

Payment of scarce skills or rural allowance

10. (1) If a municipality is unable to attract suitably qualified and competent candidates to fill a vacant senior manager position due to scarcity of skills or the geographic remoteness of the municipality, such municipality may offer and pay a scarce skills or rural allowance to a suitably qualified and competent person.

(2) A senior manager post is regarded as scarce skills or geographic remote area position if it meets the following criteria:

(a) Scarce skills

- (i) The relevant senior manager skills are in short supply in the labour market resulting in a municipality not competing equitably within a particular category of jobs.
- (ii) The senior manager post is classified as scarce skills in the pay- market in terms of the National Scarce Skills List as determined by the Minister of Higher Education and Training.

(b) Geographically remote area

- (i) The municipality is a small town with relatively small population and significant proportion of urban population with no large town as a core.
- (ii) A municipality is mainly rural with communal tenure and with, at most one or two small towns in its area.
- (iii) A municipality is located in an economically deprived or depressed area and has difficulty in attracting and retaining skilled senior managers.
- (iv) The municipality has unsuccessfully advertised the relevant senior manager posts in terms of the Regulations.

(3) A municipality may offer a scarce skills or rural allowance not exceeding 10% of the total annual remuneration package attached to a specific senior management position.

(4) The percentage of the scarce skills or rural allowance must be approved by the municipal council provided that the municipal council satisfies itself that the allowance is justified and affordable, subject to compliance with criteria as set out in this Notice and concurrence with the MEC for local government.

(5) Any scarce skills or rural allowance will be terminated if –

- (a) The current term of the employment contract of the relevant senior manager comes to an end.
- (b) A senior manager vacates the position for any reason before the date of expiry of the employment contract, including but not limited to transfer, promotion, dismissal for misconduct, incapacity, operational requirements and retirement.