



# ACTING, SECONDMENT AND ADDITIONAL ALLOWANCE POLICY

<b>Council Resolution No:</b>	.....
<b>Date:</b>	.....
<b>Municipal Manager:</b>	.....
<b>Executive Mayor</b>	.....
<b>Reference No:</b>	.....
<b>Municipal Code No:</b>	.....

## TABLE OF CONTENTS

ITEM NR	DESCRIPTION	PAGE
1.	Purpose	3
2.	Legal Framework	3
3.	Definitions	3
4.	Policy Content	4
5.	Acting Appointment	4
5.1	The Principle of Acting	4
5.2	Acting of Municipal Manager	5
5.3	Acting as Director (section 56) or other fixed-term contracts post	6
5.4	Acting as a Manager of a Department	7
6.	Secondment(s)	7
6.1	Principles of secondments	7
6.2	Secondment Allowance Calculation	8
7.	Additional Allowances	8
7.1	The Principles of Additional Allowance	8
7.2	Additional Allowance Calculation	9
8	General Administration	9
9.	The Process and Action Steps	9
10.	Implementation and monitoring	10
11.	Communication	10
12.	Policy Review	10
13.	Budget and Resources	10
14.	Roles and Responsibilities	10
15.	Record-Keeping	11
16.	Dispute Resolution	11
	<b>APPENDIXES</b>	
	<b>A:</b> Request Memorandum (Acting and Additional)	12
	<b>B:</b> Secondment Memorandum	13
	<b>C:</b> Authorisation	14

## 1. PURPOSE

- 1.1 This policy is intended to create a framework for decision-making in respect of acting, secondment- and additional allowance arrangements for the Overberg District Municipality;
- 1.2 There are many occasions where employees are needed to act in other positions, be seconded/borrowed to another section/post and where employees are requested to do additional duties. Hence the need for a policy dealing specifically with the matter of acting, secondment and additional allowance arose to give clarity on what employees may be utilized in acting or seconding positions as well as to do additional duties. Payment in these instances, also needs to be cleared with definite guidelines; and
- 1.3 The Municipality accepts that from time to time an employee may not be available to carry out his/her duties and responsibilities in terms of the contract or contractual agreement. The Municipality recognised that there would be a need to appoint another employee in an acting capacity to carry out the duties of another employee who is absent for a period or who has resigned, and the appointment of the new incumbent is underway. The Municipality also recognised that secondment arrangements can also be applied to ensure that service delivery continues in the absence of a staff member or when additional duties are needed to be attended to in a specific function to provide services to the community.

## 2. LEGAL FRAMEWORK

The policy was developed with the legislative environment in mind. The following legislation, amongst others, was considered:

- Collective Agreement on Condition of Services for the Western Cape Division of the SALGBC.
- Local Government Municipal Systems Act (2000)
- Local Government Municipal Systems Amendment Act, 7 of 2011; and
- Local Government Municipal Structure Act, 117 of 1998
- Municipal Staff Regulation

## 3. DEFINITIONS

- **"Acting Allowance"** means the monetary differences between the current position and the higher position in which the employee is appointed to act in;
- **"Additional Allowance"** means the ex-gratia payment for additional work rendered of a higher post, but not one hundred percent of the duties of the post, in addition to normal functions performed for a consecutive period of at least ten (10) working days, including public holidays and compulsory closing of office during the festive season;
- **"Collective Agreement"** means a written agreement concluded at the Divisional Bargaining Council regulating terms and conditions of employment or any other matters of mutual interest concluded between SALGA on the one and the Unions on the other hand and for purposes of this policy, the Collective Agreement on Conditions of Service for the Western Cape Division of the SALGBC is relevant;

- **"Employee"** referred to herein applies to permanent- and fixed-term contractual posts, who works for the municipality and who receives, or is entitled to receive any remuneration, and any other person who in any manner assists with carrying on or conducting the business of an employer;
- **"Employer"** refers to the municipality that is established in terms of the Provincial Notice 489 dated 22 September 2000 and the Local Government: Municipal Structures Act, Act No 117 of 1998; and
- **"Secondment"** means the temporary transfer of an official or worker to another position or employment within the municipality.

