

BA-PHALABORWA MUNICIPALITY

OVERTIME POLICY

Revision History

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OVERTIME POLICY

APPROVED ON THE 28 JANUARY 2016 AS PER COUNCIL RESOLUTION NO. 57/16

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1. PREAMBLE

The Basic Conditions of Employment, Act 75 of 1997 regulates the conditions under which an employer may require an employee to work overtime, as well as the remuneration thereof. Further to this the Determination on **Earnings Threshold** by the Minister of Labour sets the limit on salary notch beyond which overtime conditions as stipulated in Basic Condition of Employment Act do not apply.

Payment for overtime worked is a method employed by employers to ensure that work is done beyond the ordinary hours of work in exceptional circumstances. Overtime may only be worked by agreement between an employer and an employee. The employee cannot on his own decide to work overtime without prior arrangement with the employer.

2. LEGISLATIVE FRAMEWORK

- Basic Conditions of Employment Act (No. 75 of 1997)
- Labour Relations Act (No. 66 of 1995)
- Employment Equity Act (No. 55 of 1998)
- Skills Development Act (1997)
- Collective Agreements

3. OBJECTIVES

- 3.1. The objective of this policy is to provide additional guidelines for the administration of overtime as required by the Basic Conditions of Employment Act and/ or any applicable Collective Agreement.
- 3.2. To ensure that payment for overtime worked is managed in a responsible and accountable way.
- 3.3. To eliminate abuse of overtime.

3. DEFINITIONS

- 3.1. **Overtime** as defined in the Basic Conditions of Employment Act (BCEA)
- 3.2. **Emergency work** refers to work that must be done without delay because of circumstances for which the employer could not reasonably have been expected to make provision and which cannot be performed by employees during their ordinary hours of work. Emergency work excludes the performance of routine maintenance work outside normal working hours but includes load shedding, accidents, disasters, and burst water pump etcetera.
- 3.3. **Unstructured overtime** is programmed/planned overtime over which the employer has control and for which prior approval is required to work after normal working hours.
- 3.4. **Structured overtime** is where compensation is compulsory in terms of the BCEA due to Sundays and Public Holidays. Structured overtime is exclusively for shift and standby workers.
- 3.5. **Time off in lieu of overtime** means to grant an employee paid time off in terms of Section 10 of the Basic Conditions of Employment Act.

4. SCOPE AND APPLICATION

- 4.1. The policy applies to all employees of the municipality except those employees excluded by earning more than the threshold amount as published by the Minister of Labour, unless otherwise agreed.
- 4.2. Senior Managerial employees, as defined in the Basic Conditions of Employment Act, as well as Employees earning in excess of **R205 433.30** or **ANY NEW AMENDMENT**, be excluded from sections 9, 10, 11, 12, 14, 15, 16, 17(2), 18(3) of the Act with effect from 1 July 2015 (as per the Ministerial Determination)
- 4.3. Employees earning less than the overtime earnings threshold as provided for in the Basic Conditions of Employment Act, will, subject to the provisions of this policy, be remunerated for overtime worked to the maximum of ten hours per week and forty hours per month or be given time off in lieu of overtime due to operational requirements. The approving authority and the employee involved should agree beforehand on payment and or time off.
- 4.4. Overtime should only be worked under urgent or operational circumstances and subject to recommendations by the Head of Department and approval by the Municipal Manager.

5. POLICY NORMS, VALUES AND PRINCIPLES

The whole process must be underpinned by among others, the following fairness, equity, honesty, transparency, qualitative, openness and unbiasedness.

6. PROCEDURES

- 6.1. Overtime is subject to the provisions of the Basic Conditions of Employment Act, 1997, any applicable Collective Agreement and the provisions of this policy.
- 6.2. Only staff earning an annual salary not exceeding the threshold set by the Minister of Labour, currently at **R205 433.30** per annum qualifies for overtime remuneration.
- 6.3. Approval to work overtime must be applied for in advance.
- 6.4. Only emergency, breakdown calls and urgent official meetings are exempted from prior approval.
- 6.5. Staff who earn in excess of the amount referred to above will be credited with a number of overtime hours worked that will be converted to time-off leave over and above their normal annual leave, subject to proof that they worked hours equivalent to the number of hours worked.
- 6.6. Overtime leave days shall be taken **within twelve (12) months** after accrual. Overtime leave may accumulate to a maximum of **twenty-four (24) days** and may not be converted into any other type of leave nor may it be converted to cash at any time.
- 6.7. An employee may not work more than 10 hours overtime a week except in cases of emergencies or breakdown.
- 6.8. Non-essential services overtime such as litter picking, grass cutting street sweeping, road marking and general work shall not be allowed on Sundays and Public holidays.
- 6.9. Only the Municipal Manager or person with delegated authority to act on his position shall approve and/or recall exemptions if and when necessary.
- 6.10. Requests for exemptions shall be submitted to the Municipal Manager in advance and must include a list of employees required to work overtime as well as relevant motivations.
- 6.11. The following job categories be exempted from exclusion in terms of the ministerial determination and may be remunerated in terms of **Section 10 of the Basic Conditions of Employment Act** of 1997.
 - *Traffic Law Enforcement from Assistant Superintendent and lower.*
 - *Waste Water from supervisors and lower.*

