

BERGRIVIER MUNICIPALITY



SCARES SKILLS POLICY

DATE APPROVED : 23 MAY 2023
COMMITTEE : MAYORAL COMMITTEE

DOCUMENT HISTORY

Version	Date Created	Status	Writer	Changes
1.0	22/10/2009	Approved (BKN 2933 of 22/10/2009)	SALGA	New Document
1.1	28/01/2022	Draft	W Rheeder	Updated policy (Municipal Staff Regulations)
1.2	05/10/2022	Draft	W Rheeder	Distribution for comments
1.3	24/11/2022	Draft	W Rheeder	Submission to LLF
1.4	15/12/2022	Draft	W Rheeder	Comments
1.5	30/03/2023	Draft	W Rheeder	Submission to LLF
1.6	03/05/2023	Draft	AW Rheeder	Submission to Corporate Services Committee
1.7	23/05/2023	Final (BKN042/05/2023)	AW Rheeder	Approval by Mayoral Committee

CONTENTS

1. INTRODUCTION	3
2. DEFINITIONS	3
3. OBJECTIVES.....	4
4. DEFINITION OF SCARCE SKILLS.....	5
5. FUNDAMENTAL PRINCIPLES	6
6. IDENTIFYING SCARCE SKILLS	7
7. REWARD STRATEGY FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS.....	9
7.1 SHORT-TERM SOLUTIONS FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS	9
7.2 LONGER TERM SOLUTIONS FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS	9
8. PAYMENT OF A SCARCE SKILLS ALLOWANCE	10
8.1 FACTORS THAT INFLUENCE THE SCARCE SKILLS ALLOWANCE.....	10
8.2 PAYMENT OF A HIGHER SALARY WITHIN THE RANGE.....	12
8.3 REVIEW OF SCARCE SKILLS ALLOWANCE.....	12
9. DATE OF EFFECT OF THIS POLICY.....	13

1. INTRODUCTION

It is the responsibility of the Municipality to determine the strategic and operational needs of the organization. The Municipality needs to identify the critical skills shortages and how to attract individuals who have the skills required and retaining those individuals once appointed.

2. DEFINITIONS

In this policy, unless the context indicates otherwise:

<i>“Appointment”</i>	means the designation of a work-seeker to a specific position on a permanent or temporary establishment from a fixed date for a limited/fixed or indefinite period on a full- or part-time basis to hold
<i>“Candidate”</i>	means a job seeker who is selected for the testing procedures and to participate in the selection process and who at the end of the selection process is selected for appointment
<i>“Director”</i>	means an employee of Bergrivier Municipality who, in terms of a Council resolution or an Act, is directly responsible to the Municipal Manager for the administration of a directorate of the Municipality, or is acting in such capacity
<i>“Employee”</i>	means a person who works for or renders a service to the Municipality, regardless of the shape of his/her employment contract and to which any factor listed in section 200A (1) of the Labour Relations Act applies
<i>“External Candidate”</i>	refers to an individual who is not permanently employed by the Municipality or who has not successfully completed an internship program at Bergrivier Municipality
<i>“Establishment”</i>	means the permanent establishment
<i>“Human Resource Planning”</i>	refers to the activity aimed at ensuring that the Municipality is having the optimal number of employees of the required quality at the required time at the designated disposal site
<i>“Human Resources Supply”</i>	refers to the range of activities undertaken to ensure that the Municipality continuously employs an optimal number of employees of the required quality so that the Municipality's objectives are effectively and efficiently achieved

<i>“Internal Candidate/Employee”</i>	refers to an employee who is permanently employed or who has successfully completed an internship programme with Bergrivier Municipality
<i>“Job Evaluation”</i>	means the process through which jobs within local government are evaluated through the collective agreement of the TASK Job evaluation system
<i>“Municipality”</i>	means the Bergrivier Municipality, a municipality established in terms of section 12 of the Municipal Structures Act, 1998 (Act 117 of 1998), as amended
<i>“Municipal Manager”</i>	means the person appointed as such in terms of Section 54A of the Local Government: Municipal Systems Act (Act 32 of 2000) and includes a person acting in his/her stead
<i>“Quality”</i>	means, in relation to a job seeker and the Municipality, the combination of knowledge, skills, experience and other qualities that a person needed to perform the duties of a particular job done efficiently
<i>“Recruitment”</i>	refers to activity aimed at attracting the greatest possible number of suitable job seekers and to encourage them to apply for a vacancy advertised
<i>“Reasonable Accommodation”</i>	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
<i>“Scarce Skills”</i>	means those skills that were identified as critical and of which a shortage is experienced and which is required for key projects and/or positions
<i>“Suitably Qualified”</i>	means, with respect to an employee, job seeker or candidate, either or a combination of the person concerned of that person’s formal qualifications, prior learning, relevant experience or capacity to acquire, within a reasonable time, the ability to do the job
<i>“Trade Union”</i>	means a union which is party to the “South African Local Government Bargaining Council”

