1. Include provisions that overtime may only be granted if it is preauthorised;

8.5.1.2. Set out process and procedure (forms) for preauthorisation;

8.5.1.3. Include provisions on the eligibility on overtime noting that Management is generally excluded from claiming overtime due to the nature of their work;

8.5.1.4. Include provisions that overtime shall not exceed three (3) hours in a day or ten (10) hours in a week unless agreed to in a Collective Agreement or other agreement recognised in law and in accordance with the Basic Conditions of Employment Act, 2013;

8.5.1.5. Include provisions on the calculation of overtime in accordance with the Basic Conditions of Employment Act, 2013;

8.5.1.6. Include provisions on time off for overtime worked when the employee cannot be rewarded financially for overtime ;

8.5.1.7. Any other relevant provision.

---

#### 8.6. Leave

---

8.6.1. The four DEA entities shall have a Leave Policy detailing provisions on Leave including but not limited to the following:

8.6.1.1. Annual Leave in accordance with the Basic Conditions of Employment Act, 2013 and in terms of the Public service where applicable twenty two (22) days in a financial cycle;

- 8.6.1.2. Sick Leave in accordance with the Basic Conditions of Employment Act, 2013 namely thirty six (36) days over a three (3) year cycle;
- 8.6.1.3. Maternity Leave in accordance with the Basic Conditions of Employment Act, 2013 namely four (4) months for each pregnancy. Include all other provisions in the policy that emanates from the legislation.
- 8.6.1.4. Family Responsibility Leave when a spouse or immediate family or child is ill or deceased then five days (5) and be claimed. Define immediate family in the policy;
- 8.6.1.5. Include provisions on any other leave and leave days that the four DEA entities may grant to its employees and under which circumstances;
- 8.6.1.6. Any other relevant provision.

---

## 9. DISCIPLINARY AND STANDARDS OF CONDUCT

---

### 9.1. Code Of Conduct

---

- 9.1.1. The four DEA entities shall have a Code of Conduct detailing provisions including but not limited to the following:
- 9.1.1.1. Define conduct;
  - 9.1.1.2. Include provisions on conduct that is acceptable and conduct that is unacceptable;
  - 9.1.1.3. Include provisions on outside or private interests and that this is excluded unless written authorisation has been obtained from the CEO of the DEA entities to pursue outside or private interests;
  - 9.1.1.4. Include provisions on how the press and/or media will be addressed and the responsible person elected to make representations to the press and/or media;
  - 9.1.1.5. Include provisions on ensuring and/or maintaining occupational health and safety in the DEA entities;
  - 9.1.1.6. Include a provision on when the code of conduct is reviewed;
  - 9.1.1.7. Include sanctions when the code of conduct is violated or there is non-compliance and set out the process and procedure;
  - 9.1.1.8. Include a pledge that employees shall sign acknowledging receipt of the code of conduct, understanding its contents and agreeing to abide by it;
  - 9.1.1.9. Any other relevant provision.

---

### 9.2. Grievance

---

- 9.2.1. The four DEA entities shall have a Grievance Policy detailing provisions including but not limited to the following:
- 9.2.1.1. Define a grievance;
  - 9.2.1.2. Include provisions on informal and formal processes and procedures for grievances;
  - 9.2.1.3. Include provisions on simultaneously following external together with the internal process on grievance in terms of this policy;
  - 9.2.1.4. Include a provisions for appeal;
  - 9.2.1.5. Any other relevant provision.

---

### 9.3. Disciplinary

---

- 9.3.1. The four DEA entities shall have a Disciplinary Policy detailing provisions including but not limited to the following:
- 9.3.1.1. Define the scope of the policy to apply to misconduct, poor performance;



- 9.3.1.2. Include the CEO, Executives and Directors in the policy application;
- 9.3.1.3. Include provisions on informal (counselling, performance improvement) and formal processes and procedures (hearing);
- 9.3.1.4. Include provisions on sanctions (verbal warning, written warning, summary dismissal, suspension) and when these sanctions will apply;
- 9.3.1.5. Include a provisions for appeal;
- 9.3.1.6. Any other relevant provision.

---

#### 9.4. Confidentiality

- 9.4.1. The four DEA entities shall include Confidentiality as a provision in the Code of Conduct detailing including but not limited to the following:
  - 9.4.1.1. Define what information is deemed to be confidential;
  - 9.4.1.2. Include provisions on what is considered to be a breach of confidential information ;
  - 9.4.1.3. Include a provision on sanctions for breach of confidential information;
  - 9.4.1.4. Any other relevant provision.

