

ACTING ALLOWANCE POLICY FOR THE AMAHLATHI LOCAL MUNICIPALITY

Council Resolution Number: 02/2023 Ordinary Council Meeting	Approved Date: 29 June 2023
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Ms. N.Mahleki
Council Speaker

Date: 30 June 2023

ACTING ALLOWANCE POLICY	
Policy Status	Active
Version	2014
Date of First Implementation	01 July 2022
Date Last Amended	30 June 2022
Date of Next Review	30 June 2024
Purpose	Purpose is to address acting related challenges in the municipality regarding issues of compensation for all staff members, and appointment of acting staff.
Aims and Objectives	This policy will be used as a tool to address current challenges, and also as a pro- active approach of addressing challenges that might arise in future.
Policy Custodian	Director Corporate Services
Related Policies	Local Government: Municipal Systems Act
Applicability	Amahlathi prospective and existing employees
Policy Benchmark and References	Regional, District, Metro and Provincial Government – COGTA and SALGA
Stakeholders Consulted	Local Labour Forum (LLF); Technical Committee; Institutional Committee; SALGA and COGTA
Date of Approval	29 June 2023
Approving Authority	Council

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1. DEFINITIONS

TERM	DEFINITION
ALM	Amahlathi Local Municipality
Section 56 Employees	Staff members directly accountable to Municipal Manager employed in terms of section 57 of the Municipal Systems Act.
Non Section 56 Employees	staff members employed in terms of section 55 of the Municipal Systems Act
An Acting Employee	This is any member of the staff, qualifying in terms of 2.1 above who could be appointed to act in any position that has become vacant for whatever reason
Temporary Employees	An employee appointed on a part time basis for a period of less than a year to undertake or complete a specific task.

2. LEGAL FRAMEWORK

- 2.1. Local government municipal systems Act 32 of 2000 as amended
- 2.2. Municipal competency level regulations of 15 June 2007
- 2.3. Local government, regulations on appointment and conditions of employment of senior managers

3. SCOPE

- 2.1. This policy will be applicable to all staff members who will be appointed to act during the absence of other staff members in line with the hierarchy of the department or unit.
- 2.2. The policy will exclude learners, interns, temporary workers and volunteers

4. PURPOSE

Purpose is to address acting related challenges in the municipality regarding issues of compensation for all staff members, and appointment of acting staff. This policy will be used as a tool to address current challenges, and also as a pro- active approach of addressing challenges that might arise in future.

5. ACTING

- 5.1 When an employee is required to act in a more senior post for a period of not less than 10 (ten) 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 of the post in which he/she acts, shall be paid to such employee in addition to his salary in respect of the period in which he /she acts, provided that:
- 5.2 An employee has agreed to the nomination by the line manager or Head of Department and such terms and conditions of the acting appointment have been duly explained inclusive of the duties to be performed, duration and remuneration attached to the appointment.

- 5.3 An employee has been duly appointed by Municipal manager (or his delegate/s) to act in the higher post.
- 5.4 Any interruption of less than 3 working days in total shall be deemed to form part of an acting period if occasioned by any of the following circumstances:
- 5.4.1 Illness supported by a medical certificate
 - 5.4.2 Family bereavement
 - 5.4.3 Attendance at court as a witness, if subpoenaed
- 5.5 Subject to existing operational requirements, acting appointments to vacant posts shall be for a period three (3) months and shall not exceed six (6) months.
- 5.6 The employer shall ensure that an acting appointment shall be on a rotational basis to ensure that all qualifying employees are afforded an equal opportunity to develop their competencies against a vertical or horizontal position.
- 5.7 The employer shall not require an employee to act for longer than 6 months in the post unless an application for exemption is made by the municipality to the specific division of SALGBC. During the period of the application for exemption the employee will continue to receive an acting allowance not exceeding three (03) months.
- 5.8 An acting appointment does not guarantee a permanent appointment to that particular position.
- 5.9 The skills, qualifications and experience of the individual considered for the acting position must meet the requirements reflected in the HR Plan/ and or the competency profile related to the position
- 5.10 Acting responsibilities must be included in the performance agreement of the individual and be assessed against pre-agreed criteria for the acting period
- 5.11 Unless operational requirements dictate otherwise, acting appointments should be confined to employees reporting directly to the applicable acting position such that there is not more than one (01) Task Band and /or three Task Grades between the junior and senior position to be acted against.

- 5.12 Vacant posts on a municipality's permanent staff establishment should be filled within 6 (six) months unless there is a compelling reason not to do so.
- 5.13 Any acting appointment must be made in writing to act in a higher post, by a person duly authorised to do so and the incumbent must accept the acting appointment in writing before the acting commences.
- 5.14 When the acting position is terminated a specially designed exit interview should be conducted with the individual to gather information on the difficulties experienced, the objectives achieved and the recommendations for improving the effectiveness of acting assignments.

