

OVERTIME POLICY

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1. Purpose

- 1.1. To provide a framework for the compensation of employees for additional duties, which they performed in specific circumstances in excess of their prescribed hours of work as authorized by the municipal manager or his/her delegated assignee.
- 1.2. The purpose of this policy is to ensure there is a zero-tolerance approach to corruption in overtime management.

2. Scope of application

- 2.1. This policy applies to all the employees who: -
 - 2.1.1. are employed by Kouga Local Municipality
 - 2.1.2. Fall within the registered scope of South African Local Government Bargaining Council.
 - 2.1.3. Employees who are employed on the basis of an Internship Programme.
 - 2.1.4. Employees earning more than the income earnings threshold from Task Grades 1 – 11 serving in emergency positions.
- 2.2. This Policy shall not apply to the following personnel: -
 - 2.2.1. Employees working less than 24 hours per month.
 - 2.2.2. EPWP workers.
 - 2.2.3. Senior Managers as defined by section 56 and 57 of the Municipal Systems Act as amended
 - 2.2.4. Employees from Task Grade 12 and above;

3. Definitions

- 3.1. Basic Salary – means the actual salary notch of the employee.
- 3.2. Day – Working day (as per normal working hours 8 hours per day, or 12 hours per day as per shift system)
- 3.3. Overtime – means the time an employee works in excess of the hours of work per day or week or month that an employee has contracted to perform.
- 3.4. Public Holiday – means any day that is a public holiday in terms of Public Holidays Act 36 of 1994

- 3.5. 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.
- 3.6. Emergency work excludes the performance of routine maintenance work outside working hours.
- 3.7. Emergency positions refers to water, electricity and protection services, i.e. essential services between Task Grades 1 and 11.
- 3.8. Structured/Planned overtime – is defined as Programme/planned overtime which the employer has control over such as meetings, and other official Council business of which minutes have been kept, that continue or take place after normal working hours.
- 3.9. Senior Managerial employees – means an employee who has the authority to hire, discipline and dismiss employees and to represent the employer internally or externally.

4. Conditions for granting overtime

- 4.1. An employee may for operational reasons, be required to work overtime not longer than 10 hours in a week, 3 hours in any day, except in cases of work-related emergencies (refer to definition of emergency work).
- 4.2. The prior approval to work overtime vests with the Directors of different Departments, Municipal Manager or any other competent person appointed by the Municipality to do so and no overtime may be worked without such written approval being obtained except in cases of work related to emergencies. In the event of emergency overtime, the Municipal Manager, relevant Director or the appointed competent person may give verbal approval to the working of such overtime provided that such approval shall be followed-up with a written confirmation.
- 4.3. The accountable Director must ensure that there is adequate provision for overtime on his/her budget. In the event of the respective overtime budget being depleted, no further funds shall be provided for overtime payments unless such payment can be justified for approval by the Municipal Manager.
- 4.4. The accountable Director must implement proper planning procedures to ensure that overtime needs are assessed and the evaluation of alternative methods other than overtime, is considered to complete defined tasks.
- 4.5. Support the judicious use of overtime to meet unusual or non-recurring workloads that cannot be managed within normal working hours.
- 4.6. The accountable Director must reject routine practice of overtime and consider it only under exceptional circumstances.

5. Procedure

- 5.1. A fully completed application on the prescribed form must be submitted timeously for approval by the responsible manager before employees can work remunerated overtime.
- 5.2. The reason for overtime work must be clearly motivated on the prescribed form.
- 5.3. The hours of overtime indicated and approved on the application form are the actual overtime hours that can be claimed but excludes the travelling time except for standby staff.
- 5.4. A full day's work (normal working hours and a lunch break of at- least 30 mins) must first be worked before such employee is eligible for overtime. For example, if an employee was granted half a day's leave or time-off, but on a subsequent day worked additional hours, which he or she now wants to claim overtime, he or she will not be eligible for overtime.
- 5.5. No overtime will be paid for attendance of functions/prize giving etc.
- 5.6. Overtime worked must be reflected on the employee's attendance register. Line Managers and/or supervisors are responsible to monitor and sign off the attendance register on a weekly basis. The absence of an attendance register will result in claim being rejected. Should the Manager approve the claim in the absence of an attendance register, the claim will be rejected by the relevant Director and the payroll section.

6. Payment of overtime for Employees below the Threshold

- 6.1. The municipality shall pay an employee at least one and one-half times the employee's wage for overtime worked or double the employee's wage depending on the prescripts of the Basic Conditions of Employment Act.
- 6.2. Despite clause 6.1, by agreement between the parties, the Municipality may allow an employee paid time off for overtime worked instead of paying the employee. The employee will then be entitled to 90 minutes paid time off for every 60 minutes overtime worked.
- 6.2. Paid time off must be granted within one month from entitlement.
- 6.3. The Municipal Manager or his/her immediate delegates may use their discretion to grant 'free' occasional leave to employees who are not paid overtime, in recognition of long hours or weekend work.

7. Payment of overtime for Employees above the Threshold

- 7.1. Employees earning more than the income threshold, up to Task Grade 11, who are serving in emergency positions shall be remunerated in terms of the prescripts of the BCEA as amended.
- 7.2. The Municipal Manager or his/her authorised assignee may use their discretion to grant 'free' occasional leave to employees who are not paid overtime, in recognition of long hours or weekend work.

8. Time off in lieu of overtime

- 8.1. Time off in lieu of overtime shall be as per agreement between the parties.
- 8.2. Application for time off in lieu of overtime must be done on prescribed application form.
- 8.3. Time off in lieu of overtime cannot be encashed except on termination of service.
- 8.4. Time off in lieu of overtime will be forfeited if it is not taken within 2 months of the employee having become entitled to it.

