

**AGENDA of the
Portfolio Committee : Management Services
6 April 2023
(Also the agenda for the Mayoral Committee Meeting : 24 April 2023)**

**5.
REVISED SCARCE SKILLS AND RETENTION POLICY**

**L Bucchianeri
15 March 2023**

Senior Manager : Human Resources

(028) 313 8120

1. Executive Summary

The purpose of this report is to recommend the Revised Scarce Skills and Retention Policy for approval.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate : Management Services
Department : Human Resources

3. Compliance with Strategic Priorities

Provision of democratic, accountable, and ethical governance
Provision and maintenance of municipal services
Creation and maintenance of a safe and healthy environment

4. Delegated Authority

None

5. Legal Requirements

- Local Government: Municipal Staff Regulations (Government Gazette No:890 of 20 September 2021)
- Local Government: Guidelines for the implementation of the Municipal Staff Regulations (Government Gazette No.891 of 20 September 2021)

6. Background/Discussion/Evaluation/Conclusion

Municipalities realize that their most valuable asset is human resources. A lot of time and money are invested in recruiting, training, and developing employees and therefore, every effort should be made to retain employees with scarce skills. Adopting the recruitment and retentions strategies outlined below for scarce skills will contribute to a more capable and stable workforce to achieve the municipality's goals.

This policy will replace the current Scarce Skills Policy.

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7. Financial Implications

Scarce Skills Allowances and Retention Strategies.

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

This item served before the LLF on 14 March 2023 for review.

10. Annexures

Annexure A: Revised Scarce Skills and Retention Policy

RECOMMENDATION TO COUNCIL:

that the Revised Scarce Skills and Retention Policy **be approved.**

RESPONSIBLE OFFICIAL:

L BUCCHIANERI

TARGET DATE FOR IMPLEMENTATION:

12 MAY 2023

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**5.
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15 March 2023**

Senior Manager : Human Resources

(028) 313 8120

THIS MATTER SERVED BEFORE THE MANAGEMENT SERVICES PORTFOLIO COMMITTEE ON 6 APRIL 2023, WHICH COMMITTEE RECOMMENDED AS FOLLOWS:

RECOMMENDATION TO COUNCIL:

that the Revised Scarce Skills and Retention Policy **be approved.**

RESPONSIBLE OFFICIAL:

L BUCCHIANERI

TARGET DATE FOR IMPLEMENTATION:

12 MAY 2023



OVERSTRAND MUNICIPALITY

SCARCE SKILLS AND RETENTION POLICY

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1. POLICY PURPOSE

- 1.1 On a strategic level, the municipality is committed to offering high-quality, reasonably priced, and dependable municipal services. The municipality views its human resources and staff as the most important resource to use in carrying out this duty and in delivering services on a long-term basis. All employees are important, but some have abilities that are so crucial to the municipality that service delivery would be substantially compromised without them.
- 1.2 To address the challenges of providing the high-quality, reasonably priced, and dependable municipal services mentioned above, the municipality is committed to hiring, training, developing, maintaining, nurturing, and retaining a qualified, competent, motivated, and dedicated workforce. The guidelines for the suggested scarce talents are provided in this policy.
- 1.3 Since a lot of time and money is spent on hiring, training, and developing personnel, every effort should be made to keep individuals who possess in-demand talents. In order to meet the goals of local government generally, the goals of the Municipality's Integrated Development Plan, and the Service Delivery and Budget Implementation Plans of individual Directorates, Departments, and the Municipality, it will be necessary to implement the recruitment and staff retention strategies for scarce skills that are mentioned below.

2. POLICY OBJECTIVE AND SCOPE

2.1 Current Status:

The current situation in terms of scarce skills manifests itself within the municipality as follows:

- 2.1.1 Despite several initiatives and recruitment efforts, some posts have remained unfilled for extended periods of time.
- 2.1.2 Vacant positions are marketed, but only sporadic interest from possible candidates is elicited by intensive advertising
- 2.1.3 In some instances, postings for open positions draw few or no competent applicants who match the basic requirements.
- 2.1.4 When aware of the whole compensation package, some potential applicants withdraw their applications or decide not to apply.
- 2.1.5 To ensure that the municipality can recruit, train, and retain capable and dedicated workers, proactive and innovative human resources procedures are required.

