



# VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

## OVERTIME POLICY

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| Policy Number: OT/06/2012 | Approved by Council: August 2012 |
| Resolution No: S04/08/12  | Review Date:                     |

## RATIONALE

As an employer, the Victor Khanye Local Municipality (VKLM) has a duty under the Basic Conditions of Employment Act 75 (1997) to regulate the working of overtime by its employees.

### 1. PREAMBLE

The VKLM is obliged in terms of the Basic Conditions of Employment Act 75 (1997) to regulate the working of overtime and the payment thereof.

### 2. DEFINITIONS

- 2.1 **Overtime** means the time the employee works during a day or week in excess of the employee's ordinary hours of work.
- 2.2 **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.
- 2.3 **Emergency work** excludes the performance of routine maintenance work outside normal working hours.
- 2.4 **Structured overtime** means programmed/planned overtime over which the employer has control (including Committee and official meetings of which minutes have been kept) that continue or take place after normal working hours.
- 2.5 **Earnings** refer to the income or the basic salary for the post whichever is applicable, used for remuneration of overtime.

### 3. OBJECTIVES OF POLICY

- 3.1 To ensure that the working of overtime is regulated and also consistent with the provisions of the Basic Conditions of Employment Act 75 (1997) as amended

- 3.2 To create a clear and easily understandable guidelines for management and officials with regards to the operational implementation of standardized overtime practices in line with relevant legislation, collective agreements and all related Council resolutions regulating overtime work
- 3.3 To enable the municipality to detect quickly the malpractice in respect of overtime work being performed and the relevant payment thereof
- 3.4 To sensitize all managers and officials that although overtime work is often necessary and unavoidable in order to meet Council operational needs, the cost implications need to be taken into account and therefore these policy guidelines need to be adhered to.

#### **4. LEGAL FRAMEWORK**

- Basic Conditions of Employment Act 75 (1997)
- Collective Agreement on Conditions of service

#### **4. SCOPE AND APPLICATION**

- 4.1 Senior management as defined in the Basic Conditions of Employment Act 75 (1997) as amended, security, traffic, fire and emergency services personnel; and employees working less than 24 hours per month shall be excluded from overtime payment, or time off in lieu of overtime.
- 4.2 Employees earning more than the overtime earnings threshold provided for in the Basic Conditions of Employment Act 75 (1997) as amended, will be awarded time off in lieu of overtime worked. The approving authority and the employee involved, to agree beforehand on time period worked.
- 4.3 Employees earning less than the overtime earnings threshold provided for in the Basic Conditions of Employment Act 75 (1997) as amended, will, subject to the provisions of this policy, be remunerated for overtime worked at the rates provided in the Basic Conditions of Employment Act 75 (1997) as amended. The

approving authority and the employee involved are to agree beforehand on payment for overtime work.

- 4.4 An employee may for operational reasons, be required to work overtime and any employee appointed into the service of the VKLM must enter into a contract to this effect.
- 4.5 Overtime work is subject to the provisions of the Basic Conditions of Employment Act 75 (1997) as amended, and the provisions of this policy. In case of conflict between this policy and the provisions of the Basic Conditions of Employment Act 75 (1997) as amended, the provisions of the Act will prevail.
- 4.6 An employee may not work for more than ten (10) hours overtime during any working week and three (3) hours on any working day, except in cases of work related to emergency situations.
  - 4.6.1 Only per prior approval / agreement with the Municipal Manager may overtime in excess of 10 hours over a week period be worked.
  - 4.6.2 Failure to acquire prior approval will render the overtime claim unauthorized, and such claim/ expenditure shall be recovered from the official concerned.
- 4.7 Overtime work is subject to prior written approval by the relevant Director or the delegated person (Competent authority) and no overtime may be worked without such written approval being obtained, except in cases of work related to emergency situations.
  - 4.7.1 For emergency overtime, the competent authority may give verbal approval to the working of such overtime provided such approval will be followed-up with a written confirmation.
  - 4.7.2 Written standing overtime approval may be granted where justified by the operational requirements in accordance with Council resolution beginning of each financial year. The pre-identified officials (positions) should be listed and specific overtime condition (payment rate or time-off) specified in the resolution.
  - 4.7.3 Overtime only commences after completion of ordinary daily or weekly working hours/ shift.

