

WESTERN CAPE PROVINCIAL GOVERNMENT



PROVINCIAL GUIDLINE: OVERTIME COMPENSATION

GUIDELINES FOR THE APPLICATION OF OVERTIME COMPENSATION WITHIN THE DEPARTMENTS IN THE WESTERN CAPE PROVINCIAL GOVERNMENT

1. DEFINITION:

Overtime is defined by the Basic Conditions of Employment Act, 1997 as the time that an employee works during a day or a week in excess of ordinary hours of work.

2. LEGISLATIVE AND PRESCRIPTIVE FRAMEWORK (SEE ATTACHED DOCUMENTS):

- a. Basic Conditions of Employment Act, 1998
- b. Public Holidays Act 1 1994 (Act No. 36 of 1994)
- c. Public Service Regulations, 2001 (as amended)
- d. PSCBC Resolution No. 3 of 1999 (Remunerative Allowances and Benefits)
- e. PBC Western Cape (Collective Agreement) Compensation for Overtime
- f. Financial Manual

3. GUIDELINES FOR APPLICATION OF OVERTIME IN THE DEPARTMENT:

- a. All compensation of overtime is subject to prior approval by HOD or delegated official not lower than Director.
- b. It must be stressed that duly motivated applications for overtime remuneration must be submitted timeously and that organised overtime service may not commence unless prior approval has been granted. *Ex post facto* approval for overtime may only be given in exceptional circumstances and necessary motivation should be available for audit purposes.

- c. Overtime is compensated through the granting of time off and/or overtime remuneration paid. The arrangement of time off will be the preferred method of compensation for overtime. Where operationally possible the time off should be granted within at least 3 months of the overtime worked. Personnel that are required to work night overtime should be allowed to work flexible working hours at the commencement of their next shift or working day, where operationally possible.
- d. No employee is excluded from receiving remuneration or time-off as compensation for overtime service rendered, unless she or he is in the:
- Senior Management Service (SMS);
 - Staff who are employed in accordance with Chapter 8 of the Handbook for Members of the Executive and Presiding Officers and who are receiving allowances for personnel serving Executing Authorities. Provision was made for the compensation of overtime in the calculation of the monthly allowance payable for the staff serving Executing Authorities. The Driver/Messenger in the Office of the Executing Authority can claim overtime payment for hours exceeding 107 hours of overtime that has been worked during the course of a month.
- e. Submission for prior approval shall include a motivation, including a report on the circumstances giving rise to the need for overtime as well as details of the total expenditure. The detail will include the form that the compensation will take, i.e. remuneration or time off or a combination of both.
- f. The approval is only valid for the stated approved period.
- g. All time off shall be granted within 3 months of entitlement.

- h. The monthly overtime remuneration may not exceed 30% of the employee's monthly salary. In highly exceptional cases this percentage may be exceeded, subject to prior approval by the Head of Department.
- i. A fixed monthly overtime allowance may be paid to an employee who performs reasonably similar overtime on a monthly basis and agrees to it in writing. The allowance shall equal the average monthly overtime compensation for the six-month period preceding the allowance.
- j. An employer may only require an employee to work on a public holiday if operational requirements necessitate it.
- k. Employees should, as a rule not be permitted to work longer than three hours 'overtime per day or ten hours' overtime a week.
- l. Compensation/granting of time off for overtime performed by employers is regulated in terms of Part VII of Resolution No 3 of 1999.

4. CONTROL MEASURES:

It is the responsibility of the Line Manager to:

- a. Minimise overtime by taking the following into account:
 - the circumstances which necessitated the performance of overtime duty;
 - the steps which were taken to prevent the performance of overtime duty, for example redistribution of duties among available staff, reallocation of staff, temporary utilisation of staff in other divisions etc;
 - the numbers and ranks of the officers and employees who will be required to perform overtime duty;
 - the estimate duration of the planned overtime duty;

- the estimate expenditure of the planned overtime duty and the availability of sufficient funds to finance the overtime;
 - when the performance of overtime duty is aimed at the completion of work that has fallen in arrears, the circumstances should be investigated and appropriate steps should be taken where necessary.
- b. Ensure adequate control and cost effectiveness by recording of all overtime, which will include:
- a register or reliable record be kept and that this register or record be checked, initialled and dated by the Line Manager and must be signed by the employees. This includes employees who are paid a fixed monthly overtime allowance.
 - this register or record be kept in safe custody for auditing and financial purposes;
 - that leave registers be kept and that all vacation and sick leave utilised during the performing of overtime duty be taken into account when calculating overtime remuneration;
 - controlling authorised overtime work, through supervision and by measuring output;
 - Ensuring that the quality and quantity of tasks are commensurate with the no. of hours of remunerative overtime worked;
 - Setting the daily number of hours overtime to be performed, against production targets;
 - all claims be verified by the relevant Line Manager
 - that all claims be processed by the personnel component;
 - inspections be conducted regularly to ensure proper control of overtime service.

5. SUPPORTING DOCUMENTATION

- a. Application documents for overtime remuneration.
- b. Basic Conditions of Employment Act, 1998
- c. Public Holidays Act 1 1994 (Act No. 36 of 1994)

- d. PSCBC Resolution No. 3 of 1999 (Remunerative Allowances and Benefits)
- e. PBC Western Cape (Collective Agreement) Compensation for Overtime
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