---

#### 9.5. Sexual Harassment

- 9.5.1. The four DEA entities shall have a Sexual Harassment Policy detailing provisions including but not limited to the following:
  - 9.5.1.1. Define sexual harassment and when a hostile environment is created;
  - 9.5.1.2. Include provisions on what constitutes sexual harassment;
  - 9.5.1.3. Include provisions on the process and procedure to be followed;
  - 9.5.1.4. Include provisions on the sanctions to be applied;
  - 9.5.1.5. Any other relevant provision.

---

#### 9.6. Gifts, Commission, Money, Reward

- 9.6.1. The four DEA entities shall include Gifts as a provision in the Code of Conduct detailing including but not limited to the following:
  - 9.6.1.1. Define the value of the gift amount that is acceptable;
  - 9.6.1.2. Include provisions on declaring gifts that are received from clients and customers or anyone else;
  - 9.6.1.3. Include a provision that employees are not allowed to accept any cash gift;
  - 9.6.1.4. Any other relevant provision.

---

## 10. Employment Equity

---

---

### 10.1. Equal Pay

---

10.1.1. The four DEA entities shall include provisions on employment equity as required by the employment equity legislation, regulations and code of practice as follows:

10.1.1.1. Remuneration Policy – identify the factors of differentiation that will be used by the four DEA entities to justify unequal pay for the same job, substantially the same job or job of equal value and whether criteria for granting increases and employees progressing in the four DEA entities is fair discrimination;

10.1.1.2. Performance Management Policy – identify performance as a factor of differentiation;

10.1.1.3. Skills Retention Policy – identify scarce skills as a factor of differentiation;

10.1.1.4. Job Evaluation Policy – identify whether the Job Evaluation System used satisfies the criteria in the Employment Equity Regulations

10.1.1.5. Any other relevant provision.

---

### 10.2. Employment Equity Requirements

---

10.2.1. The four DEA entities shall include provisions on employment equity as follows:

10.2.1.1. Employment Equity Plan;

10.2.1.2. Analysis;

10.2.1.3. Employment Equity Committee;

10.2.1.4. Confidentiality;

10.2.1.5. Dispute Resolution.

## 11. APPENDIX

The Appendix contains **examples** of random **generic** drafted provisions in the different policies that can be used as a guide when the four DEA entities are drafting provisions in these policies to comply with the HR Policy Framework.

### 11.1. Remuneration Policy

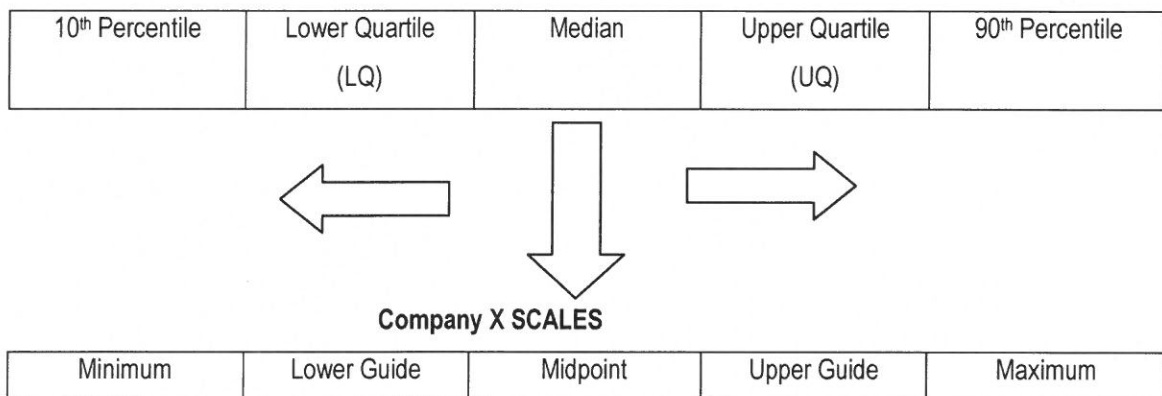
#### 11.1.1. Company X Pay Scale Design Example

The design of Company X pay scales is guided by a number of key “best practice” principles. Company X pay scales seek to get the balance right between affordability and competitiveness.

#### Link to Market and Best Practice Principles Example

The pay range design for Company X is informed using best practice principles as follows:

#### SOUTH AFRICA NATIONAL MARKET – SURVEY



In order to find a balance between the need to employ employees at cost effective rates and the need to compete for scarce skills and top performers, the Market Median is regarded as the most appropriate market reference point for Company X.

