

DELEGATION OF AUTHORITY TO EFFECT RECRUITMENT, PROMOTIONS AND INDUSTRIAL RELATIONS IN PUBLIC SECTOR ENTITIES

Issued on 2 September 2022 by the Principal Permanent Secretary (PPS) in terms of the Public Administration Act

1. Application of this Directive

- 1.1. This Directive supersedes in its entirety the original version issued on 23 January 2014, by the Principal Permanent Secretary (PPS) in terms of the Public Administration Act, which was subsequently amended on 6 April 2017 and 1 June 2018.
- 1.2. This Directive applies to government agencies and government entities as defined in article 2 of the Public Administration Act (herein referred to as “Public Sector entities”), whereby recruitment and promotions are effected by virtue of article 110 (6) of the Constitution of Malta and article 15 (1) of the Employment and Training Services Act, and to their respective Permanent Secretary.

2. Delegation of the authority to effect Recruitment and Promotions

- 2.1. The availability of human resources, whose skills and competences match organisational requirements, is key to ensuring optimal entity performance. In this regard, recruitment procedures applicable to Public Sector entities are simplified and streamlined, with a view to securing a more efficient, effective and timelier recruitment process, reduce bureaucracy, streamline administrative processes and promote the principle of subsidiarity.
- 2.2. Moreover, internal restructuring processes and promotions are decentralised and left at the discretion of the top management of the Public Sector entity concerned, so long as Collective Agreement provisions and the overall parameters approved by the Industrial Relations Unit (IRU) for the particular positions are adhered to and funds are available within the entity's budgetary allocation.
- 2.3. The attached *Manual for Public Sector Entities: Delegation of Authority to effect Recruitment, Promotions and Industrial Relations* provides detailed information concerning Public Sector entities to which the delegated procedure applies, as well as the processes and procedures that would need to be followed. The Manual also identifies those circumstances in which approval for recruitment is delegated, as well as instances in which the current centralised recruitment process remains effective.
- 2.4. Public Sector entities are empowered to effect recruitment and promotions subject to the approval of IRU within the People & Standards Division (P&SD) insofar as the Grading and Salary Structure is concerned. In the case of the recruitment function, the prior approval of the Permanent Secretary responsible for the Public Sector entity

is invariably required whilst in promotion exercises, the Permanent Secretary should be informed at the outset. Requests by Public Sector entities to the IRU for their Grading and Salary Structure necessitate also the prior approval of the Permanent Secretary.

- 2.5. This Manual is considered an integral part of this Directive and as Government's official document which regulates the delegated function within Public Sector entities. Strict adherence to the provisions contained in the said Manual is therefore mandatory. A serious view will be taken in cases where the Manual is not scrupulously adhered to by Public Sector entities which may also lead to withdrawal of the delegation of authority on the instructions of the Principal Permanent Secretary. In the event of withdrawal, no recruitment/internal re-structuring/promotion exercises can be made without the prior approval of the P&SD.
- 2.6. More information on the Manual and its application may be obtained from P&SD.

3. Delegating the authority to conduct Industrial Relations

- 3.1. The Industrial Relations Unit (IRU) within the People and Standards Division is the central regulatory body with regard to industrial relations across Public Sector Entities. The process concerning negotiations with employees' representatives with respect to Documents/Agreements or any other negotiating processes regulating salary structures and working conditions is being clarified as explained hereunder in respect of approvals and in the light of fiscal responsibility.
- 3.2. The IRU, will act in their role of consultants on Industrial Relations and will need to be informed, at the very initial stages, of any negotiation processes to be undertaken with the management and/or employees' representatives, through the respective Permanent Secretary if the entity decides to use this service at a charge. Heads of Entities, after consultation with the respective Permanent Secretary, are to engage the IRU in the negotiations and design or amendments of salary structures and/or negotiations regarding working conditions undertaken with employees' representatives. The Head of Entity and IRU will then agree on an official position and the IRU will assist the Head of Entity throughout the negotiating process. Full responsibility of any process, including implementation lies with the Head of Entity through the respective Permanent Secretary. The final version will be as endorsed by the IRU supported with financial approval by the Ministry responsible for Finance.
- 3.3. Should the Head of Entity opt to not involve the IRU in negotiations, this shall be endorsed by the respective Permanent Secretary. The negotiating team will invariably still require the approval from the IRU on a negotiation position as well as the financial approval from the Ministry responsible for Finance. The IRU is to inform the respective Head of Entity and the Permanent Secretary on whether, in its opinion, the intended negotiating position conforms to central policies adopted across the Public Administration and informs the Ministry responsible for Finance accordingly. The respective Permanent Secretary is obliged to monitor that the process is conducted and concluded within the parameters established by the IRU. Any process, including implementation, lies within the responsibility of the Head of Entity through

the respective Permanent Secretary.

