



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

OFFICE OF
THE PREMIER

Ref No. : 3/10/6
Enquiries : Ms. Moipone Mathole M/ Mr. Junior Maboya
E-mail : Matholem@premier.limpopo.gov.za/ Maboyaj@premier.limpopo.gov.za
Tel. : 015 287 6360 / 6290

TO ALL HEADS OF DEPARTMENT: LIMPOPO PROVINCIAL ADMINISTRATION

DIRECTOR GENERAL CIRCULAR NO. 24 OF 2026

SUBJECT: INCENTIVISED EARLY RETIREMENT PROGRAMME WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994 AND VOLUNTARY EXIT PROGRAMME FOR EMPLOYEES IN THE PUBLIC SERVICE FOR THE 2026/27 FINANCIAL YEAR.

1. Department of Public Service and Administration (DPSA) circular on phase one (1) regarding the incentivised early retirement without penalisation and voluntary exit programme for public service employees for the 2025/26 financial year, the Office of the Premier issued **Circular No. 04 of 2026** to provide guidance to departments on the implementation thereof.
2. Phase one (1) of the programme concluded on **31st March 2026**. In terms of the 2025/2026 Determination and Directive, DPSA issued a circular dated 31st March 2026 on the implementation of Phase two (2) opens from **1st April 2026 closing on 30th September 2026** for applications. However, due to limited funding available in the provisional allocation set aside for early retirement in 2026/27, the Medium-Term Budget Policy Statement (MTBPS) and the 2026 MTEF budget processes that needs to be followed, the period of application for central funding for the second Phase will run from **1st April 2026 to 30th June 2026**. Departments will thereafter be allowed a period of three (3) weeks to consolidate and forward all the relevant documents to Provincial Treasury, meaning all approved applications

CONFIDENTIAL

Mowaneng Building, 40 Hans Van Rensburg Street. POLOKWANE, 0700, Private Bag X9483, POLOKWANE, 0700
Tel: (015) 287 6000, (015) 287 6999, Fax: (015) 295 3840 Website: <http://www.limpopo.gov.za>

The heartland of Southern Africa - development is about people!

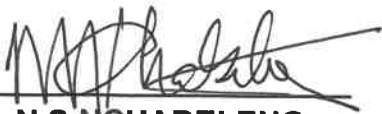
CONFIDENTIAL

must reach Provincial Treasury by the **24th July 2026**, that will allow LPT to verify and **consolidate**. Applications will therefore be considered on a first come and first-served basis, and employees are encouraged to submit applications between April and June to ensure that they meet the deadline. Departments who wish to fund both the financial incentive and associated costs for eligible employees from their own budget baselines shall adhere to the timelines as set out in the 2025/2026 Determination and Directive.

3. The National Treasury funding guideline sets the criteria for early retirement funding to support Early Retirement (ER) payments and determines the timelines for departments to apply for the funding. Employees are advised to liaise with their Departmental HR Unit to determine their estimated pension benefits before making personal decisions to apply.
4. Given these considerations, Departmental Executive Authorities (EA) are encouraged to release approved employees by the end of January 2027 to ensure that all payments by both employer and National Treasury are processed in the current financial year 2026/27 to avoid overlapping to the next financial year.
5. The application process and central funding support for the financial year 2026/2027 will be open for applications from **1st April 2026 and closes on 30th June 2026**. Departmental EA has the discretion to approve or decline ERP requests for employees from the age of 55 to 59 years without pension penalties and VEP for employees aged 60 to 63 years, which are based on reasonable criteria set by the department. Submission of approved ERP and VEP applications by EA using mandatory standardised motivational tool provided by National Treasury should be forwarded to Provincial Treasury for the attention of Mr. Mtileni K at mtilenik@treasury.limpopo.gov.za on or before **24th July 2026**.

Trust that you will find the above in order.

Kind regards



Mr. N.S NCHABELENG
DIRECTOR GENERAL

02/4/2026
DATE

CONFIDENTIAL

APPLICATION FOR:

- I) **EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, FOR EMPLOYEES AGED 55 TO 59 WITH AN ADDITIONAL FINANCIAL INCENTIVE CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TWENTY (20) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.**
- II) **NORMAL RETIREMENT FINANCIAL INCENTIVE FOR EMPLOYEES AGED 60 TO 63 YEARS CALCULATED AT TWO (2) WEEK'S OF BASIC SALARY PER YEAR FOR THE FIRST TEN (10) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.**

Approval of Early Retirement (ER) applications is not automatic, as each application must be considered on its own merit as well as contextual factors considered by each EA and availability of funding by National Treasury.