- **Internal and External Equity**

The Pay Scales will support both internal equity and external competitiveness.

- **Internal equity** refers to the relative grade assigned to different jobs within Company X. Internal equity is supported by ensuring that relative grades are defensible on two levels, namely horizontally, (i.e. between Divisions) and vertically (i.e. within one Division).

- **External equity** is the second consideration in the design of a pay structure. The focus in this area is on external equity (i.e. the competitiveness of the level of remuneration assigned to each grade) and Company X needs to compete in a free market for skills. Part of this competition is the management of labour costs – ensuring that the labour force is neither overpaid nor underpaid, possibly leading to a high turnover or labour unrest/low morale which could harm employee effectiveness.
- **Technical Considerations**  
The base date of the Pay Scales is 1 April each year. The Pay Scales must be reviewed on an annual basis (ideally in January each year well ahead of the annual review), based on pay increase trends, performance, inflation and on the affordability Company X.
- **Generic/Portable Jobs**  
Generic/Portable jobs are anchored on the 50<sup>th</sup> percentile of the National Pay by Grade Remuneration Guide. Jobs in this category being paid below the 10<sup>th</sup> percentile will be moved to the 10<sup>th</sup> percentile to ensure that all employees are paid within the National Benchmarks.
- **Specialist/Professional Jobs**  
Specialist/Professional jobs are anchored at the 75<sup>th</sup> Percentile of the Market to ensure that the jobs are remunerated at a competitive level. Jobs in this category will be moved to the 25<sup>th</sup> percentile of the Specialist/Professional Pay Scale to ensure parity and competitiveness.

11.2. Job Evaluation Policy

11.2.1. Company X Job Evaluation Example

Company X applies the JE<sup>ASY</sup> Job Evaluation System. Each of the job evaluation systems utilize certain decision levels or factors to determine the size of the jobs, the job worth and how the job is relative to one another in a pay scale. These decision levels or factors are depicted in the table below:

**Table 1: Job Evaluation Systems – Decision levels or factors**

EQUATE	Paterson	Hay Points	Peromnes	JE <sup>ASY</sup>
Responsibility	Policy formulation (F)	Know how	Problem Solving	Decision Making
Thinking demands	Programming(E)	Problem solving	Consequences of Judgment(limits discretion)	Accountability
Communication and contacts	Interpreting(D)	Accountability	Pressure of work (division of attention)	Communication
Knowledge	Routine(C)		Knowledge	Qualifications and Skills
Environmental demands	Automatic (B)		Job Impact	Planning
	Defined(A)		Comprehension	Communication
			Educational qualification required for the post	
			Subsequent training/experience required	

The JE<sup>ASY</sup> Job Evaluation System that Company X applies uses factors that does not unfairly discriminate against race, gender, disability or any of the prohibited grounds or arbitrary ground contained in the Employment Equity Regulations. The factors applied to determine the worth of a job in Company X subscribes to the criteria of skills/qualifications, effort and responsibility.

