

INFORMUS



FOR PSA MEMBERS: LIMPOPO DEPARTMENT AGRICULTURE AND RURAL DEVELOPMENT

03-08-2020

Recovery of Overpayment of Performance Bonus for 2015/2016

The PSA was made aware that the employer issued Circular 23 of 2020 regarding the recovery of overpayment of performance bonus for 2015/2016 to the tune of R1.4 million as per Section 38 of the Public Service Act, 1994 as amended. The Circular further indicates that the employer consulted with the employees through their representatives for the recovery of the said amount.

Members are thus informed that although Section 38 of the Public Service Act permits the recovery of an overpayment made to an employee and permits the accounting officer to determine the instalments, the accounting officer must act reasonably and consider the affordability for the employee of such instalments. Further, any deduction should be preceded by the acknowledgement of the debts and the agreement to the amount to be deducted in respect of the said debt.

Section 34 of the BCEA prohibits deductions without an agreement, law, court order or arbitration award thus deductions without such are unauthorized deductions which will invite legal remedies. Unilateral deductions made on the salaries of employees belong to the past hence members are advised to exercise extra caution when acknowledging the debt because once employees sign, the employer is given authority to deduct the debt. The PSA will however engage the employer to determine how this long standing matter could be disposed off without prejudicing the members.

GENERAL MANAGER