

**OVERTIME POLICY**  
**2025/2026 FY**



**APPROVED BY:**

**MR M NAKO**  
**MUNICIPAL MANAGER**  
**DATE: ...19/06/25**

**APPROVED BY:**

**CLLR JANDA**  
**EXECUTIVE MAYOR**  
**DATE: 19/06/2025**

## TABLE OF CONTENTS

1.	Background.....	3
2.	Purpose of Policy.....	3
3.	Objective of Policy.....	3
4.	Application and Scope.....	3
5.	Definition Policy.....	3
6.	Legislative Framework.....	4
7.	Policy Procedure.....	4
8.	General Policy Provisions.....	5
9.	Procedure for Implementing Policy.....	6
10.	Policy Reviewal.....	7



## **1. BACKGROUND**

Mbhashe LM recognises the rights of each employee as enshrined in the Constitution of SA, Labour Relations Act, Basic Conditions Act and other related regulations, policies.

## **2. POLICY PURPOSE**

Guide management regarding overtime worked and payment thereof, as required by the Basic Conditions of Employment Act.

## **3. OBJECTIVE OF POLICY**

to provide workers with more compensation for their time and compensate them fairly when they have extra work that needs to be completed.

## **4. SCOPE**

This policy shall be applicable to all Mbhashe Local Municipality employees, excluding EPWP

## **5. POLICY DEFINITIONS**

- a) Overtime means; the time that an employee works during a day or a week in excess of ordinary hours of work, as defined in the BCEA and the Collective Agreement on Conditions of Service. A full day's work (normal working hours and a lunch break of at least 30 minutes) must first be worked before such employee is eligible for overtime.
- b) Emergency work refers; to work that must be done without delay because of circumstances for which the employer could not reasonable have been expected to make provision and which cannot not be performed by employees during their ordinary hours of work. Emergency work excludes the performance of routine maintenance work outside normal working hours.
- c) Earnings mean; gross pay before deductions, ie income tax, pension, medical and similar payments but excluding similar payments (contributions) made by the employer in respect of the employee.
- d) Earnings Threshold is; annually determined and confirmed by the Minister of Labour regarding employees earning in excess of the amount stated in the Minister's determination.
- e) Senior Managerial employee means; an employee who has the authority to hire, discipline and dismiss employees and to represent the employer internally and externally.
- f) Shift worker is; an employee engaged in a scheduled continuous process which activity is deemed to be one in which continuous working by means of daily shifts is necessary.

- g) Fixed Term Employee means; those employees employed on contract basis.

## **6. LEGISLATIVE FRAMEWORK**

- a. Constitution Act 108 of 1996
- b. SALGBC Main Collective Agreement
- c. Labour Relations Act
- d. Basic Conditions of Employment Act
- e. Local Government Regulation GG37245 for the Appointment and Conditions of Employment of Senior Managers

## **7. POLICY OR PROCEDURE TARGET**

- a) Employees performing work on a basis of emergency overtime, shall receive overtime, irrespective of his/her earnings, subject to the approval of the Municipal Manager as per Consolidated Collective Agreement on Conditions of Services, section 15 under Emergency Work Overtime work is subject to prior written approval by a competent authority and no overtime may be worked without such written approval being obtained, except in cases of work related to emergency situations where work has to be done without delay owing to circumstances or which the employer could not reasonably have expected to make provision for and which cannot be performed by employees during their ordinary hours of work.
- b) For emergency overtime the competent authority may give verbal approval to the working of such overtime provided such approval is followed-up with a written confirmation. Written standing approval may be granted where justified by operational requirements, in conjunction with the Municipal Manager
- c) Employees earning more than the overtime earnings threshold provided for in the Basic Conditions of Employment Act as amended and as determined annually, will be provided time off in lieu of payment for overtime worked calculated on straight time basis (1 hour worked = 1 hour overtime), subject to the provisions of this policy. The approving authority and the employee involved to agree beforehand in writing on time off for overtime work which should be within two (2) months. Time off not taken within 2 months shall be forfeited.
- d) The Municipal Manager may approve an overtime payment for employees above threshold on special arrangements. Only the MM may approve this type of an overtime payment.