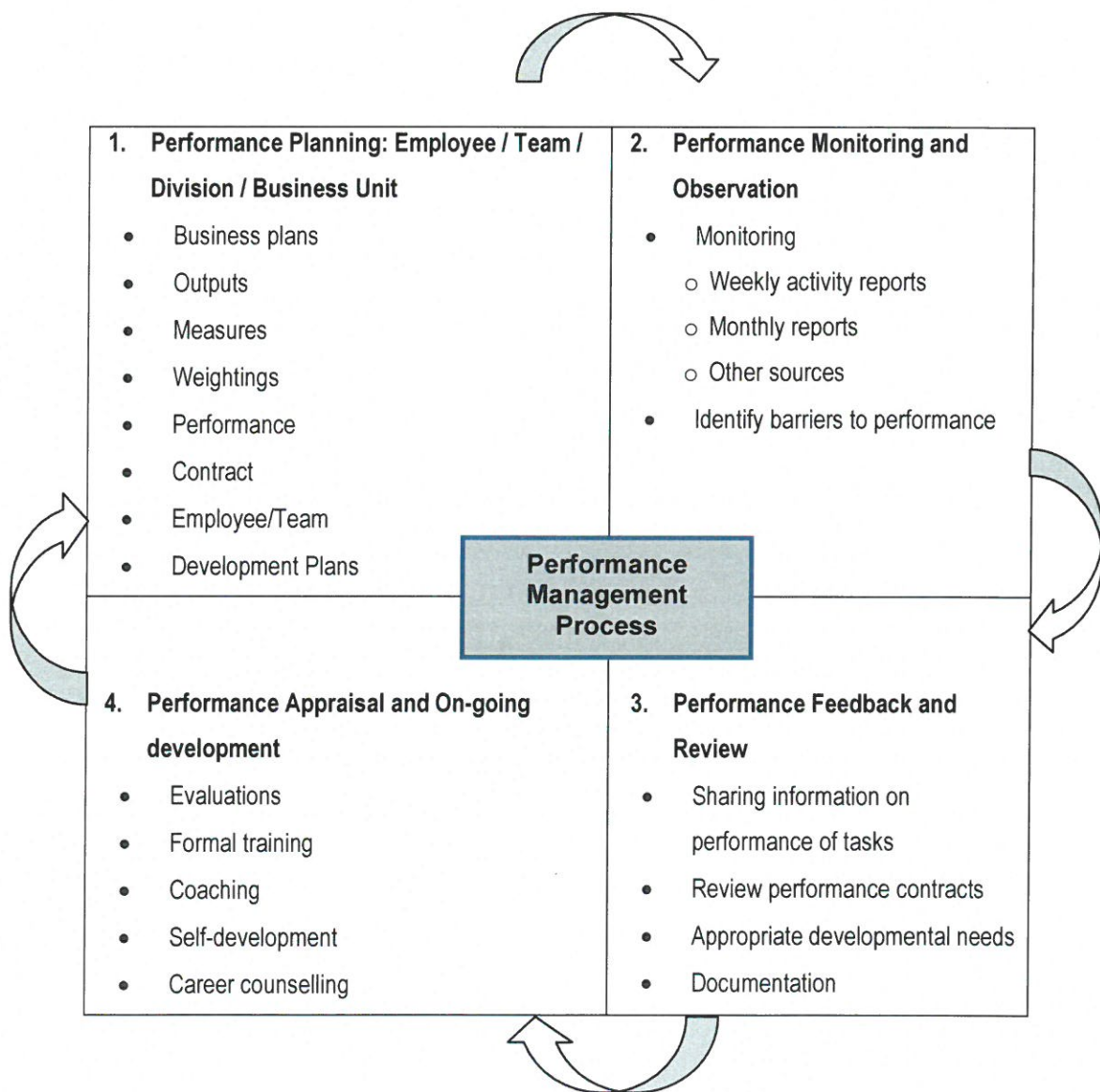
### 11.3. Performance Management Policy

#### 11.3.1. Company X Performance Management Process Example

The performance management process within Company X consists of the following stages:

- i. Performance planning;
- ii. Performance monitoring and observation;
- iii. Performance feedback and review; and
- iv. Performance appraisal and ongoing development.

The performance management process can be best depicted in the table below:



---

#### 11.4. Conditions of Service

---

- 11.4.1. **Probation** applies to all new employees employed by Company X for a period of not less than six (6) months. The probationary period may be extended beyond the initial six (6) months to a maximum of twelve (12) months in the event new employees fail to meet the performance standards or expectations.
- 11.4.2. **Official Working Hours** – The normal working hours are from 08H00 to 16H30 from Monday to Friday with one (1) hour lunch break.
- 11.4.3. All employees, including employees on a fixed term contract, are expected to be on continuous duty each working day for 8 hours and to work 40 hours per week.
- 11.4.4. **Overtime** – Employees earning in excess of the threshold published by the Minister of Labour from time to time in terms of Section 6(3) of the BCEA, as amended (currently threshold is R205 433 remuneration per annum) are not entitled to claim overtime. The respective supervisor may give employees who don't qualify to claim overtime time off for the hours worked.
- 11.4.5. Overtime worked over and above 40 hours per week must be agreed upon and must be compensated by paying the employee at 1,5 times the employee's normal pay, or by granting the employee a paid time off equivalent to the overtime worked.
- 11.4.6. An employee may not be required to work more than three hours overtime per day and 10 hours per week.
- 11.4.7. All overtime must be agreed and authorised by the employee's Supervisor/Manager prior to the employee performing such work.

