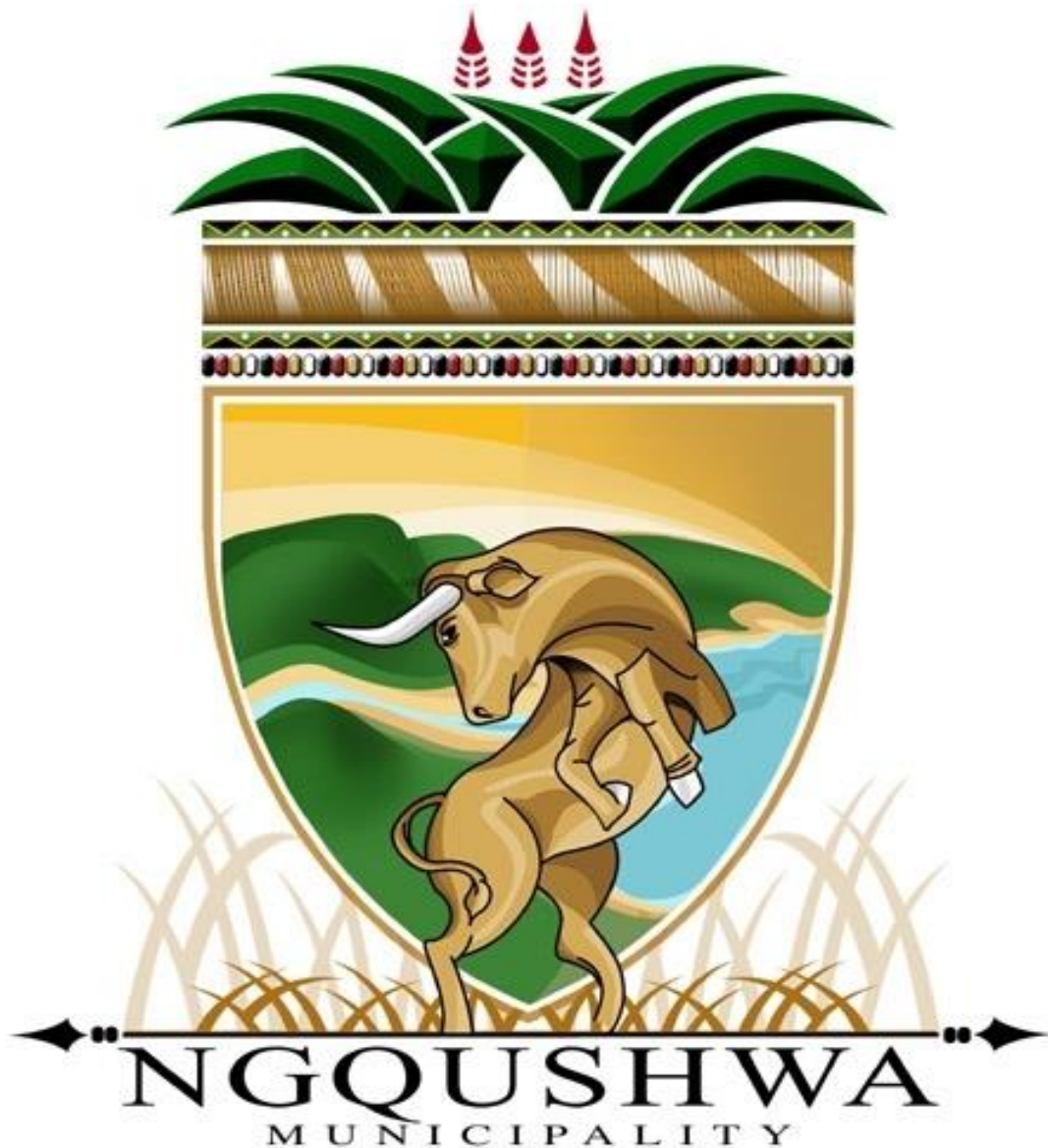


# NGQUSHWA LOCAL MUNICIPALITY



## POLICY ON ACTING AND ACTING ALLOWANCE

**2016/2017**

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## **1. PURPOSE OF THE POLICY**

The purpose of this policy is to provide for and reward Ngqushwa 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.

