



KANNALAND
MUNISIPALITEIT | MUNICIPALITY

Draft Overtime and Stand-by Allowance Policy

Reviewed 2025/26

31 March 2025

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1. PREAMBLE

Payment for overtime worked is a method utilised by employers to ensure that work is done beyond the ordinary hours of work in exceptional circumstances. Overtime may only be worked by agreement between an employer and an employee. The employee cannot on his own decide to work overtime without prior arrangement with the employer. Should this happen, the employer is entitled to refuse to recognise such a claim.

2. OBJECTIVES

The purpose of this policy is to regulate overtime work within the Kannaland Local Municipality, ensuring cost containment, operational efficiency, and adherence to basic conditions of employment and labour relations act. The policy aims to:

- Prevent unnecessary overtime.
- Ensure proper oversight and financial accountability.
- Reduce abuse of stand-by allowances.
- Clearly define eligibility for overtime and stand-by duty.

3. DEFINITIONS

- 3.1 **Authority** refers to an official with delegated authority to approve overtime work and payment for such work.
- 3.2 **BCEA** is the Basic Conditions of Employment Act, 1997 (Act 75 of 1997) as amended.
- 3.3 **Overtime** means the time that an employee works during a day or week more than ordinary hours of work.
- 3.4 **pre-approved work** refers to work that must be done outside normal working hours as a result of operational requirements.
- 3.5 **Urgent 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 **Time-Off in Lieu of Payment:** Compensation for overtime through additional leave instead of wages.
- 3.7 **Stand-by Allowance:** Compensation for employees required to be available outside normal working hours.
- 3.8 **Time off** refers to paid time off in lieu of payment as provided for in section 10(3)(b) of the BCEA.

4. SCOPE AND APPLICATION

- 4.1 This policy does not apply to the Municipal Manager and Managers reporting directly to the Municipal Manager as contemplated in sections 55A and 56 of the Municipal Systems Act, 2000 (Act 32 of 2000), respectively.
- 4.2 Employees covered under the South African Local Government Bargaining Council agreements are subject to the provisions of this policy.

5. MEASURES TO PREVENT OVERTIME ABUSE

- Overtime must be pre-approved in writing by the Municipal Manager or delegated authority.
- Heads of Departments must submit monthly overtime reports detailing costs, justifications, and budget implications.
- Employees may not exceed **40 hours of pre-approved overtime and 50 hours of urgent overtime per month.**
- Persistent overtime needs should be addressed through shift system implementation.
- Finance and HR must monitor overtime expenditure and report trends to management.

6. MEASURES TO PREVENT ABUSE OF STAND-BY ALLOWANCE

- Only employees in critical service roles (e.g., technical services, emergency response) are eligible.
- Stand-by staff must maintain logs of actual callouts, verified by supervisors.
- Employees on stand-by cannot claim both stand-by allowance and overtime for the same hours unless explicitly required by law.
- Stand-by allowance will only be paid for actual operational needs, not as a general benefit.
- Finance and HR must verify stand-by allowance claims regularly to prevent abuse.

7. CONTROL OF OVERTIME

- Overtime may only be authorized for **essential operational requirements**.
- No overtime is allowed if an employee has worked **short time** during the week.
- Attendance registers and time sheets must be maintained and verified before payment.
- Functions, events, or personal invitations do not qualify for overtime unless mandated by the municipality.
- Where possible, employees must be granted time-off instead of overtime payment.
- Stand-by duties must be assigned on a fair rotational basis to prevent excessive claims by specific individuals.
- Stand-by allowance should be reviewed periodically to ensure alignment with actual emergency response needs.
- Departments should analyze overtime trends and explore alternative staffing solutions (e.g., contract workers for peak periods).
- A financial cap will be applied to overtime payments based on budgetary constraints.
- Only officials with delegated authority may approve urgent overtime work and overtime payment. In cases of urgent work related to situations as defined in 3.5 above, the competent departmental authority may give verbal approval: Provided such approval is followed up with written approval within 24 hours.

8. PAYMENT GUIDELINES

- One and half times (1.5) times normal wage for weekdays and Saturdays.
- Two (2) times normal wage for Sundays and public holidays.
- Overtime and stand-by allowance worked in a given month will be paid in the following month's payroll.
- Employees on stand-by must be compensated based on approved municipal guidelines.
- Employees called out during stand-by must be paid for actual hours worked at overtime rates.
- Stand-by periods without actual work will be compensated as a fixed allowance per approved policy.
- Employees earning above the Ministerial threshold are **not entitled to overtime payment** but may receive time off.
- Application for time off in lieu of payment shall be done on a prescribed application form. The approving authority must record it on the relevant overtime register to be provided to the Human Resources section.
- Time off must be taken within 6 months from the date of accrual. Time off not taken within 6 months will be forfeited, unless it had been applied for and not approved within this period due to operational reasons. In such cases, this period may be extended to a maximum of 12 months by the Municipal Manager.

9. IMPLEMENTATION AND COMPLIANCE

- Directors, Managers, HR, and Finance must enforce and monitor compliance.
- Non-compliance may result in disciplinary action.

Approved by:

Date:

ANNEXURE A



KANNALAND
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PRE-APPROVAL LETTER

Date: _____

TO (EMPLOYEE): _____

DESIGNATION: _____

DEPARTMENT: _____

PRE-APPROVAL LETTER FOR OVERTIME

I would like to inform you that I, _____,

Manager: _____, have

preapproved your overtime from ____ / ____ / 20... to ____ / ____ /

20....

This letter must be submitted together with your overtime claim form for validation purposes by Payroll.

Please note: No overtime will be paid without this letter and overtime claim form (signed by the respective Manager).

Yours faithfully

SIGNATURE

NAME AND SURNAME

ANNEXURE B

OVERTIME FORM

STAFF NO.	
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DATE	
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DEPARTMENT	
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EMPLOYEE:

OVERTIME PARTICULARS

TASK PERFORMED: _____

LOCATION: _____

DURATION

DAY OF WEEK	OVERTIME WORKED		TOTAL HOURS WORKED P/DAY
	START	COMPLETED	
DATE:			
MONDAY			
DATE:			
TUESDAY			
DATE:			
WEDNESDAY			
DATE:			
THURSDAY			
DATE:			
FRIDAY			
DATE:			
SATURDAY			
DATE:			
SUNDAY			

NB: No employee is permitted to work more than 10 hours' overtime per week

SIGNATURE OF APPLICANT: _____ DATE: _____

HOURS CERTIFIED BY: _____

CHECKED BY: _____

APPROVED BY HOD (NAME): _____ SIGN: _____ DATE: _____