

UMHLABUYALINGANA MUNICIPALITY

ALLOWANCE POLICY

TABLE OF CONTENTS

NO	CONTENT	PAGE NUMBER
1.	Purpose	2
2.	Background	2
3.	Legislative Framework	2
4.	Scope and Application	3
5.	Policy principles	3
6.	Implementation and Monitoring	4
7.	Communication	4
8.	Policy review	4
9.	Budget and Resources	4
10.	Roles and responsibilities	4
11.	Penalties	4
12.	Dispute Resolution	4
13.	Authority	4

1. PURPOSE

To ensure that the Municipality complies with provisions as reflected in the Basic Conditions of Employment Act and Collective Agreement on Conditions of Service in order to advance economic development and social justice in the workplace.

To guide compensation for employees acting on higher positions and to regulate principles of acting within the municipality.

2. DEFINITIONS

"Acting allowance" is a non-pensionable allowance paid to an employee appointed by Council.

"Section 54 and 56 employees" employees appointed in terms Section 54 and Section 56 of the Local Government Municipal Systems Act,

"Acting" process of performing duties in a position higher than that of an incumbent being appointed for a set duration of time,

"Acting Allowance" means an allowance paid to an employee who has been appointed by the Municipal Manager or Council to act on a higher position and as stipulated by the policy.

3. LEGISLATIVE FRAMEWORKS

- 3.1 The Constitution of the Republic of South Africa, 108 of 1996
- 3.2 Employment Equity Act, Act 55 of 1998
- 3.3 Skills Development Act, Act 97 of 1998
- 3.4 Basic Conditions of Employment Act, 75 of 1997
- 3.5 Labour Relations Act, 66 of 1995, as amended
- 3.6 Local Government: Municipal Systems Act, 32 of 2000, as amended
- 3.7 SALGBC Main Collective Agreement,
- 3.8 SALGBC Salary and Wages Collective Agreement, 01 July 2015 to 30 June 2018
- 3.9 SALGBC KZN Conditions of Service Collective Agreement

4. SCOPE AND APPLICATION

The policy applies to all employees of Umhlabuyalingana Municipality as defined in the policy.

5. POLICY PRINCIPLES

- 5.1 The Municipality recognises that employees need to be treated with dignity and may be compensated for service they render on behalf of the Municipality in realisation of its objectives and service delivery to the local communities.
- 5.2 If an employee, by Municipal Manager's decision, acts in a higher post for a period of not less than ten (10) consecutive working days, an acting allowance will be a non-pensionable amount equal to the difference between his/her salary and the minimum notch of the salary scale pertaining to the post in which he/she is acting shall be paid to such employee in addition to his/her salary for the period during which he/she is acting or 8% of the basic salary in which employee is acting whichever is greater. (Not applicable to Section 56 Managers).
- 5.3 If the employee's existing salary is higher than the minimum of the acting grade, an acting allowance at the rate of one normal increment of his existing grade shall be paid.
- 5.4 The municipality shall not require an employee to act for longer than 6 months in the post unless an application for exemption is made by the municipality to the KZN Division of South African Local Government Bargaining Council.
- 5.5 The employee will continue getting paid for acting allowance while the application is pending finalization.
- 5.6 When an employee acts in a Section 56 position for more than 10 consecutive working days an allowance of 8% of the total remuneration of section 56 post shall be paid.
- 5.7 In a case of an employee acting in a Section 54/56 Managers, the Local Government: Municipal Systems Act as amended shall be applied and acting allowance shall be paid as per clause 5.6 above.

6. IMPLEMENTATION AND MONITORING

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

7. COMMUNICATION

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

8. POLICY REVIEW

This policy will be reviewed annually and revised as necessary.

9. BUDGET AND RESOURCES

The financial and resource implication/s related to the implementation of this policy should be qualified and quantified.

10. ROLES AND RESPONSIBILITIES

The Municipal Manager or his/her delegate assignee accepts overall responsibility for the implementation and monitoring of the policy.

11. PENALTIES

Non-compliance of any of the stipulations contained in the Policy will be viewed as misconduct and will be dealt with in terms of the municipality's Disciplinary Code.

12. DISPUTE RESOLUTION

Any dispute arising from this policy due to ambiguous wording or phrasing must be referred to the Local Labour Forum for adjudication. Resolutions from the Local Labour Forum must be incorporated into the policy.

13. AUTHORITY

APPROVED ON

COUNCIL RESOLUTION NO:

MUNICIPAL MANAGER

25/04/2019

UMHC: 205