3. OBJECTIVES

3.1 The Scarce Skills Policy aims to:

- 3.1.1 identify scarce skills within the Municipality;
- 3.1.2 recruit individuals with such scarce skills;
- 3.1.3 retain the existing employees with the scarce skills;

- 3.1.4 reduce the current skills shortages through the provision of staff attraction and retention strategies, designed to attract, develop and retain staff with critical and necessary skills;
- 3.1.5 attract, obtain and retain people with the required competencies (knowledge, skills and attributes) within the organisation to ensure that a continuous supply of high calibre employees is available to meet the Municipality's immediate and future human resource needs; and to establish a positive image of the Municipality and positioning it as the Municipality of choice within the development sector;
- 3.1.6 ensure that this policy contributes to the strategic goals of the Municipality;
- 3.1.7 introduce fair and objective principles and procedures for the staffing of the Municipality.

4. DEFINITION OF SCARCE SKILLS

- 4.1 The Department of Employment & Labour defines scarce skills as an absolute or relative demand.
- 4.2. Absolute scarcity refers to suitably skilled people who are not available in the labour market.
- 4.3. Relative scarcity refers to suitably skilled people who are available in the job market, but they do not exhibit other employment criteria.
- 4.4 The key differences between an absolute and relative demand are as follows:

ABSOLUTE SCARCITY	RELATIVE SCARCITY
A new or emerging occupation i.e. there are few if any people in the country with the requisite skills	High level work experience, for example a project manager for a construction site
Firms, sectors or even the national economy are unable to implement planned growth strategies because productivity, service delivery, and quality problems are directly attributable to a lack of skilled people	Geographical location, for example persons are unwilling to work outside of urban areas.
Replacement demand would reflect an absolute scarcity where there are no people enrolled or engaged in the process of acquiring skills that need to be replaced	Equity considerations, for example there are few if any candidates with the requisite skills from specific groups available to meet the skills requirement of the Municipality

5. FUNDAMENTAL PRINCIPLES

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

- 5.1 It is the responsibility of the Municipality to determine the strategic and operational needs of the organisation.
- 5.2 The Municipality must experience difficulty in attracting and retaining critical expertise in certain fields/jobs in the limitations set by the collective agreements on wages, salaries, job evaluation and the categorization of municipalities.
- 5.3 The Scarce Skills Policy and its implementation should 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 employees, especially those employees who have skills that are limited and in high demand.
- 5.5 To enable the Municipality to adhere to the requirements of the Employment Equity Act and Skills Development Act to ensure representation of previously disadvantaged groups in all occupational categories, it is necessary to take unusual steps to identify, develop and retain individuals that will relieve the critical skills shortages in the long run and will ensure appropriate representation within all occupational levels in these fields. Internal employees who possess the potential to be trained or developed to meet the required needs for scarce skills has to be identified and developed.
- 5.6 Measures that deal with the attraction and retention of scarce skills must aim to address the problem in the short term and in the long term.
- 5.7 A prerequisite for the retention of scarce skills is that the necessary support in terms of backup training, personnel and systems enable them to perform their duties adequately.
- 5.8 Other reasons for struggling to attract or retain employees with scarce skills, such as availability of suitable housing and schools, cost of living, geographic location, etc. must also be determined and considered.
- 5.9 Rewards/remuneration/allowances should preferably be determined on a uniform basis in terms of the Bargaining Council, Provincial or District context.

6. IDENTIFYING SCARCE SKILLS

- 6.1 The municipality is struggling to fill certain positions in its organizational structure due to scarce skills.

- 6.2 Any or all of the following criteria can be used to identify certain posts and/or occupational groups affected by a scarce skills challenge:
- 6.2.1 The critical and scarce skills lists for the sector published by the Minister of Higher Education and Training and the sector skills plan from LG Seta for clarification on sector specific scarce skills.
 - 6.2.2 Turnover rate of employees in a particular occupation. The turnover rate must be significantly above the average turnover experienced by the Municipality.
 - 6.2.3 Ability of and/or incumbents to meet the demands of the tasks or the technical requirements defined by the tasks.
 - 6.2.4 The duration of the skills shortfall that cannot be accommodated from within departmental staff.
 - 6.2.5 High vacancy rate.
 - 6.2.6 Vacancies in the identified field or occupational category should prove difficult to fill.
 - 6.2.7 The demand for a particular skill/s outweighs the supply.
 - 6.2.8 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.
 - 6.2.9 Reasons/factors given by employees with scarce skills for leaving the service of the municipality. Exit interviews upon all resignations must be conducted in order to determine this.
 - 6.2.10 The skills/knowledge/experience must be critical to a specific project and/or service.
 - 6.2.11 The scarcity is not caused by remuneration or other internal issues like employee conflicts or workplace frustration with superiors.

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

7.1 SHORT-TERM SOLUTIONS FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS

7.1.1 Should the Municipality fail in attracting the services of individuals from designated and non-designated groups with scarce skills, a scarce skills allowance can be paid to the individual as set out in paragraph 8 below (increase in guaranteed pay subject to the maximum of the pay range)

7.1.2 Depending on the critical status of the skills needed, appointing a consultant/temporary worker/retired employee on a short-term basis to ensure the successful completion of a project/task may be considered.