9. Pay for work on Sundays

- 9.1. An employee who works on a Sunday shall be paid at double the rate for each hour worked, unless the employee ordinarily works on a Sunday, in which case the employer shall pay an employee at one and one-half times the employee's rate of pay for each hour worked.
- 9.2. The municipality may grant an employee who works on a Sunday, paid time off equivalent to the overtime payment he/she would have received.
- 9.3. If a shift worked by an employee on a Sunday and another day, the whole shift is deemed to have been worked on a 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.

10. Pay for work on Public holiday

- 10.1. A Public holiday shall only be worked in accordance with an agreement.
- 10.2. If an employee works on a Public holiday, on which the employee would not ordinarily work, an employee shall be paid at double the rate for each hour worked.

11. Administrative measures for monitoring, managing and control of overtime

11.1. In order to exercise proper control of overtime, it is the responsibility of the Head of Department to ensure that: -

- 11.1.1. There is always adequate supervision and control measures during the performance of overtime.
- 11.1.2. The hours of overtime scheduled does not exceed 10 hours in a week as prescribed in Section 10 of Basic Conditions of Employment Act 75 of 1997 as amended, except in the cases of emergency.
- 11.1.3. It is the responsibility of the Head of the Department to ensure that all overtime forms signed by the employee, him/herself and the Municipal Manager, are submitted to the Payroll office by the 10th day of the month. Overtime claims received after the cut-off date will be processed the following month.
- 11.1.4. All overtime forms must be submitted together with the attendance register reflecting the overtime worked.
- 11.1.5. A monthly report on all overtime worked plus overtime expenditure, shall be compiled by the Manager Expenditure and be tabled at the first monthly meeting of the Top Management for scrutiny and corrective measures.

12. Identification

- 12.1. Heads of Departments are expected to manage workload and identify situations in which the use of overtime is appropriate and unavoidable.

13. Justification

- 13.1. The reasons behind the performance of overtime must be clearly stated. Heads of Departments must ensure that only work that cannot be performed during normal office hours are scheduled for overtime.

14. Evidence Supporting Overtime Claims

- 14.1 Overtime claims will not be considered by Managers and the respective Directors if they are not accompanied by the following relevant evidence:
 - 14.1.1 Attendance register
 - 14.1.2 Tracker record where municipal vehicles were used in the performance of overtime work
 - 14.1.3 Vehicle Logbook where municipal vehicles were used in the performance of overtime work
 - 14.1.4 Biometric Access records for office bound staff
 - 14.1.5 OB number where overtime work was dispatched by the Call Centre

- 14.1.6 Close-out report by call centre where work was dispatched by the call centre
- 14.1.7 Photographic evidence of work being performed and/or before and after pictures
- 14.1.8 Relevant WhatsApp and/or WhatsApp group communication
- 14.1.9 Any other GPS tracking system or electronic system records where available

15. Analysis

- 15.1. Heads of Departments should analyze the reasons for performing overtime. Overtime must not become a recurrent/routine exercise every year. Factors leading to the need for employees to work additional number of hours must be identified and analyzed.

16. Documentation of exceptional cases

- 16.1. Proper justifications should be given where overtime work has not been performed after having obtained approval and authorization.

17. Monitoring and supervision of overtime work

- 17.1. The work performed during overtime must be closely monitored by the immediate Supervisors/Heads of Departments to ensure that employees who were allocated overtime work are physically present and records of attendance are kept.

18. Additional Controls to Manage Overtime

- 18.1. The Planning of overtime work is a core activity and consists mainly of an analysis of overtime needs, considering among others, evaluation of alternative methods other than overtime work and the preparation of an overtime budget.
- 18.2. An annual cap be placed on overtime worked for employees.
- 18.3. Regular reports must be generated and reviewed by Heads of Departments in relation to overtime work to enhance control on the overtime system. Examples of reports for review include:
 - 18.3.1. Total Expenditure per month per department.
 - 18.3.2. Total Expenditure to date per department year on year.
 - 18.3.3. Highest overtime earners.
 - 18.3.4. Overtime per employee and per activity.
 - 18.3.5. Employee time of in lieu of overtime.
 - 18.3.6. Strategies developed to limit overtime.
- 18.4. Management should review and question the validity and necessity of overtime worked by certain employees, especially the most frequent users.

- 18.5. All personnel involved with the management of overtime should be provided with training and management should be specifically provided with guidance on their responsibilities in respect of the management of overtime.
- 18.6. Strategies to limit the performance of remunerated overtime should be developed.
- 18.7. Internal audit to perform random verification of onsite work performed.
- 18.8. Internal Audit to perform a Quarterly audit of the highest users per department against evidence and report quarterly to Mayoral Committee.
- 18.9. Managers should assess based on their knowledge of the work to determine whether specific tasks performed during overtime takes as long as specified by their subordinates.
- 18.10. Managers must confirm on a day to day basis that the overtime indicated by officials on the overtime registers has been performed. Provision should be made in this regard on the overtime register.
- 18.11. Managers should understand that they will be held accountable for any fraudulent practices relating to remunerated overtime in their area of control.
- 18.12. Overtime forms should include the following fields:
 - 18.12.1. Vote number
 - 18.12.2. Rand Value of vote
 - 18.12.3. Availability of funds in vote for overtime – Yes /No
 - 18.12.4. Why is overtime necessary?
 - 18.12.5. What duties will be performed?
 - 18.12.6. Why work cannot be carried out during work hours?

19. Contravention of the Policy

- 19.1 Any contravention of the overtime policy will be dealt within the framework of the Disciplinary Code Collective Agreement and Municipal Code of Conduct.
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C DU PLESSIS
MUNICIPAL MANAGER

28 August 2020

DATE