



## **OVERSTRAND MUNICIPALITY**

### ***Policy on Payment of Acting Allowances of Section 56 Managers***

**TABLE OF CONTENTS**

<b>No</b>	<b>PARAGRAPH</b>	<b>PAGE</b>
1	Introduction	3

## INTRODUCTION

Whereas section 82 of the Local Government: Municipal Structures Act, No. 117 of 1998 provides for the appointment of an acting municipal manager; and

Whereas the Conditions of Service of municipal staff as set out in the South African Local Government Bargaining Council's collective agreements provides for payment of acting allowances,

Now, therefore, the Overstrand Municipality adopts the following policy:

### Policy Principles

1. Whenever a person has to act as Municipal Manager or as a Section 56 Manager, such a person shall, under circumstances described below, be entitled to an acting allowance.
2. In the event of the Municipal Manager or the Section 56 Manager, as the case may be, being on leave irrespective of the type of leave, for 10 (ten) or more consecutive days (including public holidays and compulsory office closures), the person appointed to act in the absence of the incumbent will be entitled to an acting allowance as set out in paragraph 4 & 5 below:
3. The acting allowance will be calculated on a working year of 250 working days.
4. An acting allowance in the position of Municipal Manager, will be based on 50% (fifty percent) of the difference between the total cost to employer package of the Municipal Manager being on leave and that of the Section 56 Manager acting in that position.

<b>(Example:</b> A's remuneration package	-	R700 000
B's remuneration package	-	<u>R580 000</u>
Difference	-	R120 000
50% of difference	-	R 60 000

*B acted for 10 (ten) days.*

$$\frac{10}{250} \times \frac{R60\,000}{1} = R2\,400$$

5. Acting Allowance for employees acting in Section 56 Managers (Directors).

In terms of the Collective Agreement on the SALGBC: Western Cape Division of April 2016, subsection 8.5 will apply:

“8.5.1 The employee shall in addition to his salary receive an acting allowance for the period of acting.”

“8.5.2 The salary component for determining the acting allowance will be 60 cent of the remuneration package of the post in which the employee is acting.”

6. Whenever a person is acting in the position of a person on leave the acting person will be deemed to be performing his/her own work plus the work of the person in whose position he/she is acting.

<b>Policy Section:</b>	Management Services
<b>Current Update:</b>	29 May 2019
<b>Previous Review:</b>	N/A
<b>Approval by Council:</b>	27 August 2008