2.2 The Objectives of the Policy:

- 2.2.1 To identify Scarce Skills and retain skilled staff.
- 2.2.2 To identify a wide range of strategies, methodologies, and practices that will help with the attraction and retention of all municipal staff;
- 2.2.3 To provide a formal basis to declare the municipality's commitment to its staff and to attract and retain a competent and motivated workforce to serve the wider community;
- 2.2.4 To offer policy guidelines for the classification of particular cases, jobs, and occupational groupings as "scarce skills" for the purposes of applying this Policy;

- 2.2.5 To establish the institution's formal framework and/or to expand other associated human resources activities, such as improved recruitment and selection procedures, succession planning, mentorship, and training and development.

3. LEGISLATIVE FRAMEWORK

- 3.1 Skills Development Act, Act 97 of 1998
- 3.2 Skills Development Levies Act, Act 9 of 1999
- 3.3 Labour Relations Act, Act 66 of 1995
- 3.4 Employment Equity Act, Act 55 of 1998
- 3.5 Municipal Finance Management Act, Act 56 of 2003
- 3.6 Basic Conditions of Employment Act, No. 75 of 1997
- 3.7 Local Government: Municipal Systems Act, Act 32 of 2000
- 3.8 Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000), Local Government: Municipal Staff Regulations (Government Gazette, 20 September 2021 No 45181, GN No 890 and 891)
- 3.9 SALGA Circulars
- 3.10 The SALGA Conferences on Human Resources Development
- 3.11 LG SETA Skills Shortages & Skills Gaps Guide 2020 and 2021

4. DEFINITIONS

“Competent Staff” - Define

“**Employee Retention**” can be defined as those policies, practices and work methods that are applied to ensure that a competent, motivated and dedicated workforce is maintained and retained by the municipality to deliver quality services to the community.

“**Employer**” refers to the municipality that is established in terms of Provincial Notice 489 dated 22 September 2000 and the Local Government: Municipal Structures Act, Act No 117 of 1998.

“**External Candidate**” refers to an individual who is not employed by the municipality

“**Internal candidate/employee**” means an employee who is permanently employed and has successfully completed a minimum of six months’ probation period.

“**Job Evaluation**” means the process through which jobs within local government are evaluated through the TASK Job Evaluation System.

“**Labour Relations Act**” refers to the Labour Relations Act (Act No 66 of 1995) as amended.

“**LGSETA**” means the Local Government SETA

“**Municipal Finance Management Act**” refers to the Municipal Management Finance Act (Act 56 of 2003 as amended).

“**Numerical goals**” means designated goals based on relevant demographics whereby disadvantaged groups in the workforce achieve proportional representation in prescribed levels and categories.

“Reasonable accommodation” means any modification or adjustment to a job or to the working environment that will enable a person from a designated group to have access to or participate or advance in employment.

“Relevant demographics” means the most recent statistics of the economically active population of the Overstrand Municipality Area as provided by STATS SA (and if this is not readily available, the statistics of the Western Cape Province).

“Remuneration” means as set out and provided for in terms of the Basic Conditions of the Employment Act, the Labour Relations Act and the relevant Collective Agreements within Local Government.

“Scarce Skills” means those skilled people with the required academic and/or technical qualifications, knowledge in their field of expertise, including those specialized supporting functions to essential services, with the appropriate work experience and/or supervisory/management skills that are not easily obtained and which, if not in supply or available, can seriously disrupt effective and efficient service delivery to the community.

“Scarce Skills Allowance” means a temporary non-pensionable allowance calculated as a percentage of the employee’s basic monthly salary, and payable on a monthly basis, for positions that have been designated as such in terms of this Policy.

“Scarce skills occupants” means occupations within a municipality with which the employer experiences various degrees of difficulty to recruit and retain their services.

“Serious Shortage” means relative scarce skill and related experience

“Extreme or Severe Shortage” means absolute scarce skills and related experience

“Skills Development Act” refers to the Skills Development (Act No 97 of 1998) as amended.

“Skills Development Levies Act” refers to the Skills Development Levies Act (Act 9 of 1999) as amended.

“Systems Act” refers to the Municipality Systems Act (Act 32 of 2000) as amended.

“Suitably qualified person” means a person qualified as a result of any one of, or any combination of that person’s formal qualifications, prior learning, relevant experience or capacity to acquire, within a reasonable time, the ability to do the job.

