



**MEMORANDUM OF AGREEMENT ON PASS STAFF  
REMUNERATION AND CONDITIONS OF EMPLOYMENT  
AND RELATED MATTERS FOR 2017**

**between**

**UNIVERSITY OF CAPE TOWN**

**(hereinafter referred to as the Employer)**

**And**

**UNIVERSITY OF CAPE TOWN EMPLOYEES UNION (EU)**

**(hereafter referred to as the Union)**

*Handwritten signatures and initials, including "PM" and "WU".*

### 1. Preamble and Scope

This document records the agreement reached between the Employer and the Union in respect of remuneration and conditions of employment for employees in the Pay classes 6 to 12.

### 2. 2017 Increases

The following differentiated increases to the 2016 pay ranges will be applied with effect from 1 January 2017:

UCT Payclass	UCT 2016 Standard Package	May 2016 60th percentile	Compa ratio to May 2016 60th percentile	2017 increase proposed	UCT 2017 Standard Package	Lump sum 0.4%
6	200 163	196 716	102	6.6%	213 374	801
7	279 277	298 464	94	6.8%	298 268	1 117
8	311 393	315 012	99	6.6%	331 945	1 246
9	366 848	374 364	98	6.6%	391 060	1 467
10	463 559	457 056	101	6.6%	494 154	1 854
11	568 836	553 332	103	6.6%	606 379	2 275
12	771 077	742 284	104	6.6%	821 968	3 084

The current remuneration policy for PASS staff allows for a tolerance level of 5% above and 5% below 100 of the compa ratio to the 60th percentile of the National All Jobs Market.

Currently Payclasses 6, 10, 11 and 12 are all above 100 and Payclasses 8 and 9 are below, but within the tolerance ratio. Payclass 7 remains an anomaly.

With an expected market move of 6.5% for the National All Jobs Market, management is offering a range movement of 6.6% for Payclasses 6 and 8-12 and 6.8% for Payclass 7, backdated to January 1, 2017. This should ensure that the individual payclass standard package positions for Payclasses 6 and 8-12 remain within the 5% tolerance of the policy for 2017. UCT commits to address the Pay class 7 anomaly over the next three years.


In response to the Employees' Union demand for a 7% increase, management is also offering a once-off lump sum of 0.4% for Pay classes 6 - 12.

Notwithstanding the 6% which was already implemented at the end of February 2017, the balance which amounts to 0.6 and 0.8 as set out to the respective pay classes above coupled with the once-off lump sum of 0.4% for Pay classes 6 – 12 will be implemented by the end of May 2017.

### 3. Medical Aid

The Employer confirms that the University Council, at its meeting on 18 March 2017, agreed to medical aid of choice i.e., that staff can belong to any medical aid scheme so long as they provide proof of such cover each year.

The Employer confirms that should staff wish to qualify for the post-retirement medical aid subsidy, they would need to belong to a medical aid scheme while they are employed at UCT and provide proof of cover each year in order to accrue the years of service required to qualify for the post-retirement

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subsidy. They will then have the option to join UCT's medical aid of choice before retirement date in order to qualify for the post-retirement medical aid subsidy, as is the case at the moment where staff belong to their spouse's medical aid scheme. In order to qualify for the medical aid subsidy, staff will be required to move to UCT's medical aid from the beginning of their second last year before retirement.

The Employer confirms that the University Council also approved that, with effect from 1 January 2018, all new staff will no longer qualify for a post-retirement medical aid subsidy.

The Employer confirms that it is envisaged that the decision to elect "cover of choice" will commence with effect from 1 May 2017. Each staff member electing to belong to a medical aid scheme of their own choice will be required to meet with the Healthcare Intermediary in order to confirm that they fully understand the implications of exercising their choice. They will be required to sign acknowledgement of the implications of exercising their choice, including but not limited to, having to pay back any savings used in excess of the portion already contributed by the staff member for the year, as well as receiving any unused prorated savings contributions.