## **2. DEFINITION OF TERMS**

**Vacant position:** means the incumbent is temporary not available due to termination or leave in a municipal post establishment

**Day:** Means working days i.e. Monday to Friday excluding public holidays unless indicated otherwise by the context

**Employee:** shall include a permanent employee or a contractual employee as defined excludes independent contractor or its employee, Interns and casual workers

**Post:** means approved position on a municipality's organisational structure to which specific duties are coupled

**Permanent employee:** means an employee to an approved post on the staff establishment of the municipality on an open ended contract

## **3. LEGISLATIVE FRAMEWORK**

This policy has been drafted within the following regulatory framework:

- The Constitution of the Republic of South Africa no 108 of 1996
- The Labour Relations Act no 66 of 1995
- Employment Equity Act no 55 of 1998
- Local Government: Municipal Finance Management Act
- Basic Conditions of Employment Act 75 of 1997
- SALGA Collective Agreement

## **4. SCOPE AND APPLICATION**

This policy applies to all employees of Ngqushwa Municipality who are employed by the municipality excluding interns and other short term employment.

## **5. POLICY OBJECTIVES**

The goal of this policy is to ensure the consistent application of acting and acting allowances.

## **6. POLICY CONTENT**

The purpose of this policy is to define the parameters for the payment of acting allowances to employees who are acting in posts at a more senior level than their current employment level. This exclude employees taking duties of another position of the same level.

### **6.1 ELIGIBILITY**

- 1) Employees should have at least three months in employment before eligible to act
- 2) Employees shall be eligible to act at a position at the same level
- 3) Employees shall not be allowed to act at a position lower to his/her position
- 4) Appointment on acting position must be done from one day of the absence of employee to which acting is required
- 5) Unless operational requirements state otherwise, acting appointment should be confined to employee reporting directly to the applicable acting position
- 6) No employee shall act in more than one acting positions at the same period

### **6.2 APPOINTMENT OF ACTING POSITIONS**

- Only the Municipal Manager will be vested with powers to appoint a municipal employee in an acting position in consultation with the Director of the affected department.
- The employee should be knowledgeable and competent to perform the duties of the higher post
- The Municipality may appoint a person in writing to act in a higher post that is not vacant (i.e. the incumbent of the higher post is on maternity or extended study leave);
- It is preferred that an employee be appointed to act in a post that is one level higher than her/his current position. If circumstances do not allow this, an employee can act in a post that is more than one level higher than her/his current position.
- The fact that an employee has been appointed in an acting capacity does not create a right or an expectation to be appointed when the vacant post is advertised.

### **6.3 GENERAL PROVISIONS**

Any interruption of less than 3 days in total shall be deemed to form part of acting period if occasioned by any of the following circumstances:-

- Illness supported by medical certificate
- Family bereavement
- Attendance at court as a witness if subpoenaed

Subject to existing operational requirements, acting appointment to vacant posts shall be reviewed within 3 months. Vacant posts on a municipal permanent staff establishment shall be filled within 6 months unless there is a compelling reason not to do so. The fact that an employee has been appointed in an acting capacity does not create a right or an expectation to be appointed when the vacant post is advertised.

### **6.4 PAYMENT OF THE ACTING ALLOWANCE**

- When employee is required to act in a more senior post for a period of not less than 10 consecutive working days, an acting allowance at an annual rate equal to the difference between an employee's salary and the commencing notch of the salary scale or pay curve of the post in which he/she acts, shall be paid to such employee in addition to his/her salary in respect of the period in which he/she acts
- In the event an employee's salary is equal or higher than the commencing notch of the salary scale of the post in which he/she is due to assume in acting position, an acting allowance fixed at 2.5% of employee basic salary shall be paid
- The acting allowance is only payable if an employee is appointed to act in a higher graded and funded vacant post
- The acting allowance is non-pensionable.
- The acting allowance is payable only once the employee has accepted the acting appointment in writing.
- The Municipality will pay the acting allowance on a monthly basis.

- The first payment takes place on the date that Municipal employee get paid.
- No two employees may receive an acting allowance for acting in one post.

In instances where there are more than two employees who qualify to act, the employees can be rotated as a job enrichment exercise. The employment equity plan / skills development plan of the Municipality can be used as a guiding factor in determining who should act and when (for example by looking at gender, race and / or disability). Employees are not entitled to receive an acting allowance if they are acting in a lateral post that is vacant.

