

PIXLEY ka SEME DISTRICT MUNICIPALITY



SCARCE SKILLS AND RETENTION STRATEGY POLICY

1. Introduction

South Africa is currently facing huge challenges in respect of ensuring that an adequate skills base is available within its economy. Similarly within Municipalities, certain sectors of the workforce have been identified as representing scarce skills and efforts are currently under way to focus organizations on strategizing to ensure that the issue of scarce skills is addressed through proper talent management and the retention of critical skills.

2. Areas of scarcity within Pixley Ka Seme District Municipality

Whilst it must be acknowledged that there are shortages of skills within the market generally, it must also be acknowledged that there are very specific challenges attached to sourcing specific work related skills within rural area, as compared to urban areas.

Additionally, recruitment is not simply about the attraction of suitable staff. It is also about ensuring that staff is retained and every effort must be made to ensure that strong retention strategies are in place, in order to ensure that this occurs.

The following positions within local authorities are generally considered to be in short supply:

- Technical staff e.g. Technicians (all levels) engineering and civil engineering.
- Municipal Town Planning (town planning, architecture, land surveyors, building inspectors, etc.).
- Safety and Health Practitioners –
- IT Skills
- Financial Management Skills
- Senior Management Skills

While these represent generally accepted levels of scarcity nationwide, it must be reiterated that scarcity issues within PKSDM are further exacerbated by the geographical location of the municipality. In this regard, what may not necessarily be regarded as a scarce skill nationally may be experienced as such locally due to the difficulties associated with attracting and retaining staff within the district. This may necessitate the Municipal Manager or his/her proxy to identify other categories that are not mentioned above as scarce skills.

In the Scarce Skills and Retention Policy every effort is made to highlight practical issues so as to facilitate staff retention and to acknowledge the challenges currently faced within PKSDM in respect of scarcity of skills.

3. Policy Purpose and Objectives

- i) To provide suitable incentives and recognition to staff in order to facilitate the provision of a working environment which is conducive to meeting the needs of staff and which will ensure that required talent is sourced, acknowledged and retained.
- ii) To facilitate staff retention through the provision of incentives and a working environment which fosters the employer and employee relationships;
- iii) To reduce the current skills shortages through the provision of staff incentives and retention strategies, designed to attract, develop and retain staff with critical skills.

4. Policy Scope

This policy is applicable to all staff within PKSDM , inclusive of Sect 54A and 56 managers, insofar as they qualify for incentives and retention strategies as per prescriptions of each of these within their specific areas. The policy should be read with other prescripts or collective agreements that might be applicable in the local government sector.

5. Methods to attract and retain scarce skills

It is acknowledged that there are numerous methods and approaches that could be used to manage the scarcity of resources and to ensure that strategies are implemented that would attract, develop and retain staff with critical skills.

The following strategies within the scope of the policy will be used as incentive as part of responding to the needs of the municipality w.r.t. scarce skills.

- Scarce Skill Allowance
- Notch Increments
- Enhanced Responsibility Allowances
- Qualification Recognitions Bonus
- Succession Planning
- Staff Development

Each of these strategies and incentive schemes that are aimed at addressing the scarcity and retention of skills within the municipality will be examined more fully as follows:

- a. Scarce Skills Allowance (All employees including S54A and 56)

In instances where it is recognized that the municipality is unable to attract a particular skill, as identified in the policy, the municipality can offer an incentive so as to make it attractive to a prospective employee.

Accordingly a scarce skills allowance can be paid to the prospective employee. The scarce skills allowance will be negotiated between the Manager Corporate Services in consultation with the Municipal Manager and the prospective employee and shall not exceed 10% of the annual basic salary of the position applied for and will be paid on a monthly basis as part of the salary. The allowance will be a non-pensionable allowance.

The payment of a scarce skills allowance will be linked to an individual and shall not be carried over to the next person when that position becomes vacant. The scarce skills allowance is not automatically carried over to the next person filling the position.

b. Determination of Notch Increment

In the event that the municipality struggles to fill a position that has been identified as scarce skills in this policy or it is employing a re – employed employee that was appointed on a fixed term contract of employment, the municipality reserves the right not to appoint the official at the starting notch of the salary scale as applicable for the position. The approval of the Municipal Manager is needed for the above action

In cases where existing staff require incentivizing, within areas reflected as scarce skills or former contract employee, it may be necessary to incentivize staff by increasing their notch level (up to the highest notch). This may only be done based on meeting all of the following requirements:

- i. on performance recognition and full motivation justifying such
- ii. Having more than 5 years' experience in the field or profession
- iii. Exceeding the minimum educational requirements as stated in the advert coupled with experience.

