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ACTING ALLOWANCE POLICY

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Authorised Signature:



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1. DEFINITIONS

- **Acting Allowance** refers to a payment made in respect of the employee appointed to perform duties and responsibilities in a higher position than his / her for a period which exceeds 10 consecutive working days.
- **KZN COGTA** refers to KwaZulu-Natal Cooperative Governance and Traditional Affairs.
- **MEC** refers to the Member of the Executive Council

2. LEGISLATIVE FRAMEWORK

- Basic Conditions of Employment Act, 75 of 1997
- Employment Equity Act, 55 of 1998
- Labour Relations Act, 66 of 1995
- Municipal Finance Management Act, 56 of 2003
- Municipal Systems Act, 32 of 2000

3. OBJECTIVES

- 3.1 To provide guidelines for the appointment of acting employees in various positions.
- 3.2 To provide guidelines for the payment of acting allowances to employees acting in positions higher than their current employment level.

4. APPLICABILITY

- 4.1 This Policy is applicable to all permanent and fixed term contract (more than 12 months) employees of the municipality. Excludes Municipal Manager and Section 56 managers.
- 4.2 This policy excludes employees on short-term contracts and interns.
- 4.3 This policy is applicable to acting in same grade or higher grade positions and excludes acting in lower grade job.

5. POLICY PROVISIONS

5.1 *Appointment*

- 5.1.1. The municipal manager or his / her nominee shall appoint competent employees with potential, required skills, knowledge and experience to act in higher posts continuously or on a rotational basis with colleagues at the same level.
- 5.1.2. Employees acting in higher posts should be informed formally through an acting appointment letter, stating all the authority, accountability and responsibilities of the post and the duration of the term of acting.
- 5.1.3. The acting employee shall assume full accountability and responsibility for both his / her current position and the post in which he / she is acting.
- 5.1.4. The employee must acknowledge the acting appointment letter and indicate consent.
- 5.1.5. The acting appointment should not be regarded as an indication of automatic appointment in the future, and the employee should hold no legitimate expectation to the position.
- 5.1.6. The acting employee shall be considered for the position should it be advertised for filling.
- 5.1.7. An employee who acts in a posts for a continuous period of 10 or more than days shall be paid an acting allowance.
- 5.1.8. The acting period should not exceed six (6) months, unless the permanent occupant of the post is on extended leave. In such cases the acting employees should rotate until the permanent occupant of the post returns to work.
- 5.1.9. The leave status of the acting employee will remain unchanged.
- 5.1.10. The acting employee should be informed of their performance during the acting period in line with the performance management system.
- 5.1.11. Employees earmarked to act in senior management positions including that of municipal manager, applications must be concurred with the MEC responsible for local government before the acting takes place.
- 5.1.12. If an employee has been appointed to act in the post of Municipal Manager, a circular in that regard must be distributed to all department heads to inform them of the acting employee and the duration of the acting period.
- 5.1.13. An employee acting in a Section 56 position shall act up to a maximum of three (3) months. In an instance where that an extension of acting period is required,

an application must be made to the KZN COGTA MEC to grant a further three (3) months acting period.

5.2 *Payment of Acting Allowance*

- 5.2.1. The acting employee shall be paid an acting allowance based on the difference between an employee's salary and the commencing notch of the salary scale of the post in which he / she acts, in addition to his / her salary for the duration of the acting period.
- 5.2.2. In a case where the acting employee's current salary is equal to or higher than the commencing notch of the salary scale for the position in which they are acting, then the employee shall be paid an acting allowance of 10.5 % of basic salary of the post in which they are acting.
- 5.2.3. An employee who acts on a Section 57 post shall be paid an acting allowance of 10.5 % of the total cost of employee remunerated to the unavailable incumbent.
- 5.2.4. The acting allowance shall be paid monthly and it is non-pensionable.

5.3 *Termination of acting appointment*

- 5.3.1. The acting appointment will be terminated when:
 - a) The post incumbent returns to work
 - b) The acting employee goes on maternity leave
 - c) The acting employee goes on a 30 days (1 month) consecutive days leave.
- 5.3.2. The acting allowance will be discontinued when the acting appointment is terminated.
- 5.3.3. If the acting post is filled with another permanent appointment, the acting allowance for the acting employee shall be cancelled on the date that the new incumbent commences duty.

6. ROLES AND RESPONSIBILITIES

The Municipal Manager or his / her nominee accept overall responsibility for the implementation and monitoring of the policy.