IN THE FINANCIAL YEAR 2026/2027**WHAT IS THE PURPOSE OF THIS FORM**

NB: This form must be completed after reading the DETERMINATION AND DIRECTIVE ON EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS; AND WITH FINANCIAL INCENTIVE FOR EMPLOYEES IN THE PUBLIC SERVICE

To apply for early retirement without penalisation of pension benefits in terms of section 16(6) of the Public Service Act, 1994, for employees aged 55 to 59 with an additional financial incentive calculated at two (2) weeks' of basic salary per year for the first twenty (20) years of pensionable service; and one (1) week's financial incentive for each completed year of pensionable service thereafter. If you are between the age of 55 to 59 from 1 April 2026 - 30 June 2026.

Employees aged 60 to 63 do not qualify for Early Retirement in terms of Section 16(6) of the PSA but are encouraged to apply for a 'voluntary earlier exit' (normal retirement) in return for a financial incentive calculated at two (2) weeks' basic salary per year for the first ten (10) years of pensionable service and one week's financial incentive for each completed year of pensionable service thereafter. If you are between the age of 60 to 63 from 1 April 2026 - 30 June 2026.

This form must be used to apply for this dispensation by eligible employees. Only eligible employees who fall within the qualifying age group during the qualifying period (1 April 2026 - 30 June 2026) may apply.

Please fill in all fields in this form to assist with the approval process.

WHO SHOULD COMPLETE THIS FORM

Employees who qualify are those between the ages of 55- 59 years from 1 April 2026 - 30 June 2026 and wish to voluntarily apply for Early Retirement Programme (ERP) without penalisation of pension benefits in terms of section 16(6) of the Public Service Act, 1994, and a financial incentive calculated at two (2) weeks' basic salary per year for the first twenty (20) years of pensionable service and one (1) week's financial incentive for each completed year of pensionable service thereafter.

Employees who are between the ages 60 to 63 years from 1 April 2026 - 30 June 2026 do not qualify for ERP in terms of Section 16(6) of the PSA but are encouraged to apply for a 'voluntary earlier exit' in return for a financial incentive calculated at two (2) weeks' basic salary per year for the first ten (10) years of pensionable service and one (1) week's financial incentive for each completed year of pensionable service thereafter.

ADDITIONAL INFORMATION

This form requires basic information. You are requested to furnish additional certified information to the GEPF on separate forms that will be required once approval is granted.

SPECIAL NOTES

All information is required for decision making in terms of Public Service Regulation, 2016.
HR officers must provide applicants with ALL the necessary information to support applicants to make informed post-retirement decisions.

EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, FOR EMPLOYEES AGED 55 TO 59 WITH AN ADDITIONAL FINANCIAL INCENTIVE CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TWENTY (20) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

NORMAL RETIREMENT FINANCIAL INCENTIVE FOR EMPLOYEES AGED 60 TO 63 YEARS CALCULATED AT TWO (2) WEEK'S OF BASIC SALARY PER YEAR FOR THE FIRST TEN (10) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

SECTION A: PERSONAL INFORMATION

PERSAL Number											Title	
Surname										Initials		
ID Number												
Race (X)	African		Coloured		Indian		White					
Gender (X)	Male		Female		Disability?	No		Yes				
Rank						Post Level						
Job Title						Salary Notch						

SECTION B: CONTACT DETAILS OF APPLICANT

Mobile											
Telephone (W)	Code	Telephone	Cell phone number								
Email											

SECTION C: PHYSICAL WORKSTATION LOCATION OF APPLICANT FOR EARLY RETIREMENT

Name of Department		National Department	Provincial Department
		<input type="checkbox"/>	<input type="checkbox"/>
Name of Province (if applicable)	Name of Region (if applicable)	Name of District (if applicable)	
Name of physical workstation: Institution/ office/unit			

EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, FOR EMPLOYEES AGED 55 TO 59 WITH AN ADDITIONAL FINANCIAL INCENTIVE CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TWENTY (20) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

NORMAL RETIREMENT FINANCIAL INCENTIVE FOR EMPLOYEES AGED 60 TO 63 YEARS CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TEN (10) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

DECLARATION BY APPLICANT

1. I _____ (full names) hereby apply for (please tick box a or b)

 a

Early Retirement Programme without penalisation and an incentive calculated at two (2) weeks' financial incentive for first (20) years of pensionable service; and one week's financial incentive for each completed year of pensionable service thereafter as **I am between the age of 55 to 59 from 1 April 2026 – 30 June 2026**