7.2 LONGER TERM SOLUTIONS FOR ATTRACTING AND RETAINING INDIVIDUALS WITH SCARCE SKILLS

7.2.1 The Municipality must ensure that in consultation with the LGSETA, internships in fields that have being identified as scarce are identified and funded/supplemented through the Skills levy paid by the Municipality in terms of its obligations under the Skills Development Levies Act.

7.2.2 The Municipality must ensure that these internships are taken up and implemented to enable the Municipality to attract individuals at an early stage in fields of scarce skills and where experience is a necessity for the performance of a function/job.

7.2.3 Individuals who form part of an internship should be accommodated by providing time off to obtain the necessary qualifications in the field identified.

- 7.2.4 Internal employees who have demonstrated a desire to qualify themselves in a field where a scarce skill exists should be offered bursaries (subject to available funds and qualifying criteria) to enable them to study part time in the various identified fields with an obligation to work for the Municipality after obtaining their required qualifications for the number of years they received a bursary.
- 7.2.5 Employees who leave the employment of the Municipality before they have worked back the years they received a bursary, should be obliged to pay an amount proportional to the bursary they received and the years worked into the bursary fund referred to in 7.2.4 above designated for the training of learners/individuals in the field identified as scarce.
- 7.2.6 Employees who are studying part-time have to be accommodated to enable them to attend classes and exams where necessary during work hours.
- 7.2.7 The Municipality must put measures in place to ensure a transfer of skills by employees with scarce skills takes place during their employment with the municipality by putting in place a mentoring programme.

8. PAYMENT OF A SCARCE SKILLS ALLOWANCE

8.1 FACTORS THAT INFLUENCE THE SCARCE SKILLS ALLOWANCE

- 8.1.1 The payment of a scarce skills allowance should enable the Municipality to attract and retain scarce skills within its budgetary constraints.
- 8.1.2 Directors requesting a scarce skills allowance to be paid for a specific post/s must submit, bearing inter alia paragraph 6

above in mind, a motivation to the Director: Corporate Services. The Director: Corporate Services must ascertain whether the application complies with the requirements stipulated in the policy, and thereafter submit the application to the Municipal Manager for consideration.

- 8.1.3 A maximum scarcity allowance as prescribed in paragraph 8 may be payable following the provisions of paragraph 6 above.
- 8.1.4 Allowances should allow for both the possession of skills and extent of the utilisation of those skills in the general performance of duties.
- 8.1.5 All normal recruitment processes in accordance with the Municipality's policy must have been exhausted before a motivation is submitted for the payment of a scarce skills allowance.
- 8.1.6 The Municipal Manager retains the right to terminate a scarce skills allowance of a specific post after consultation with the incumbent based on operational requirements, provided that the payment of the allowance will only be terminated or reduced after the employee has been given at least three (3) months' written notice of the reclassification.
- 8.1.7 The grading of the scarcity allowance must be dealt with as follow:

Category	Description	% Scarcity allowance
1	Moderate Scarcity: There is a constant turnover, but replacements can be recruited again with extra efforts e.g. advertisements in national newspapers. Situation is relatively stable, but to be monitored regularly to prevent deterioration.	T-scale of position: Notch 2

2	Serious Scarcity: Vacancies can only be filled after prolonged and extensive recruitment process. All options have been exhausted to procure the best candidate. Barriers pertaining to geographical location and remuneration to first be eliminated before the scarcity allowance is considered.	T-scale of position: Notch 4
3	Severe scarcity: Vacancies almost impossible to fill even after extensive recruitment processes. A high demand in the external market and general shortage in the labour market of a highly specialised post.	T-scale of position: Notch 6
4	Extreme Scarcity: Pertaining to highly exceptional cases. Each case to be dealt with on a merit basis.	T-scale of position: Notch 6 -10

8.2 PAYMENT OF A HIGHER SALARY WITHIN THE RANGE

8.2.1 The Municipality is bound by collective agreements relating to job evaluation and salary scales which provide for the appointment of external candidates on the starting notch/salary of a specific post. The Municipality can offer an individual a commencing salary within the range of the scale, as per the Municipality's employment policy.

8.2.2 When external candidates are appointed, they may be offered a commencing salary between the minimum and high point pay range based on the candidate's experience, knowledge, competence and scarcity of the skill he/she possesses.

8.3 REVIEW OF SCARCE SKILLS ALLOWANCE

8.3.1 Should a skill no longer be identified as scarce the allowance should no longer be applicable for any new appointments.

8.3.2 The relevant Director must ensure that the performance of an employee who receives a scarce skills allowance should be evaluated annually and should his/her performance not be satisfactory, the scale of the allowance should be adjusted accordingly and, in some instances, should be taken away completely. Measures regarding poor performance should be instituted against the said individual prior to any change in the allowance for poor performance.

9. DATE OF EFFECT OF THIS POLICY

This internal policy will be effective from the first day of the calendar month following the date on which the Council of Bergrivier Municipality has approved this internal policy.