###### National Assembly

Question Number: 4009

**Mr C H H Hunsinger (DA) asked the Minister of Transport:**

1. (a) Since when has the payroll grading system for (i) her department and (ii) all entities reporting to her been used in each case and (b) what measurable have been put in place to ensure the integrity of such system;
2. whether there are any instances where such systems were not followed in the (a) 2012-13, (b) 2013-14 and (c) 2014-15 financial years; if not, what is the position in this regard; if so, what are the (a) details and (b) outcomes in each case respectively?

**REPLY**

**DEPARTMENT**

(1) (a) The Department of Transport has been using the EQUATE job evaluation system when it was introduced in 1998 by the Department of Public Service and Administration (DPSA). The system became compulsory from 1999 as prescribed by the Public Service Regulations. The DPSA reviewed this system and in April 2015 introduced the new web-based system called EVALUATE which is now used by all Departments.

(1)(b) There is a component that is charged with the responsibility of managing job evaluations in the Department. The Directorate: Organisational Development and Change Management consists of staff members who have been trained and certified as Job Analysts and Job Evaluation Panelists to use the job grading system. The Department has developed a Job Evaluation Policy and has a functional Job Evaluation Panel that sits regularly to moderate jobs. The Department also makes use of external Job Analysts and Job Evaluation Panel members when necessary to evaluate and moderate certain jobs to maintain the integrity of the system. Organized Labour is invited to sit in the Job Evaluation Panel meetings to ensure transparency and accountability. Both the EQUATE and EVALUATE systems have security features i.e passwords that keep them safe from unauthorized access and use. The Department further keeps records of all the jobs that have been graded and decisions thereof. The Department reports annually through its annual reports on the number of posts that have been evaluated.

(2)

Please refer to information as per the table below:

|  |  |  |
| --- | --- | --- |
| **Question (2) (a) (b) and (c)**  | **Question (2) what are the (a) details**  | **Question (2) (b) outcomes in each case respectively**  |
| 2012 – 13 - **16** employees were granted higher salaries than the salary grades of their posts | 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 6 – R129 780pa, appointed on Level 7 - Level 7 - R149 742pa. |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 4 – R90 396pa, appointed on Level 5 - R118 983pa |
| 1. Counter offer – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 13 – R775 233pa, match offer from another institution on Level 14 – R1 042 839pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 13 – R860 388pa, appointed on Level 14 – R939 631pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 13 – R719 613pa, appointed on Level 14 – R1 012 251pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 12 – R550 992pa, appointed on Level 13 – R719 613pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 7 – R175 194pa, appointed on Level 11 – R464 919pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 8 – R198 975pa, appointed on Level 11 – R464 919pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 6 – R139 812pa, appointed on Level 9 – R236 532pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 3 – R81 312pa, appointed on Level 4 – R97 809pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 11 – R334 052pa, appointed on Level 12 – R407 745pa |
| 12.Counter offer – Part V C.3 of the Public Service Regulations, 2001, as amended | Higher salary approved by the former Director-General, Level of post Level 8 – R204 990pa, appointed on Level 9 – R240 075pa |
| 13.Retention purposes – Part V C.3 of the Public Service Regulations, 2001, as amended | Higher salary approved by the former Director-General, Level of post Level 13 – R798 663pa, offer on Level 14 – R872 214pa |
| 14.Purchase offer – Part V C.3 of the Public Service Regulations, 2001, as amended | Higher salary approved by the former Director-General, Level of post Level 12 – R522 669pa, appointed on Level 13 – R719 613pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 7 – R160 224pa, appointed on Level 8 – R198 975pa |
| 1. Purchase offer (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 12 – R550 992pa, appointed on Level 13 – R719 613pa |
| 2013 – 14 - **3** employees were appointed on higher salaries than the salary grades of their posts | 1. Retention purposes (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 4 – R96 363pa, offer on Level 5 – R116 937pa |
| 1. Purchase offer – (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 7 – R170 799pa, appointed on Level 8 – R212 106pa |
| 1. Purchase offer – (Ministerial appointment) – Part V C.3 of the Public Service Regulations, 2001, as amended.
 | Higher salary approved by the former MinisterLevel of post Level 5 – R122 280pa, appointed on Level 8 – R212 106pa |
| 2014 – 15 - **2** employees were appointed on higher than the salary grades of their posts | 1. Counter offer – Part V C.3 of the Public Service Regulations, 2001, as amended
 | Higher salary approved by the former Acting Director-GeneralLevel of post Level 6 – R150 819pa, appointed on Level 7 – R188 985pa |
| 1. Counter offer – Part V C.3 of the Public Service Regulations, 2001, as amended
 | Higher salary approved by the former Acting Director-GeneralLevel of post Level 6 – R150 819pa, appointed on Level 7 – R197 616pa |