- *Water and Sanitation from Supervisors and lower.*
- *Electrical Engineering from Electricians and lower.*

6.12. All other principles and procedures of the Overtime Policy remain in place for the above exempted job categories and must be adhered to at all times

6.13. In case of emergencies and meetings, where it is impossible to comply with the above, the Head of Department must indicate under “reasons” why the form is filled in after work has been done.

6.14. Prior approval of Emergency calls is not necessary, verbal approval may be given by the relevant authority provided such approval is **followed-up with a written** motivation on the first working day and an approval form shall be completed after the incident, comprising of the following additional motivation and details:-

- ***Incident and cause if possible.***
- ***Date of the incident***
- ***Time of the incident***
- ***Employee on standby or not; if not, reasons why the call out***
- ***Duration of call out***

6.15. Overtime can only be claimed for actual hours worked and excluding travelling time, except for standby staff. Overtime in respect of the latter will start from the time of call out.

6.16. No overtime can be claimed should an employee work short time on a specific day. A full day’s work (normal working hours and a lunch break of at least 30 minutes) must first be worked before an employee is eligible for overtime.

6.17. No overtime will be paid for attendance of functions/prize giving, etc. by personal invitation except in cases of compulsory attendance as an official representative of the municipality, provided that such employee qualifies for overtime in terms of this policy and provided such overtime is authorized in advance by the Municipal Manager or his assignee.

6.18. Where overtime in emergency situations causes an employee to work until after midnight on a day, the employee will be entitled to a paid break of at least 8 hours before the employee is required to report for normal duty.

6.19. An employee may not work more than 10 hours per week and or 40 hours per month. If the overtime exceeds the limit above, the remaining shall be treated as time off.

6.20. The overtime worked for a particular month shall be submitted to the Human Resources for capturing on the sixth (6th) day of the following month and payable in arrears.

6.21. The duly completed form should be recommended by the Head of Department.

- 6.22. The actual overtime hours worked is to be recorded on the overtime sheet (Annexure B). The Supervisor must sign the overtime sheet as verification of the overtime hours worked by the staff member.
- 6.23. Remuneration of overtime worked shall be in accordance with the BCEA no. 75 of 1997, as well as any other South African Local Government Bargaining Council (SALGBC) or workplace agreements concluded from time to time.
- 6.24. Employees who work overtime or who allow subordinates to work overtime in contravention of this Policy and the Basic Conditions of Employment Act, 75 of 1997 will personally be held responsible for any expenditure in this regard.

7. TIME OFF IN LIEU OF OVERTIME

- 7.1. Application for time off in lieu of overtime should be done on a prescribed application form.
- 7.2. Time off in lieu of overtime must be taken within six (6) months from the date of accrual. Time off not taken within six (6) months will be forfeited. Time off to be forfeited may for operational reasons be extended to a maximum of twelve (12) months by the Municipal Manager or his assignee.

8. OVERTIME WORK ON PUBLIC HOLIDAYS

Payment or time off to eligible employees for overtime work on public holidays will be dealt with in terms of the Basic Conditions of Employment Act.

9. OVERTIME WORK ON SUNDAYS

Employees who normally work a five day week, will be:

- Paid double the employee's ordinary wage for overtime worked, or
- Paid not less than the employee's ordinary wage for overtime worked and be granted at least 60 minutes' time off on full pay for every hour of overtime worked,

10. ADMINISTRATIVE MEASURES FOR MANAGING AND CONTROL OF OVERTIME

- 10.1. All overtime must be pre-approved by the Municipal Manager after been satisfied that the work to be done warrant an overtime.

- 10.2. Each Director is responsible and accountable to constantly monitor and review the provisions for overtime on his or her budget and ensure that trends are noted early; funds are adequate; over expenditure is noted, justified and provided for timeously.
- 10.3. Each Director is responsible and accountable to provide the Corporate Services department with a list of officials or representatives who are authorized in terms of the delegated powers to verify overtime worked for approval by the Municipal Manager. The authorizing bodies must ascertain whether the information on the overtime form is accurate and correct before approval by the Municipal Manager for payment purpose at the Budget and Treasury Office.
- 10.4. The Budget and Treasury Office or any other body or person authorizing payment is responsible to ensure that all payments for overtime are duly authorized by a competent authority and should at all times compare the overtime forms' signatures with the authorization list provided.
- 10.5. Attendance registers/time sheets, which should indicate starting and knock off time, must be kept for all employees who qualify for overtime payment or time off in terms of this policy. Attendance register/time sheets should always serve as source documents to complete overtime sheets.
- 10.6. Overtime worked must be reflected on the employee's attendance register/time sheet. Line managers and or supervisors are responsible to monitor and sign attendance register/time sheets on a daily basis.

