



FETAKGOMO – GREATER TUBATSE
LOCAL MUNICIPALITY
(LIM 476)



The **GTM**
GREATER TUBATSE
MUNICIPALITY

South Africa's first democratic platinum city

OVERTIME POLICY

ATY

TABLE OF CONTENTS

1. PREAMBLE
2. DEFINITIONS
3. PURPOSE AND OBJECTIVES
4. SCOPE OF APPLICATION AND EXCLUSIONS
5. LEGISLATIVE FRAMEWORK
6. ADMINISTRATION OF THE POLICY
7. POLICY CONTENT
8. DEFAULT
9. ADOPTION AND APPROVAL
10. IMPLEMENTATION
11. COMMUNICATION
12. POLICY REVIEW
13. BUDGET AND RESOURCES
14. ROLES AND RESPONSIBILITIES
15. PENALTIES
16. DISPUTE RESOLUTION
17. AUTHORITY

Overtime Policy

1. PREAMBLE/ BACKGROUND

- 1.1 Working hours are regulated in terms of relevant labour legislation and all employees are expected to adhere to such conditions. The Main collective agreement sets the working hours of employees, excluding Senior Management and emergency personnel and the others as defined per contractual agreement, to 40 hours per week.
- 1.2. The Basic Conditions of Employment, Act 75 of 1997 regulates the conditions under which an employer may require an employee to work overtime, as well as the remuneration thereof.
- 1.3. Furthermore the Minister of Labour as determined from time to time by the minister on employees earning above it are excluded from the application of section 9, 10,11,12,15,17(2) and 18(3) of the Basic Conditions of Employment Act (Act No.75 of 1997)

2. DEFINITION AND TERMS

- Overtime:** the time the employee works during a day of week in excess of the employee's ordinary working hours.
- Emergency work:** 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 ordinary hours of work.
- Structured overtime:** planned overtime over which the employer has control that continue or take place after normal working hours
- Earnings:** gross pay before deductions
- Wage:** the amount of money paid or payable to an employee in respect of ordinary hours of work
- Remuneration:** compensation in money or time off for overtime worked
- Deductions:** the deductions required by law namely income tax, pension, medical aid, UIF etc.

3. PURPOSE AND OBJECTIVES

3.1 To conform to the determination of earnings thresholds as issued by the Minister of Labour from time to time and also to provide control mechanisms on the performance of overtime by Council employees.

3.2 OBJECTIVES

- i. To provide a framework and guidelines for the implementation and maintenance of overtime worked and the remuneration thereof.
- ii. This policy is intended to create a framework for decision-making in respect of overtime management in the Municipality. As such it attempts to establish a set of rules for the consistent interpretation and application of collective agreements and legislation governing the hours of staff by Fetakgomo-Greater Tubatse Municipality.

4. SCOPE OF APPLICATION AND EXCLUSIONS

- 4.1. This policy is applicable to all employees of Fetakgomo-Greater Tubatse Municipality except employees employed in terms of Section 57 of the Municipal Systems Act, No 32 of 2000
- 4.2. Senior Management and employees earning more than the threshold as defined in the Basic Conditions of Employment Act 75 of 1997 as amended, will not be covered by this policy in respect of overtime payment.
- 4.3. Employees earning less than the overtime threshold provided for in the above act will be remunerated for overtime worked

In the event of any inconsistency between this policy and any National and other Local Government related legislation, such legislation prevails

5. LEGISLATIVE FRAMEWORK

This policy is influenced by the following pieces of legislations:

- 5.1. Basic Conditions of Employment Act (Act 75 of 1997)
- 5.2. Labour Relations Act (Act 66 of 1995)
- 5.3. Government Notice as determined by the Minister of Labour from time to time.
- 5.4. South African Local Government Bargaining Council Agreements
- 5.5 HR policies.

6. ADMINISTRATION OF THE POLICY

- 6.1 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, over expenditure does not occur, it is justified and provided for timeously.
- 6.2 Each Director is responsible and accountable to provide the Human Resource Department with a list of officials or representatives (names, signatures, section) who are authorized in terms of the delegated powers to approve overtime work and overtime payment. It is the responsibility of each Director to update and maintain the information on the list. The authorizing bodies must determine whether the information on the overtime form is accurate before they authorize the form for payment.
- 6.3 The payroll or any other person executing overtime payment is responsible to ensure that all payments for overtime are duly authorized by a competent authority.
- 6.4 Attendance register 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 serve as source documents to complete time sheets.
- 6.5 Overtime worked must be reflected on the employee's attendance register. Managers and Supervisors are responsible to monitor and sign attendance registers on a weekly basis.
- 6.6 Employees who work overtime or who allow subordinates to work overtime in contravention with this Policy and the Basic Conditions of Employment Act, 75 of 1997 will personally be held responsible for any expenditure in this regard.