---

## 11.5. Recruitment, Selection, Appointment Policy

---

- 11.5.1. **Interviews** – The HR Unit is responsible for administration of the interview process. The HR Unit will take recordings and minutes of the interview process.
- 11.5.2. The HR Unit will communicate with the shortlisted candidates to invite them for interviews. Invitations must specify date, time and venue for interviews.
- 11.5.3. Shortlisted candidates must be invited for interview not less than **7 days** before the actual date of the interviews.
- 11.5.4. The panel should be constituted by not less than three members higher than the advertised post.
- 11.5.5. The relevant Line Manager of the position to be filled will form part of the panel.
- 11.5.6. The panel is responsible for drafting interview questions on the day of the interview.
- 11.5.7. The panel is responsible for creating an atmosphere to conduct the interviews in a professional manner.
- 11.5.8. The panel will recommend the appointment of the candidate to the CEO for approval.
- 11.5.9. Interview questions must be based on the inherent requirements of the job. Biased or discriminatory questions must be avoided during the interview process. Questions must be kept confidential during the interview process.
- 11.5.10. In addition to the interview process, other assessment tools such as competency assessment, presentations, typing tests, etc., will be used to further assess the candidate and will be based on the recommendations of the panel.
- 11.5.11. Where the panel requests the candidates to conduct a presentation, the panel will draft a topic.
- 11.5.12. The CEO has the sole power to approve the appointment of any suitable applicant/candidate. The CEO will be guided by the recommendations of the panel.
- 11.5.13. Successful applicants will be informed by the HR Unit within fifteen (15) working days. Unsuccessful shortlisted candidates will be informed by the HR Unit in writing within thirty (30) working days.
- 11.5.14. Appointment letters must state the conditions of employment, e.g. term of appointment and benefits attached to the position.
- 11.5.15. Successful applicants must, within seven days indicate acceptance of employment in writing.



---

## 11.6. Leave Policy

---

**11.6.1. Annual Leave** – All employees are entitled to paid vacation leave amounting to 22 working days per annum. In this policy, “annual leave cycle” means a period of 12 months.

**11.6.2. Maternity Leave** – Employees are entitled to four (4) consecutive months maternity leave that commences:

11.6.2.1. at any time four weeks prior to the expected date of birth, unless otherwise agreed; or

11.6.2.2. at any time from four weeks before the expected date of birth, unless otherwise agreed.

Alternatively, an employee may commence maternity leave from a date stated by a medical doctor or if a midwife certifies is necessary for the employee's health and/or that of her unborn child;

11.6.2.3. it is expected that any employee going on maternity leave will inform the Line Manager and the HR Unit in advance. This enables the respective manager to facilitate planning in respect of work arrangements.

11.6.2.4. at least four weeks before the employee intends to commence maternity leave, or as soon as is reasonably possible, the employee must provide the HR Unit/ Manager with written confirmation of the date on which she intends to commence maternity leave and return to work after maternity leave. This must be accompanied by supporting documentation by a medical certificate confirming the expected date of birth.

---

## 11.7. Code of Conduct

---

11.7.1. **Gifts** – Employees must adhere to the following guidelines when giving or receiving gifts from clients or any other organisation:

11.7.1.1. All gifts to the value of R250.00 or above that are related to the business of Company X shall be disclosed to the CEO in writing. Employees are not permitted to accept/give any gift to the value of over R250.00. It is strictly forbidden that money be accepted as a gift.

11.7.2. All gifts received or given should be declared and registered in the Gifts Register with the following details:

11.7.2.1. Date;

11.7.2.2. Reason/s for gift;

11.7.2.3. Name of recipient and name of provider;

11.7.2.4. Business relationship of that person who handed the gift to the employee;

11.7.2.5. Actual or estimated value of the gift.

---

## 11.8. Grievance Policy

---

11.8.1. Grievance means a feeling of dissatisfaction by an employee regarding an unjustified act or omission by the employer that affects the employee in the workplace.

11.8.2. **Grievance guideline:**

11.8.2.1. The aggrieved employee must inform the immediate supervisor or Line Manager within five working days of the grievance and state the nature of grievance and the desired outcomes;