4. Due submission of HR Plans

- 4.1. The Coordinating Committee on strategic HR planning is empowered to scrutinise and approve HR Plans in respect of Public Sector entities. Hence, Public Sector entities are every year, to submit, with the authority of the Permanent Secretary, HR Plans in respect of the following two-year period to, and for the consideration of, the Coordinating Committee. These plans should be strictly contained within the estimated budget previously communicated to entities. **This process is part of the Business and Financial Planning process under the Fiscal Responsibility Act (CAP. 354).**
- 4.2. Public Sector entities are bound to cooperate fully with the Coordinating Committee's requests for clarifications/adjustments for this process to be completed by the established deadline.
- 4.3. Projected budgetary allocations for personal emoluments should cover salaries for all current and new posts for the whole financial year, that is from 1 January to 31 December, regardless of when vacancies are projected to be filled in.
- 4.4. In the case of vacancies to be filled as a result of selection processes initiated during the previous year as per HR plan, or vacancies from the preceding year's HR plan for which the recruitment process has not initiated, the Public Sector entity should, if still required, ask for the Committee's approval to carry forward in addition to the next year's Plan. In such cases the Public Sector entity is to ensure that the funds to fill such vacancies are still available from the previous year, which would be carried forward to the new year.
- 4.5. In cases where the requirement for the creation of a new vacancy is due to either an expansion of service from the Public Sector entity's end or arising out from the implementation of a particular project, Public Sector entities are expected to support their submissions by either presenting the Coordinating Committee with a projected organigram or a business plan which clearly outlines the capacity required in terms of HR.
- 4.6. As soon as the financial allocation for 'Personal Emoluments' for the forthcoming year in respect of each vote administered by the Public Sector entity is published in the annual Financial Estimates, the Coordinating Committee will communicate to the Permanent Secretary the budgeted financial allocation for new external recruitment in respect of each Public Sector entity, as issued by the Ministry responsible for Finance and request the Public Sector entity to revise its HR Plans in line with such allocation. The revised Plans are to be submitted by the stipulated

deadline through the Permanent Secretary. Once the revised Plans are received by the Committee, the Committee will re-assess and issue a communication outlining the parameters according to which the revised HR Plan may be proceeded with.

- 4.7. HR Plans are to be submitted by the entity to the Director responsible for Human Resources within the Ministry for the approval of the Permanent Secretary, for onward transmission to the Coordinating Committee.
- 4.8. HR Plans should be strictly contained within the approved budgeted financial allocation for new external recruitment, the IRU-approved Grading and Salary Structure and applicable standing parameters stipulated in the attached Manual.
- 4.9. The direction of the Coordinating Committee is binding and is scrupulously to be adhered to. No departures can be made therefrom and any requested updates necessitate the prior sanctioning of the Coordinating Committee before implementation.
- 4.10. In the event that these instructions are departed from, a serious view will be taken which may lead to the withdrawal of the delegation of authority, with the endorsement of the Principal Permanent Secretary, in respect of the offending Public Sector entity.

5. Implementation

- 5.1. When recruiting under the delegated authority, Public Sector entities, to which this Directive applies, are to follow the recruitment procedure outlined in the Manual.
- 5.2. The P&SD shall retain its assigned regulatory and monitoring role with a view to ensure strict compliance with the provisions of the attached Manual which is to be abided with and supersedes entirely earlier versions.
- 5.3. Any Public Sector entity, to which this Directive applies, which fails to abide with the recruitment procedure outlined in the Manual may have the delegated authority withdrawn in its regard.
- 5.4. P&SD shall remain the central authority which monitors and approves recruitment in Public Sector entities not falling under the provisions of this Directive.
- 5.5. This Directive supersedes the Directive that came into force on 23 January 2014 and amended on 6 April 2017 and 1 June 2018.
- 5.6. This Directive supersedes the provisions of OPM Circular No. 14/2005, entitled: *A review of the Recruitment and Redeployment Framework*, as applicable.
- 5.7. This Directive shall come into force on 2 September 2022 and is indefinitely applicable, unless otherwise withdrawn.

Attached

Manual for Public Sector Entities: Delegation of Authority to effect Recruitment, Promotions and Industrial Relations (Version 8)

Tony Sultana
Principal Permanent Secretary