### **6.5 TERMINATION OF THE ACTING APPOINTMENT**

The acting appointment will be terminated if an employee:-

- goes on maternity leave;
- goes on continuous leave for 30 days (1 month) or more;

As a result of the termination of the acting appointment the acting allowance will be discontinued.

If the employee is required to act in the higher post on return from leave, she/he must be re-appointed in writing to qualify for the payment of an acting allowance.

If there is someone else acting in the post, the employee who returns from leave should only resume acting on the 1<sup>st</sup> day of the month following her/his return.

If the post is filled whilst the employee is still acting, the acting allowance will be stopped when the new appointee commences duty.

### **6.6 THE DIRECTOR ACTING AND ACTING ALLOWANCE**

- In the absence of the Director of a certain department, the Director should appoint someone to act on his/her department.
- Employees acting in the Director's post will also receive the Director's allowance, effective from the date of appointment.
- The Director's allowance is payable to an Acting Director if the acting period is longer than 10 days.

- The Director's allowance will be discontinued if the acting employee goes on any type of leave, for a continuous period of 30 days (1 month) or longer.
- The calculation of acting allowance paid to employees performing acting duties in S56 or in total cost to company package posts shall be based on 60% of total remuneration.
- The calculation of acting allowance paid to employees is the difference of 60% of cost to company package of the position which the incumbent is acting and the actual salary of the incumbent.
- The person acting in the position of the Municipal Manager, calculations of acting allowance will be the difference of the 60% of cost to company package of the position and 60% of cost to company package of the incumbent acting.

## **6.7 DIRECTOR'S ALLOWANCE FOR POSTS THAT ARE NOT VACANT**

6.7.1 The Director's allowance may be paid in the following circumstances:

- In cases of suspension of the designated Director, the payment of the Director's allowance must be terminated with effect from the date of suspension. The Director's allowance is payable with effect from this date to the member who is appointed, in writing, to act in the designated Director's position.
- In cases of any other absences of the designated Director (e.g. due to vacation, sick, special or study leave), excluding maternity leave, the payment of the Director allowance must be terminated with effect from the date of commencement of absence, provided that the period of absence is going to be longer than 10 continuous days. The Director's allowance is payable to a member who is appointed, in writing, to act in the designated Director's position with effect from the date of termination, provided that the period of acting in the designated Director's position is going to be longer than 10 continuous days.
- In cases of maternity leave, the payment of the Director's allowance must not be terminated for the incumbent of the position. However the Director's allowance is similarly payable to a member who is appointed in writing to act in the

designated Director's position with effect from the date of commencement of maternity leave, provided that the period of acting in the designated Director's position is going to be longer than 10 continuous days.

6.7.2 In the circumstances referred to in paragraphs 8.1 the acting allowance is not payable because the post is not vacant.

## **6.8 ROLE OF THE EMPLOYEE**

The employee should be given 24 hours to accept an offer to act in a higher post. If no response is received by then, the offer will lapse.

## **7. DELEGATIONS**

It is the responsibility of the Municipal Manager or delegated authority to authorise the payment of acting allowances.

## **8. MONITORING, EVALUATION AND REPORTING**

A report detailing the progress with the implementation of Acting and Acting Allowance Policy with specific reference to achievement of this policy has to be compiled every year by the person with the responsibility for implementation and monitoring. The policy must be made available to all consulting parties for perusal and comment and must be circulated to all staff members by means of circulars, notices and notice boards.

## **9. COMMUNICATION**

Circulars, messages and notices on notice boards will be utilized in order to inform all employees of the availability of the policy. Copies of the policy will also be distributed to the parties that took part in the consultation process

## **10. REVIEWAL OF THE POLICY**

It will be the responsibility of the Corporate Services Department to consider the provisions of this policy on annual basis. The Corporate Services Department shall request all Departments to submit their proposed changes for submission to Council for approval.



**11. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL**

This policy is adopted and approved by the full Ngqushwa Local Municipality Council for implementation

Effective from (Date) \_\_\_\_\_  
\_\_\_\_\_

Approved by Resolution Number \_\_\_\_\_ on this the \_\_\_\_ day of  
20\_\_\_\_\_

Signed this the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
**MUNICIPAL MANAGER**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**MAYOR**

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**SAMWU REP**

\_\_\_\_\_  
**DATE**

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**IMATU REP**

\_\_\_\_\_  
**DATE**