**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION 1121**

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**INTERNAL QUESTION PAPER: 16/2017**

**1121. Mr T J Brauteseth (DA) to ask the Minister of Basic Education:**

With reference to her reply to question 498 on 5 April 2017, did the remuneration of the Chief Executive Officer (CEO) of Umalusi increase from R1,867 million to R2,235 million between the (a) 2013-14 and (b) 2014-15 financial years due to the CEO reaching the milestone of 30 years of employment in the public sector; if so, (i) what was the name of the specific award given to the CEO for long service, (ii) what was the amount of the long service award, (iii) at what public service salary level is the CEO of Umalusi employed, (iv) how many years has the CEO of Umalusi been employed in the public service, in each case supplying details of previous positions in the public service and dates appointed, (v) who approved the long service award and (vi) in terms of which legislation was the award made? NW1261E

**Response**

1. The increase in the remuneration of the CEO of Umalusi from 2013-14 to 2014-15 financial years was not as a result of a long service award as previously reported. The spur of the moment response given in the meeting of the Portfolio Committee on 3 May 2017 was informed by the fact that such an award was given to the CEO in recognition of his 30 years’ service in the public service albeit a year earlier. The decision for the long service award was guided by the long service policies of the Department of Public Service and Administration (DPSA) and Umalusi.

The table below outlines the remuneration components of the total package reported in the annual reports of the abovementioned financial years:

|  | **Remuneration component** | **13/14** | **14/15** | **%** |
| --- | --- | --- | --- | --- |
|  |  | **R'000** | **R'000** | **increase** |
| 1 | Basic remuneration | 1 618 | 1 729 | 6.9% |
| 2 | Pension contribution | 149 | 160 | 7.1% |
| 3 | Medical contributions | – | 12 | 100.0% |
| **4** | **Cost to company package** | **1,767** | **1,901** | **7.6%** |
| 5 | Bonus & Performance payment | 99 | 114 | 14.9% |
| 6 | Leave pay-out | – | 220 | 100.0% |
| 7 | Long service award | – | – | – |
| **8** | **Total package** | **1 867** | **2 235** | **19.7%** |

In the 2013-14 to 2014-15 financial years the leave pay-out was the remuneration component that led to the high increase. In 2014 the Remuneration and Human Resources Committee of Council (REMCO) noted that 12 employees had accumulated more than 50 leave days. In May 2014, REMCO recommended to Council to pay out a maximum of 30 days to employees. The recommendation was subsequently approved by Council in June 2014 and the pay-out was actioned in July 2014. Ultimately, only 7 employees were reimbursed, and one of them was the CEO.

(i) The long service award was given to the CEO in January 2013 i.e. the 2012/13 financial year, as stipulated in the policies of the Department of Public Service and Administration (DPSA) and Umalusi.

(ii) The amount of the award was R15 000. The employee also encashed 30 days’ annual leave as per the Umalusi policy. The total amount of leave paid out was R188 270.

(iii) The CEO is employed at salary level 16 of the DPSA levels.

(iv) The table below summarises the employment history of Dr Rakometsi from 1 January 1983 to date.

| **Years** | **Position held** | **Institution** | **Date appointed** | **Date resigned / promoted** |
| --- | --- | --- | --- | --- |
| **Total to date: 34 years 5 months** | | | | |
| 8 years 5 months | Chief Executive Officer | Umalusi,  Pretoria | Jan 2009 | To date |
| 3 years 4 months | Superintendent General  (Head of Department) | Free State Department of Education, Bloemfontein | Sep 2005 | Dec 2008 |
| 4 years 5 months | Chief Director: Curriculum and Professional Development and Support | Free State Department of Education, Bloemfontein | Apr 2001 | Aug 2005 |
| 2 years 3 months | Director: Education Institute | Free State Department of Education, Bloemfontein | Jan 1999 | Mar 2001 |
| 3 years | Chief Education Specialist (Deputy Director Professional) - Examinations | Department of Education, Arts and Culture, Sport and Recreation, Mmabatho North-West Province | Jan 1996 | Dec 1998 |
| 3 years | Deputy Chief Education Specialist (History) | Free State Department of Education and Culture, Welkom | Jan 1993 | Dec 1995 |
| 3 years | Head of Department Professional Subjects and Student Affairs | Tshiya College of Education, Qwa Qwa | Jan 1990 | Dec 1992 |
| 1 year | Senior Lecturer (Student Affairs) | Tshiya College of Education, Qwa Qwa | Jan 1989 | Dec 1989 |
| 1 year 7 months | Lecturer | Tshiya College of Education, Qwa Qwa | Apr 1987 | Dec 1988 |
| 3 year 3 months | Teacher | Thokoana-Makaota Senior Secondary  School,  Qwa Qwa | Jan 1984 | Mar 1987 |
| 1 year | Teacher | Rearabetswe Senior Secondary School, Odendaalrsrus | Jan 1983 | Dec 1983 |

(v) A submission regarding the long service award for the CEO is recommended internally, but ultimately submitted to the Chairperson of Council for approval.

All remuneration aspects of the CEO as the Accounting Officer are recommended to Council as the Accounting Authority and only paid out with Council’s approval. The cost to company is paid in line with the rates as determined by DPSA. To this end, Council is requested annually to approve all annual cost of living adjustments.

Bonus and performance payments are made on an annual basis in line with the performance management and development policy. The award ranges from 2% to 8% of cost to company, limited by the 1.5% of the total remuneration budget. The scores are moderated by members of the Executive Committee of Council (EXCO) and signed off by the Chairperson of Council.

(vi) Legislation informing the long service award is the Department of Public Service and Administration (DPSA) and Umalusi policies.