5. FUNDAMENTAL PRINCIPLES

The Scarce Skills *and Retention* Policy is based on the following fundamental principles:

- 5.1 It is the responsibility of the Council of the Municipality to determine the strategic and operational needs of the organization.
- 5.2 The Municipality must experience difficulty in attracting and retaining critical expertise in certain fields / jobs
- 5.3 The Policy and its implementation must be fundamentally aimed at identifying those critical skills shortages, attracting individuals who have the skills required and retaining those individuals once appointed;
- 5.4 It is the responsibility of the Municipality to develop and retain especially those employees who have skills that are scarce and in high demand.
- 5.5 The principles and criteria of the payment of a scarce skills allowance will form part of the Employment Contract of all permanent Employees who are in posts identified as scarce skills posts.

6. GENERAL POLICY PROVISIONS

Cognisance must be taken of the following key principles when considering the application of the Scarce Skills and Retention Policy:

- 6.1 The nurturing and retention of staff is not a once-off project, but a constant management tool interlinked with performance management, mentoring, training and development, succession and career planning.
- 6.2 The retention of staff is the collective responsibility of line and senior management in all directorates.
- 6.3 The principles of necessity, consistency and transparency must characterize all transactions relating to the interpretation and application of this Policy
- 6.4 The payment of a Scarce Skills Allowance in terms of this Policy must be seen as a short or medium-term tactic to acquire ~~and retain~~ quality staff; the long-term objective is to institute human resources practices across the board that typify the municipality as the “employer of choice” that attracts quality personnel on a continuous basis
- 6.5 Financial affordability and sustainability serve as a key consideration when making decisions and when considering the application of this Policy.

7. ATTRACTION OF COMPETENT STAFF

7.1 Introduction

- 7.1.1 The attraction and retention of competent staff must form part of the municipality’s talent management framework and strategy as per Regulation GN 890 of 20 September 2021.
- 7.1.2 Talent management is an integrated process designed to attract, retain and develop competent staff.
- 7.1.3 Effective talent management ensures operational continuity and sustainability of the municipality by ensuring that the appropriate people, with the appropriate skills, are in the appropriate job at the right time.
- 7.1.4 The municipal manager must ensure that the municipality develops and implements an effective staff attraction and retention strategy and plan.
- 7.1.5 A committee of the municipal council established in terms of section 80 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) must monitor the implementation of the approved staff attraction and retention strategy and plan.

7.2 Attraction of competent staff

The following extract from the legislation states:

(1) In developing a staff attraction strategy and plan, the municipality must consider the following:

(a) The municipality’s staff value proposition.

(i) A value proposition is the concise description of what the municipality has to offer potential staff.

(ii) The employee value proposition is a message designed to persuade and entice sought after professional and technical skills to consider being employed at the municipality.

- (iii) The staff value proposition should be inspirational, motivational, attractive and distinctive.
- (b) The municipality's long-term and current strategic organisational requirements in respect of leadership competencies, technical skills and public service imperatives.
- (c) The municipality's ability as an employer to provide a favourable work environment for staff.

7.3 Attraction of staff techniques - Item Technique Examples

The following item technique examples should be considered:

- 7.3.1 Buying talent:** Building relationships with important sources of talent such as tertiary institutions, business schools, using referral hiring, creating partnerships with staff search agencies, targeting potential staff members, building an internet recruitment strategy.
- 7.3.2 Building talent:** Providing training and development for key staff members.
- 7.3.3 Borrowing talent:** Forming alliances with organizations in the private and public sector, retaining consultants, building skills transfer programmes, outsourcing work, maintaining relationships with former staff members.
- 7.3.4 Bouncing talent:** Investigating opportunities such as secondment, flexible work arrangements and contract work.
- 7.3.5 Binding talent:** Offering financial and non-financial inducements to retain talent.
- 7.3.6 Boosting talent:** Promotion and staff recognition schemes.

7.4 Identification of competent staff

- 7.4.1 The identification of scarce, critical and high-risk skills must form the basis of any talent management interventions.
- 7.4.2 The Senior Manager responsible for human resources must develop a framework for the identification of competent staff.
- 7.4.3 The framework must enable the identification of leadership groups and technical talent in the municipality.
- 7.4.4 Supervisors, in consultation with the manager responsible for human resources, must identify competent staff members.

