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REWARD & RECOGNITION POLICY

(Adopted by Council on 26 May 2015, Council resolution 125/2015)

Preamble

Cape Agulhas Municipality encourages the recognition of excellent performance and achievement through the use of rewards that are creative, flexible and meaningful. When administered and communicated effectively, reward and recognition are an important part of a total compensation program.

The Council of Cape Agulhas Municipality adopted a Performance Management Policy Framework which describes the performance management system implemented and maintained by the municipality. The municipality recognizes the efforts of its employees and wishes to adopt a policy to recognize and reward the top performers.

1. Objective

The objective of the Reward and Recognition Policy is to recognize employees for delivering service excellence by going beyond the call of duty, the introduction of innovations that add value to the Municipality and the broader community or by performing excellent in terms of his/her own performance.

2. Performance Process

The municipality adopted a performance management system whereby the performance of its staff must be evaluated at least twice per annum. The performance plans must be developed in terms of the performance management system and signed by the employer and employee before the end of August. The employee's performance must be evaluated in terms of the performance plans for the period July – June of the following year during January (July – December) and July/August (January – June). The evaluation procedures to be followed are documented in the performance management manual.

The performance result should be moderated to verify objectivity and accuracy where after the committee would decide on the relevant reward and recognition in terms of this policy.

3. Pre-conditions and principles

- 3.1. The following principles must be adhered to when reward and recognition is considered:
 - a. Rewards should be given for significant outstanding performance that advances the municipal objectives and should be tied to a specific rating or accomplishment.
 - b. Care should be taken in communication and distribution of rewards so that they are not entitlements.
 - c. Rewards should not be substituted for a competitive salary plan. For example, rewards should not be used as a long-term alternative to permanent salary adjustments when these adjustments are appropriate for consistently high performance, significant changes in responsibility, increased value of a position.
 - d. Rewards are not adjustments to base salary, supplemental compensation or variable pay programs.
- 3.2. The following pre-conditions should be adhered to before the Reward and Recognition Committee consider the relevant rewards in terms of this policy:

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- a. All employees' performance evaluations should be completed.
- b. The outcomes of the moderation committee should be finalized.
- c. Sufficient budget should be planned for to prevent any unfair treatment due to budget limitations.

4. Committee

The members of the Reward and recognition committee, will include:

- a. Municipal Manager
- b. Human Resource Manager
- c. Directors
- d. Union representatives

It is the responsibility of the committee to review the procedures followed during the evaluation and the moderation thereof, where after the rewards will be considered in terms of the policy.

5. Rewards

5.1. Performance improvement award

Municipal employees (excluding Section 57 appointees) are invited to identify opportunities to improve municipal performance and to identify opportunities to improve efficiency and save money.

Employees need to submit the ideas to the Director, where after the senior management team will evaluate the ideas. The employee whose opportunities were implemented and that resulted in material cost savings/efficiencies will be rewarded with a R1 500 gift voucher and 1-day vacation leave.

5.2. Year-end awards

The year-end rewards will be finalized during September and will be based on the performance evaluation for the period 1 July to 30 June. The rewards will be as follows: (Subject to Peer Review)

Individuals achieving 60% or more will be given recognition at an end of year function in the form of:

- **Merit Certificate**
- **Two days off or “dinner for two” with a maximum value of R500.**

6. Conclusion

This policy will be implemented after approval by Council.

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