

MORETELE LOCAL MUNICIPALITY



OVER TIME & STANDBY ALLOWANCE POLICY

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Policy Number: _____

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1 POLICY OVERVIEW

Objective:

- ✓ To regulate the performance of overtime and standby worked in order to minimize over time expenditure.
- ✓ To ensure cost effective and regulated use of workers that is not on the permanent establishment of the Municipality

This policy is not applicable to the following employees:

- ✓ The Municipal Manager
- ✓ Section 56 Managers and other Managers reporting directly to the Municipal Manager
- ✓ Employees earning more than R115 574 as Basic Income per Annum
- ✓ Employees who work less than 24 hours in a month

Definitions:

- ✓ A casual worker can be defined as a worker appointed not for the purposes of the normal operation of the Municipality. Such a casual worker may not work for more than 24 hours in any calendar month.
- ✓ **A temporary worker** can be defined as a person that will be appointed additional to the approved establishment in terms of Public Service Regulations, Chapter 1, Part III, G. It may only happen under the following conditions:
 - If the incumbent of the post is expected to be absent for such a period that her or his duties cannot be performed by other personnel, e.g. maternity leave, etc. If a temporary increase in work occurs If it is necessary for any other reason to temporarily increase the staff of the Municipality.
- ✓ **A contract worker** can be defined a person that will be appointed in the Municipality on a contract basis for a pre-determined time, to perform a pre-determined task or set of tasks. This can be additional to the establishment. An employment contract will form the basis of this employment.
- ✓ Overtime is a total number of hours worked beyond the total number of hours assigned to be worked by an employee per day or on number of days.

Legal Frame work:

- Labour Relations Act, 1995
- Basic Conditions of Employment Act, 1998
- Unemployment Insurance Act, 2000
- Salga main collective agreement

2 APPLICATION OF THE POLICY

(a) Ordinary Hours of Work

Moretele Local Municipality "Employer" shall not require or permit an employee to work more than:-

- (1) Forty Five hours in a week
 - (2) Eight hours in any day if an employee is a five day worker
 - (3) Eight hours in any day if an employee work on more than five days in a week.
(i.e Overtime worked on Saturdays and Sundays).
- (a) Overtime shall only be worked by an employee if there is an agreement / authorized between the municipality and the employee

PART A:

Overtime

- (1) Subject to this Chapter, an employer may not require or permit an employee to work-
 - (a) overtime except in accordance with an agreement;
 - (b) more than ten hours' overtime a week.
- (2) An agreement in terms of subsection (1) may not require or permit an employee to work more than 12 hours on any day.
- (3) An employer must pay an employee at least one and one-half times the employee's wage for overtime worked.
- (4) Despite subsection (2), an agreement may provide for an employer to—
 - (a) pay an employee not less than the employee's ordinary wage for overtime worked and grant the employee at least 30 minutes' time off on full pay for every hour of overtime worked; or
 - (b) grant an employee at least 90 minutes' paid time off for each hour of overtime worked.
- (5) (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.
- (6) An agreement concluded in terms of subsection (1) with an employee when the employee commences employment, or during the first three months of employment, lapses after one year.

(a) A collective agreement may increase the maximum permitted overtime to 15 hours a week.

(b) A collective agreement contemplated in paragraph (a) may not apply for more than two months in any period 12 months.

(a) Payment for Overtime and Stand by

An employer must pay an employee overtime rated at 1.5 times the normal hourly wage or alternatively, an employer may request an employee to take time off for extra hours worked or a combination of the two.

(b) Payment: Sundays and Public holidays

1. Employees who work overtime on holidays and Sundays shall be paid at double the employee's normal hourly rate
2. The employer may grant time off as compensation for the overtime worked.

(c) Standby Payment:

- (7) This is as per the document of SALGA – new conditions of service, see attached annexure on standby allowances.

If an Employer compels an employee to work on a Public holiday, it will be by agreement between the employee's Director and Immediate supervisor of that particular Department or Directorate.

PART B

Reasons for the performance of overtime:

1. Overtime is performed as a result of
 - a. The nature of work that cannot be performed during official working hours in order to meet dead line
 - b. Additional task must be performed to complete work started during official working hours in order to meet dead lines
 - c. The Municipality is grappling with the shortage of staff and existing staff need to work after the official working hours
 - d. Provision of essential services e.g. disaster and water services

PART C

PROCEDURE FOR WORKING OVERTIME AND STANDBY

1. The immediate supervisor should analyze the need for overtime based on specific reasons given for working overtime

2. Findings should be communicated by the Immediate supervisor to the Director requesting overtime for the staff he/she is supervising in the form of pre approved overtime
3. If the Director does not consider the analysis made the Supervisor to be positive, no overtime will be worked given valid reasons.
4. If the Director of that particular Directorate consider the need for such overtime, he/she can give the go ahead of the overtime to be performed.
5. Overtime Claim forms need to be filled in line with the overtime pre-approved form and be submitted to the Human Resources and Corporate Services Director by the 15th day of every month, unless if the said date falls on a weekend or public holiday and in such instances these would have to be submitted a date before.
6. Approvals on overtime worked on claim forms are only done by the supervisor and the Director of that particular directorate.

