

# **PROVINCE OF THE EASTERN CAPE**



## **Department of Rural Development and Agrarian Reform**

### **RESETTLEMENT AND RELOCATION POLICY**

## Table of contents

<b>Definition of terms and concepts</b> .....	ii
<b>1. INTRODUCTION</b> .....	1
<b>2. OBJECTIVES</b> .....	1
<b>3. REGULATORY FRAMEWORK</b> .....	1
<b>4. SCOPE OF APPLICATION</b> .....	2
<b>5. POLICY IMPLEMENTATION PROCEDURES</b> .....	2
<b>5.8. INTERIM ACCOMMODATION</b> .....	4
<b>5.9. TAX ON MOTOR VEHICLES THAT CROSS INTERNATIONAL BORDERS (ONLY IF APPLICABLE)</b> .....	5
<b>5.10. NEW SCHOOL BOOKS, UNIFORMS, BOARDING SCHOOL FEES AND RELATED COSTS</b> .....	5
<b>5.11. TRANSFER FEES ON PURCHASING/ERECTION OF DWELLING</b> .....	6
<b>5.12. PAYMENT OF HOUSING ALLOWANCE</b> .....	7
<b>5.13. SUNDRY COSTS (VARIOUS /MISCELLANEOUS)</b> .....	7
<b>5.14. PRIVILEGES FOR NEWLY APPOINTED EMPLOYEES FROM OUTSIDE THE PUBLIC SERVICE</b> .....	8
<b>5.15. PRIVILEGES ON TERMINATION OF SERVICE</b> .....	8
<b>5.16. PRIVILEGES ON DEATH OF AN EMPLOYEE WHO DIED ON OFFICIAL DUTY</b> ...	8
<b>6. COMPLIANCE</b> .....	8
<b>7. POLICY REVIEW</b> .....	9
<b>8. RECOMMENDATIONS &amp; APPROVALS</b> .....	9

## **Definition of terms and concepts**

These definitions are aimed to provide an explanation of the terms, concepts and Acronyms used in this policy as indicated below:

**Department:** means the Department of Rural Development and Agrarian Reform

**Employee:** means a person appointed in the Department

**Employee's immediate family**" includes an employee's:

- (a) Spouse/life partner
- (b) Minor child/children (including adopted and step children) and
- (c) Dependant relative (s) who reside permanently with the employee except when attending an educational institution or who rely on the employee for the bulk of his/her subsistence. (e.g. Disabled person(s), pensioner(s), and student (s) over the age of 18 but below 26), **Note:** "Dependant relative" excludes an able bodied person who is capable of sustaining himself/herself.

**Household and personal effects:** means the moveable property of an employee or his /her immediate family as per above definition which is regarded as household property including vehicles but excludes livestock, domestic animals and pets

**Interim accommodation:** means an unavoidable temporary place of furnished accommodation at the old and /or new place of work which is also the most economical, with specific reference to a hotel with not more than a Three (3) Star rating, a B&B, boarding house or a caravan park.

**Interim accommodation expenditure:** means the expenditure in respect of lodging, meals and laundry, but excludes tips, room service, private telephone calls, alcoholic beverages, paid tv channels, internet, newspapers and magazines by the printed media and traveling costs to and from work.

**Laundry:** means washing and the ironing of clothes and bedding including dry cleaning.

**Life partner:** means a person with whom an employee is having a relationship with, irrespective of their gender, race or nationality, and who has shared responsibility both financially and emotionally and such a relationship is recognized by the constitution of the Republic of South Africa.

**New headquarters/office:** means the headquarters/office to which an employee has been transferred.

**Physical relocates:** means to physically move personal belongings and household to new headquarters.

**Previous headquarters/office:** means the headquarters where the employee was stationed prior to the transfer.

**Reasonable actual rate:** means the most economical rate.

**Resettlement:** means moving of an employee and his/her immediate family and personal belongings from his/her previous residence and workplace to the new work place and residence in the interest of the Department.

**Subsistence and Traveling Allowance – S&T:** means subsistence and travel allowance payment designed to reimburse an employee for reasonable living and transport expenses necessarily incurred by him whilst absent from his headquarters on departmental duty, over and above his normal living and transport expenses at his home.

