

DEPARTMENT OF PUBLIC WORKS LIMPOPO

Ref no.: 2/7/2/1
Policy no.1 of 2005

OVERTIME POLICY

1. PREAMBLE

In the PSCBC Resolution no.3 of 1999, overtime is defined as “work in excess of the hours of work per week or month that an employee has contracted to perform”. Overtime is only assigned in cases where the supervisor or manager in charge is convinced that the work is essential in order to meet established schedules or deadlines. Requests for overtime work shall be made to an employee’s supervisor in writing prior to the performance of overtime work. All supervisors or managers must obtain approval, in writing, from the Head of Department or anyone with delegated authority prior to allowing any employee to work overtime.

2. PURPOSE

The purpose of this policy framework is to provide guidelines for compensating employees for additional duties, which they perform in specific circumstances, in excess of their official contracted hours.

3. OBJECTIVES

- 3.1 To determine conditions under which the department shall provide compensation for overtime work.
- 3.2 To outline the procedure for working and claiming overtime.
- 3.3 To determine the kind and limit of compensation the department shall provide.
- 3.4 To outline categories of employees to whom the department shall not provide compensation for overtime work.

4. LEGAL MANDATES

- 4.1 **Basic Conditions of Employment Act, 75 of 1997, Chapter 2: sections 10,16 & 18** gives effect to and regulates overtime work, pay for work on Sundays and Public Holidays.
- 4.2 **The Public Service Regulations of 2001, Chapter 1, Part V(d5)** gives the executing authority powers to establish an overtime policy in accordance with collective agreements, which shall determine:
 - (a) Categories of employees that may not receive compensation for overtime,
 - (b) The circumstances under which a supervisor may authorize overtime work,
 - (c) If an employee shall receive payment or time off as compensation for authorised overtime,
 - (d) How a supervisor should record authorisation for overtime; and

- (e) Other control measures.
- 4.3 **PSCBC Resolution No. 3 of 1999, VII** regulates the remuneration, benefits and allowances in cases where an executing authority expressly requires an employee to work more than normal hours or on days of rest
- 4.4 **PFMA, No. 29 of 1999, Section 45 (c)** entrusts employees in the department with the responsibility to take effective and appropriate steps to prevent, within the employee's area of responsibility, any unauthorized expenditure, irregular expenditure as well as fruitless and wasteful expenditure.

5. TARGET GROUP

This policy applies to all employees serving within the department of Public Works in Limpopo.

6. SCOPE OF APPLICATION

- 6.1 Employees who belong to the SMS may not be compensated for overtime.
- 6.2 The department shall provide compensation for overtime only when an executing authority or her or his delegate has required or authorised, in writing,
 - 6.2.1 the performance of overtime work, and
 - 6.2.2 overtime compensation for the work performed.
- 6.3 The department shall within one month of the employee becoming entitled to, compensate authorised overtime by;
 - 6.3.1 granting the employee time off equal to the time worked, or
 - 6.3.2 paying the employee concerned the prescribed rates on overtime, depending on the availability of funds.

The manager and employee must agree prior to working overtime on the type of compensation to be received.
- 6.4 Except in exceptional circumstances, the monthly compensation for overtime shall constitute not more than 25 per cent of the employee's monthly salary.
- 6.5 Overtime work shall not be allowed when employees have to attend courses, or when performing work voluntarily during a period of leave, unless in circumstance where the manager has asked in writing for the employee to come and work. In that case the employee will be compensated by being given time off equal to the number of hours worked.
- 6.6 In order to limit expenditure, overtime should be utilised mainly during normal overtime hours before considering Saturdays, Sundays and Public Holidays.
- 6.7 Employees may not be required or permitted to work more than three (3) hours overtime a day or ten hours overtime a week.
- 6.8 If an executing authority authorises overtime, he or she must ensure :
 - 6.8.1 fair and acceptable limits on the extent of overtime,
 - 6.8.2 periods of rest and meals, and
 - 6.8.3 as far as possible, that employees travel to and from work at a time when public transport is available or in cases where there is no public transport and there are safety risks to the employees the department shall provide transport.