OR

 b

A 'voluntary earlier exit' in return for an incentive calculated at two (2) weeks' financial incentive for the first ten (10) years of pensionable service and one week's financial incentive for each completed year of pensionable service thereafter as **I am between the age of 60 to 63 (not yet 64) in the period 1 April 2026 – 30 June 2026**

2. I understand that any incorrect or incomplete information supplied could lead to my application not being considered for approval.
3. The financial implications of my application were discussed with me by my HR/Finance section, and I understand the implications.
4. I understand that my acceptance of the financial incentive offered under this ERP or the incentivised VEP, shall preclude me from any subsequent re-employment into the public service.
5. I understand that once my application has been approved by the final approval authority, I cannot retract my application.
6. I acknowledge that my application is subject to approval by the executive authority or his/her delegate and should my application be approved, I must exit from the public service as agreed

I declare that all the information provided (including any attachments) is complete and correct to the best of my knowledge and that I am eligible to apply for this provision.

Signature of applicant	Date	D	D	M	M	Y	Y	Y	Y
------------------------	------	---	---	---	---	---	---	---	---

SECTION G: CONTACT DETAILS OF DIRECT LINE MANAGER/SUPERVISOR WHO IS DELEGATED TO SUPPORT THIS APPLICATION

Surname	Name	Initials			
Job Title	Rank				
Mobile					
Email					
Recommended		Not Recommended			
Signature	Date				

EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, FOR EMPLOYEES AGED 55 TO 59 WITH AN ADDITIONAL FINANCIAL INCENTIVE CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TWENTY (20) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

NORMAL RETIREMENT FINANCIAL INCENTIVE FOR EMPLOYEES AGED 60 TO 63 YEARS CALCULATED AT TWO (2) WEEK'S OF BASIC SALARY PER YEAR FOR THE FIRST TEN (10) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

SECTION H: CONTACT DETAILS OF LINE MANAGER WHO IS DELEGATED TO RECOMMEND THIS APPLICATION

Surname		Name		Initials		
Job Title				Rank		
Mobile						
Email						
Supported				Not Supported		
Signature				Date		

SECTION I: CONTACT DETAILS OF DELEGATED AUTHORITY (eg HOD OR EA) WHO IS DELEGATED TO APPROVE THIS APPLICATION

Surname		Name		Initials		
Job Title				Rank		
Mobile						
Email						
Approved				Not Approved		
Signature				Date		

5 | Page
 EARLY RETIREMENT WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, FOR EMPLOYEES AGED 55 TO 59 WITH AN ADDITIONAL FINANCIAL INCENTIVE CALCULATED AT TWO (2) WEEKS' OF BASIC SALARY PER YEAR FOR THE FIRST TWENTY (20) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.

NORMAL RETIREMENT FINANCIAL INCENTIVE FOR EMPLOYEES AGED 60 TO 63 YEARS CALCULATED AT TWO (2) WEEK'S OF BASIC SALARY PER YEAR FOR THE FIRST TEN (10) YEARS OF PENSIONABLE SERVICE; AND ONE (1) WEEK'S FINANCIAL INCENTIVE FOR EACH COMPLETED YEAR OF PENSIONABLE SERVICE THEREAFTER.



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

Private Bag X916, PRETORIA, 0001 Tel: (012) 336 1000, Fax: (012) 326 7802
Private Bag X9148, CAPE TOWN, 8000 Tel: (021) 467 5120, Fax:(021) 467 5484

Enquiries: Sebakeng Salome Telephone: (012) 336 1072

CIRCULAR NR 16 OF 2026

TO: ALL HEADS OF NATIONAL/PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

SUBJECT: NOTICE PERIOD FOR THE INCENTIVISED EARLY RETIREMENT PROGRAMME WITHOUT PENALISATION OF PENSION BENEFITS IN TERMS OF SECTION 16(6) OF THE PUBLIC SERVICE ACT, 1994, AND THE VOLUNTARY EXIT PROGRAMME FOR EMPLOYEES IN THE PUBLIC SERVICE FOR THE 2026/2027 FINANCIAL YEAR