**SMS:** means Senior Management Services.

**Sundry costs:** means incidental expenses.

## **1. INTRODUCTION**

The Department of Rural Development and Agrarian (DRDAR) Reform acknowledges that employees within its employment or prospective personnel they may at one stage or another be transferred, or to be resettled from another state department or current DRDAR office to new office/station (Head office, District office, local office, service centre and Institutions). This may be as a result of new employment where the employee is transferring from another department or within DRDAR due to departmental promotion or state initiated transfer. Therefore, this policy is developed to compensate and reimburse the expenses that might be incurred dues to resettlement or relocation from previous place of residence to be nearer to the new office/station/headquarters.

## **2. OBJECTIVES**

The purpose of this policy is:

- 2.1. To assist employees who physically relocate as conveniently and economically as possible during an employer initiated transfer.
- 2.2. To assist employees whose services have been terminated due to retirement and retirement due to ill-health.
- 2.3. To assist contract employees whose contract has been terminated by the employer and resettlement privileges had been included in the employment contract.
- 2.4. To assist an employee's immediate family with reasonable actual costs of resettlement should the employee have died within service.

## **3. REGULATORY FRAMEWORK**

The statutory framework whereby which this policy is mandated is as follows:

- 3.1. The RSA Constitution, Act 108 of 1996
- 3.2. The Public Service Act, 1994 as amended
- 3.3. The Public Service Regulations, 2001 as amended
- 3.4. The handbook for SMS members named: Public Service Handbook, as issued by the Department of Public Service and Administration (2003);
- 3.5. Labour Relations Act, 1998
- 3.6. The Basic Conditions of Employment Act, 75 of 1997
- 3.7. Compensation for Occupational Injuries and Diseases amendment Act, 61 of 1997
- 3.8. Any relevant Directive issued by the Minister of Public Service and Administration
- 3.9. PSCBC Resolution No. 03 of 1999
- 3.10. Financial manual for the purpose calculation and application of allowances and benefits
- 3.11. Determination by the DPSA on the consideration of the Consumer Price Index.

- 3.12. Where resettlement cases are not addressed specifically and/or deviate from the standard authority in this policy, it will be dealt with by the Head of Department, via the Chief Director: Corporate Services.

#### **4. SCOPE OF APPLICATION**

This policy is applicable:

- 4.1. To full-time public service employees (including SMS members) who physically relocate and if the additional distance between their residence and new workplace via the shortest route, is 60 km or more one way (single trip). Previous residence/workplace address must correspond with the one provided on the application form.
  - (a) due to being transferred to any new work location due to: an appointment /successful candidature for an advertised post at DRDAR or
  - (b) an employer initiated transfer;
- 4.2. To employees who wish to relocate as soon as they have terminated their services as a result of retirement ;
- 4.3. Where the employer terminates the contract of a contracted employee and resettlement privileges are part of an employee's contract.
- 4.4. Where an employee dies and the immediate family request to relocate; and
- 4.5. To newly appointed employees from outside the public service but is limited to the privileges as stated in paragraph 5.14 for newly appointed employees.
- 4.6. This policy is not applicable to employees who are transferred at their own request (cross transfers).

#### **5. POLICY IMPLEMENTATION PROCEDURES**

- 5.1. Notice of Transfer: An employee must be consulted and given at least one month's written notice of transfer. Any period of notice of less than one month is regarded as short notice and the employee needs to agree to accept a transfer on short notice.
- 5.2. Written Undertaking/Agreement: Before an employee assumes duty at his/her new headquarters, he/she needs to enter into a written agreement with the receiving Senior Manager. Note: No costs associated with resettlement will be paid unless they have been negotiated up front and an agreement to that effect is in writing with the relevant supervisor. A copy of the signed agreement needs to be attached to all resettlement claims. (See Annexure "A")
- 5.3. Valid Proof of Claims: In all instances valid documents need to be submitted as proof to substantiate claims.
- 5.4. Resettlement claims are valid for three (3) months and these claims will be forfeited if not claimed within three months after relocation unless the department specifically agrees in writing to extend this period. **Note:** Requests of this nature need to be approved by the Head of Department or his/her designate.