11. PAYMENT

- 11.1. Overtime may be remunerated either in monetary terms or by means of time off in lieu of overtime worked.
- 11.2. Overtime must be paid at one and half times of the employee's normal wage if the overtime is worked on an ordinary work day and at two times the employee's normal wage if worked on a public holiday or a Sunday.

12. IMPLEMENTATION OF THE POLICY

Line Managers, Human Resources Section, Payroll Section, Supervisors and Directors must ensure that the policy is implemented.

13. MONITORING AND EVALUATION

Human Resources practitioners will continuously monitor the implementation of this policy

13. DISPUTE RESOLUTION

Any employee who feels aggrieved by the application of the policy may submit his/her grievance in terms of the grievance procedure (SALGBC) as well as the Labour Relations Act, Act 55 of 1995.

14. REVIEW OF THE POLICY

The policy shall be reviewed on an annual basis.

15. APPROVAL

The Overtime policy will be implemented on approval by Council.

Approved by: Municipal Manager Date:

Approved by: Council Date:



OVERTIME CLAIM FORM

NAME: _____

EMPLOYEE NO.: _____

DESIGNATION: _____

DEPARTMENT: _____

SECTION: _____

MONTH OF: _____

VOTE NUMBER: _____

DATE	TIME ON DUTY	TIME OFF DUTY	NORMAL HOURS	SUNDAY OR HOLIDAY HOURS	CHECKED AND VERIFIED BY SUPERVISOR

I, Director: _____ certify that the above-mentioned officials worked overtime as stipulated above. Those above the threshold in terms of the Ministerial determination on overtime will be subjected to time off.

I certify that the overtime hours claimed is correct and actually worked by me.

TOTAL HOURS WORKED: _____

NORMAL HOURS: _____

SUNDAY/HOLIDAY HOURS: _____

OFFICIAL'S SIGNATURE: _____

CHECKED BY MANAGER: _____

VERIFIED BY HR: _____

APPROVED BY MM: _____



STANDBY CLAIM FORM

NAME: _____

EMPLOYEE NO.: _____

DESIGNATION: _____

DEPARTMENT: _____

SECTION: _____

MONTH OF: _____

VOTE NUMBER: _____

DATE	TIME ON DUTY	TIME OFF DUTY	NORMAL HOURS	SUNDAY OR HOLIDAY HOURS	CHECKED AND VERIFIED BY SUPERVISOR

I certify that the overtime hours claimed is correct and actually worked by me.

TOTAL HOURS WORKED: _____

NORMAL HOURS: _____

SUNDAY/HOLIDAY HOURS: _____

OFFICIAL'S SIGNATURE: _____

CHECKED BY MANAGER: _____

VERIFIED BY HR: _____

APPROVED BY MM: _____



EMERGENCY WORK CLAIM FORM

NAME: _____

EMPLOYEE NO.: _____

DESIGNATION: _____

DEPARTMENT: _____

SECTION: _____

MONTH OF: _____

VOTE NUMBER: _____

DATE	TIME ON DUTY	TIME OFF DUTY	NORMAL HOURS	SUNDAY OR HOLIDAY HOURS	CHECKED AND VERIFIED BY SUPERVISOR

I, Director: _____ certify that the above-mentioned officials worked overtime due to emergency/breakdown as stipulated above. The reason for overtime are as follows:-

Pre-approval request should be accompanied by a signed memorandum clarifying or motivating the work done, signed by the head of department and approved by the Municipal Manager.

TOTAL HOURS WORKED: _____

NORMAL HOURS: _____

SUNDAY/HOLIDAY HOURS: _____

OFFICIAL'S SIGNATURE: _____

CHECKED BY MANAGER: _____

VERIFIED BY HR: _____

APPROVED BY MM: _____



APPROVAL FOR EMERGENCIES OR BREAKDOWN WORK DONE

BA-PHALABORWA MUNICIPALITY									
DIRECTORATE:					VOTE NUMBER:				
NAME	EMPLOYEE NUMBER	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	NORMAL TIME	SUNDAY TIME	TOTAL OVERTIME HOURS WORKED

I, _____ hereby certify that employees listed above worked overtime due to emergency or breakdown that occurred on _____ at _____ and are in conformity with the actual work done due to emergency. A memorandum clarifying the work done, signed by the head of department and approved by the Municipal Manager must accompany the pre-approval form prior payment processing.

Recommended:

Verified:

Approved:

Head of Department Date

Human Resources Date

Municipal Manager Date

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