#### 4. Staff Tuition

Management will propose to the Resource Allocation Advisory Group that a fund of R100 000 be set aside for a three year pilot project for the years 2018, 2019 (R150 000) and 2020 (R200 000), to provide partial financial support for a UCT employee or a dependant of any UCT employee who unsuccessfully applied to study at UCT, despite having met the minimum academic entry requirements, i.e., was not offered a place as a result of the faculty cut-off rate, who subsequently received an offer to study at Stellenbosch University, CPUT or UNISA. The financial support will also apply in instances where such a staff member or dependant undertakes a course at Stellenbosch University, UNISA or CPUT that is not offered at UCT.

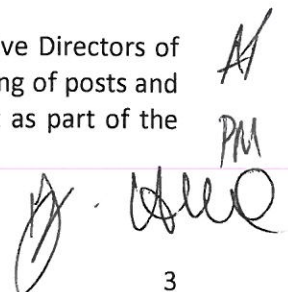
This financial support will be disbursed on application and on a competitive basis taking into account financial need. The exact mechanism is a matter to be agreed upon between the parties and other interested parties and will be based upon appropriate levels of representation of all interested parties. Within the Human Resources Department the Staff Development section must develop a framework and rules and put them in place by November 2017. This scheme is subject to a review and revision on an annual basis.

For the request for three months sabbatical leave for Masters and PhD for staff: This is operationally not affordable and the policy has been revised and increased to accommodate this as follows: "In the case of PhD or Masters, up to 12 days study and examination leave will be granted to prepare written submission for formal examination where this submission is the main form of examination".

Management commits to give urgent attention to the broader issue underlying staff opportunity to complete research qualifications (specifically writing up Masters and PhDs) and a revision of this proposal will form part of future negotiations.

#### 5. Grading of all posts

Management agrees that meetings will be arranged by HR with the Deans and Executive Directors of units identified as areas of concern in order to look at a more holistic approach to grading of posts and provide feedback by the end of April 2017. HR is currently busy with the Jobs Project as part of the

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implementation of the various HR systems. One of the outcomes of the project will be a job grading profile record of all jobs.

In addition, specific jobs or areas of concern should be brought forward by the Union to HR. The standing item on jobs graded will be resumed at consultative meetings quarterly in conjunction with the quarterly reports.

## 6. Austerity

Management has taken to VCMAG a proposal that until the end of 2018 all PASS vacancies which are to be filled must first be advertised internally. Management also consulted with VCMAG about an accommodation of the EU's motivation for this demand which we understand is aimed at the preservation of jobs, staff development, succession planning, career management and at achieving employment targets. Any decision taken will necessarily have to be implemented through the Deans and Executive Directors.

Management agrees that the skills of PASS staff should be developed in order to compete for vacancies successfully. Indeed, management is increasingly emphasizing the extension and resourcing of the Skills Development Programme. However management is concerned at the implications of managing such a process and the impact this may have on transformation at the University where only internal candidates are considered. Internal staff may apply for any positions and are entitled to feedback if they are not successful.

A monitoring mechanism will be established and will report quarterly to the Consultative meetings (as we do with the Job Evaluations report) on all appointments in the reporting period with relevant details, including whether the appointments are internal or external.

Management took the EU's demand to VCMAG for an extension of the moratorium on advertising of non-specialised PASS posts while the climate of austerity continues. This moratorium had been put in place in the context of the university wide austerity measures project and ended at the end of January 2017.

VCMAG considered the matter and the following reflects the essential elements of its discussion:

VCMAG supported the drivers for the proposal in principle. This included continued employment of staff, where possible, to avoid retrenchments as well as to ensure opportunities for the development and career succession of existing staff.

VCMAG advised that the following be assessed before a decision was taken to extend the moratorium:

- a) the impact on the stability of the operation,
- b) implications of increased resource requirements associated with the process for scrutinising and establishing which posts are specialised or non-specialised,
- c) implications of increased resource requirements associated with running what could essentially amount to a repeat of the end-to-end recruitment process where posts cannot be filled internally; and
- d) the potential impact on transformation as a consequence of reemploying staff from the current staffing pool and profile.