- 5.5. Resignation, dismissal or requests to be transferred back to previous office: If an employee resigns or is dismissed, or requests to be transferred back to his/her previous office or to another within 12 months after his/her transfer, he/she will be required to refund, on a pro rata basis, all expenditure incurred by the Department with his/her transfer. A written undertaking to this effect must be obtained from the employee and any monies owing in respect of the agreement will become repayable immediately.
- 5.6. Cancellation or postponement of transfers by the Department: When the transfer of an employee is officially cancelled or postponed after he/she has already been paid resettlement benefits, he/she will not be held liable for the repayment of such benefits.

#### **5.7. COSTS ASSOCIATED WITH EMPLOYER INITIATED TRANSFERS**

If the Department requires an employee to transfer to a new place of work, the Department shall assist such an employee with the associated costs, as indicated below:

##### **5.7.1. Travel and subsistence costs for a pre-visit**

- (a) The department shall meet actual costs an employee incurs for travel and subsistence for one pre-visit to the new place of work in order to view the new headquarters.
- (b) The costs associated with this pre-site visit will be limited to the employee plus another person i.e. spouse/ life partner or a family member.
- (c) Please note: A pre-visit is not always a pre-requisite and this must be negotiated in writing with relevant Manager who should determine the merits of such a visit.

##### **5.7.2. Conditions for a pre-visit**

- (a) Expenses incurred on a pre-visit shall be paid in accordance with the approved S&T rates of the department.
- (b) The pre-visit shall not exceed two days (2) and one (1) night (including traveling time), and such days are considered special leave.
- (c) An employee shall use the most economic and reasonable form of transport and accommodation;
- (d) Should an employee use a hotel for accommodation purposes, the department will pay the minimum rate of a B&B or the equivalent of a three (3) star grading hotel ; (3 quotations should be submitted for consideration
- (e) Acceptable documentary proof for travel and accommodation expenses (receipts) must be attached to the claim.

5.7.3. Travel and Subsistence Costs when moving employee and his/her immediate family to the new place of work: The Department shall meet the reasonable and actual costs an employee incurs for travel and subsistence as per (c & d) above.

5.7.4. Transportation and storage of household and personal effects for household and personal effects of the employee and his/her immediate family

members, the Department shall meet reasonable actual costs of transport from the old to the new permanent accommodation, storage, packing and unpacking , and insurance cover (excludes animals, pets). Note: Any postponement of transportation of household and personal effects must be negotiated up front with relevant Senior Management.

**5.7.5. Conditions:**

- (a) An employee must obtain at least three (3) quotations (tenders) from different removal Companies and the most economical and reasonable quotation will be accepted.
- (b) The quotations must include all-risk insurance, transport and packing, storage and unpacking costs. Note: Packing, storage and unpacking costs (only if applicable).
- (c) Should an employee choose to make use of a quotation other than the quotation approved by the relevant senior management, the employee will be responsible for the difference in cost between the lowest quotation and the one of his/her choice
- (d) The department shall not be held responsible should there be damage to the household and personal effects during packing, transportation, storage or unpacking. It is not the department's responsibility to liaise on behalf of employees for any claims arising from this. This agreement shall be between the employee and the supplier of the service.
- (e) Postponement of transportation of household and personal effects shall only be granted for a maximum period of three (3) calendar months; and in cases where the postponement is in the interest of the schooling of children, postponement may be granted until the end of that particular school year. An employee is required to motivate the reasons for postponement and proof should be submitted in all cases.
- (f) A copy of the original invoice should be submitted to the local HR section to facilitate payment.

**5.8. INTERIM ACCOMMODATION**

5.8.1. If the employee and his/her immediate family must unavoidably rent interim furnished accommodation at the old and /or new place of work, the Department will meet reasonable actual costs or pay the daily S&T rate. Note: This is only if the employee is unable to occupy permanent accommodation on the date of transfer.

**5.8.2. Conditions for Interim Accommodation:**

- (a) Interim accommodation will only be paid at either the old or new headquarters depending on the employee's circumstances but not at both.
- (b) Interim accommodation will only be paid should the employee not be in a position to secure permanent accommodation for him/her and his/her immediate family members.