8. RETENTION OF COMPETENT STAFF

8.1 The Senior Manager responsible for human resources must -

- 8.1.1 oversee the retention strategy; and
- 8.1.2 ensure that there is consistency in the way in which competent staff are managed and engaged
- 8.1.3 ensure that systems and processes are structured to provide flexibility within the legal framework so that staff can be managed effectively and differently, if necessary;
- 8.1.4 provide supervisors with the authority to act in this regard, whilst offering strategic advice and support;

-
- 8.1.5 review policies and procedures to ensure that they provide the measure of flexibility necessary to accommodate competent staff members; and
 - 8.1.6 develop an accountability framework that details the boundaries within which supervisors may act to retain staff.

8.2 Actions to retain staff:

- 8.2.1 Each supervisor must engage on an individual basis with those staff identified as competent staff members to understand both their tangible and intangible motivations and aspirations.
- 8.2.2 This engagement may be integrated with the performance management cycle and the formulation of personal development plans.
- 8.2.3 The Senior Manager responsible for human resources and other human resources staff should support supervisors by providing them with the methodology and instruments to undertake this engagement.
- 8.2.4 The engagement with a staff member should take into account—
 - 8.2.4.1 the staff member's interests, values, skills, and development needs; and
 - 8.2.4.2 the various options available to the staff member.
- 8.2.5 Supervisors, in consultation with staff employed in the human resources function, must identify those tangible and intangible motivations that are not feasible and should consult with the staff member to find a satisfactory solution.
- 8.2.6 The engagement must result in a plan that is signed off by both the staff member and the relevant supervisor and ratified by the manager responsible for human resources.
- 8.2.7 The plan should contain both tangible and intangible actions, timelines, targets, and conditional requirements.
- 8.2.8 The plan should become the basis for the development, engagement and retention of competent staff members.
- 8.2.9 The Senior Manager responsible for human resources, together with the relevant supervisors, must develop and apply a talent exposure programme for new talent entering the municipality or entering a specific level within the municipality.
- 8.2.10 The exposure programme should aim at providing competent talent with structured exposure to particular fields of work and roles.
- 8.2.11 The Senior Manager responsible for human resources, or the person to whom this function is delegated, must ensure that the programme defines the roles that talent on the programme will perform so that their skills and development requirements are optimised during the exposure, and expectations are managed.
- 8.2.12 Supervisors should engage with competent staff members in a discussion regarding their plan on an ongoing basis.
- 8.2.13 The talent management plan must be reviewed annually and the review should coincide with the performance management cycle of the municipality.
- 8.2.14 The review should consider the steps that have been completed in the plan, what is still required to be done, performance, next steps, amendments and support needed.

8.2.15 The plan should be updated and sent to the manager responsible for human resources for ratification.

9. IDENTIFYING SCARCE SKILLS

It is the responsibility of the **Employer** to identify certain posts and / or occupational groups affected by a scarce skills challenge, using any or all of the following criteria:

- 9.1 the turnover rate of employees in an occupation must be significantly above the average turnover experienced by the Municipality
- 9.2 high vacancy rate;
- 9.3 the demand for a particular skill exceeds the supply;
- 9.4 there must be a shortfall for the identified skill in the local, provincial and national government market, indicating
- 9.5 strong factors attracting such employees into the private sector;
- 9.6 vacancies should be proven to be difficult to fill;
- 9.7 the skills must require an advanced knowledge in a field, science or discipline obtained through formal studies and /or specialized instruction and / or years of service or experience;
- 9.8 the skills /knowledge /experience must be critical to a specific project and /or service
- 9.9 is submitted for the payment of a scar city allowance
- 9.10 All normal recruitment processes must have been exhausted before a motivation is submitted
- 9.11 Lack of relevant experience (skills related)
- 9.12 New/Emerging occupation (skills related)

The above-mentioned are indicators that may illustrate scarcity in a particular occupational grouping of positions or specific position.

10. OCCUPATIONAL SHORTAGES AND HARD TO FILL VACANCIES

- 10.1 The Local Government Sector Education and Training Authority's (LGSETA) Skills Shortages & Skills Gaps Guide as promulgated from time to time refers to hard-to-fill vacancies as those vacancies in the organisation that takes longer than six (6) months to find a suitably experienced and qualified candidate.
- 10.2 These skills shortages occur when the employer is unable to fill vacancies, or experience considerable difficulties in filling vacancies, due to the demand for workers in certain occupations being greater than the supply of workers who are available and willing to work under existing work and employment conditions.
- 10.3 Occupations listed in a specific year by the LGSETA as occupational shortages will be regarded as scarce skills occupational in terms of this policy and can be seen as annexure to this policy.
- 10.4 Posts determined as scarce skills posts in terms of this Policy shall be reviewed every twelve (12) months to allow for the relevant adjustments, based on changing trends and to confirm whether the occupation remain scarce.
- 10.5 In terms of sub-section 1(5) of the Municipal Staff Regulations: Guidelines for Implementation, Chapter 2, a committee of Council(Section 80) must monitor the implementation of the approved staff attraction and

retention strategy and plan.