7. CALCULATION OF OVERTIME REMUNERATION

- 7.1 The remuneration awarded in respect of overtime duty shall be calculated by multiplying the total number of overtime hours performed (including portions of an hour expressed as a fraction) with the applicable overtime rate.
- 7.2 If overtime duty is performed on a relatively continuous basis and/or if control thereof is problematic (as in the case of one-person offices) a fixed amount agreed upon in writing with the employee may be paid monthly as overtime performed over a period of six months to monthly average, and multiplying it with the applicable overtime rate, and should be claimed monthly.
- 7.3 For purpose of the calculation of the applicable overtime rate, the employee's annual pensionable salary notch at the time of the performance of overtime duty should be used, and any under- or overpayment of overtime remuneration as a result of an adjustment of her or his salary should be rectified.
- 7.4 For the purpose of determining the number of hours overtime duty was performed, waiting time (that is the period during which an officer cannot start with the performance of overtime duty at his or her place of work or continue herewith as a result of circumstances beyond his or her control) as well as meal breaks, should be considered as overtime duty.
- 7.5 An employee performing overtime duty at headquarters shall not be compensated for travelling time.
- 7.6 If an employee performs compulsory overtime duty at a place other than his or her normal place of work, the travelling time between the two places may be regarded as overtime duty.

8. OVERTIME RATES

In terms of the Basic Conditions of Employment Act, 75 of 1997 Section 16 & 18, if overtime duty is performed on Sunday and public holiday, the following will apply:

- (a) for employees to whom Sunday is not part of their normal work and who are required to work on Saturday, Sunday or Public holiday, they will be remunerated at double rate.
- (b) For employees who are required to work on Saturday, Sunday and Public holiday as part of their normal work, they will be remunerated at one and one third of the hourly rate of the employee.

9. CONTROL MEASURES FOR OVERTIME

Section 45(c) of the PFMA states that it is the responsibility of managers to take effective and appropriate steps to prevent any unauthorised expenditure, irregular expenditure and fruitless and wasteful expenditure and any under collection of revenue due. Managers should ensure that there is adequate supervision and control measures at all times during the performance of overtime duty.

- 9.1 Responsible managers should ensure that:
 - 9.1.1 Overtime is minimised.

- 9.1.2 Overtime remuneration is cost-effective.
- 9.1.3 There is adequate control of remunerated overtime duty by controlling outputs.
- 9.1.4 Record of all overtime duty is kept
- 9.1.5 An attendance register is kept.
- 9.1.6 Budget is always available.
- 9.1.7 Time off should be managed in such a way that the time off is utilised within one month (30 days) of the employee being entitled to it.
- 9.2 In order to improve control, the responsible managers must define beforehand the number of hour's overtime duty to be performed each day, and as far as possible, set production targets and/or aims as criteria.
- 9.3 When considering overtime duty, managers should also take into account the following:
 - 9.3.1 The circumstances which necessitated the performance of overtime.
 - 9.3.2 The steps which were taken to prevent the performance of overtime duty, for example redistribution of duties amongst available employees, reallocation of employees, temporary utilisation of employees in other divisions, etc.
 - 9.3.3 Indicate the numbers and ranks of the employees who will be required to perform overtime duty.
 - 9.3.4 When overtime is utilized to address backlogs, the circumstances should be investigated and reported upon before approval to perform overtime duty is granted.

10. CONDITIONS

- 10.1 The HOD or his/her delegate must approve in writing the proposed overtime before employees can work overtime duty.
- 10.2 After the performance of remunerated overtime, the responsible manager must submit to the HOD or his or her delegate an application of payments for approval, which have been recommended and signed by the Senior or General Manager of the component.
- 10.3 Overtime duty may be performed at any time between 16:30 to 07:30 of the next day during working days, and any time during weekends and Public Holidays.

11. GRIEVANCE/DISPUTE RESOLUTION

Any grievance or dispute arising out of the implementation of this policy should be dealt with by following grievance procedures in terms of the relevant Collective Agreement or dispute resolution mechanism in the Public Service.

This policy shall be reviewed annually

General Manager: P&HRM

Date

Chief Financial Officer

Date

Head of Department

Date

