

# DR BEYERS NAUDE MUNICIPALITY

<b>DR BEYERS NAUDE MUNICIPALITY</b>	<b>POLICY: OVERTIME</b>	<b>RESPONSIBLE ADMINISTRATION UNIT</b>
<b>ADOPTED BY COUNCIL ON 23 MAY 2017 : RESOLUTION : COUNCIL – 063/17</b>	<b>TO BE REVISED: MAY : 2018</b>	<b>CORPORATE SERVICES AMALGAMATION HR WORKING GROUP</b>

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## 1. POLICY STATEMENT

This policy serves as a guide regarding the management of overtime worked and payment thereof, as required by the Basic Conditions of Employment Act No 75 of 1997, as amended.

All personnel must be made aware that even though overtime work is needed to adhere to operational requirements, payment thereof is more expensive than actually performing the work during office hours. It is important to note that the cost implication for Council must be taken into consideration when overtime is worked and authorized except for emergencies or life threatening situations.

## 2. PURPOSE

To regulate overtime in line with Basic Conditions of Employment Act No 75 of 1997 and to ensure that Council delivers its Constitutional mandate of service delivery.

## 3. DEFINITIONS

**Overtime:** means the time that an employee works during a day (8Hours) or a week (40hours) in excess of ordinary hours of work, as defined in the Basic Conditions of Employment Act and the Collective Agreement on Conditions of Service. A full day's work (8hours) must first be worked before such employee is eligible for overtime except in case of essential services and life threatening situations.

**Emergency work:** refers to work that must be done without delay because of circumstances for which the employer could not reasonable 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. Provision should be made for life threatening instances.

**Earnings means:** gross pay before deductions, i.e. income tax, pension, medical and similar payments but excluding similar payments (contributions) made by the employer in respect of the employee defined by the Basic Conditions of Employment Act.

**Senior Managerial employee/Director:** means an employee who has the authority to hire, discipline and dismiss employees and to represent the employer internally and externally.

**Shift worker:** is an employee engaged in a scheduled continuous process which activity deemed to be one in which continuous working by means of daily shift is necessary.

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

Employees earning more than the overtime earnings threshold provided for in the Basic Conditions of Employment Act as amended, will be provided time off in lieu of payment for overtime worked calculated on straight time basis (1 hour worked = 1 hour overtime), subject to the provision of this policy. The approving authority and the employee involved to agree beforehand in writing on time off for overtime work.

Employees earning less than the overtime earnings threshold provided for in the Basic conditions of Employment Act as amended, will, subject to the provisions of this policy, be remunerated for overtime or be given time off in lieu of overtime worked at the rates provided in the Basic Conditions of Employment Act as amended. The approving authority and the employee involved to agree beforehand in writing on payment or time off for overtime work.

An employee may not be required or allowed to work for a long period overtime than prescribed by the Basic Conditions of Employment Act which state that an employee may not work more than ten [10] hours overtime per week and/or four [4] hours per any day in the case of a forty [40] hour work week.

Employees performing work on a basis of emergency overtime, as well as employees on standby, shall receive overtime, irrespective of his/her earnings.

#### **5. LEGISLATIVE FRAMEWORK**

- Basic Conditions of Employment Act 75 of 1997 (BCEA)
- Collective Agreement on conditions of Service for the Eastern Cape Division of the South African Local Government Bargaining Council
- Municipal Systems Act, 32 of 2000
- Municipal Finance Management Act

#### **6. CONSULTATION PROCESS WITH STAKEHOLDERS**

- Labour Unions
- Management Component
- Non Union Members

#### **7. POLICY PRINCIPLES**

Line Managers must ensure that overtime is implemented in accordance with the prescripts of this policy and any other relevant legislation.

#### **8. GENERAL**

## **8.1 TIME OFF IN –LIEU OF OVERTIME**

- 8.1.1 Time off in lieu of payment for overtime shall be granted only for structured and approved overtime.
- 8.1.2 Application for time off in lieu of payment for overtime worked shall be done on the prescribed application form.
- 8.1.3 Time off in lieu of payment for overtime worked must be taken within one [1] month from date of accrual. Time off not taken within 1 month will be forfeited. This one [1] month period may, for operational reasons, be extended to a maximum of three [3] months by the Municipal Manager or his delegate.
- 8.1.4 Time off in lieu of payment for overtime worked cannot be encashed except on termination of Services provided such time is valid.

## **8.2 OVERTIME WORKED ON PUBLIC HOLIDAYS**

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

## **8.3 OVERTIME WORK ON SUNDAYS**

Payment or time off of eligible employees for work on a Sunday will be dealt with in terms of the Basic Conditions of Employment Act as amended.

## **8.4 PAYMENT FOR OVERTIME WORKED**

Payment can only be granted when such payment is in line with the Basic Conditions of Employment Act as amended, Collective Agreement on Conditions of Service as well as the approved Overtime Policy.