- e) Employees earning less than the overtime earnings threshold provided for in the Basic Conditions of Employment Act as amended, will, subject to the provisions of this policy, 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 as amended. The approving authority and the employee involved to agree beforehand in writing on payment or time off for overtime work.
- f) An employee must not be required or allowed to work for more than 40 hours overtime per month as prescribed by the Applications for remunerated overtime must be fully motivated in a standard overtime form with convincing reasons why it should be worked
- g) All attempts to avoid the necessity of working of overtime should be included in the motivation Overtime should be prior approved before any work commences.

The application for overtime should furnish the following:

- i. Period during which anticipated overtime will be worked.
- ii. Estimated hours each person will work.
- iii. The names, staff numbers and section as well as location where overtime will be worked.

## **8.GENERAL POLICY PROVISION**

### **8.1 ADMINISTRATIVE MEASURES FOR MANAGING AND CONTROL OF**

#### **OVERTIME**

- i. Each Senior Manager 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 is noted, justified and provided for timeously.
- ii. Each Senior Manager shall be responsible for approving overtime work and payment or time off in lieu of payment. The Senior Manager must determine whether the information on the overtime form is accurate and correct before they authorize the form for payment/time off.
- iii. Attendance registers, time sheets and overtime approval forms, which should indicate dates, starting and ending times, must be kept at source for three years

in respect of all employees who qualify for overtime payment or time off in terms of this policy.

- iv. Attendance registers/time sheets serve as source documents to complete overtime sheets.
- v. Overtime forms must be submitted to Corporate Services Department on the 1st of each month and submitted to the Payroll section on the 7th of each month. No forms that exceed the period of 1 month must be submitted except for exceptional cases.
- vi. An employee acting in a higher position and receiving an acting allowance
- vii. will be remunerated overtime for emergency work only at the acting post level.
- viii. Overtime for employees above threshold should be approved by the Municipal Manager
- ix. If an employee has been requested from another Department to work overtime, the requesting department is responsible for payment

## **9.PROCEDURE FOR IMPLEMENTING POLICY**

### **9.1 TIME OFF IN-LIEU OF OVERTIME**

- a) Time off in lieu of payment for overtime shall be granted only for structured and approved overtime.
- b) Application for time off in lieu of payment for overtime worked shall be done on the prescribed application form.
- c) Time off in lieu of payment for overtime worked cannot be encashed except on termination of services provided such time is valid and is subject to approval by the Municipal Manager

### **9.2 OVERTIME WORKED ON PUBLIC HOLIDAYS**

Payment or time off to eligible employees for work on public holidays will be dealt with in terms of the Basic Conditions of Employment Act as amended.

### **9.3 OVERTIME WORK ON SUNDAYS**

- a) Payment or time off to eligible employees for work on a Sunday will be dealt with in terms of the Basic Conditions of Employment Act as amended.

#### **9.4 PAYMENT FOR OVERTIME WORKED**

- a) Payment can only be granted when an employee earns less than the Earnings threshold as determined annually.
- b) Employees above the earning threshold must not be compensated on monetary terms and should that recommendation be made, consequence management should be followed.

#### **9.5 PROCEDURES FOR IMPLEMENTING POLICY**

10.1 Overtime must be applied for by the relevant supervisor, and approved by the Head of Department concerned for an employee to work overtime by means of a memorandum.

10.2 It has to be attached to the Overtime claim form. In an event where an employee worked overtime due to an emergency, ex post facto report must done. The overtime claims must be submitted to the HR Office for verification and processing of payments thereof. Submissions made after the due date will not be processed and shall be processed in the next month.

#### **IMPLEMENTATION**

The policy is subject to the implementation once Council approval have been obtained on any additions effected

#### **REVIEWAL**

The policy shall be subjected to the review process after twelve months of its operation