

Circular H172/2020

TO ALL DIVISIONS / CHIEF DIRECTORATES / DIRECTORATES / REGIONS / DISTRICTS / SUB-STRUCTURES / INSTITUTIONS IN THE DEPARTMENT OF HEALTH

IMPLEMENTATION OF PAY PROGRESSION ON PERSAL: PERFORMANCE CYCLE 1 APRIL 2019 TO 31 MARCH 2020

1. Circular H163/2020 dated 7 August 2020 refers.
2. As you are aware, the date of implementation of the annual cost-of-living adjustment (COLA) is with effect from 1 April of each year. The Department of Public Service and Administration(DPSA) and the Labour Unions are still in dispute regarding the COLA implementation as from 1 April 2020. A directive from DPSA in this regard is awaited.
3. The aforementioned has implications for the implementation of pay progression on PERSAL. A large number of employees are on remuneration packages and PERSAL does not allow back-dated transactions for packages if such transactions are dated earlier than the last event on the salary record. If pay progression is implemented w.e.f 1 July 2020 on PERSAL before the cost-of-living adjustment, it will mean that remuneration packages will not be programmatically adjusted backdated when the cost-of-living adjustment is implemented. The cost-of-living adjustment must then be manually calculated from 1 April to the date that the pay progression is implemented on PERSAL, and all salary records will have to be corrected by means of registering System Change Controls (SCC's). This will have a huge additional burden on the HR Offices and also a risk of possible incorrect calculations. Pay progression will therefore only be implemented on PERSAL for employees **on remuneration packages** when clarity has been received from DPSA on the implementation of the cost of living adjustment. The pay progression in respect of qualifying employees will then be implemented w.e.f 1 July 2020 and back payments will be effected on PERSAL.
4. Pay progression with effect from 1 July 2020 can now be implemented on PERSAL but only for **employees on salary levels 1 - 10 (employees that are not on remuneration packages)**. Backdated transactions can be implemented on PERSAL for salary levels 1 -10 and it will also be possible to implement COLA programmatically and backdate it to 1 April 2020 on PERSAL.

5. Your full cooperation and commitment to the successful finalisation of the 2019/2020 cycle of the PMDS will be highly appreciated.

A handwritten signature in black ink, appearing to be 'J.A. Minis', written in a cursive style.

CHIEF DIRECTOR: PEOPLE MANAGEMENT

DATE: 25 August 2020