

# LEPHALALE

## LOCAL MUNICIPALITY

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## OVERTIME POLICY

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## **1. PREAMBLE**

The overtime policy intends to enable the Municipality to regulate and restrict the use of overtime by its employees to ensure that it is reasonable and within the scope of work and budget; to ensure that overtime is used only when required and to the benefit of service delivery; and to ensure that overtime is not used and seen as salary augmentation. This policy does not take precedence over any collective agreement which may be in force at the time of its approval.

## **2. PURPOSE**

The purpose of this policy is to regulate overtime work and ensure that overtime work is pre-authorised, except in the case of an emergency, and is in compliance with relevant legislation.

## **3. SCOPE OF APPLICATION**

This policy applies to all employees employed by the Municipality with the exception of those who earn above the threshold published by the Minister of Employment and Labour from time to time, Divisional Managers and Snr Managers

## **4. LEGAL FRAMEWORK**

- 4.1. Basic Conditions of Employment Act, Act no 75 of 1997
- 4.2. Labour Relations Act, Act No 66 of 1995
- 4.3. Collective agreements: organizational Rights agreements
- 4.4. South African Local Bargaining Council: collective agreements

## **5. DEFINITIONS**

All terminology used in this policy shall bear the same meaning as in the Regulations or applicable legislation.

## **6. PROBLEM STATEMENT**

The municipality is spending a lot of money on overtime that could be providing other services to the community and if overtime is not properly managed municipal services will be abandoned in order to prioritize the payment of overtime

## **7. POLICY PROVISION**

- 7.1. No employee may be required or permitted to work overtime except in terms of an agreement between such an employee and the municipality;
- 7.2. No employee may work more than ten hours' overtime in a week and 3 hours a day, except when overtime is required to be done without delay owing circumstances for which the municipality could not reasonably have been expected to make provision and which cannot be performed by employees during their ordinary hours of work.



This also requires that overtime should not exceed 40 hours per month however exceptional cases can be allowed whereby a strong motivation to work overtime should be requested and approved by the Municipal Manager.

- 7.3. No overtime may be worked without the expressed prior permission or instruction of the Municipal Manager. In such case where overtime work may be required the Executive Manager of the Directorate must obtain prior approval from the Municipal Manager;
- 7.4. Overtime work must be restricted to the minimum and must not be seen as a mechanism of earning more money.
- 7.5. No overtime can be claimed when an employee has a short time on a specific day. A full day's work (normal working hours and a lunch break) must first be worked before such employee is eligible for overtime. In a case where an employee has a short time for normal working hours, the amount of short time shall be deducted from the overtime worked before processing the total overtime claimed.
- 7.6. No overtime will be paid for attendance of functions and events

## **8. OVERTIME PAY**

- 8.1. Payment for overtime shall only be effected upon submission of a proof that permission or instruction was granted that such overtime be worked, unless in emergency situations, in this case team leaders/Supervisors/Managers must ensure that the memorandum to condone the working of such overtime must be approved as soon as possible. Payment of hours worked as Overtime must be checked by the Manager of the division and be approved by the Executive Manager.
- 8.2. Overtime will be paid at a threshold that is determined in line within the minister's ministerial threshold.
- 8.3. **The Basic Conditions of Employment Act prescribed that overtime pay for an employee shall be equivalent: -**
  - 8.3.1. one and a half times the employee's wages / salary hourly rate for every hour worked from Monday to Saturday
  - 8.3.2. Two times the employee's wage / salary hourly rate for every hour worked on Sundays or Public Holidays for an employee who does not ordinarily work on a Sunday or Public Holiday
- 8.3. In genuine emergencies, staff should endeavour to obtain the required prior authorisation whenever possible. Should this not be possible, the employee must report such overtime to the Head of Department as soon as possible, the Head of Department must request approval from Municipal Manager in order to obtain necessary authorisation.
- 8.4. All employees except Executive Managers and Divisional Managers are allowed to work paid overtime up to a maximum of 40 hours. Overtime worked beyond 40 hours



by non-essential employees shall be taken as leave in lieu of overtime worked. The manner in which such leave should be taken will be by mutual agreement between the affected employee and the relevant Executive Manager and/ or Divisional Manager.