11.8.2.2. Grievance will be lodged on a Company X grievance form;

11.8.2.3. Grievance procedure must not be misconstrued as to replace disciplinary actions;

11.8.2.4. Grievances will be handled and/or resolved within five working days;

11.8.2.5. The aggrieved employee has the right to choose a representative within the organisation during the hearing;

11.8.2.6. The employer may appoint any person at managerial level or an external person;

11.8.2.7. The Chairperson must be impartial and conduct a fair enquiry. Proceedings must be recorded.

---

## 11.9. Disciplinary Policy

---

- 11.9.1. The Disciplinary Code and Procedure is applicable to all employees in Company X. This includes Management and those Directors who are also employees of Company X.
- 11.9.2. As an employee of the company a Director may be dismissed as an employee in terms of the Disciplinary Code and Procedure provisions in the Disciplinary Policy.
- 11.9.3. The Director cannot be dismissed as a Director unless both processes are addressed simultaneously.
- 11.9.4. This Disciplinary Policy of Company X provides for both processes where the Director is charged in terms of breach of his/her fiduciary duties and in terms of misconduct as an employee.
- 11.9.5. The hearing will be presided over by an external party who will sit as the Chairperson and the process and procedure will be the same for any other employee.
- 11.9.6. Due process will be served on the Director informing him/her that both processes will be addressed simultaneously and should a dismissal ensue then he/she will be dismissed as a Director and as an employee.

---

## 11.10. Sexual Harassment Policy

---

11.10.1. **Test for Sexual Harassment** – Sexual harassment is any unwelcome conduct of a nature that violates the rights of an employee and constitutes a barrier to equity in the workplace. When evaluating sexual harassment, all the following factors should be taken into account:

- 11.10.1.1. whether the sexual harassment is on the prohibited grounds of sex and/or gender and/or personal orientation;
- 11.10.1.2. whether the conduct was unwelcome;
- 11.10.1.3. the nature and extent of the unwelcome conduct; and
- 11.10.1.4. the impact of the unwelcome conduct on the employee.

---

## 11.11. Equal Pay For Work Of Equal Value Checklist

---

11.11.1. When addressing equal pay for work of equal value (EP4WEV), the following checklist should be considered:

- 11.11.1.1. Do you have a remuneration policy?
- 11.11.1.2. Does the policy deal with EP4WEV?
- 11.11.1.3. Do you have role profiles that meet the requirements?
- 11.11.1.4. Do you have a skills audit to support the profiles and scarce skills?
- 11.11.1.5. Do you know which jobs in your organisation are same, substantially similar and/or equal in value?
- 11.11.1.6. Are your positions graded in a fair and objective manner?
- 11.11.1.7. Do you use a job evaluation system?
- 11.11.1.8. Do you have pay scales?
- 11.11.1.9. Do you have internal pay parity per position?
- 11.11.1.10. Can you link pay differentials to objective criteria?
- 11.11.1.11. What factors do you use to differentiate pay and terms and conditions in your organisation?
- 11.11.1.12. Can you defend pay for performance decisions?
- 11.11.1.13. Are your policies, processes, procedures and employment practices aligned to EP4WEV?
- 11.11.1.14. Do you know how to apply EP4WEV when appointing new staff?
- 11.11.1.15. Do you have a robust communication plan in place to discuss the EP4WEV changes with the organised labour?
- 11.11.1.16. Do you know what you require in order to report on EP4WEV?

## 11.12. Glossary

<b>External Equity:</b>	The competitiveness of the level of remuneration assigned to each grade and is based on the need to compete in a free market for skills
<b>Internal Equity:</b>	The relative grade assigned to different jobs within the organisation. In addition, internal equity assesses how reasonable these grades are. Internal equity can be examined on two levels, namely horizontally (i.e. between Business Units / Divisions) and vertically (i.e. within one Business Unit / Division)
<b>Job Evaluation:</b>	The systematic and objective process of determining the relative worth of a job in the organisation utilising a structured process. The result of this process would be accurate job grades
<b>Management Team:</b>	A SOE/Company Management Team
<b>Remuneration:</b>	The financial award an individual may receive for their performance and in contribution to the achievement of the objectives of the organisation. The reward referred to in this document is typically reflected in the recognition/appreciation offered to the individual and can have both cash and non-cash components
<b>Pay Progression</b>	Is the upward movement of an employee in the pay scale based on pay increases through a combination of CPI and performance or performance only
<b>Performance Agreement</b>	Is a personal document – a contract which links all employees / teams / divisions / business units to the organisational goals and objectives of a Company for a financial year
<b>Performance Evaluation</b>	Is the formal process of evaluating the results that all employees have achieved against the outputs / outcomes for the year
<b>Performance Management</b>	Involves the processes of planning, reviewing, analysis, evaluating and recognising and rewarding performance
<b>Probation</b>	Is a process that affords the employer an opportunity to review and evaluate an employee's performance before continuing with permanent appointment after serving a 6 month mandatory period
<b>Separate</b>	Means to keep apart or divide and in the context of the four DEA entities it means the practices are different in each of the four entities.