11.REWARD STRATEGY FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS

- 11.1 Directors requesting a scarcity allowance to be paid for an occupational group and / or a specific post must first determine if the post or occupation is listed as an occupational shortage.
- 11.2 If the occupation is listed as an occupational shortage, the Director must determine the degree to which the post is considered a scarce skills occupation and submit, bearing inter alia paragraph 7 above in mind, a motivation(s) to the Dir Management Services, who will make a recommendation to the Municipal Manager for approval, provided that provision has been made on the budget.
- 11.3 The Municipal Manager will consider the merits of the application, the recommendations made by the relevant Director and Director Management Services, apply the Policy and come to a decision on the degree of scarcity of the position.
- 11.4 The Senior Manager: Human Resources will formally notify the employee of the decision and the conditions under which the scarce skills allowance is approved.
- 11.5 The Senior Manager: Human Resources will ensure that proper record is kept and will update the Scarce Skills Allowance Register accordingly
- 11.6 The scarce skills allowance and list of occupational shortages will be reviewed annually before 31 March for implementation from 1 July of the following financial year to allow for the relevant adjustments, based on changing trends and to confirm whether the posts and / or occupational groups originally affected by scarce skills remain scarce taking into consideration occupations regarded as scarce skills by the LGSETA.
- 11.7 The allowance will no longer be applicable for any new appointments or existing employees should a skill no longer be identified as scarce by the Municipal Manager or should the employee fail to perform at the required level.
- 11.8 In the event of a post advertised with a scarcity allowance, the employment contract of the successful candidate shall stipulate that the payment of the scarcity allowance shall be reconsidered after the six months' probation period . This stipulation shall also form part of the advertisement of the post.
- 11.9 The payment of the allowance will be reconsidered in the event of an unsuccessful completion of a six months' probation period and will be stipulated as such in the Employment Contract
- 11.10 Employees who receive a scarce skills allowance approved prior to Council's approval of specific occupational shortages, holding a post not listed as an occupational shortage, shall retain the allowance subject to the stipulations of the employee's employment contract, initial scarce skill allowance approval or standard of performance.

12.ALLOCATION OF A SCARCE SKILLS ALLOWANCE

Procedures for the allocation of a scarce skills allowance are the following:

12.1 Varying Degrees of Scarcity:

A short-term Scarce Skills Allowance should be considered when there is a relative scarcity of the skills, i.e. suitably skilled people may be available, but do not meet the following employment criteria:

- 12.1.1 Geographical location – employees are unwilling to work in rural areas
- 12.1.2 Equity considerations – there are few or no candidates with the requisite skills from specific groups available to meet the skills requirements of the municipality
- 12.1.3 Replacement demand would reflect a relative scarcity if there are people in education and training [formal and workplace] who are in the process of acquiring the necessary skills [qualification and experience], but where the lead time will mean that they are not available in the short term to meet replacement demand
- 12.1.4 The municipality is experiencing difficulty in attracting and retaining the services of the individuals from designated and non-designated groups with scarce skills due to the obligation on the employer to adhere to the collective agreements regulating the salary scales and evaluation of jobs of occupations/designations within the municipality

12.2 Payment of scarcity allowance:

- 12.2.1 A scarcity allowance (non-pensionable) will range from 10-15% of the employee's annual basic salary or an amount as approved by the director after consultation with the Director Management Services, in which event the allowance may not exceed 15% of the employee's annual basic salary provided that the same amount be paid to all employees should the scarce skills allowance be approved for a specific occupational group and may be payable .
- 12.2.2 The degree of scarcity shall determine the percentage and period of allowance payable.
- 12.2.3 Such allowance must allow for both the possession of skills and the extent of the utilization of the skills in the general performance of duties.