- 8.5. Overtime payment must be paid with an employee's salary in the month after which he/ she performed such overtime unless funds are not available and provision is made to pay at a later stage.
- 8.6. Paid overtime worked should not exceed 40 hours per month for non-essential services workers and for essential services workers, overtime worked beyond 40 hours can only be worked prior to the approval of the Municipal Manager and motivation from the respective Division.
- 8.7. An employee in non-essential services who has worked overtime in excess of the stipulated hours will be required to take leave in lieu of overtime pay. Leave in respect of such overtime must be granted within a period of three months.
- 8.8. Time off in lieu of overtime worked must be treated as special leave with approved Memorandum and Overtime schedule attached.

## **9. PAY FOR WORK ON SUNDAYS AND PUBLIC HOLIDAYS**

- 9.1. An employer must pay an employee who works on a Sunday double the employee's wage for each hour worked, unless the employee ordinarily works on a Sunday. In which case the employer must pay the employee at one and one half times the employee's wage for each hour worked.

## **10. COMPRESSED WORKING WEEK**

Despite the ordinary working hours, as prescribed by the Basic Conditions of Employment Act (40-hour week), an employee can agree in writing to work up to 12 hours in a day without receiving overtime pay. Such agreement must be effected in such a way that no employee works more than:

- 10.1. 40 ordinary working hours per week
- 10.2. 10 hours overtime per week
- 10.3. 5 days in any week for a 5-day worker or
- 10.4. 6 days in any week for a 6-day worker

## **11. MEASURE TO CONTROL REMUNERATION OF OVERTIME**



- 11.1. Each Manager and Supervisors is responsible and accountable to constantly monitor and review the provisions for overtime on his / her budget and to ensure that trends are noted early; funds are adequate as to prevent over expenditure.
- 11.2. That there is adequate supervision and control measures at all times during the performance of remuneration of overtime duty.
- 11.3. That steps were taken by the division to prevent the performance of overtime duty such as redistribution of duties amongst staff members during working hours.
- 11.4. Divisions conduct regular maintenance during normal working hours to reduce breakage.
- 11.5. Clearly defined and measurable output for the overtime work in respect of every individual staff member for which overtime is requested and worked.
- 11.6. The Salary Office or any other body or person authorizing overtime payment is responsible to ensure that all payments for overtime are correctly calculated and duly authorized by a competent authority.
- 11.7. Attendance registers / time sheets, which should indicate starting and ending times, must be kept for all employees who qualify for overtime payment or time off in terms of this policy and serve as source documents.

## **12. POLICY MONITORING AND EVALUATION**

- 12.1. This policy shall be implemented and effective once recommended by the Local Labour Forum and approved by Council
- 12.2. Non-compliance to the stipulations contained in this policy shall be regarded as breach of Code of Conduct, which shall be dealt with in terms of Code of Conduct.
- 12.3. Management shall carry out the monitoring and evaluation of the policy implementation.

## **13. POLICY APPROVAL**

This policy was formulated by HR Management in consultation with the Local Labour Forum.

Authorised by Municipal Manager: Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Recommended by Portfolio Committee

on Corporate Services: Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by Municipal Council: Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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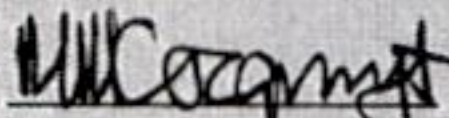
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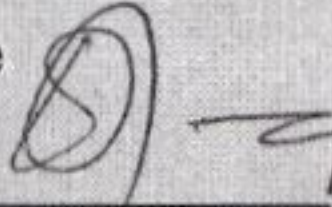
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