- (c) Interim accommodation shall be paid for a period of one (1) month not exceed three (3) months without HOD's approval.
- (d) When an employee makes use of alternative accommodation i.e. Self-catering services, B&B, 3 star rating hotel, the employee must obtain and submit quotations in line with the departmental procurement processes with the most economical and reasonable one being accepted by the department;
  - the quotation should cover: accommodation (lodging), meals with one beverage per meal (excluding alcohol) and laundering (including dry cleaning)
- (e) An employee who wishes not to make use of B&B or other comparable accommodation may apply for allowances approved in terms of the S&T rates where he/she wishes to stay with relatives or friends while in search of permanent accommodation;
- (f) S&T allowance according to approved tariffs for incidental expenses are payable in circumstances when claims are submitted and where actual expenses are not claimed. NB: Cognizance should be taken of the budgetary implications and management's prerogative to ensure that the most economical and reasonable costs are accepted.

#### **5.9. TAX ON MOTOR VEHICLES THAT CROSS INTERNATIONAL BORDERS (ONLY IF APPLICABLE)**

- 5.9.1. The department must pay the reasonable actual expenditure in respect of customs duty, import, tax VAT and other levies or fees arising from the transportation of one private motor vehicle across international boundaries.

#### **5.10. NEW SCHOOL BOOKS, UNIFORMS, BOARDING SCHOOL FEES AND RELATED COSTS**

- 5.10.1. If, for resettlement reasons, an employee's child(ren) must attend school away from home, the Department will re-imburse costs as indicated below.
  - (a) Once-off Amount: The department will pay a once off amount in accordance with the approved tariffs for each school going child/full time student who is a dependant of the employee and has to change from one school to another for school related items.
  - (b) Conditions for payment of once-off Amount
    - (i) Compensation only applies to formal school uniforms and/or school books as prescribed by the new school and which are immediately needed for school attendance by the child(ren) after his/her arrival;
    - (ii) (Child(ren) who change from primary school to a high school and /or who will be attending school for the first time are excluded from this benefit, If the school uniforms for primary and or high school at the previous headquarters is not similar or the employee has already purchased such items; then the employee must submit relevant receipts of the expenditure incurred as affidavit statements will not be accepted.

- (c) Traveling expenses of dependant school child(ren) or student who remains behind at previous headquarters If members of the employee's immediate family must remain in a school near the employee's previous headquarters, the Department will for the period of the calendar year or pro rata cover the most economical and reasonable mode of travel to the new headquarters at the beginning and the end of the school year and for school holidays.
- (d) Conditions: Traveling expenses for school child(ren)/student
  - (i) The most economical and reasonable means of transport must be used and evidence in the form of quotations must be submitted for prior approval;
  - (ii) Compensation for traveling is limited to traveling from the employee's old headquarters to his/her new headquarters. Extra traveling expenses arising from transporting (a) child(ren) who is/are attending school away from the employee's old headquarters may not be paid; and,
  - (iii) The above compensation is limited to the calendar year in which an employee was transferred.
- (e) Conditions for Boarding School and Lodging Fees
- (f) Where an employee's school attending child(ren)/full time student is/are forced to stay in a hostel at the old headquarters as a result of her/his transfer, payment of the reasonable actual expenses on accommodation, meals and laundry must be paid by the department.
  - (i) This provision is not applicable to an employee's school attending child(ren)/student who was/were staying in a hostel prior to his/her parents transfer and who remain in the old headquarters and still stay(s) in the hostel.

## **5.11. TRANSFER FEES ON PURCHASING/ERECTION OF DWELLING**

5.11.1. The department will pay reasonable actual transfer fees arising if the employee purchases a dwelling or a building site/stand (for the erection of a dwelling thereon) at the new place of work. This includes the following transfer and bond fees:

- (a) transfer duty or VAT whichever is applicable, exclusive of interest on transfer duty;
- (b) conveyance fees (for registration of transfer);
- (c) Miscellaneous attorney's fees i.r.o the transfer and bond (e.g expenditure on telephone calls, correspondence etc.);
- (d) stamp duty on bond;
- (e) conveyance fees (for registration of bond)
- (f) drawing up the deed of sale
- (g) Inspection or valuation of the property, by the financial institution.

### **5.11.2. Qualifying Criteria:**

- (a) The employee must own or has owned a dwelling at his previous headquarters that is or was registered either in his own name, his spouse's name or both their names and was normally occupied by the employee and his/her dependants and
- (b) Purchase another dwelling at his/her new headquarters, or purchase a building site and have a dwelling erected on it, in which event such dwelling must be registered and occupied. The mortgage on the dwelling must be registered at a financial institution.
- (c) The dwelling at the previous headquarters should not have been sold prior to the date of written notice of the transfer.
- (d) A dwelling should not have been purchased or erected at the new headquarters prior to the date of the written transfer.
- (e) There must be evidence for a claim in all instances.