PART D

Limitations to stand by and over time payment:

- Standby – An employee would have standby allowance for the normal working day, a Saturday, Sunday / public holiday when the institution is on recess.
- Overtime – This will be paid for 40 hrs in a month, 10 hours in a week.

PART E

Temporary employment services

(1) For the purposes of this policy, a person whose services have been procured for, or provided to, a client by a temporary employment service is the employee of that temporary employment service, and the temporary employment service is that person's employer.

(2) Despite subsection (1), a person who is an independent contractor is not an employee of a temporary employment service, nor is the temporary employment service the employer of that person.

(3) The temporary employment service and the client are jointly and severally liable if the temporary employment service, in respect of any employee who provides services to that client, does not comply with this policy or a sectoral determination.

Part F

7. Casual workers:

- ✓ Casual workers shall be employed for purposes other than the normal operations of the Municipality.
- ✓ Such purposes may include duties such as the movement of furniture during the movement of offices, wash of pool cars, etc.
- ✓ Any person that need to appoint a casual worker need to determine the estimate time the task for which the casual worker will be needed and the cost associated with that.
- ✓ Any person that need to appoint a casual worker should get approval from the municipal Manager
- ✓ Casual workers will be paid on an hourly basis for the hours worked, provided that, if the person work for less that four hours on any particular day, it will be deemed as if he had worked for four hours and he will be remunerated for four hours.
- ✓ The rate at which a casual worker will be paid will be calculated using the first notch a salary level number 10 worker and will be determined by the SALGA
- ✓ The person who requested for the casual worker will be responsible to keep the attendance register for the casual worker and will be responsible for the movements of that worker. He/she will also be responsible to hand the attendance register in at the Municipality's salaries unit and should make sure that the casual worker get paid.
- ✓ Nobody may accept the wage of the casual worker on behalf of the casual worker. The casual worker must personally sign for receipt of his/her wage.
- ✓ Temporary workers:
- ✓ A temporary worker will be appointed additional to the approved establishment in addition to the approved organo gram and approved structure
- ✓ The temporary worker will be appointed under the following conditions:

(If the incumbent of the post is expected to be absent for such a period that her or his duties cannot be performed by other personnel, e.g. maternity leave, etc.

If a temporary increase in work occurs If it is necessary for any other reason to temporarily increase the staff of the Municipality).

Contract workers:

- ✓ A contract worker may by appointed in the Municipality on a contract basis for a pre-determined time, to perform a pre-determined task or set of tasks. This can be additional to the establishment or in an unfunded post to prevent recurring expenditure.
- ✓ The appointment of a contract worker shall be approved by the Municipal manager and must not exceed 6 months.

- ✓ A contract will be signed between the Municipal Manager and the contract worker.
- ✓ A contract worker will be appointed on the Pay day system with an end date. The Pay day system will automatically terminate the employment contract on the specified date.

10. Nature of Appointment:

- ✓ The appointment of staff under this policy is of a temporary nature and normal employment practices as stipulated in the Recruitment and Selection Policy should still be followed before a person could be appointed on a permanent basis.
- ✓ No expectation should be created. Automatic absorption of contract workers should not be done.

PART G

REGULATIONS ON CLAIMING OVERTIME AND STANDBY

- ✓ An employee who consider to work overtime without prior approval with the immediate supervisor and director will not be granted or paid extra hours worked.
- ✓ Any overtime signed by the immediate supervisor or director of another directorate will not be considered unless on prior arrangement with the director of the relevant directorate.
- ✓ Employees who are exempted from claiming overtime will be penalized if they can take advantage of claiming any overtime

REGULATION OF EXEMPTED EMPLOYEES:

- ✓ The performance Agreement of the Municipal Manager will guide the performance agreement of the section 57 managers and other managers reporting directly to the Office of the Municipal Manager.
- ✓ Performance evaluation of such managers will be rated by the Municipal Manager in case of Section 57 Managers and Managers directly reporting to the Municipal Manager and a % of extra remuneration will be considered if they have performed well.

- ✓ The same procedure will be applied by the Mayor and the Executive Council in terms of measuring the performance of the Municipal Manager.