The motivation must be presented by the relevant Departmental Manager for such approval by the Municipal Manager and the Municipal Manager can use his/her own discretion in determining the relevant notch.

6. **Qualification Recognition Bonus**

In situations where a staff member furthers his/her studies over and above the minimum requirements for the position that he/she currently occupies, he/she will be eligible to receive a **once-off qualifications** bonus.

In order to qualify, these studies should fall within the nationally recognized scope of qualification as per South African Qualifications Authority SAQA and these

qualifications must be completed within an area related to the incumbent's current job/position. The qualification MUST be acquired whilst the official is in the employ of the municipality.

The bonus will be calculated as follows:

- i. Acquiring of a Bachelor Degree, NQF Level 7 qualification will entitle the employee to a once off honorarium equal to 5% of one month salary.
- ii. Acquiring of an Honors Degree, NQF Level 8 qualification will entitle the employee to a once off honorarium equal to 7% of one month's salary and
- iii. Acquiring of a Masters or Doctoral Degree, NQF Level 9 and 10 respectively qualifications will entitle an employee to receive a once off honorarium of 10% his/her month's salary.

This bonus or award may only be paid once the final results have been produced (certificate), showing that the incumbent has completed this entire qualification successfully.

Motivations are to be provided by the Departmental Head and finally recommended by the Corporate Service Director to the Municipal Manager for approval.

7. Career Development (Succession Planning)

In order to incentivize all staff (current and future) who work within PKSDM every effort must be made to ensure that plans are in place to ensure career development and more specifically succession planning occurs in areas where skills gaps and skills shortages currently exist, or in areas where these shortages are likely to exist.

Succession Planning is a process, which involves the identification of future available and more senior positions, to which the incumbent may aspire. The incumbent and immediate Supervisor/Manager are required to identify skills gaps and gaps in experience in order to determine the necessary steps to be taken, which will ensure that these incumbents achieve the necessary skills and experience necessary, to be able to be eligible for future positions of this nature. Formal Personal Development Plans are to be established and incorporated into the Performance Management System; thereby ensuring every effort is made towards realizing these aspirations and potential.

8. Personal Development

A Personal Development Plan (PDP) is to be developed for all staff in line with the implementation of a Performance Management System through the organization.

Through the normal process of skills auditing and the development of an Annual Training Plan for the organization, personal development plans will be developed for all staff in order to ensure that they are developed and grown within their field of expertise. Skills gaps will specifically be identified where necessary.

This will take the form of both formal and informal initiatives and will be monitored and driven by the relevant Line Manager in accordance with what is realistically possible within the organization.

9. Best Performing Employee of the Year Award

On a monthly basis recommendations for an "Employee of the Month" are to be made to the Corporate Service Manager. In an effort to encourage and reward positive performance, it is required that suitable employees are nominated monthly in order to achieve recognition for work which is considered to have met the criteria detailed for this Recognition Award.

A reward is to be made available to the top three performers depending on their achievements. The main event to recognize excellent performance will form part of the annual year end event of the municipality.

- 1st Prize: R
- 2nd Prize: R
- 3rd Prize: R

10. Enhanced Responsibility Award

This award is to be provided as an incentive to an employee who for various reasons finds himself/herself taking on enhanced responsibilities. Payment of this allowance does not necessarily have to be a funded position, but from savings or any other funded post that may not have been filled and the amount awarded will be motivated in terms of the specific circumstances applicable (approved by the MM).

11. Governance

This policy will be reviewed annually and updated for formal approval accordingly.

MTK

This policy will be governed specifically by the Corporate Service Department, who will be required to monitor and manage the implementation thereof.

The Municipal Manager will approve the application of these incentives/rewards to the various parties whom these become applicable.

A Retention Strategy Committee comprising the MM and s56 Managers will meet regularly in order to motivate changes to the policy and make implementation decisions.

Policy amendments and changes are to be effected only after formal approval from council.

EXECUTIVE MAYOR :



DATE APPROVED :

31 MARCH 2017

RESOLUTION :

R 2017 – 03 – 31 (9.9.2)

