



**DEPARTMENT OF SOCIAL DEVELOPMENT  
KWAZULU NATAL**

**POLICY ON OCCUPATIONAL RELOCATION AND  
RESETTLEMENT**

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## **1. INTRODUCTION**

1.1 The Department of Social Development affirms to meet within reasonable economic limits, the actual relocation and resettlement costs within the country incurred by the employee and his / her immediate family. This could be as a result of one or more of the following:-

- 1.1.1 change of operational centre(s) including head-quarters;
- 1.1.2 the implementation of new work arrangements that require relocation of offices or components in whole or in part thereof;
- 1.1.3 termination of service (*death, ill-health, retirement*);
- 1.1.4 new appointment; and
- 1.1.5 employer initiated transfer.

## **2. PURPOSE**

To provide for reimbursement for actual financial expenses incurred due to relocation and concomitant resettlement.

## **3. OBJECTIVES**

The objective of this document is to provide guidelines regarding resettlement reimbursement as a code of good practice by stipulating:

- (a) limits on expenditure incurred from resettlement;
- (b) maximum periods of compensation;
- (c) restrictions on quantity and kind of personal effects covered;
- (d) costs of property transfer; and
- (e) other costs associated with relocation and involuntary transfer.

## **4. SCOPE OF APPLICABILITY**

This policy is applicable to all employees of the Department of Social Development

## **5. LEGISLATIVE FRAMEWORK**

The authorisation of this policy is in accordance with the PSCBC Resolution 3 of 1999, as per Section XV aptly titled, *Remunerative Allowances and Benefits*. This Resolution was signed at the Public Service Co-ordinating Bargaining Council on 4 February 1999.

## 6. DEFINITIONS, ABBREVIATIONS AND ACRONYMS

For the purpose of this policy:

- 6.1 **“Department”** means the Department of Social Development, KwaZulu Natal;
- 6.2 **“Employee”** means any person, excluding an independent contractor, who works for another person or for the state and who receives or is entitled to receive any remuneration; and any person who in any manner assists in carrying or conducting the business of an employer, and “employed” and “employment” have a corresponding meaning to that of “employee”;
- 6.3 **“Employer”** means the State as an employer either nationally or provincially;
- 6.4 **“Head quarters”** means a centre of operation or the place of work that may be indicated as his / her headquarters by the Head of Department;
- 6.5 **“Immediate family”** means the spouse, life partner, dependant, and / or relative who lives with the employee and relies on him / her for the bulk of his / her subsistence. A consensus definition of a *“Life Partner”* having considered the *Pensions Administration Procedure Manual* read along the *Customary Marriages Act of 1998*, would have the following characteristics:
  - 6.5.1 The member and his / her partner are unmarried;
  - 6.5.2 The partnership may include cohabitation; and
  - 6.5.2 The life partner and the member share the responsibility for one another’s collective common welfare and social needs, financially and otherwise.
- 6.6 **“Interim Accommodation”** means alternate accommodation whilst the employee and his or her immediate family seek permanent accommodation in the new centre of operation;
- 6.7 **“Personal Effects”** means movable assets of the relocating official and his / her immediate family with exclusion of animals;
- 6.8 **“PSCBC”** stands for Public Service Coordinating Bargaining Council.
- 6.9 **“Radius”** means the distance between the new and the old centre. If an employee is transferred to new headquarters which is **less than 50 kilometres** away from his / her previous headquarters, the employer will not meet any costs arising out of the transfer; and
- 6.10 **“Relocation”** means the movement of an employee from old to new headquarters, including the relocation of the employee’s household to a different centre;

## 7. POLICY PROVISIONS

### 7.1 Travel and Subsistence (S & T)

The Department shall meet the reasonable costs the employee incurs for travel and subsistence. Where rates (*as opposed to actual expenditure*) are claimed for dependants under the age of 18, the employee may be refunded **half** the applicable rate. This would be during:

- 7.1.1 one visit by the employee and / or a member of his / her immediate family to the new place of work *before* the date of the transfer. This visit is restricted to **two (2) night's accommodation** at the new headquarters, plus reasonable travelling time payable at the applicable hourly rate; and
- 7.1.2 the move of the employee and his / her immediate family to the new place of work.