#### **4. POLICY CONTENT**

The policy applies to all employees who are appointed in an acting or secondment capacity or performing additional duties in a post they ordinarily do not occupy.

#### **5. ACTING APPOINTMENT**

In the absence of a delegation policy specifically identifying persons authorised to appoint staff in an acting capacity, including the extension of such appointments the Municipal Manager and/or the Director of the relevant directorate has the authority.

Acting in a higher post does not create any expectation for appointment to the higher post and places no obligation on the employer to appoint the employee at any stage to the higher post.

##### **5.1 THE PRINCIPLE OF ACTING**

The principle of acting should also be read with Clause 8: Acting Allowances of the Collective Agreement on Conditions of Service for the Western Cape Division of the SALGBC:

- 5.1.1 An employee is entitled to an acting allowance when he/she is requested in writing, by the Municipal Manager and/or the Director of the relevant Directorate or by another authorised manager to act and undertake all the duties and responsibilities attached to a higher post for a period of at least ten consecutive working days, including public holidays and compulsory closing of office during the festive season;
- 5.1.2 An acting allowance equal to the difference between his/her pensionable salary and the commencing notch of the salary scale of the post in which he/she is acting shall be paid to the employee for the period of acting;
- 5.1.3 Where an employee's salary is higher than the commencing notch of the salary of the post in which he/she is required to act, an acting allowance amounting to fifteen percent of his/her pensionable salary shall be paid;
- 5.1.4 An employee who acts in another post is still responsible for his/her own duties, functions and powers;

- 5.1.5 If it is not attainable for an employee to perform his/her own duties as well as those of the higher position, this qualification may be waived by the Municipal Manager on a merit basis for well-motivated reasons such as geographical location, physical reallocation and/or supervisory requirements on the condition that the consequential acting duties will be performed in the post, that will be left vacant, by another employee that adheres to the requirements of the post;
- 5.1.6 Subject to existing operational requirements, acting appointments to vacant posts shall be reviewed within three months;
- 5.1.7 The acting period must not exceed nine consecutive working months, whereafter the funded, vacant post must be advertised and filled;
- 5.1.8 Unless operational requirements dictate otherwise, acting appointments should be confined to employees reporting directly to the applicable acting position;
- 5.1.9 Employees will not be paid an acting allowance whilst he/she is on any form of leave or any other absence during the acting period unless the acting period exceeds a consecutive period of three months, then the employee will qualify for an acting allowance while on paid leave but only to a maximum of nine months;
- 5.1.10 The employee must have the necessary requirements and skills to perform the duties of the post that he/she is acting in;
- 5.1.11 The Municipal Manager and/or the Director of the relevant Directorate, or another authorised manager may request an employee to act in posts, as and when it is deemed necessary;
- 5.1.12 Acting allowances are fully taxable; and
- 5.1.13 The acting employee shall in addition to his/her salary receive an acting allowance for the period of acting.

## **5.2 ACTING OF MUNICIPAL MANAGER**

- 5.2.1 The Municipal Systems Amendment Act (7/2011) in Section 54A(1)(b) and together with subsection (2)A reads that Council must appoint an acting Municipal Manager under circumstances and for a period as prescribed and that the appointed acting Municipal Manager must at least have the skills, expertise, competencies and qualifications as prescribed;
- 5.2.2 In Section 54A(2A) (a) and (b) of the Municipal Systems Amendment Act (7/2011) indicates that a person appointed as acting Municipal Manager may not be appointed to act for a period exceeding three months and that Council may in special circumstances and

on good cause, apply in writing to the MEC for Local Government an extension of the acting period that does not exceed three months;

- 5.2.3 An acting allowance equal to the difference between sixty percent of the cost to company package of the employee acting and sixty percent of the cost to company package of the Municipal Manager shall be paid to the employee for the period of acting;
- 5.2.4 The employee shall in addition to his/her salary receive an acting allowance for the period of acting;
- 5.2.5 The salary component for determining the acting allowance will be sixty percent of the remuneration package of the post in which the employee is acting;
- 5.2.6 An employee is entitled to an acting allowance when an employee acts as Municipal Manager for a minimum of ten (10) consecutive working days, including public holidays and compulsory closing of office during the festive season;
- 5.2.7 The Mayor may authorise the acting memorandum for payment of an acting allowance of an employee who acts as Municipal Manager
- 5.2.8 Acting allowances are fully taxable.