### **5.12. PAYMENT OF HOUSING ALLOWANCE**

#### **5.12.1. Conditions for payment of housing allowance**

- (a) The department shall continue to pay the housing allowance in respect of an employee: who owns a house and was transferred and the employee and his/her immediate family have had no reasonable alternative but to move to the new headquarters, the department will continue with the payment of housing allowance in respect of a home at the previous headquarters for a period of six months or from the date of the transfer comes into effect until the home is sold and the new owner registers it in his/her name, whichever is the earliest date.
- (b) The relevant Manager will review payment of the housing allowance and justify its extension or termination after the six months mentioned in "a" above.

### **5.13. SUNDRY COSTS (VARIOUS /MISCELLANEOUS)**

#### **5.13.1. The Department may compensate an employee a once off amount to meet incidental expenses arising from resettlement, other than those for which provision is made elsewhere, on the following basis:**

- (a) If an employee occupies furnished accommodation at the new headquarters, (25% of the employee's basic monthly salary at date of resettlement)
- (b) If an employee occupies unfurnished accommodation on the date of resettlement (100% of employees basic monthly salary on the date of resettlement)
- (c) These expenses can only be claimed upon permanent resettlement and proof of the permanent accommodation needs to be attached to the claim.

#### **5.14. PRIVILEGES FOR NEWLY APPOINTED EMPLOYEES FROM OUTSIDE THE PUBLIC SERVICE**

5.14.1. The following expenditure is payable to a newly appointed employee for relocating to his/her new place of work:

- (a) reasonable actual costs of travel by the employee and his/her immediate family; and
- (b) Packing, transport, unpacking, insurance and one (1) month's storage for personal and household effects.

5.14.2. The employee shall agree in writing to repay (pro-rata) the Department's Expenditure for resettlement if he/she should leave the public service within the first 12 months or less.

5.14.3. If an employee is recruited from abroad, he/she will be entitled to a once-off payment equal to the employee's basic monthly salary on the date of assumption of duty before he/she received his/her first salary payment.

#### **5.15. PRIVILEGES ON TERMINATION OF SERVICE**

5.15.1. These privileges do not apply to employees who:

- (a) have been dismissed
- (b) have absconded
- (c) have resigned
- (d) whose service was terminated due to incapacity or unsatisfactory performance
- (e) Contract employees whose contracts do not cater for resettlement privileges.

5.15.2. Clause 5.15.1. does however apply to employees whose services were terminated due to:

- (a) retirement,
- (b) retirement due to ill-health
- (c) death
- (d) specific contracted employees

#### **5.16. PRIVILEGES ON DEATH OF AN EMPLOYEE WHO DIED ON OFFICIAL DUTY**

5.16.1. The following expenses are payable when an employee dies whilst on official duty:

- (a) The employer will meet the costs of transporting home the remains of an employee who died on official duty away from his/her normal place of work.
- (b) Transport for personal effects.

### **6. COMPLIANCE**

6.1. Violation of this policy may result in disciplinary action up to and including dismissal

6.2. It is the responsibility of the receiving supervisor/manager to ensure that the employee, who has been transferred, meets with all the qualifying requirements contained in this policy document before approving or submitting claims received for approval. Should it become apparent that the

transferred employee has claimed a benefit for which he/she did not qualify for in terms of this policy, and the supervisor/manager approves such a claim, both the supervisor/manager and employee will be held responsible and accountable and may lead to disciplinary action.

**7. POLICY REVIEW**

7.1. This policy will be reviewed after three years (3) from the approval date or when a need arises during implementation due to environmental or legislative changes

**8. RECOMMENDATIONS & APPROVALS**

RECOMMENDED/~~NOT RECOMMENDED~~

*Recommended for approval*

*[Signature]*  
PP **MRS. Z. MAKINA**  
DDG: ADMIN  
DATE: 28/03/2018

APPROVED/~~NOT APPROVED~~

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Signature]*  
**MR. L.L. NGADA**  
HEAD OF DEPARTMENT  
DATE: 28/03/2018