



dr.jsmlm

Dr JS Moroka Local Municipality

REVIEWED OVERTIME POLICY

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1. PREAMBLE

- 1.1. The purpose of the overtime policy is to provide guidelines for working hours and parameters for the payment of overtime in the Dr J.S Moroka Municipality.
- 1.2. If it is required from an employee to work more than the normal hours or on days of rest and other agreements do not prevent the payment of overtime to the employee, the employer may provide compensation through time off and/or additional pay.
- 1.3. The determination of working hours and overtime is informed by the nature of service provided by the relevant Department.

2. OBJECTIVES OF THE POLICY

- 2.1. To provide a framework and guidelines for the implementation and maintenance of overtime worked and the remuneration thereof.

3. DEFINITIONS

- 3.1. **'basic conditions of employment act'** means the provisions of the Basic Conditions of Employment Act, Act No. 75 of 1997;
- 3.2. **'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;
- 3.3. **'ordinary hours of work'** means the hours of work permitted in terms of Section 9 or in terms of any agreement in terms Section 11 or 12 of the Basic Conditions of Employment Act (Act 75 of 1997);
- 3.4. **'overtime'** means the time that an employee works during a day or a week in excess of ordinary hours of work;
- 3.5. **'public holiday'** means any day that is a public holiday in terms of the Public Holidays Act, 1994 (Act 36 of 1994);

4. PRINCIPLES

- 4.1. Overtime work shall be utilised only when it is clearly necessary and cost effective.
- 4.2. Strict and accurate records of overtime worked shall be kept.
- 4.3. An application for overtime shall be approved prior to an employee working remunerated overtime.

- 4.4. Employees may not work overtime except in accordance with an agreement with the Head of Department and Supervisor.

5. SCOPE OF APPLICATION

- 5.1. The policy applies to all permanent employees of the Municipality, except employees categorized as forming part of Management and ordinary employees who are in receipt of a regular annual earnings of not less than the amount per annum as regulated by Government Gazette from time to time regarding the earnings threshold effected from 01st March 2022 is determined at **R224 080.48** per annum.

6. STATUTORY AND REGULATORY FRAMEWORK

- 6.1. This overtime policy is influenced by the following pieces of legislations:-

- (a) Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997)
- (b) Government Gazette number 45890
- (c) Labour Relations Act (Act 66 of 1995)
- (d) Municipal Systems Act (Act 32 of 2000)
- (e) Municipal Finance Management Act
- (f) Code of Good Practice on the Regulation of Working Time
- (g) Government Gazette No 36620 and 37795
- (h) SALGBC Main Collective Agreement
- (i) Mpumalanga Collective Agreement on Conditions of Services.

7. POLICY PROVISIONS

7.1. Overtime

- The provisions governing overtime, as regulated by the Basic Conditions of Employment Act (No 75 of 1997), will apply.
- Overtime should be approved by the Municipal Manager or his Delegated Person in writing prior to the overtime being worked.

In terms of the Ministerial Determination, contained in the Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997) under Government Gazette Number 45890 of 2022 Titled, Determination Earning threshold state that a persons earning over the threshold amount of R224 080. 48, do not have a legal right to demand payment in respect of overtime .The employer must, however, in determining the hours of work of the employee earning above the threshold take into consideration section 6(3) of the Ac

7.1.1. Weekends and Public Holidays

- (a) Employees may from time to time be required to work outside ordinary working hours, over weekends or on public holidays.
- (b) The Department will give as much notice period as possible if such working time is required

7.2. Responsibilities

- 7.2.1. Every Head of Department and/or Head of Section has the responsibility for the implementation, maintenance and management of this overtime policy.
- 7.2.2. The Salaries office is responsible for the calculation and pay out of overtime worked.
- 7.2.3. Designated Supervisors are responsible of ensuring that the overtime arrangement is not abused.

7.3. Limitations

- 7.3.1. If the employee agrees to work overtime, the employer must ensure that such overtime:-
 - (a) does not exceed three (3) hours per day; and/or
 - (b) does not exceed ten (10) hours per week; and/or
 - (c) does not exceed eight (8) hours on weekends and Public Holidays, over a period of four (4) months.

