

2016/2017

# KGATELOPELE LOCAL MUNICIPALITY

ACTING ALLOWANCE POLICY



## 1. PURPOSE

The purpose of this policy is to provide for and reward Kgatelopele Local Municipality's employees who consent and act in a higher post either as a result of the higher post being vacant or as result of a prolonged absence due to illness or maternity.

In respect of vacancies, the objective is to bridge the recruitment period until the vacancy is filled and to ensure work continuity.

The appointment to act or to relieve does not create any right, obligations or expectation for the employee that is appointed to act, to be permanently placed in the acting position.

## 2. APPLICATION

This policy is applicable and binding to Kgatelopele Local Municipality.

## 3. DEFINITIONS

Definitions already in the statutes and collective agreement shall carry the same meaning as enlisted in such prescripts. For the purposes of this policy the below mentioned words shall mean the following:

- i. “**acting allowance**” means additional remuneration paid in respect of authorized work normally executed at a level senior than that of the incumbent's original appointment.
- ii. “**all-inclusive remuneration**” means remuneration package that includes basic salary, medical aid, pension, UIF, motor-vehicle and housing allowances but exclude subsistence and travelling and telephone allowances.
- iii. “**basic salary**” minimum salary excluding all other benefits and incidental payments.
- iv. “**taxable**” compulsory contribution to state revenue, levied by the government on personal income.

#### **4. CRITERIA FOR APPOINTMENT IN AN ACTING CAPACITY**

- 4.1. The Council is the custodian of the appointment process:
  - a) When a need to temporarily fill the position of a Municipal Manager arises, the Council shall appoint an Acting Municipal Manager.
  - b) The Council shall effect the said appointment detailing in writing both the duration and actual acting allowance for such appointment, as provided herein.
  - c) An official appointed to act as a Municipal Manager shall be no junior than the Manager directly accountable to the Municipal Manager. Only in exceptional circumstances may deviation be justified in this regard.
  - d) For the purposes of accountability, financial management stability and the possibility of a conflict of interest, it is not advisable to appoint the CFO to act in the Municipal Manager's position.
  
- 4.2. In the event that circumstances exist that (in the opinion of Council) positions of Managers directly accountable to the Municipal Manager must be filled in an acting capacity, the Municipal Manager in consultation with the Council must effect the appointment in the following terms:
  - a) The appointment shall be done in writing detailing the duration in accordance with clause 5 below and the actual acting allowance in compliance with clause 6 below for such appointment.
  - b) Candidates for acting appointment shall generally be confined to the level of first direct report to the applicable acting position. Where exceptional circumstances dictate otherwise, deviation shall be justifiable.
  
- 4.3. Subject to Council's delegation policy, the Municipal Manager or his assigned delegate shall appoint in an acting capacity municipal officials who occupy the first line of reporting to the temporarily unoccupied position. Reasonable deviation shall be allowed based on prevailing exceptional circumstances.

## 5. CRITERIA FOR PAYMENT OF ACTING ALLOWANCE

An acting allowance shall be paid to an employee acting in a senior position in addition to his/her salary **only** if such an employee **has been acting for a period of not less than ten (10) consecutive working days** subject to the following:

- a) The acting employee has been duly appointed by the Municipal Manager or his assigned delegate;
- b) Any interruption of less than three (3) working days in total shall be deemed to form part of the acting period if occasioned by any of the following circumstances:
  - i. Illness supported by a medical certificate,
  - ii. Family bereavement supported by a death certificate,
  - iii. Attendance of court as a witness, if subpoenaed.
- c) An acting allowance shall be calculated from the first day in which acting duties are performed.
- d) A public holiday falling within a period of acting shall be regarded as a working day for the purposes of calculating the allowance.
- e) After the employee is required by the Head of Department to undertake some of the duties and responsibilities of the post in which acting duties are to be performed, the employees must receive written confirmation within 3 days thereof.
- f) Acting appointments to vacant posts shall be reviewed within three (3) months taking into consideration the existing operational requirements.
- g) The period of acting duty may not exceed six (6) months where after no further employees may be appointed to act in the post. The acting position must be filled.
- h) In line with the intention to ensure developmental exposure through acting appointments, acting appointments may rotate amongst the employees eligible for acting appointments.
- i) The Kgatelopele Local Municipality reserves the right not to appoint anyone into an acting appointment except where there are exceptional reasons to appoint.
- j) There shall be no automatic duty to compel Kgatelopele Local Municipality to effect acting appointment as and when any higher post is temporarily vacated.

- k) Where operational requirements so permit and with the consent of the affected official, a senior official may be entrusted with the task of taking an additional responsibility of a temporary unoccupied equivalent post subject to payment which shall be decided by Council.

## 6. COMPENSATION FOR ACTING ALLOWANCE

- 6.1. An employee acting on a senior position will qualify for the acting allowance at ***an annual rate equal to the difference between the employee's salary and the notch of the salary scale*** of the post in which acting duties are performed and shall be paid to such employee ***in addition to his/her salary*** in respect of the period in which he acts.
- 6.2. The calculation of acting allowance(s) paid to employees performing acting duties in ***Section 56*** or other fixed term contractual posts shall be based on ***60% of total remuneration package of the Section 56*** or other contractual post without deducting the employee's permanent salary notch.
- 6.3. In the event that an employee's salary ***is equal to or higher*** than the commencing notch of the salary scale of the post in which he is due to assume an acting position, an acting allowance fixed at ***12,5% of the employee's basic salary*** shall be paid.
- 6.4. An employee holding a ***transport allowance bearing post***, acting in a higher position, shall also ***be entitled to running costs for additional travelling*** involved in the higher position.
- 6.5. An employee holding a ***non-transport allowance bearing position post***, acting in a transport allowance bearing position shall be ***entitled to the transport allowance*** payable to such post.
- 6.6. The above stated allowance shall be paid in addition to his/her salary in respect of the period in which he /she acts in line with clause 7 of the Collective Agreement on Condition of Service, SALGBC Northern Cape Division dated 11 May 2011.

## 7. POLICY CUSTODIAN

The Corporate Services Manager shall be the custodian of this policy, and shall be responsible for its implementation, monitoring and evaluation.

## 8. LEGAL FRAMEWORK

- I. Basic Conditions of Employment Act, No. 75 of 1997.
- II. Collective Agreement on Condition of Service, SALGBC Northern Cape Division dated 2015.

## 9. REVIEW AND IMPLEMENTATION PROCESS

This policy will stay into effect from 1 July 2016;

This policy will be reviewed at least annually or when required by way of a Council resolution.

<b>POLICY SECTION:</b>	<b>CORPORATE SERVICES</b>
<b>CURRENT UPDATE:</b>	31 May 2016
<b>APPROVAL BY COUNCIL:</b>	30 May 2015