

AGENDA: MAYORAL COMMITTEE: 17 SEPTEMBER 2010

218. PROPOSED AMENDMENTS TO THE ACTING ALLOWANCE POLICY
(Directorate: Corporate Support Services) (31882)(RTR/tmm)

1. STRATEGIC TRHUST

The Rustenburg Local Municipality has adopted as key priority area to establish an organizational structure supportive of employment equity.

2. PURPOSE OF THE REPORT

The purpose of the report is to seek Council's approval on the amendments to the Acting Allowance Policy.

3. EXECUTIVE SUMMARY

The Directorate Corporate Support Services has identified challenges to Unit Managers acting in positions occupied by Directors and other employees requested to act in the fixed term positions. If acting is for more than ten consecutive working days, the allowance must be 60% of the total remuneration package of the affected fixed term position.

The other challenge which is not covered in the current acting allowance policy is that employees who are requested to act do not receive/get allowances attached to the positions they are requested to act on.

The incumbents must also meet the minimum requirements as set out in section 20(3) of the Employment Equity Act of the position he/she is requested to act on.

Amended Acting Allowance Policy as (Annexure A) (in colour) is attached. It is recommended that the parts highlighted in red be deleted and those in blue be added to the policy.

This item served before Local Labour Forum on the 01 September 2010 and the following recommendations were made:

This item served before PFC: Corporate Support Services the 16 September 2010 and the following recommendations were made:

RECOMMENDED:

	<u>ACTION</u>
1. That the report on the Acting Allowance Policy be noted;	DCS
2. That the Acting Allowance Policy as amended be approved;	DCS
3. That priority in terms of recruitment be given to positions in which employees are acting.	DCS

MINUTES: COUNCIL: 28 SEPTEMBER 2010

218. PROPOSED AMENDMENTS TO THE ACTING ALLOWANCE POLICY - CC
(Directorate: Corporate Support Services) . (31882)(RTR/tmm) . ACTION

1. That the report on the Acting Allowance Policy be noted; DCS
 2. That the Acting Allowance Policy as amended be approved. DCS
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RUSTENBURG LOCAL MUNICIPALITY

ACTING ALLOWANCE POLICY

1. INTRODUCTION

Circumstances require from time to time that a personnel has to act in a higher position. The Director must evaluate the situation in his Directorate timeously and decide if acting in a certain position is really needed according to the criteria in this document. It is the responsibility of the Director to apply for acting in a higher position for one of his / her subordinates, in accordance with the approved application form (attached as annexure).

2. AIM

The aim of this policy is to provide for acting allowances where personnel act in a higher position according to certain criteria.

3. DEFINITIONS

Acting - Acting in a higher position is a situation where an employee on a lower level takes full responsibility as well as accountability for a higher position. In other words the person who acts must man the higher position completely.

If a person does not take full account of a higher position it must be seen as a learning experience for career development to attend to certain functions of a higher position.

Short term: Short-term acting is defined as acting in a position where the incumbent of the higher position is absent from duty due to leave.

Long term: Long-term acting is defined as acting in a vacant position but is limited to six consecutive months. The Council may however approve the payment of acting allowance for any such period longer than six months.

4. CONDITIONS OF SERVICES

The conditions of service determine as follows with regard to acting allowances:

If an employee, by resolution of the council, acts in a higher post for a period of not less than 10 consecutive working days, an acting allowance equal to the difference between his salary and the minimum notch of the salary scale pertaining to the post in which he is acting shall be paid to such employee in addition to his salary for the period during which he is acting.

5. DELEGATED POWERS

The granting of acting allowances is delegated to the Municipal Manager, after consultation with the Workstudy Section.

6. CRITERIA

To grant acting allowances, the following criteria should be taken in consideration:

(a) Key position

To qualify for acting allowances, the acting must take place in a key position. A key position is defined as a position where the incumbent is in charge of a division or section and is fully accountable for the responsibilities attached to it.

(b) Requirements and the Equity Act:

The incumbent must meet the minimum requirement of the position he/she is requested to act on. The minimum requirements shall be defined as the requirements of the position and that as set out in our Recruitment Policy or as captured under section 20(3) of the Employment Equity Act no. 55 of 1998.