### **5.3 ACTING AS DIRECTOR (SECTION 56) OR OTHER FIXED-TERM CONTRACTUAL POST**

- 5.3.1 Council, subject to the Local Government: Municipal Systems Act, 2000 and in consultation with the Municipal Manager, may resolve that an employee should act in a Section 56 post or another fixed-term contractual post in terms of Clause 4.1.1.1, and 4.1.1.3, in which case the following shall apply (this is subject to the Collective Agreement on Conditions of Service for the Western Cape of the SALGBC):
- 5.3.2 The employee shall in addition to his salary receive an acting allowance for the period of acting; and
- 5.3.3 The salary component for determining the acting allowance will be sixty percent of the remuneration package of the Section 56 post or fixed-term contractual post in which the employee is acting.
- 5.3.4 An employee is entitled to an acting allowance when he/she is requested by written instruction from the Municipal Manager to act as a Director.
- 5.3.5 An employee acting in a higher post must undertake all the duties and responsibilities attached to the higher post for a period of at least ten consecutive working days, including public holidays and compulsory closing of office during the festive season;

- 5.3.6 Should a Manager's salary be above the salary component of the Director (section 56) the Municipal Manager may in his discretion pay the amount of fifteen percent of the employee's pensionable salary.

## **5.4 ACTING AS MANAGER OF A DEPARTMENT**

- 5.4.1 The Municipal Manager and/or the Director of the relevant Directorate, or by another authorised manager may request an employee to act as Manager within his/her department in the absence of another Manager;
- 5.4.2 An acting allowance equal to the difference between his/her pensionable salary and the commencing notch of the salary scale of the post in which he/she is acting shall be paid to the employee for the period of acting;
- 5.4.3 The Director: Corporate Services or in his/her absence the Municipal Manager may authorise the acting payment of an acting allowance to an employee who acts as Manager within a Department;
- 5.4.4 An employee is entitled to an acting allowance when he/she acts as Manager within a department for a minimum period of ten consecutive working days, including public holidays and compulsory closing of office during the festive season; and
- 5.4.5 Acting allowances are fully taxable.

## **6. SECONDMENT(S)**

### **6.1 THE PRINCIPLES OF SECONDMENTS**

- 6.1.1 An employee is entitled to a secondment allowance when he/she is seconded in writing by his/her Director or by another manager authorised in terms of Council's delegation policy to perform all the duties and functions of another post for a period of at least ten consecutive working days, including public holidays and compulsory closing of office during the festive season;
- 6.1.2 An employee is deemed to be seconded to another post when he/she has agreed on the arrangement;
- 6.1.3 An employee who is seconded to another post will not be responsible for his original duties, functions and powers and a temporary appointment will be made to address original functions of the seconded person;
- 6.1.4 The original post will not be filled and will be made available for the seconded person to move back into when the secondment period lapses;
- 6.1.5 Subject to existing operational requirements, the time frame of secondment appointments to posts shall be reviewed and agreed upon with the seconded and relevant stakeholders;

- 6.1.6 Unless operational requirements dictate otherwise, secondment appointments should be confined to employees reporting directly to the applicable secondment position;
- 6.1.7 A seconded person must have the necessary skills and requirements for the seconded position; and
- 6.1.8 Secondment arrangements will be for a pre-determined fixed-term period which may not exceed nine consecutive working months.

## **6.2 SECONDMENT ALLOWANCE CALCULATION**

- 6.2.1 The seconded person will be getting the difference between his/her pensionable salary and the commencing notch of the salary scale of the post to which he/she is seconded;
- 6.2.2 Where an employee's salary is higher than the commencing notch of the salary of the post to which he/she is seconded, a secondment allowance amounting to five percent of his/her pensionable salary shall be paid; and
- 6.2.3 Where an employee is seconded, there will be a signed agreement indicating the position which the employee is seconded to as well as the period of secondment. For the duration of the secondment period, another person can be temporarily appointed in the seconded person's position, subject to the temporary person having the necessary skills and requirements needed to fulfil the tasks and responsibilities.