6. ACTING FOR MUNICIPAL MANAGER AND SECTION 56 MANAGERS

- 6.1. In the absence of the Municipal Manager any other section 56 shall be appointed by the council to act as a Municipal Manager.
- 6.2. The person appointed as Municipal Manager must at least have the skills, expertise, competencies and qualifications as prescribed.
- 6.3 A decision to appoint a person as Municipal Manager and Section 56 Manager and any contract concluded between the municipal council and the person in consequence of the decision, is null and void if – (a) person appointed does not have the prescribed skills, expertise, competencies or qualifications or (b) the appointment was otherwise made in contravention of the act.
- 6.4 A person appointed in terms of subsection (1)(b) of the Municipal systems Act may not be appointed to act for a period that exceeds three months.
- 6.5 A municipal council may, in special circumstances and on good cause shown, apply in writing to the MEC for Local Government to extend the period of appointment contemplated in paragraph (6.4.) for a further period that does not exceed three months.
 - 6.5.1 Performance assessment of the Acting employee will be done in both the usual post of the employee and the post the employee is acting on.

6.5.2 An acting employee remains responsible for the functions of his/her current post while acting on a higher position.

7. CALCULATION OF ACTING ALLOWANCE

- 7.1 The acting allowance is calculated on the basis of the basic of the person required to act and the commencing notch of the salary scale of the post in which he or she acts.
- 7.2 Where an employee acts in the position of an employee who is in receipt of an all-inclusive salary, the proportion of such salary which represents that employee's basic salary shall be used for the purpose of calculating the acting allowance.
- 7.1. Where the employee who acts and the employee in respect of whom acting duties are performed by the former employee are in receipt of fixed salaries, the acting allowance shall be calculated on the basis of the difference between the two fixed salaries.
- 7.2. The acting allowance payable to an employee in terms of this policy shall be fully taxable, and shall be included in the monthly salary of the acting employee and be paid on the pay day of the month following the conclusion of the acting appointment.
- 7.3. Before an acting allowance is paid to an employee in terms of this policy, the relevant head of Department shall certify that the employee concerned performed all the duties of the employee in respect of whom he/she acted and such certificate shall be filed in the personnel file of the employee who acts in terms of this policy.
- 7.4. The calculation of acting allowance's paid to employees performing acting duties in section 56 and other fixed term contractual posts shall be a non-pensionable acting allowance of 8% of total cost of employer remuneration of the manager.
- 7.5. When an employee is required to perform the responsibilities of a junior position or 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 responsibilities, an additional responsibility allowance fixed at 2.5% of the employees basic salary shall be paid to such employee in addition to his/her salary in respect of the period in which he/she is appointed to act.

- 7.6. The acting allowance shall be fully taxable and included in the monthly salary of the acting employee and shall be paid on the pay day of the month following the conclusion of the acting period.

8. IMPLEMENTATION OF THE POLICY

- 8.1 The policy will be communicated throughout the municipality. It will be posted on the Municipal Website for purposes for ease of accessibility by users;
- 8.2 The policy will be signed-off by the Mayor / Speaker and the Municipal Manager as a commitment to its implementation and adherence thereto;
- 8.3 Successful implementation of this policy will be evidenced by effective and efficient administrative processes in relation to departing employees as well as fewer complaints from departing employees with regard to issues of terminal emoluments and notice periods.

9. VIOLATION AND ENFORCEMENT

The violation of this policy may lead to disciplinary processes taken against the offender.

10. DEVIATION FROM THE POLICY

Any deviation that affects the contents of this policy shall be sanctioned by Municipal Manager, his/her nominee subject to rectification by council.

11. DISPUTE RESOLUTION

Any dispute relating to both the interpretation of provision of the policy as well as the municipality decision on any specific matters shall be dealt with in accordance with the dispute resolution mechanism provided for in the applicable Labour Relations Legislation.

12. POLICY AUDIT

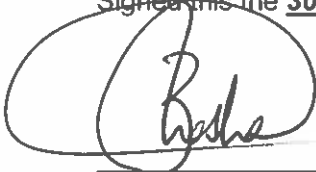
Audits will be conducted on the policy annually to determine its impact in achieving the objectives it is set out to achieve as well as alignment to the process.

13. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by Amahlathi Local Municipality Council for implementation from (Effective Date) 01 July 2023

Approved by Resolution Number 2 of 6.7 on this the 29TH day of June 2023.

Signed this the 30th day of June 2023.



**DR Z. SHASHA
MUNICIPAL MANAGER**

30 June 2023
DATE



**CLLR N. MLAHLEKI
COUNCIL SPEAKER**

30 June 2023
DATE