




## KWAZULU NATAL PROVINCIAL TREASURY

### POLICY ON ACTING IN HIGHER POSTS

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## 1. INTRODUCTION

The KwaZulu-Natal Provincial Treasury is committed to the welfare of its officials and would therefore implement sound human resource management strategies aimed at recognizing individual efforts towards service delivery. It was therefore necessary that the Department formulate a policy framework on acting allowance in line with the provisions of the Department of Public Service and Administration.

Acting appointments provide employees with a range of potential professional development opportunities whilst supporting and enhancing operational efficiency and the achievement of the Department's strategic goals, mission and vision.

## 2. PURPOSE

The purpose of this policy is to provide a framework that regulates the conditions of acting in higher positions and payment of an acting allowance.

## 3. OBJECTIVES

- 3.1 The main objective of this policy document is to ensure that the practice of acting in higher posts and the payment of an acting allowance is managed in an equitable, fair and transparent manner to enhance organizational performance and also redress the imbalances of the past, specifically in development.
- 3.2 To allow for continuity and operational stability so that there is no vacuum in the organisation that may compromise efficiency and effectiveness thereby resulting in poor service delivery.
- 3.3 To allow for compensation or payment to employees who have been formally appointed to act in higher positions.
- 3.4 To outline the conditions and procedure to be complied with when paying out acting allowance.

## 4. AUTHORITY

- Constitution of the Republic of South Africa, Act 108 of 1996.
- Public Service Act, Proclamation 103 of 1994 as amended.
- **Public Service Regulations, 2016.**
- Employment Equity Act 55 of 1998.
- Skills Development Act 97 of 1998.

- GPSSBC, Resolution 1 of 2002.
- Inclusive Flexible Remuneration Package System (Dispensation) for members of Middle Management Service, 2005
- Policy on an Acting Allowance for Senior Management Services (DPSA letter 1/7/1/4/1 w.e.f. 1 April 2003).
- Policy on an Acting Allowance for Personnel on Salary Level 1 to 12 in the Public Service (DPSA letter 1/7/1/4 w.e.f. 1 April 2002.)

## 5. DEFINITIONS

For the purpose of this policy framework, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

**“Acting Appointment”** means a temporary appointment to a higher vacant and funded post on the approved staff establishment where there is an understanding that the employee/member returns to his/her substantive position as soon as the vacant post is filled.

**“Competency”** means the combination of knowledge, skills, behaviour and aptitude that a person can apply in the work environment, which indicates a person’s ability to meet the requirements of a specific post.

**“Executive Authority”** means in the case of the Office of the Premier, the Premier, and in the case of Provincial Departments, a Member of the Executive Council.

**“HoD”** means the Head of Department.

**“Member”** means an employee who is part of the Senior Management Service.

**“MMS”** means the Middle Management Service.

**“Permanent Incumbent”** means an employee who has been appointed in an approved post on the staff establishment, and who usually performs the duties of such post.

**“SMS”** means the Senior Management Service.

## 6. APPLICABILITY

This policy applies to all employees of KwaZulu Natal Provincial Treasury employed in terms of the Public Service Act, 1994, as amended.

## 7. CONDITIONS FOR APPOINTMENT IN AN ACTING CAPACITY

In terms of the approved Delegations of Authority, only the Head of Department may approve the granting of permission to act on a higher post. Therefore written motivation must be forwarded via **Director: Human Resources** to the Head of Department for approval. It is essential that approval be granted first before an official is placed in an acting capacity.

- 7.1 An employee shall be paid an acting allowance provided that;
- a) the relevant post is vacant and funded;
  - b) the employee meets the appointment requirements of the higher vacant post in terms of qualifications, knowledge, skills, attributes competencies as well as relevant experience;
  - c) the period of appointment is uninterrupted for a period of six (6) weeks or longer;
  - d) the employee is appointed in writing to act in a higher post and he/she must accept such appointment in writing; and
  - e) the written letter of acceptance is received.
- 7.2 If the post had not been previously evaluated, the post must be evaluated prior to appointing an acting official in the respective post.
- 7.3 The acting allowance is non-pensionable and taxable, and any overpayment or underpayment must be recovered or refunded respectively.
- 7.4 The employee may only act in a higher post for a maximum uninterrupted period of twelve months, **which may only be extended for one further period of six (6) months for which prior approval of the relevant Executive Authority must be granted.**
- 7.5 The fact that an employee has been appointed in an acting capacity does not create a right or a legitimate expectation to be appointed when the post is advertised.
- 7.6 The acting allowance will be paid on a monthly basis, provided the first payment takes place in the month following the completion of the six weeks referred to in clause (6.1 (c) ), backdated to the date the employee officially began acting in the post.
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7.7 The acting allowance may only be paid to an acting member for a maximum of six (6) months, after which only permanent appointment is 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.