INTRODUCTION AND BACKGROUND

1. A special cabinet meeting held on 10 April 2024 approved the introduction of early retirement without penalisation of pension benefits in terms of Section 16(6) of the Public Service Act 1994, as amended, and the voluntary exit programme for employees in the public service.
2. The approval by Cabinet includes an additional financial incentive for employees aged 55 to 59 years calculated at two (2) weeks' of basic salary per year for the first twenty (20) years of pensionable service; and one (1) week's financial incentive for each completed year of pensionable service thereafter.
3. In addition, Cabinet approved a financial incentive for employees aged 60 to 63 years calculated at two (2) weeks' of basic salary per year for the first ten (10) years of pensionable service; and one (1) week's financial incentive for each completed year of pensionable service thereafter.
4. Various options within the existing legal framework for human resources and finance were explored to maintain stability and to bring about future efficiency and productivity gains in all areas within the Public Service. All prescripts with respect to early retirement were considered based on the ongoing requests and queries from employees in the public service to exit without pension penalties.
5. It must be noted that the authority to grant early retirement (ER) without pension penalties, is vested within the relevant line department Executive Authority (EA) in terms of Section 16(6) of the Public Service Act (PSA), 1994, as amended or other sector legislation. This means that every EA has the discretion to approve or decline ERP requests for employees from the age of 55 to 59 years without pension penalties and VEP for employees aged 60 to 63, which are based on reasonable criteria set by the department.

6. Employees from the age of 55 to 59 years, employed in terms of the Public Service Act, Correctional Services Act, Defence Act, South African Police Service Act, Employment of Educators Act and the Intelligence Services Act shall, subject to other contextual conditions set by the Ministers responsible for the Services, Educators and the Intelligence Services, be eligible to apply for the Early Retirement Programme (ERP). These ERP provisions apply to members of the Services, Educators, or members of the Intelligence Services in so far as they are not contrary to the laws governing their specific employment.
7. Employees with less than ten (10) years of pensionable service are not eligible to apply for the ERP or VEP. Qualifying employees will be paid pension benefits in terms of the Government Employees Pension Fund formula. Employees appointed on contract or temporarily employed are not eligible to apply for the ERP or VEP. However, employees on contract such as Head of Departments (HODs) and Directors - General (DGs) are eligible to apply for the programme.
8. Phase 1 of the programme concludes on 31 March 2026. In terms of the 2025/2026 Determination and Directive, the implementation of Phase II was planned to open from 01 April 2026 closing on 30 September 2026 for applications. However, due to limited funding available in the provisional allocation set aside for early retirement in 2026/27, the Medium-Term Budget Policy Statement (MTBPS) and the 2026 MTEF budget processes that needs to be followed, the period of application for central funding for the second Phase will run from 01 April 2026 to 30 June 2026. Departments will thereafter be allowed a period of one month to consolidate and forward all the relevant documents to National Treasury, meaning all approved applications must reach National Treasury by the 31 July 2026. Applications will therefore be considered on a first-come and first-served basis, and employees are encouraged to submit applications between April and June to ensure that they meet the deadline. Departments who wish to fund both the financial incentive and associated costs for eligible employees from their own budget baselines shall adhere to the timelines as set out in the 2025/2026 Determination and Directive.
9. In view thereof, Executive Authorities are encouraged to release approved employees by the end of January 2027 to ensure that all payments by both employers and National Treasury are processed in the current financial year, to avoid overlapping to the next financial year.
10. National government will provide funding to departments and government components, both nationally and provincially, who wish to utilise Section 16(6) of the PSA, 1994, (as amended) or applicable sector legislation. However, due to the limited funding available for the second phase, it should be noted that priority for the central funding will be given to big sector departments that are experiencing significant spending pressures within their compensation budgets. This will be on a first come first serve basis until the central funding set aside is exhausted.
11. As outlined in clause 8.3 of the 2025/2026 Determination and Directive, the State may terminate the ERP and VEP if it has been oversubscribed.
12. The NT funding guideline sets the criteria for early retirement funding to support ER payments and determines the timelines for departments to apply for the funding. Employees are advised to liaise with the HR departments to determine their estimated pension benefits before making personal decisions to apply.

13. The application process and central funding support for the financial year 2026/2027 will be open for applications from 01 April 2026 and closes on 30 June 2026. For central funding support submissions must be sent to National Treasury from 01 July 2026 until 31 July 2026 to ER_Funding_Info@treasury.gov.za.
14. All submissions must include the fully completed and mandatory standardised ERP/VEP Motivational tool provided by the National Treasury.

The following officials responsible for ERP at the DPSA may be contacted:

- I. Ms Rilityane Nomsa Email: NomsaR@dpsa.gov.za Tel: (012) 336 1285
- II. Ms Sebakeng Salome Email: Salomem@dpsa.gov.za Tel: (012) 336 1072
- III. Ms Mkhwanazi Gladys Email: gladysn@dpsa.gov.za Tel: (012) 336 1199



Mr. Willie Vukela
Director-General (Acting): Department of Public Service and Administration
Date: 31/03/26