

TERMS OF REFERENCE APPOINTMENT OF A PROFESSIONAL SERVICE PROVIDER
FOR AN INVESTIGATION ON THE ESCALATION OF OVERTIME COST IN THE
ORGANISATION

**TERMS OF REFERENCE FOR AN INVESTIGATION ON
THE ESCALATION OF OVERTIME COST IN THE
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1. PURPOSE

The purpose of these terms of reference (ToR) is to invite prospective professional service providers to submit a quotation to render an investigation on the escalating overtime cost in the Uthukela District Municipality to be used as a basis for remedial action in the organisation.

2. BACKGROUND

Uthukela District Municipality noticed an escalation in its expenditure on Salaries and Wages. The financial statement indicates that the cost on overtime is significantly overspent and continues to be overspent monthly for the three to four years.

Uthukela District Municipality is now seeking a complete understanding in how such escalating cost on overtime came about and who was responsible as this matter has a substantial financial implication on the organisation.

3. SCOPE OF WORK

The successful bidder will be required to:-

- Obtain full information about Uthukela District Municipality's position in respect of salaries and payment of overtime to Uthukela District Municipality workers;
- Benchmark payment of overtime to five day workers in accordance with applicable and relevant Legislation with legislation;
- Investigate and determine what salaries and overtime were paid since 01 July 2019 to Uthukela Municipal workers;
- Conduct a thorough Investigation in terms of authenticity of overtime claimed and paid to to Uthukela District Municipality workers;
- Conduct a thorough Investigation in terms of correctness of the tariff or rate used in the payment of overtime worked on Saturday, Sunday and Public Holidays in terms of relevant legislation

- Conduct a thorough investigation and determine when, how and who authorised the overtime and the process followed in the approval of payment of such overtime to Uthukela District Municipality workers;
- Consult with Payroll staff from Finance Units on actual overtime claims processed and paid during the period of investigation (01 July 2019 to 30 September 2020).
- Consult with Corporate Services Department on tracker reports for vehicles used to compare with the actual overtime claims processed and paid during the period of investigation (01 July 2019 to 30 September 2020)
- Advice in terms of best practice standard method that can be used by Municipality to calculate overtime for Sundays and Holidays
- Identify employees that may have claimed overtime for the normal workday that fall either on a weekend or holiday
- Prepare a submission to the Executive Management based on the outcome of the investigation/fact finding with regards to escalating overtime in the organisation.

Bidders are accordingly invited to provide Uthukela District Municipality with:

- a proposal of how the bidder would provide the required investigation with regards to escalating overtime cost in the organisation accompanied by a project plan; and
- a fee arrangement/ cost estimate that the bidder would require to render the services for this project.

4. TIMELINES

Time is of the essence in respect of this scope of work and the assistance is required immediately. The Successful service provider will be required to commence with work immediately after appointment and will be required to complete the exercise within a three weeks period.

5. PROJECT MANAGEMENT TEAM AND EXECUTION

The following are required from the service provider:


- Team Leader's experience, expertise, competence and more than 10 years practicing as Labour Specialist / Expert;
- The team must also include an Accountant with a minimum of 6 years' experience
- Attorney/ Practicing Lawyer with a minimum of 6 years' experience;
- A project plan indicating key activities, milestones and deliverables;
- CV's of Team Leader; Attorney/ Practicing Lawyer;

- A detailed Project Plan with clear indication of who will be responsible for the management of the assignment as well as its execution. The allocation of team members to assignments should be based on the qualifications and experience of the proposed project personnel.

5.3 Qualifications and Experience

The following are the minimum qualifications and experience expected of the service provider's key staff:

- Qualifications and experience in relation to the scope of work;
- Please enclose CV's that shows experience and qualifications;
- Minimum of 10 years' experience in conducting similar or equivalent assignment;
- Experience and knowledge of applicable Labour Relations Act, Basic Conditions of Employment and its related Legislation;
- Minimum of 3 references of similar or equivalent experience relating to the scope of work completed in the last five years.


M SITHOLE
MUNICIPAL MANAGER
13/10/2020