7.8 Line managers/Managers must exercise caution when appointing employees to act in higher position(s) especially those who have misconduct cases pending against them taking into account the nature of misconduct against the duties of the post.

7.9 Where there are two (2) or more employees within the same section/directorate who are suitable candidates to act in the higher position, the acting is rotated amongst the suitable employees, where possible.

## **8. CONDITIONS FOR TERMINATIONS IN AN ACTING CAPACITY**

8.1 The Department reserves the right to terminate in writing with immediate effect the acting appointment of an employee, **subject to valid reasons being provided. These reasons may include, but not limited to, the department not being satisfied with the performance of the employee concerned.**

8.2 An employee may also terminate the acting appointment in writing with immediate effect should he/she not be satisfied, subject to valid reasons being provided (each case to be dealt with on its own merit).

8.3 At the expiry of the acting appointment the department must provide the employee with a written notice of at least one (1) calendar month prior to the termination.

8.4 In cases of absences from duty, the payment of an acting allowance must be terminated with immediate effect from the date of commencement of absence, provided that the period of absence is going to be longer than one (1) calendar month.

## **9. PAYMENT OF THE HEAD OF DEPARTMENT (HOD) ALLOWANCE TO MEMBERS ACTING IN THE DESIGNATED HEAD OF DEPARTMENT POSITIONS**

9.1 For acting in a vacant and funded designated HOD post, the HOD allowance is payable in addition to the acting allowance referred to in paragraph 6.1 above, calculated at 10% of the member's current inclusive flexible remuneration package. The HOD allowance is payable with effect from the date the official is appointed, in writing, to act in the vacant designated HOD position.

- 9.2 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 official who is appointed, in writing, to act in the designated HOD position.
- 9.3 In cases of any other absences of the designated HOD, 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 one (1) calendar month. The HOD allowance is payable to an official 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 one (1) calendar month.
- 9.4 In cases of maternity leave, the payment of HOD allowance must not be terminated for the incumbent of position. However, the HOD allowance similarly payable to an official 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 one (1) calendar month.
- 9.5 In the circumstances referred to in paragraph 8.2, 8.3 and 8.4 above, the acting allowance referred to in 6.1 is not payable because the post is not vacant.
- 9.6 The HOD's employment contract must stipulate that the payment of the HOD allowance must be terminated in the cases referred to in paragraphs 8.2 and 8.3 above.

## 10. COMMUNICATION

The **Directorate: Human Resources** is responsible for communicating this policy to all employees within the department.

## 11. MONITORING AND EVALUATION

The **Directorate: Human Resources** is responsible for the development and ongoing monitoring thereof. Any inputs and amendments to this policy must be directed to the **Director: Human Resources**.

## PROCEDURE MANUAL ON ACTING IN HIGHER POSTS AND PAYMENT OF ACTING ALLOWANCE

### 1. PROCEDURE

- 1.1 A memorandum recommending the appointment of an employee, made by his/her manager; supported by his/her management up the line, must be submitted to the **Directorate: Human Resources**.
- 1.2 The **Human Resources Directorate** shall submit that memorandum together with a letter of appointment to the Head of Department under cover of the submission to seek the necessary approval.
- 1.3 The letter of appointment once signed by the Head of Department will be handed to the employee concerned, through the respective management who must accept such appointment in writing. Such acceptance must, without delay, be returned to the **Directorate: Human Resources** via the respective management.

### 2. CALCULATION

- 2.1 The acting allowance will be calculated on the basis of the difference between the current salary notch of the employee and the commencing notch of the higher post (to which the employee is appointed to act).
- 2.2 The acting allowance payable to MMS member (MMS levels 11 and 12) who acts in a higher (vacant and funded) SMS position is calculated as the difference in the acting MMS member's total package and the minimum package attached to the relevant SMS post.
- 2.3 The acting allowance payable to employees on salary levels 1 to 10 who act in a higher (vacant and funded) MMS level 11 or 12 position, is calculated as the difference between the employee's salary notch and the basic salary in terms of SET 1 of the minimum package attached to the relevant higher MMS post.
- 2.4 An employee who is appointed to act in a higher vacant post on salary level 1 to 12 or SMS, and who is on a salary notch, which includes a personal notch, which is higher than the commencing salary notch of the higher vacant post should receive the difference between his/her current salary notch and the next higher salary notch applicable to the higher vacant post/60% of the inclusive flexible remuneration package applicable to the vacant SMS post, provided there is a difference.



- 2.5 If the payment of the acting allowance commences after the 1<sup>st</sup> 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.