**South African Civil Aviation Authority (SACAA)**

(1) (a) The payroll grading system was implemented in 2002 for (i) N/A (ii) the South African Civil Aviation Authority.

(b)The system has different access control levels wherein only the payroll manager has access to the payroll grading system. Amendments to the job grading system can only be processed on payroll on the directive by the Director of Civil Aviation (DCA).

(2) There were no instances where the abovementioned process was not followed during (a) 2012-13 (b) 2013-14 (c) 2014-15 financial years and therefore (a) N/A (b) N/A.

**Air Traffic & Navigation Services SOC Limited (ATNS)**

1. (a) Since its formation, (ii) ATNS has been using a job grading system. At inception ATNS used the Hay Job Grading System, and migrated to the Peromnes Job Grading System.
2. The application of job grading within ATNS is guided by a Job Grading Policy, which guides the link to remuneration, especially in relation to movement inside and outside the grading bands; the formation of the Job Grading Committee; the grading process; as well as an appeal process. All committee members are trained on the principles of job grading. Job grading for positions which form part of the Bargaining Unit, involves the inclusion of Shop Stewards as part of the process.

The grading of jobs is performed on an electronic system, which belongs to an independent service provider, of which ATNS has administration rights to perform the evaluations. The system has built-in measures to ensure the accuracy and consistency of the rules applied for the grading of positions, as highlighted in the internal policy.

1. The Peromnes Job Grading system within ATNS has been consistently applied and there are no deviations to note in the (a) 2012-13, (b) 2013-14 and (c) 2014-15 financial years.

**Airports Company South Africa SOC Limited (ACSA)**

1. (a) (ii) ACSA has been using the Oracle system for payroll processing since 2008.

(b) The payroll system is designed according to the approved Remuneration and Benefits policies and procedures.

1. There have not been any deviations to the Remuneration and Benefits policy and procedures in the (a) 2012-13, (b) 2013-14 and (c) 2014-15 financial years.

**Cross-Border Road Transport Agency (C-BRTA)**

1. (a,ii) In terms of the Cross-Border Road Transport Agency (C-BRTA), the J-easy grading system has been in place internally since 2013 supported by an independent provider. Prior to that, external service providers were used for the grading of all positions.

(b) To ensure integrity of the system, different approval processes exist as follows:

* The job profiles are developed and approved by relevant levels; and
* The segregation of duties in relation to the capturing and the actual evaluation exist for grading purposes and the correlation and benchmarking by an independent external body are in place

2. (a) None (b) None (c) None

 (a) and (b) Not applicable as the system is followed.

**Road Accident Fund (RAF)**

1. (a)(ii) The Road Accident Fund’s (RAF) current payroll grading system has been in use since 1 September 2012, and (b) the following measurable controls have been put in place to ensure the integrity of the systems: (aa) a RAF Job Evaluation Policy is in place and enforced which policy provides that all positions in the RAF must be graded; grading must be linked to the salary structure; and, job gradings must be approved by the responsible divisional executive; (bb) job grades are verified annually during the annual salary adjustments for both the Human Capital HRIS system and Payroll SAP system; (cc) access to the Human Capital HRIS system and Payroll SAP system is password protected; (dd) access and user rights are approved by the Senior Management in Human Resources Shared Services and Financial Accounting, based on the function performed by the specific employee; and, (ee) the integrity of the Human Capital HRIS system and Payroll SAP systems are audited annually by RAF Internal Audit Division and the Auditor General - no material findings were reported during the audits;
2. There were no instances where the payroll grading system was not followed in the (a) 2012-13, (b) 2013-14 and (c) 2014-15 financial years.

