

## **INFORMUS**



FOR PSA MEMBERS: SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION (SALGA)

16-02-2023

# Feedback: Management and Union Consultative Forum (MUCF)

#### **Reward Framework**

SALGA management presented a proposed review of the Reward Framework to the PSA for consultation. The Reward Framework and associated policies are aimed at developing reward practices that assist in the achievement of SALGA's strategic goals. The major proposed change is to move SALGA from the basic salary and benefits remuneration approach to the total guaranteed package approach. It is believed that the proposed reward approach will support the achievement of the organisational vision, strategy, and objectives. It has further been submitted that it will be communicated openly and applied in a non-discriminatory, fair, and consistent manner. How the conversion from the basic salary plus benefits to the cost to the company is outlined as well as how employees would benefit from the flexibility of the proposed approach.

#### **Pension-Backed Home Loan Policy**

The employer presented a Pension-Backed Home Loan Policy for consultation with the PSA. The purpose of this policy is to enable employees to have access to finance for housing purposes by using their savings in the retirement funds as security for a home loan. The policy applies to all permanently appointed SALGA employees. The deduction of loan repayments will be from the employee's salary and the loan can only be taken for acquiring or improving a dwelling. The policy outlines some of the conditions entailed in the loan agreement and explains the implementation process. The benefit will be administered through *Old Mutual* as SALGA's pension fund administrator in partnership with *Standard Bank* and *First National Bank*.

#### **Leave Policy**

The Leave Policy was presented to the PSA in consultation for review. It provides for the management of leave in SALGA. It regulates the provision of annual leave and accumulation of annual leave credits as well as the procedure to apply for annual leave. The policy further outlines circumstances under which unpaid leave may be granted and how sick and additional sick leave may be given. The procedure of applying for maternity leave and extending it is regulated in the policy, together with parental leave and family responsibility leave. The policy further caters for employees who may wish to take study leave and sabbatical leave.

**Revised Individual Performance Framework** 

The employer presented a proposal to revise the individual performance framework. The proposed review is intended to address misalignment between organisational and individual performance goals with a view of linking the organisational, team, and individual performance to financial rewards. To further consider which behaviours are important between organisational values and the behaviours charter. It is proposed that organisational values be used in the performance management process where they will weigh 10% instead of 15% to allow for the incorporation of team performance. The Behaviours Charter will still be used to measure non-managerial employee behaviour. It is further proposed that performance outcomes be linked to rewards at the organisational level, team level, and individual level.

### **Training and Development Policy**

The Training and Development Policy was presented with proposed changes. This policy applies to all SALGA employees and is aimed at developing their competencies that support the strategic objectives of SALGA and local government as a whole. The policy provides a list of competencies identified in the Talent and Leadership Competency Report for the 2021/22-financial year. It further provides for SALGA to pay for the registration and subscription fees to professional institutions or associations on behalf of employees where membership to such professional bodies is in the interest of the work performed by the employee. Furthermore, it regulates the appointment of interns, graduates, and learners in SALGA as well as the awarding of bursaries to eligible employees in SALGA.

Members are requested to provide inputs on all the above proposals to the PSA by sending an email to *joseph.mashigo@psa.co.za* by no later than **28 February 2023**. This will assist the PSA to represent their interests when engaging the employer on these policy matters.

Members will be updated on developments.

**GENERAL MANAGER**