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

- 8.5.1 The guiding principle is that there must be budget allocation to finance the overtime expenditure in all departments.
- 8.5.2 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; justified and provided for timeously.

- 8.5.3 Each Director is responsible and accountable that only officials who are authorized in terms of the delegated powers approve overtime work and payment or time off in lieu of payment. The authorizing bodies must determine whether the information on the overtime form is accurate and correct before they authorized the form for payment/time off.
- 8.5.4 Attendance registers, time sheets and overtime approval forms, which should indicate dates, starting and ending times, must be kept at source for three years in respect of 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 sheets.
- 8.5.5 Overtime forms must be submitted on a monthly basis before the 18<sup>th</sup> to the Human Resource Department from where it will be taken to the Directorate Financial Supported. Forms that exceeds the period of one [1] month must be support with valid reasons/motivations.
- 8.5.6 Supervisors and Managers should monitor the overtime worked, to ensure value for money.
- 8.5.6 An employee acting in a higher position and receiving an acting allowance will be remunerated overtime for emergency work only at his/her current post level.

## 8.6 GUIDELINE PROCESS: Wage type

WAGE TYPE	
	<p><b>OVERTIME – 5/8 DAY (NON-SHIFT) WORKERS-Excluding Sundays and Public Holidays</b>            1.5 x hourly wage x hours worked in excess of ordinary daily working hours as per employment contract (see IT7)</p> <p>Part time /5/8<sup>th</sup> Employees: 1 x hourly rate until 8 hours per day then 1.5 x hourly rate for hours in excess of 8</p>
	<p><b>OVERTIME – SHIFT WORKERS (EXCLUDING FIRE SERVICES) – excluding Sundays and Public Holidays</b></p> <p>1.5 hourly rate x hours worked in excess of planned working hours per shift</p>
	<p><b>OVERTIME – FIRE SERVICES – Excluding Sundays and Public Holidays</b></p> <p>1.5 x hourly rate x hours worked in excess of planned working hours per shift roster.</p>
	<p><b>WORK ON SUNDAY – 5/8 DAY (NON-SHIFT) WORKERS</b></p> <p>2 x hourly rate x hours worked with a minimum of 1 day’s pay</p>

	<p><b>WORK ON SUNDAY- SHIFT WORKERS (EXCLUDING FIRE SERVICES)</b></p> <p><b>1. If the Sunday is a normal working day (planned shift) for the employee:</b></p> <p>(a) Additional 0.5 x hourly rate x rate for a planned shift worked (One day's pay already in monthly salary) plus</p> <p>(b) For the hours worked in excess of his ordinary planned working hours per shift: 1.5 x hourly worked</p> <p><b>2. If the Sunday is not a planned shift for the employees</b></p> <p>2 x hourly rate x hours worked with a minimum of 1 shift's pay</p>
	<p><b>WORK ON SUNDAY – FIRE SERVICES</b></p> <p><b>If the Sunday is a normal working day (planned shift) for employee –</b></p> <p>1,5 x hourly rate x hours worked in excess of planned working hours per shift</p> <p><b>If the Sunday is not a normal working day (planned shift) for employees –</b></p> <p>2 x hourly rate x hours worked with a minimum of 1 shift's pay</p>
	<p><b>WORK ON PUBLIC HOLIDAY – 5/8 DAY (NON-SHIFT) WORKERS</b></p> <p><b>1. If the public holiday falls on a normal day working day:</b></p> <p>(a) if employee works less than or equal to his ordinary daily working hours as per his contract: <b>an additional 1 day's pay</b></p> <p>OR</p> <p>(b) if employee works more than his ordinary daily working hours as per his contract: 1 x hourly rate x actual hours worked on that day (in addition to his normal pay for a day's work)</p> <p><b>2. If the public holiday falls on a day which is not a normal working day:</b></p> <p>1 day's ordinary pay plus 1 x hourly rate x actual hours worked on that day</p>
	<p><b>WORK ON PUBLIC HOLIDAY – SHIFT WORKERS (EXCLUDING FIRE SERVICES)</b></p> <p><b>1. If Public Holiday is a normal working day (planned shift):</b></p> <p>(a) 1 day's pay for a shift worked (in addition to his ordinary pay for a shift's work);</p>

	<p>OR</p> <p>(b) if he works more than his ordinary planned working hours per shift: 1 x hourly rate x actual hours worked on that day (in addition to normal pay for the shift worked).</p> <p>2. if the public holiday falls on a day which is not a normal working day (planned shift):</p> <p>1 day ordinary pay plus 1 x hourly rate x actual hours worked on that day</p>
	<p><b>WORK ON PUBLIC HOLIDAY – FIRE SERVICES</b></p> <p><b>1. If the shift falls on a public holiday and the employee works hours in excess of his planned shift</b></p> <p>2 x hourly rate x hours worked in excess of planned working hours per shift</p> <p>2. If employee works on a public holiday that was not a planned shift day</p> <p>(a) 1 day's ordinary pay plus 1x hourly rate x actual hours worked</p>