VCMAG agreed that these issues be work-shopped in detail to inform decisions on the extension of the moratorium and that this be done via the constitution of a working group. This working group will

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include discussion on the review of the Redundancy, Redeployment and Retrenchment (RRR) process as applicable to the austerity-related RRR process. The working group will also discuss the mechanisms for matching and placing staff as well as associated resource implications for this requirement.

The group would be chaired by DVC Professor Corder and include EU executive members, a Dean representative, an ED representative, the EDHR and relevant HR colleagues.

This working group will be convened within four weeks of the signing of this agreement.

Management agrees that staff in the faculties of Humanities, Health Sciences, CHED, and in Properties and Services be eligible to exercise the option of applying for either a VSP or IER package as part of the austerity process.

## 7. Transformation

Management agrees that succession planning should be more visible in order for staff to be more competitive when applying for jobs, but employment equity is also important.

The current policy requires reporting on employment equity candidates and feedback to unsuccessful internal staff applicants but agrees that different solutions should be considered as it pertains to the role of the Employment Equity Representative, especially for smaller Departments. This should be raised at the University Transformation Advisory Committee.

The discussion at UTAC needs to include principles of appreciating and growing UCT staff alongside new staff from the designated groups and include a discussion on recognising potential (including the time/training/mentoring) to come up to speed to fulfill job requirements as espoused by the Employment Equity Act.

## 8. Parking

The 2016 rates will apply in 2017. The manner of reverting to the 2016 rate is to be determined.

The Employees' Union demanded that all permanently appointed staff have the right of choice of bay for which they may apply. This revised demand has been accepted. For the practical implementation of this demand, relevant parties must be engaged. It is proposed that a joint working group with the Executive Director Properties and Services be established within four weeks of signing this agreement to establish how and when the demand will be implemented.

With effect from 10 April 2017 the first seventy-five staff who apply and pay the differential for a red bay will be granted it as an interim measure pending the broader consideration relating to parking which will be the business of the proposed working group. A waiting list will be established for applications after the first seventy-five have been allocated.

With regard to ensuring that students do not park in parking areas designated for staff, booming is already practised until 17h00 during the week. We don't however enforce this on weekends and after hours. During working hours from 08h00 to 17h00, the areas are boomed and access controlled.

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## 9. Skills Development

Management agrees that the training needs resulting from the Development Dialogues for all levels are collated from the feedback received after completion of the each year's process. This information will be used to determine the training to be offered to staff, which will aid in their career advancement. Management will support a system which will allow the skills and expertise of employees to grow so they are can provide a better service to UCT. New courses which will aid staff who joined UCT as part of insourcing will form part of the training resource guide for 2017.

The University recognizes that staff motivation, productivity, and retention are dependent on people working in jobs that are suited to their skills. The University encourages line managers to support staff members who wish to enhance their skills or develop new competencies.

## 10. Information Sharing and Consultation Forum

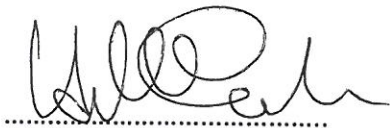
Management agrees to explore the establishment of a workplace forum at UCT with all of the unions. Management recognises and regrets that the extent and frequency of consultation and interaction with the unions has been damaged by the events of the past two years on campus. In addition, there has been a noticeable and regrettable shift away from collegiality into adversarialism in society in general, from which the University is not exempt.

Management commits to a sustained restorative process through engagement with all unions to endeavour to achieve a better quality of labour relations on campus, including through interest-based relationships, and similar approaches. Management will initiate this process urgently within the next three months, with the assistance of external experts, although it is likely that the process will take longer to agree on.

This process will be initiated by 1 June 2017.

Signed at **RONDEBOSCH** this 5<sup>th</sup> day of April 2017.

**UNIVERSITY OF CAPE TOWN**

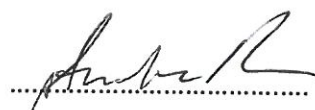


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