



dlg&hs

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TO : ALL DEPARTMENTAL EMPLOYEES

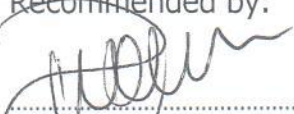
**FROM : Mr. MI KGANTSI
ACTING HEAD OF DEPARTMENT**

**SUBJECT : DETERMINATION AND DIRECTIVE ON ACTING ALLOWANCE FOR
SENIOR MANAGEMENT SERVICE (SMS):- 1 APRIL 2003**

1. The Minister of Public Service and Administration with regards to applicable policy to personnel on senior management service who are appointed in terms of the following Acts:
 - (a) Public Service Act, 1994
 - (b) Defence Act, 1957
 - (c) Correctional Services, 1998
2. The Department of Local Government and Human Settlements acknowledges the Determination and Directive on Acting Allowance for Senior Management Service by Department of Public Service and Administration and resolves to adopt it as a Departmental policy.
3. In the event of any conflict between the provisions of this policy and any other policy of the Department, the provisions of this agreement shall take precedence.
4. The provisions of this policy shall take effect from the date of the approval.

RECOMMENDATIONS/APPROVAL:

Recommended by:


.....
Ms. HH DU PLESSIS
DIRECTOR: HRM

26/1/2015.
.....
DATE

SUBJECT: DETERMINATION AND DIRECTION ON ACTING ALLOWANCE FOR SENIOR MANAGEMENT SERVICE (SMS)

Supported by:



.....
Mr. JK MASHIGO
CHAIRPERSON: DCC

28/01/2015
.....
DATE

Approved by:



.....
Mr. MI KGANTSI
ACTING HEAD OF DEPARTMENT

28/01/2015
.....
DATE

ANNEXURE A

POLICY ON AN ACTING ALLOWANCE FOR SENIOR MANAGEMENT SERVICE (SMS)

IMPLEMENTATION DATE

1. This policy comes into effect on 1 April 2003.

SCOPE OF APPLICABILITY

2. This policy is applicable to members who are appointed in terms of the following Acts:
 - (a) Public Service Act, 1994.
 - (b) Defence Act, 1957.
 - (c) Correctional Services Act, 1998.
3. Members employed in terms of the following Acts are **excluded** from this policy (the relevant Executing Authorities will make appropriate determinations):
 - (a) South African Police Service Act, 1995.
 - (b) National Prosecuting Authority, 1998.
 - (c) Employment of Educators Act, 1998.
 - (d) Magistrates Act, 1993.

POLICY

4. A member appointed in writing to act in a higher post, by a person duly authorised, shall be paid an acting allowance, provided that-
 - (a) the higher post in which he/she is acting is vacant and funded, and
 - (b) the period of appointment is uninterrupted and longer than 6 (six) weeks.
5. A maximum of **two** members may receive the acting allowance proportionally if they are appointed to act in a single higher vacant post, provided that-
 - (a) the responsibilities attached to the higher vacant post are divided between the two members acting in such a post and expressed in

the form of a ratio (i.e. 30/70%) before they are appointed to both act in such higher vacant post;

- (b) the **maximum** (combined) acting allowance to be paid to the two members is the difference between the inclusive flexible remuneration package of the lowest graded member and the commencing inclusive flexible remuneration package of the higher graded vacant post. (This means that the expenditure may not exceed the expenditure if only the lowest graded member would have been appointed to act in the higher graded vacant post.); and
 - (c) the members' individual acting allowances are to be determined proportional to the above-determined ratio. (This means that if the split in responsibilities between the members is 30/70% the one member will qualify for 30% and the other member 70% of the maximum (combined) acting allowance).
6. The member must accept the acting appointment in writing before the acting allowance is payable.
 7. The acting allowance is non-pensionable.
 8. The employer will pay the acting allowance on a monthly basis, provided that the first payment takes place in the month following the completion of the period referred to in paragraph 4 above, backdated to the date that the member officially began acting in the post.
 9. A member may only act in a higher post for a maximum uninterrupted period of 6 (six) months. The acting allowance may only be paid to an acting member for a maximum of 6 months, after which only permanent appointment will be considered for the relevant vacant and funded higher post unless prior approval is obtained from the relevant Executing Authority for re-appointment of the acting member or appointment of a new member in the said post in an acting capacity.
 10. The fact that a member has been appointed in an acting capacity does not create a right or a legitimate expectation to be appointed when the vacant post is advertised.