(c) Decision-making must be done in accordance with council's policy and the absence of knowledgeable decision making could harm the organisation. The situation must be of such nature that it would be difficult to direct the decision-making to another employee, or a more senior position.

(d) Temporary employment

The temporary employment of personnel must not be catered for in the acting capacity.

(e) Cascading

- i) The acting in a particular position must not have a cascading effect within the applicable Directorate or Political Offices and that of the Municipal Manager;
- ii) Exceptions to (i) would only be applicable Section 57 related positions.
- iii) Clause (ii) above would be applicable if the acting is for more than a month.

(f) Administration protocol

Appointment to an acting position should be informed and mindful of administrative protocols where those in positions of seniority get preference.

g) Distribution of work

If the workload is of such nature that it could be distributed among other personnel on the same or higher level, no acting allowance is payable.

7. APPLICATION FOR ACTING ALLOWANCES

7.1 Absence during the period of acting can be categorised in three categories:

- (a) Vacation leave
- (b) Sick leave
- (c) Special leave

7.2 Approval.

Application for acting allowances must be approved by the Municipal Manager in consultation with the Workstudy Section, before the intended acting takes place by means of an application form.

7.3 Short term acting;7.3.1 Temporary acting

Short term acting would be applicable when the incumbent of the position is absent from work due to leave, suspension or any other factor that may lead to the temporary absence of the incumbent;

7.3.2 Less requirements and acting:

The employee requested to act for a short term or specified period may not have to meet all the requirement of the position, especially the academic qualifications, so long as the Supervisor makes a recommendation based on the performance, skills and the potential to do the work also mindful of Section 20(3) of the Employment Equity Act.

When an official is acting in a higher position on the short term, the days absence from duty, except when involved in council business, do not qualify for remuneration purposes.

7.4 Long term acting - Acting upon acting:

When an official is acting in a higher position on the long term, the days absence from duties do qualify for remuneration purposes except when another person is appointed to act in that position during the period of absence.

8. PERIOD TO QUALIFY FOR ACTING ALLOWANCES

8.1 Acting allowances shall be paid when an employee acts in a higher post for a period, not less than ten consecutive working days.

8.2 Acting allowance would be paid normally as regulated by applicable regulations, policy or adopted guidelines.

8.3 Payment of the acting allowance;

Payment of an acting Allowance, for the purposes of this policy, shall be suitable to a person who has acted in line with 8.1 above. Payments for the acting allowances would also be handled in the following manner;

8.3.1 The incumbent shall perform or execute full responsibility related to a particular position. Allowances would include the following; Acting Allowance;

8.3.2 Travelling Allowance, Cell phone Allowance, Standby Allowance, etc. will only be paid to a vacant position;

8.3.3 Payment of the Acting Allowance must be the difference of the original position and the one acting upon/on.

8.4 Acting within a month

All other Allowances paid to a person acting on a vacant position would not be applicable to a person acting within a month;

8.5 Consecutive acting period

An Official is entitled to be paid for having acted consecutively for ten official days as captured in the collective agreement.

9. BENEFITS

9.1 For the purposes of the policy, benefits shall mean the fringe benefits i.e. Pension Fund, Housing Allowance, Medical Aid, UIF, Skills Levy and 13th Cheque (Discretionary Benefit or as agreed by Collective Agreement);

9.2 These are the benefits that an employee is entitled to without rendering a service, but while in an employ of an employer.

9.3 The above benefits shall remain with the percentage of a position the incumbent was appointed on and shall not increase to be equal to that of an acting position.

10 ACTING IN A FIXED TERM POSITION

Employees request to act in a fixed term position will be entitled allowance to 60% of the total cost to company remuneration package of that particular position.

The principle at 9 above shall be applicable to fixed term positions.

11 ACTING AND RE-INSTATEMENT

11.1 In the event that an acting employee is suspended or seconded, his/her return for whatever reason must be to the original position of his/her appointment;

11.2 This means that the incumbent is not entitled to return to the position that he/she acted upon before departure;

11.3 Acting in a position does not create a right or a legitimate expectation;

12 UPHOLDING OF THIS POLICY

The Directorate: Corporate Support Services is responsible to administratively uphold this policy.

End.