

## **OVERSTRAND MUNICIPALITY**

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

#### **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 annual, special or sick leave for 10 (ten) or more consecutive working days or being on leave, irrespective of the type of leave, for 10 (ten) or more days during a calendar month, the person appointed to act in the absence of the incumbent will be entitled to an acting allowance as set out below:
3. An acting allowance will be based on 50% (fifty percent) of the difference between the total cost to employer package of the person on leave and that of the person acting in the position of the person on leave.
4. The acting allowance will be calculated on a working year of 250 working days.

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

*B acted for 10 (ten) days.*

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

5. 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>	N/A
<b>Previous Review:</b>	N/A
<b>Approval by Council:</b>	27 August 2008