12.3 Discontinuation of allowance

- 12.3.1 Where the allowance is terminated , three months' notice will apply;
- 12.3.2 After a regrade/re-evaluation, the new salary plus allowance is limited to the old salary plus allowance (allowance decreased)
- 12.3.3 Once the allowance is calculated, it becomes a fixed amount and does not increase with annual salary, increment or grading increases.
- 12.3.4 When an employee is on unpaid leave due to medical boarding, the employee will not be granted the allowance for the duration of the time from the time the medical boarding commenced until termination.
- 12.3.5 That the stipulations of this policy with regards to termination/discontinuation of the allowance be stipulated in the Employment Contract of an employee or in writing to an existing employee in the event of payment of a scarce skills allowance as an effort to retain qualified, skilled and experienced employees.
- 12.3.6 Before the allowance is payable the employee must sign an undertaking that the payment of the allowance shall be terminated or reduced in the **following circumstances:**

- 12.3.6.1 If an identified scarce skills occupation or the degree to which the occupation is considered as a scarce skills occupation is no longer classified as a scarce skills occupation by the Municipal Manager in consultation with the relevant Director and the Director Management Services.
- 12.3.6.2 If the employee is appointed, transferred or promoted to a post in the same or another occupation with a lower or no classification in terms of the degree to which the occupation is considered as a scarce skills occupation, the scarce skills allowance is reduced or terminated with effect from date of appointment, transfer or promotion.
- 12.3.6.3 The Municipal Manager retains the right to terminate a scarce skills allowance of a specific post after consultation with the effective incumbent based on operational requirements or performance, provided that the payment of the allowance will only be terminated or reduced after the employee has been given three [3] months' notice in writing of the reclassification

12.4 Percentages to be paid in the form of a scarce skills allowance

The Municipal Manager may approve the following percentages based on the basic salary component of the remuneration package to be paid in the form of a monthly non-pensionable scarce skills allowance:

- 12.4.1 Serious Shortage: : Ten (10) to Thirteen (13) %
- 12.4.2 Extreme and Severe Shortage : Fourteen (14) to Fifteen (15) %

13. STAFF RETENTION CRITERIA AND PROCEDURES

To retain highly qualified and skilled employees any or all of the following criteria and responsibilities may apply when considering allowances:

- 13.1 The employee must receive a *bona fide* offer of employment from another employer which offer must be in writing and includes details of the salary / remuneration offered to the employee, subject thereto that the director recommending the payment of the allowance must verify the offer and provide a concise written justification along with a copy of the offer letter;

14. ADJUSTMENT OF PERCENTAGE OF ALLOWANCE

- 14.1 The scarce skills allowance must be re-evaluated at least on an annual basis, or such shorter intervals as may be determined by the Municipal Manager to allow for the relevant adjustments, based on changing trends and to confirm whether the posts and/or occupational groups originally affected by a scarce skills challenge remain scarce.
- 14.2 The percentage of the allowance approved by the Municipal Manager may be revised annually during March.
- 14.3 The allowance will no longer be applicable for any new appointments should a skill or post no longer be identified as scarce in terms of this Policy.
- 14.4 The performance of an employee who receives a scarce skills allowance must continuously be monitored by the relevant Director.
- 14.5 The percentage of the allowance must be adjusted accordingly and in some instances be taken away completely should his/her performance not be satisfactory. However, measures in regard to poor performance

must be instituted against the said individual by the relevant Director prior to any change in the allowance as a result of poor performance being recommended for implementation to the Municipal Manager via the Director: Management Services. Such measures shall include formal discussions with the employee to identify areas of under/substandard performance and to investigate possible methods of capacitating the employee.

- 14.6 Performance of an employee in a job regarded as a scarce skill occupation shall be taken into consideration when payment of a scarce skills allowance is considered. Employees with poor or substandard performance will not qualify for a scarce skills allowance.

15. IMPLEMENTATION OF SCARCE SKILLS ALLOWANCE

The implementation date shall be the 1st of the month following the month in which the allowance is approved by the Municipal Manager unless otherwise motivated by the relevant Director and approved by the Municipal Manager.

16. EFFECTIVE DATE OF POLICY

The Scarce Skills and Retention Policy shall be effective from the 1st of Jan 2023.

| | |
|------------------------------|------------------|
| POLICY SECTION : | HUMAN RESOURCES |
| CURRENT UPDATE : | 26 April 2023 |
| PREVIOUS REVIEW : | N/A |
| APPROVAL BY COUNCIL : | 24 February 2009 |