## **7. ADDITIONAL ALLOWANCES**

### **7.1 THE PRINCIPLES OF ADDITIONAL ALLOWANCE**

- 7.1.1 An employee is entitled to an additional allowance of a maximum of fifteen percent, to be applied at the discretion and by written instruction by his/her Director or another authorised Manager in terms of Council's delegation policy to perform partial additional duties of a higher post for a period of at least ten (10) consecutive working days, including public holidays and compulsory closing of office during the festive season;
- 7.1.2 An employee will not be paid an additional allowance whilst he/she is on any form of leave or any other absence during the additional work period;
- 7.1.3 If an employee has performed additional work for a continuous period of two (2) months or longer, he/she will qualify for an additional allowance while on paid leave;
- 7.1.4 An employee is deemed to be responsible for the partial duties of another post in addition to his/her current post, when he/she has agreed on the arrangement and when the agreement has been authorised by Municipal Manager and/or the Director of the relevant Directorate, or by another authorised Manager;



- 7.1.5 The employee performing the additional duties must have the necessary skills for the post in which the additional duties are performed; and
- 7.1.6 The period for which the partial additional duties are performed must not exceed nine consecutive working months.

## **7.2 ADDITIONAL ALLOWANCES CALCULATION**

The employee or employees performing the partial additional duties of a post will receive the maximum or a part of the fifteen percent allowance on his/her pensionable salary for additional duties performed.

## **8. GENERAL ADMINISTRATION**

- 8.1 Requests for acting and additional work, as well as secondments must be authorized before the work to be performed commences; and
- 8.2 The signed documents to be submitted to the Department Human Resources before the 10<sup>th</sup> of each month to ensure processing purposes.

## **9. THE PROCESS AND ACTION STEPS**

- 9.1 Any deviations from this policy must be approved by the Municipal Manager of Overberg District Municipality. To obtain approval for deviation, a formal deviation memorandum needs to be submitted to the Municipal Manager;
- 9.2 A request memorandum must be compiled and signed off as authorized by the relevant Director or Municipal Manager confirming the acting/additional work arrangements of the employee for the specific period (see Appendix A);
- 9.3 A secondment memorandum must be signed off as authorized by the relevant Director or Municipal Manager confirming the secondment arrangement (see Appendix B);
- 9.4 Appendix C must be completed to authorise the acting/additional/secondment duties.
- 9.5 The employee confirms acceptance of the acting or additional work request by signing Appendix A;
- 9.6 The employee confirms acceptance of the secondment arrangement by signing Appendix B;
- 9.7 The authorised prescribed documentation must be forwarded to the Senior Manager: Human Resources for processing;
- 9.8 The acting arrangements must be communicated to the relevant employee(s);

- 9.9 Acting-, Additional- and Secondment allowances are prepared by Human Resources and calculations are done by Finance whereafter it is signed off by the Director: Corporate Services and/or Municipal Manager before any payments can be made; and
- 9.10 The Senior Manager: Human Resources will ensure that the relevant approved documentation is placed on the incumbent(s) personnel file and provided to the salary office for payment.

**10. IMPLEMENTATION AND MONITORING**

This policy will be implemented and effective once recommended by the Local Labour Forum and approved by Council.

**11. COMMUNICATION**

This policy will be communicated to all Municipal employees using the full range of communication methods available to the municipality.

**12. POLICY REVIEW**

This policy will be reviewed annually and revised as necessary. Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary.

**13. BUDGET AND RESOURCES**

Funds must be made available by each department utilising the vacancy funds or relevant funds.

**14. ROLES AND RESPONSIBILITIES**

Role	Responsibility
Municipal Manager	Authorise relevant Acting / Secondment / Additional duties arrangements and payment of allowances. Approval of deviations
Director: Corporate Services and Relevant Director	Authorise relevant Acting / Secondment / Additional duties arrangements
Relevant Managers	Make recommendations with regard to Acting / Secondment / Additional duties arrangements, complete the documentation and obtain the relevant approvals in compliance with the policy.