7. POLICY CONTENT

7.1 LIMITATIONS

- 7.1.1 If an employee agrees to work overtime, the employee may not be required or allowed to work:
- a. More than 10 hours overtime per week
 - b. More than 3 hours per day
 - c. Overtime except in accordance with an agreement
- 7.1.2 No employee will be remunerated for overtime worked unless such overtime has been budgeted for, authorized through a memo by the Director or delegated Supervisor or if required in terms of an emergency situation.

- 7.1.3 Overtime only commences after completion of ordinary daily working hours
- 7.1.4 Overtime can only be claimed for actual hours worked, and exclude travelling time.
- 7.1.5 Overtime claimed should not exceed 30% of basic salary per month except with the approval of Council.
- 7.1.6 Delegations to meetings, conferences, workshops or any other gathering even during weekends shall not be deemed to constitute overtime for the purpose of this policy.
- 7.1.7 No overtime will be paid for attendance of functions/prize giving etc. by personal invitation except in the cases of compulsory attendance as official representative of Greater Tubatse Municipality and provided that such overtime is authorized in advance by the Municipal Manager

7.2 REMUNERATION

Remuneration of overtime worked shall be in accordance with the BCEA no. 75 of 1997, as well as any other South African Local Government Bargaining Council (SALGBC) or Ministers Gazette as concluded from time to time.

7.3 PAY FOR OVERTIME

If an employee works overtime the Council shall compensate such employee 1.5 times the hourly wage in respect of the number of hours worked for week days and Saturdays. An employee shall be remunerated at double the hourly wage in respect of hours worked on Sundays and Public holidays as per the Basic Conditions of Employment Act 75 of 1997

7.4 CRITERIA FOR PAYMENTS

Other factors need to be considered with regard to the payment of overtime, namely financial restrictions on the part of the Employer. Therefore it is recommended that the following criteria be applied:

7.4.1 Salary range equal and greater than the overtime threshold

Any employee that earns in excess of overtime threshold as determined by the Minister of Labour from time to time should not be remunerated in monetary terms (basic condition of employment act 75) for overtime.

7.4.2 Should the need arise for such an employee to work overtime , such overtime will be permitted on the understanding and agreement that it shall consist of time off instead of monetary compensation.

- 7.4.3 Time off granted shall be ninety (90) minutes for each hour of overtime worked during the week and on Saturdays. Time off for overtime worked on Sundays and Public Holidays shall be one hundred and twenty minutes (120) for each hour of overtime worked
- 7.4.4 The taking of time off by an employee will be forfeited if not taken within one month's time but may for operational reasons, be extended to a maximum of six months by the Director.
- 7.4.5 Time-off cannot be en-cashed and upon termination of service this specific leave cannot be en-cashed.

7.5 PROCEDURE/ADMINISTRATION OF THE POLICY

7.5.1 Should it become apparent that overtime is required in order for business objectives to be achieved the following needs to be adhered to:

7.5.1.1 Written request (memo to request overtime work) to Human Resources by the relevant Manager or Supervisor to the Director.

7.5.1.2 Director must always check if the budget is available

7.5.1.3 Director/Head of Department to assess the need for overtime request prior to overtime work commencing except in cases of emergency where approval will be signed post facto.

7.5.1.4 Director to forward such request to the Municipal Manager for approval.

7.5.2 **Payment:** Approved overtime request and claim form to be submitted together with Overtime schedule to Human Resource for payment. All overtime claims are to be submitted by the 10th of each month in order to be paid in the same month, otherwise payment shall be made the following month.

7.5.2 **Leave:** Overtime request form to be submitted with overtime schedule for those employees earning less than overtime threshold as determined by the Minister from time to time and above must be submitted to Human Resource Department for recording. Leave form must be completed by an employee wishing to take time off for overtime worked. The leave form must reflect the period worked as overtime.

8. DEFAULT

Non-compliance with the policy shall constitute a violation of the policy and shall be dealt with in accordance with municipal disciplinary code and procedures.

9. ADOPTION OR APPROVAL OF THE POLICY

This policy shall be adopted by the Local Labour Forum and eventually be approved by Council.

10. IMPLEMENTATION AND MONITORING

The policy shall be implemented upon approval by Council.

11. COMMUNICATION

This policy will be communicated to all municipal employees using the full range of communication methods available to the Municipality.

12. POLICY REVIEW

This policy will be reviewed after five years and/or when necessary.

13. BUDGET AND RESOURCES

The financial and resource implications related to the implementation of this policy should be qualified and quantified by Human Resource Management.

14. ROLES AND RESPONSIBILITIES

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

15. PENALTIES

Non-compliance to any of the stipulations contained in this policy will be regarded as misconduct, which will be dealt with in terms of the Disciplinary Code.

16. 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 shall be incorporated into the policy.

17. AUTHORITY

Council Resolution No:	
Date	:
Speaker	:
Reference	: