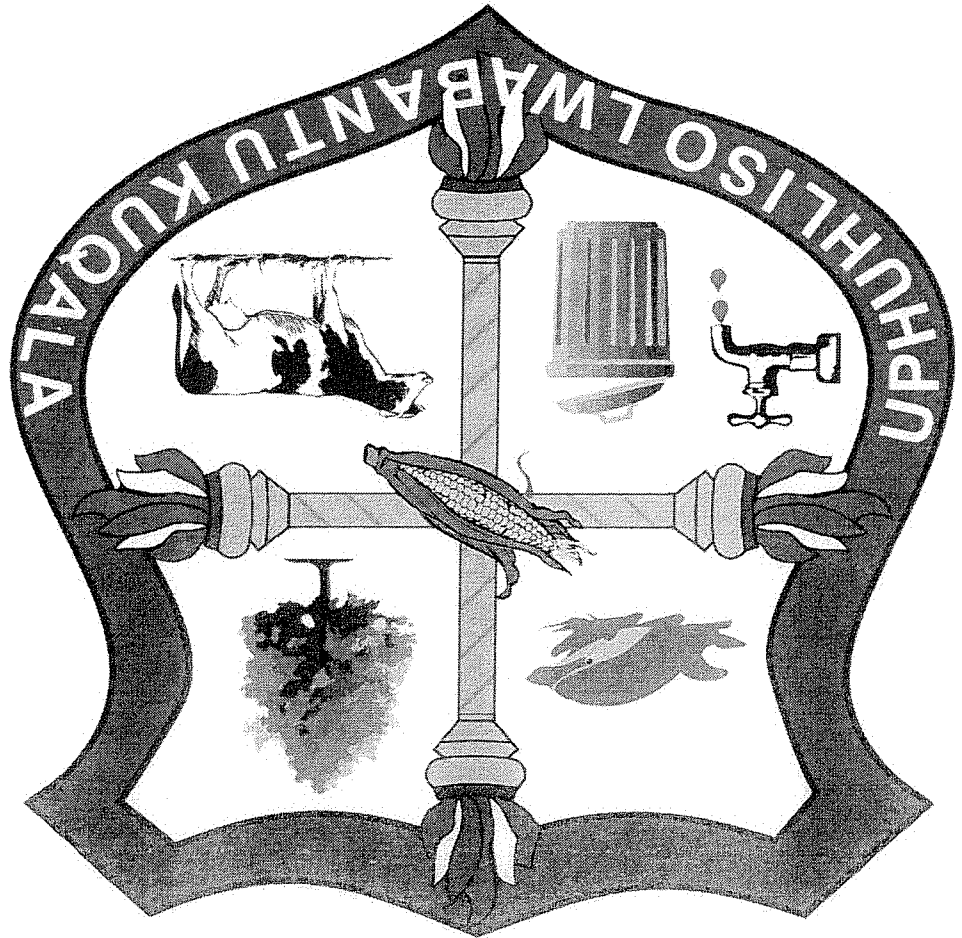


# INGOUZA HILL LOCAL MUNICIPALITY

## OVERTIME, SHIFT AND STAND-BY ALLOWANCE POLICY

2019



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## PART 1

### 1.0 PREAMBLE

- To provide guidance in the calculation of overtime worked by Municipal employees and the remuneration thereof as provided for in the Basic Conditions of Employment Act 1997, (Act no 75 of 1997) and related Collective Agreements.

- This policy will prescribe the overtime rates to be used to compensate employees who perform overtime, shift allowance and stand-by allowance.

- To provide control mechanisms on the performance of overtime, shift work and stand-by allowances.

- His policy works hand in hand with the existing overtime procedure manual

## PART 2

### 2.0 DEFINITIONS

- **Overtime-** means the time the employee works during a day or week in excess of the employee's ordinary hours of work.

- **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. Emergency work excludes the performance of routine maintenance work outside normal working hours.

- **Structured overtime-** is defined as programmed/planned overtime over which the employer has control including Council, Committee and official meetings of which minutes have been kept that continue or take place after normal working hours.

### PART 3

#### 3.0 SCOPE AND APPLICATION

- **Earnings**-refer to the retirement fund income or the basic salary for the post which-ever is applicable.
  - **Section 56 Managers**- are those employees who are designated in terms of the Municipal Systems Act and who report directly to the Municipal Manager, including the Municipal Manager.
  - **Shift Work**- refers to work of a continuous nature which is assigned to employees on a rotational basis for which employee become eligible for shift allowance as contained in the Collective Agreement and in accordance with the Basic Conditions of Employment Act.
  - **Stand-By Allowance** – refers to employees who are required to be on the alert for a call-out in the event that they are required to present themselves for duty for which they become eligible for Stand-By Allowance as provided for in the Collective Agreement.
- Senior managerial employees, as defined in the Basic Conditions of Employment Act, including any employee earning a basic salary equivalent to or above the earning threshold amount as published by the Department of Labour, do not qualify for any overtime payment but may negotiate terms and conditions relating to overtime worked.
  - Employees earning less than the overtime earnings threshold amount as published by the Department of Labour, will 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.
  - The Municipality may apply for exemption from this threshold to the appropriate authorities. The scope of this policy excludes Section 56 managers.

- An employee may for operational reasons, be required to work overtime and any employee appointed into the service commits themselves into a contract to this effect with Council.
- The Municipality may not require an employee to work for a longer period of overtime for more than 10 hours during any week, and 3 hours on any work day except at the request of management and by agreement.
- Overtime work is subject to prior written approval by the Head of Department/his or her assignee and no overtime may be worked without such written approval being obtained, except in cases of work related to emergency situations.
- For emergency overtime the supervisor may give verbal approval to the working of overtime provided that such approval is followed-up with written confirmation by the Head of Department.
- Written standing approval may be granted where justified for operational requirements.
- Only officials with delegated authority may approve overtime work and overtime payment.
- Overtime only commences after completion of ordinary daily and weekly working hours.
- Overtime can only be claimed for actual hours and excludes travelling time except for out.
- Stand-by staff where there is any. Overtime for the latter group starts from the time of call out.
- No overtime can be claimed should an employee work short time on a specific day.
- A full day's work (normal working hours and a lunch break of at least 45min) must first be worked before such employee is eligible for overtime.
- In cases of compulsory attendance as an official representative of the Municipality provided that such employee qualifies for overtime in terms of this policy and provided further that such overtime is authorised in advance by the Municipal Manager/ Head of Department.

## 4.1 NON-SHIFT WORKERS/SHIFTWORKERS

- **MONDAY TO SATURDAY:** Overtime hours worked above 8 hours per day or 40 hours per week is calculated at 1.5 x rate.
- **SUNDAYS:** Overtime hours worked on Sundays above 40 hours per week calculated at 2 x rate.
- **PUBLIC HOLIDAYS:** Overtime hours worked on a Public Holiday above 40 hours per week calculated at 2 x rate.

## 4.2 PAYMENT OF OVERTIME FOR SHIFT WORKERS

- **DAY SHIFT WORKERS:** When a shift falls on a Sunday, then the employee will be remunerated at normal salary plus 0.5 x rate. Overtime worked after a shift is calculated at 1.5 x rate. Overtime hours worked on a Public Holiday are calculated at 1 + rate.

**OVERTIME WORKED DURING OFF DAYS:**

- **MONDAY TO SATURDAY:** Overtime hours worked are calculated at 1.5 x rate.
- **SUNDAYS:** Overtime hours worked on Sundays are calculated at 2 x rate.
- **PUBLIC HOLIDAYS:** Overtime hours worked on a Public Holiday are calculated at 2 x rate.

- **Shift Allowance** is payable to all shift workers as per Collective Agreement.

**STAND-BY ALLOWANCE (Where applicable)**

- Employee must be authorised by the relevant supervisor in order to be eligible for stand-by allowance payment.
- When an employee is placed on stand-by it is expected that he/she will be within a reasonable radius so that he/she is readily available for duty when called out.
- The employee shall be eligible for stand-by allowance calculated in accordance with the Collective Agreement.
- Should an employee **not be called out** he/she will still be eligible for stand-by allowance payment calculated in accordance with the Collective Agreement.
- Should an employee be appointed to be on stand-by after the normal working hours he/she will be eligible for stand-by allowance regardless of whether he/she is called out.
- In the event that an employee is called out after his/her normal working hours he/she will become entitled to an overtime rate (week-days at 1.5 and Sunday/Public Holidays at double time) for hours worked plus stand-by allowance in accordance with the Collective Agreement.
- Nominated Fire Fighters shall be paid according to hours at worked at standard rate plus stand-by allowance in accordance with the Collective Agreement.
- Nominated Fire Fighters **must be appointed** to be on stand-by before becoming eligible for Stand-by Allowance payment.

## 4.3 ADMINISTRATIVE MEASURES FOR MANAGING AND CONTROL OF OVERTIME

- Each Head of Department shall be 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 is noted, justified and provided for timeously.
- The authorizing persons must determine whether the information on the overtime form is accurate and correct before they authorize the form for payment.
- The person authorizing overtime payments is responsible to ensure that all payments for overtime is duly authorized by the Head of Department. Attendance registers/ pre-authorisation including an *Exception Report*, which should indicate starting and ending times for various categories of overtime, must be kept for all employees who qualify for overtime payment or time off in terms of this policy.
- Attendance registers / pre-authorisation / exception reports serve as source documents to complete overtime sheets.
- Overtime worked must be reflected on the employees' attendance register/time sheet. Line managers and/or supervisors are responsible to monitor and sign time exception reports on a monthly/weekly basis.
- The Payroll Office is responsible for the calculation and pay out of overtime, shift allowance and stand-by allowance worked.



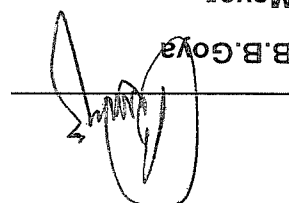
**PART 5**

**5.0 MONITORING AND EVALUATION**

Corporate Services & affected departments shall be responsible for continuous monitoring of payment of overtime, shift allowance and stand-by allowances (where applicable) and bring reports on patterns to the Municipal Manager from time to time.

**Mayor**

**B.B. Goya**



**Date**

22/04/2019