Payment of the Head of Department (HoD) allowance to members acting in designated HoD positions

11. For acting in a vacant and funded designated HoD post, as contemplated in Schedules 1, 2 and 3 of the Public Service Act, 1994, the HoD allowance is payable **in addition** to the acting allowance referred to in paragraph 4 above, calculated at 10% of the member's current inclusive flexible remuneration package. The HoD allowance is payable with

effect from the date the member is appointed, in writing, to act in the vacant designated HoD position.

12. In cases of suspension of the designated HoD, the payment of the HoD allowance must be **terminated with effect from the date of suspension**. The HoD allowance is payable with effect from this date to the member who is appointed, in writing, to act in the designated HoD position.
13. In cases of any other absences of the designated HoD (e.g. due to vacation, sick, special or study leave), **excluding maternity leave**, the payment of the HoD allowance must be **terminated** with effect from the date of commencement of absence, provided that the period of absence is going to be longer than 30 continuous days. The HoD allowance is payable to a member who is appointed, in writing, to act in the designated HoD position with effect from the date of termination, provided that the period of acting in the designated HoD position is going to be longer than 30 continuous days.
14. In cases of maternity leave, the payment of the HoD allowance **must not be terminated** for the incumbent of the position. However the HoD allowance is similarly payable to a member who is appointed in writing to act in the designated HoD position with effect from the date of commencement of maternity leave, provided that the period of acting in the designated HoD position is going to be longer than 30 continuous days.
15. In the circumstances referred to in paragraphs 12, 13 and 14 above, the acting allowance referred to in paragraph 4 **is not payable** because the post is not vacant.
16. HoD's employment contracts must stipulate that the payment of the HoD allowance will be **terminated** in the cases referred to in paragraphs 12 and 13 above.

CALCULATION BASIS

17. The acting allowance referred to in paragraph 4 is calculated on the basis of the difference between the current remuneration package of the member and the commencing remuneration package of the higher post.
18. A member on an inclusive flexible remuneration package, which includes a personal package, which is higher than the commencing inclusive flexible remuneration package of the higher graded vacant post should receive the difference between his/her current package and the **next higher** remuneration package applicable to the vacant higher post, provided there is a difference.
19. If the payment of the acting allowance referred to in paragraph 4 and the payment of the HoD allowance to a member who acts in a

designated HoD position referred to in paragraph 11 commences after the 1st day or terminates before the last day of a month, the daily tariff is calculated by dividing the annual amount by 12 (number of months per year) and then by the number of days for the specific month.

TRANSITIONAL ARRANGEMENTS

20. A member who commenced acting in a higher vacant and funded post before 1 April 2003 must be re-appointed, in writing, with the consent of the appointee to act in such a post to qualify for the payment of the acting allowance referred to in paragraph 4. This means that an acting allowance shall only be calculated as of 1 April 2003, notwithstanding the period that a member may have been acting in a higher post before the said date.
21. The 6-month period referred to in paragraph 9 above will run from the date of appointment in terms of this policy.
22. A member who commenced acting as a HoD, as a result of the circumstances identified in paragraphs 11 to 14 above, must be re-appointed, in writing, to qualify for the payment of the HoD allowance, provided-
 - (a) that the HoD allowance payable to the designated HoD as a result of the circumstances referred to in paragraphs 12 and 13 above is simultaneously terminated ; and
 - (b) that the period of acting in the designated HoD position as a result of the circumstances identified in paragraphs 13 and 14, is going to be longer than 30 continuous days, commencing with effect from 1 April 2003.
23. All HoD contracts must be amended to provide for the termination of the HoD allowance for the periods of absence as a result of the circumstances identified in paragraphs 12 and 13. This amendment must be with effect from 1 April 2003.