7.4. Conditions for the approval of overtime

- 7.4.1. The number of overtime hours that may be performed are limited to an average of up to three (3) hours per day or ten (10) hours per week and eight (8) hours on weekends and Public Holidays, over a period of four (4) months.
- 7.4.2. Only those employees who perform work in excess of the normal working hours for a period of time may receive overtime compensation.
- 7.4.3. Overtime compensation may not exceed an average of thirty per cent (30%) of the employee's monthly salary.
- 7.4.4. Managers should minimise overtime work in general.
- 7.4.5. Managers should only authorise compensated overtime when their Departments / Components have to take on additional tasks for a period of time. This could be necessitated by existing vacancies within that Department, transformation projects and/or short term requirements due to changes in circumstances.
- 7.4.6. Overtime should not be allowed when employees have to attend courses, except where the work is of critical importance for the employer.

- 7.4.7. Approval for remunerated overtime should be guided by the demonstration of work performed during ordinary working hours to the Manager, which may have hindered the employee to perform the work for which overtime is sought.
- 7.4.8. No employee will be remunerated for overtime unless such overtime has been approved by the Municipal Manager or his delegate prior to the employee working such overtime, or is required in terms of a work schedule (e.g. Emergency situations).

7.5. Control Measures

Managers must ensure that:

- (a) Overtime is minimised;
- (b) There is adequate control of remunerated overtime duty, either through supervision or by control of outputs;
- (c) Remunerated overtime is not authorised for insignificant periods, therefore, an element of urgency in the work to be performed by overtime should be satisfied by the Manager before approval of remunerated overtime;
- (d) Overtime remuneration is cost-effective;
- (e) Record of all circumstances which necessitated overtime and records of overtime worked must be kept;
- (f) A record of attendance is kept and duly signed by the Supervisor;
- (g) Funds are available to finance the expenditure which will be incurred as a result of the approval of rendering paid overtime duty;
- (h) Employees are not employed on overtime duty to an extent that the quantity and quality of work performed during normal hours of attendance as well as during periods of overtime duty are adversely affected;
- (i) All overtime, as far as possible, must be performed at the employees' normal pace of work. Heads of Department can, however, in exceptional circumstances approve that overtime work could also be performed at another place, provided that they can satisfy themselves that the number of hours overtime worked were necessary to perform the tasks. The quality and quantity of tasks must also be in line with the number of overtime hours worked.
- (j) In order to improve control, the Head of Department must determine beforehand the number of hours for overtime duty to be performed each day and, as far as possible, set production targets and/or aims as criteria.
- (k) Overtime must be rotational for employees performing the same function within the department
- (l) No overtime allocation and approval for an employee who is on leave
- (m) Requests for payment of overtime worked be submitted to Finance Department within 30 days after work, failure to do so they will be forfeited.

7.6. REMUNERATION FOR OVERTIME WORKED

7.6.1. As stipulated under sec 16 of BCEA(1) An employer must pay an employee who works on a Sunday at 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. (2) If an employee works less than the employee's ordinary shift on a Sunday and the payment that the employee is entitled to in terms of subsection (1) is less than the employee's ordinary daily wage, the employer must pay the employee the employee's ordinary daily wage. (3) Despite subsections (1) and (2), an agreement may permit an employer to grant an employee who works on a Sunday paid time off equivalent to the difference in value between the pay received by the employee for working on the Sunday and the pay that the employee is entitled to in terms of subsections (1) and (2). (4) Any time worked on a Sunday by an employee who does not ordinarily work on a Sunday is not taken into account in calculating an employee's ordinary hours of work in terms of section 9(1) and (2), but is taken into account in calculating the overtime worked by the employee in terms of section 10(1)(b). (5) If a shift worked by an employee falls on a Sunday and another day, the whole shift is deemed to have been worked on the Sunday, unless the greater portion of the shift was worked on the other day, in which case the whole shift is deemed to have been worked on the other day. (6) (a) An employer must grant paid time off in terms of subsection (3) within one month of the employee becoming entitled to it. (b) An agreement in writing may increase the period contemplated by paragraph (a) to 12 months.

7.7. IMPLEMENTATION AND REVIEW

7.7.1. The overtime earning threshold will be determine by Minister of Labour as published in the Government Gazette.

7.7.2. It will be further reviewed and amended as the need arises.

8. AUTHORITY

8.1. The authority is vested with the Council.

Council Resolution: **R216.03.2023 ND**

Date of Approval: **30th March 2023**

Accounting Officer Signature: _____