Senior Manager: Human Resources and relevant staff	Guide the process. Ensure correct completion of the documentation and ensure that payroll is informed in time. Ensure that all records are kept on the incumbents' personnel file.
CFO and Financial Services	Ensure the correctness of the allowance calculations and give effect to payment of allowances.
Employee	Agree to the Acting / Secondment / Additional Duties arrangements and undertake to resume all the duties and/or partial responsibilities attached to the post.

**15. RECORD-KEEPING**

Adequate records of acting/secondment/additional duty arrangements need to be maintained by the Department Human Resources.

**16. DISPUTE RESOLUTION**

Where the content of this policy is covered by an existing collective agreement, disputes about the interpretation/application of such content shall be resolved as per the dispute resolution mechanism of the collective agreement. Any content not covered by existing collective agreement shall in terms of the grievance procedure be referred to the Municipal Manager or his/her nominee for final decision.

**Appendix A**

**REQUEST MEMORANDUM (ACTING & ADDITIONAL)**

**SUBJECT: REQUEST FOR ACTING OR ADDITIONAL DUTIES ARRANGEMENT**

**Date:** \_\_\_\_\_

**Dear Sir/Madam** \_\_\_\_\_

**You are hereby requested to act/ perform additional duties in:**

**Post** \_\_\_\_\_ **Section** \_\_\_\_\_

**Department:** \_\_\_\_\_ **(tick below where applicable)**

and will perform the required functions as stated in the attached Job Description,

from \_\_\_\_\_ until \_\_\_\_\_

**Regards**

(Designation)

<b>Responsible person</b>	<b>Name and Surname</b>	<b>Signature</b>	<b>Date</b>
Accepted by employee			
Recommended by Manager			
Authorised by the Relevant Director (the employee possesses the requirements of the post)			
Authorised by the Municipal Manager (if applicable)			

\* The request memorandum must be fully completed and signed prior to commencing acting or additional work.

**Appendix B**

**SECONDMENT MEMORANDUM**

SUBJECT: NOTICE OF SECONDMENT

Date: \_\_\_\_\_

Dear Sir/Madam \_\_\_\_\_

You are hereby seconded to the position \_\_\_\_\_ in the  
Section \_\_\_\_\_ of the Department \_\_\_\_\_

and will perform all the required functions as stated in the attached Job Description,  
from \_\_\_\_\_ until \_\_\_\_\_

**Regards**

(Designation)

<b>Responsible person</b>	<b>Name and Surname</b>	<b>Signature</b>	<b>Date</b>
Accepted by employee			
Recommended by Manager			
Authorised by the Relevant Director (the employee possesses the requirements of the post)			
Authorised by the Municipal Manager (if applicable)			

\* The secondment memorandum must be fully completed and signed prior to commencing secondment.

**Appendix C**

<b>AUTHORIZATION: ACTING APPOINTMENT/SECONDMENT/ADDITIONAL DUTIES (TO BE FULLY COMPLETED)</b>
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**1. Employee to be appointed in acting/secondment/additional function position:**

Employee:		Employee no.:
Position:	Organogram no.:	Post level:

**2. The following functions will be performed (if applicable in addition) to his/her own functions:**


**3. Acting/seconded/additional function — position details**

Org Unit:	Department:			
Position:	Filled:	Vacant:	Budgeted:	Not budgeted:
Organogram no.:	Post Level:			
Current-/ Previous Incumbent:			Vacated on:	
Acting Period:	From:	Until:		

**4. Reason for acting/secondment/additional functions/and motivation regarding the critical nature of the post**

**5. Recommended by:**

Manager of Department: (Name in print)	Signature:	Date:
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**6. Authorised by:** (The employee possesses the requirements of the post)

Delegated Authority (Name in print)	Signature:	Date:
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**7. You are herewith authorised to perform the duties as detailed above.**

Employee	Signature	Date
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No Acting/ Secondment/Additional allowance will be paid for any period prior to the date of approval. Processing will only take effect once the form has been fully signed by all parties.