**Road Traffic Infringement Agency (RTIA)**

1. (a) The SAGE Payroll system has been in used since 2013.

(ii) Road Traffic Infringement Agency – Entity

(b) Internal policies and procedures are in place as measure to ensure integrity. Statutory obligations and reporting also serve as a measure in such SAGE Payroll systems.

1. 2012 – 13 : None, cause there was no Payroll system it was outsourced.
2. 2013 – 14 : SAGE Payroll system followed
3. 2014 – 15 : SAGE Payroll system followed
4. 2012 – 13 : None, cause there was no Payroll system it was outsourced.
5. 2013 – 14 : None
6. 2014 – 15 : None

**Road Traffic Management Corporation (RTMC)**

1. a)The RTMC has since its inception been using the equate job evaluation tool in September 2014, a resolution was taken by the Board to implement the Patterson model. The VIP payroll module was used since 2010 and before then the Corporation was using Persal.

b)There is segregation of duties in the VIP payroll system. The payroll manager is responsible for managing the access to the system. The VIP Payroll software reduces risk by giving visibility to transactions and providing an audit trail. There are established process and procedure to manage the payroll function.

1. There were no such instances where systems were not followed.

**South African National Road Agency (SANRAL)**

1)a) Since 1998, SANRAL made use of the Permones grading system.

b) To ensure integrity of such a system, job evaluation exercises are conducted across all levels of jobs referred to as “roles” in our terminology. This is done to determine the relative worth of a role in relation to other jobs within the organisation. The current job grading system is broad banded and forms the basis of the pay scales. The design of the scales promotes a competitive market anchor specifically for senior and technical portfolios and is used as a strategy to attract, retain and motivate high performers and prospective new incumbents

2. The Permones grading system has been followed since inception in 1998, including the financial years provided above. SANRAL operates in terms of its founding legislation, The South African National Roads Agency Limited and National Roads Act (Act No. 7,1998), thus SANRAL employees are not civil servants.

**Railway Safety Regulator (RSR)**

Herewith our response below to the question in as far as it relates to the RSR:

1(a) The RSR utilizes the Paterson Job Evaluation system and the payroll grading system is based on this.

1(b) The RSR has both a Job Evaluation and Remuneration Policy which both ensure the integrity of the payroll grading system. Both policies have been approved by the Board of Directors.

2(a) The RSR payroll system has consistently conformed to the provisions of the Job Evaluation and Remuneration Policies between 2012/2013, 2013/2014 and 2014/2015.

**Ports Regulator South Africa (PRSA)**

1. (ii) The Ports Regulator of South Africa utilizes the Patterson grading system, this was implemented in the 2014/15 financial year, and has been verified by REM Channel, the survey institute of Price Water house Coopers.
2. The system was only implemented after a human resource review was conducted which included a revision to policies, procedures, and a salary benchmarking exercise. This process was initiated in 2013/2014 and conducted in 2014/2015.

**South African Maritime Safety Authority (SAMSA)**

1. (a) (i) Since 2010 the Hay system and pay scales have been used fir staff and a Paterson grading system was used for Executive positions
2. To ensure the integrity of the system, there have been no changes to the grades since 2010. All remuneration reviews are approved by the Board of Directors, in addition, 21 Century Pay Solutions benchmarked the salaries of Executives
3. Since 2010 to date when grading scales were implemented, no job was regarded. There however annual salary reviews implemented after approval by the board directors.

**Passenger Rail Agency of South Africa (PRASA)**

1. (ii) PRASA uses the Paterson Grading System since June 2008; and

(b) All PRASA job evaluations have been validated by a third party to ensure and promote the integrity of the system.

1. Since adopting Paterson there hasn’t been instances where any other job grading system has been followed.