- 4.7.4 Overtime can only be claimed for actual hours worked, and exclude traveling time except for stand-by staff/employees. Overtime for the latter group starts from the time of the call out. Timesheet to be submitted.
- 4.7.5 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 such employee is eligible for overtime.
- 4.7.6 No overtime will be paid for attendance of functions/price giving, etc. by personal invitation except in cases of compulsory attendance as official representative of VKLM, provided that such employee qualifies for overtime in terms of this policy and provided further that such overtime is authorized in advance by the Municipal Manager.
- 4.7.7 For matters affecting stand-by i.e. payment and administration, refer to the stand-by policy.
- 4.7.8 In the event that an employee was on sick leave during the work week, such an employee may not be allowed to work overtime, unless a detailed motivation by the relevant director is approved by the Municipal Manager.

## **5 PAYMENT OF OVERTIME AND TIME-OFF IN LIEU OF OVERTIME**

- 5.1 Where overtime is worked by an employee earning below the earnings threshold of the Basic Conditions of Employment Act 75 (1997), such an employee will qualify for the overtime claim and the rate calculated and approved by Council.
- 5.2 Leave/time-off in lieu of overtime will be granted only for structured and approved overtime. Time off for overtime worked cannot be substituted for vacation leave or sick leave
- 5.3 Overtime for pre-identified official supporting the office bearers will be approved and paid for qualifying officials beginning of each financial year.

5.4 Application for leave/time-off in lieu of overtime will be done on a prescribed application form.

5.5 Leave/time-off in lieu of overtime cannot be en-cashed. All the overtime (time-off) not taken at the time of termination of service with Council will be forfeited and not paid out, unless a submission has been made to Council for approval of such payment or special leave.

5.6 Leave in lieu of overtime will be forfeited if not taken within three (3) months provided that the time within which leave in lieu of overtime should be taken before it is forfeited, may, for operational reasons, be extended to a maximum of twelve (12) months by the Municipal Manager (or his or her nominee)

5.7 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 75 (1997) as amended.

5.8 Payment or time-off to eligible employees for overtime work on Sundays will be dealt with within the terms of the Basic Conditions of Employment Act 75 (1997) as amended.

## **6.5 ADMINISTRATIVE MEASURES FOR MANAGING AND CONTROL OF OVERTIME**

6.5.1 Each Director 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, overtime expenditure is noted, justified and provided for timeously.

6.5.2 Each Director is responsible and accountable to provide the pay office with a list of officials or representatives who are authorized in terms of the delegated powers to approve overtime work and overtime payment. It is the responsibility of each Director (or delegated person) to update and maintain the information in the list. The authorizing bodies must determine whether the information on the overtime form is accurate and correct before they authorize the form for payment.

6.5.3 The Pay Office or any other body or person authorizing overtime payment is responsible to ensure that all payments for overtime are duly authorized by a competent authority. The Pay Office is specifically responsible to compare the overtime forms' signatures with the authorization list provided by the respective Directorate.

6.5.4 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. Attendance registers/time sheets serve as source documents to complete overtime forms.

6.5.6 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 registers/time sheets on a monthly basis.

6.5.7 Employees who work overtime need to be allocated with the appropriate resources required to perform the overtime work.

## **7. IMPLEMENTATION AND MONITORING**

7.1 All reasonable efforts should be made by all Directorates to adhere to the provisions of this policy so as to be in line with legislation. The respective Directors should ensure from time to time that they regulate and monitor the working of overtime in their respective Directorates.

7.2 Over-expenditure in respect of overtime is regarded as an irregular expenditure and penalties with regard to irregular expenditure in terms of MFMA will apply.

## **8. COMMUNICATION**

This policy shall be communicated to all municipal employees using the full range of communication methods available to the municipality, including Induction/orientation programmes.

## **9. POLICY REVIEW**

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary.

All proposed amendments will serve before the Local Labour Forum for recommendations and the Council for approval.

#### **10. BUDGET AND RESOURCES**

The financial and resource implication/s related to the implementation of this policy should be practical and planned accordingly.

#### **11. ROLES AND RESPONSIBILITIES**

The relevant Director or his/her delegate assignee accepts overall responsibility for the implementation and monitoring of the policy. The Municipal Manager assumes final accountability.

#### **12. PENALTIES**

Non compliance of any of the stipulations contained in the policy will be viewed as misconduct and will be dealt with in terms of the municipality's Disciplinary Code.

#### **13. DISPUTE RESOLUTION**

Any dispute arising from this policy due to ambiguous wording or phrasing must be referred to the Local Labour Forum for adjudication. Resolutions from the Local Labour Forum must be incorporated into the policy, after Council has finally approved such.