### 7.2 Transportation and storage of household and personal effects

- 7.2.1 The Department shall meet reasonable actual costs of transport to the new permanent accommodation, packing, storage, unpacking and insurance cover. This shall occur **provided that the transfer takes place within a period of three (3) calendar months**. Deferment may be requested for a total period not exceeding 6 months. This shall be subject to written motivation and approved in terms of delegated authority. Conveyance by the most economical means must be authorised. The quoted price may include loading and unloading, packing and unpacking as well as insurance charges for any loss or damage in transit. Three quotations must be independently obtained by the employee and submitted in time for consideration. A list of all personal effects must accompany the quote;
- 7.2.2 The employees` privately owned motor vehicle(s), motor cycle, trailer and caravan may be transported at the most economical rate. Should the employee prefer to convey his / her caravan or trailer personally by towing it with his / her private motor vehicle; he/she may be reimbursed at the rate of 25 % of the tariff prescribed for his / her motor vehicle;
- 7.2.3 The Department shall cover the expense of storage of personal effects as well as all-inclusive insurance cover thereof. **The storage is limited to two (2) months** per transfer and in exceptional cases may be extended up to a maximum of six (6) months. The cost of conveying personal effects from one place of storage to another may not be paid by the Department unless the head of department is satisfied that the removal is unavoidable; and

7.2.4 It must be noted that only removal companies registered on the Provincial database of suppliers may be used.

### **7.3 Interim Accommodation**

The Department shall meet reasonable actual costs for interim accommodation in rented furnished or vacant accommodation at the new place of work. The following provisions apply:

7.3.1 the employee and his / her household shall be accommodated under such arrangement for a **period not exceeding two (2) months** at his / her new workplace. Only accounts for the following should be considered: accommodation, bed levy, tax, parking, meals and laundry; and

7.3.2 any extension to this period shall be by written consent of the head of department following a supported submission by the supervisor. Such an *extension* may not exceed one (1) month.

### **7.4 Tax on motor vehicles that cross international borders**

The Department shall pay the actual expenditure on custom duty, tax and other levies or fees arising from the transportation of private motor vehicles across international borders provided there is documentary proof;

### **7.5 New school books, uniforms and related costs**

The Department shall, within 12 months of the transfer, provide a once-off amount as revised by the Minister of Public Service and Administration on a quarterly basis;

### **7.6. Boarding school fees**

The employer may assist the employee with boarding fee costs for dependant children in a primary or secondary school, if:

- a) the employees` work requires the official to move frequently; or;
- b) the local schools available where the employee lives and works are:
  - (i) 50 kilometres distance radius; or
  - (ii) do not teach in the employee's home language which is one of the official languages of the Republic of South Africa. Proof must be provided that such a language is not taught locally thus warranting a search for an alternative school.
- c) the employee relocated at a time when school is in session and the relocation of the dependent children would adversely affect their academic progress. In such circumstances, the employer shall pay half of the reasonable school costs, until

the end of the academic year in which the employee was transferred, towards boarding or lodging fees, which may include accommodation, meals and laundry.

#### **7.7 Travel expenses of dependent school children**

If members of the employees' immediate family must remain in a school near the employees' former place of work, the employer may, for a maximum of one school year, cover the most economical reasonable mode of travel to the new place of work at the beginning and end of the school year and for school holidays;

#### **7.8 Transfer fees on purchase of residential dwelling**

Measures contained in *Annexure A* to be applied;

#### **7.9 Sundry Costs**

To meet incidental expenses, the Department shall within available financial resources pay:

7.9.1 25% of an employees' basic monthly salary on the date of the resettlement if he / she will occupy *furnished accommodation* at the new place of work; or

7.9.2 100% of an employees' basic monthly salary on the date of resettlement if he / she will occupy *unfurnished accommodation*.

#### **7.10 Privileges for new appointees**

7.10.1 The Department shall pay the reasonable actual costs of the relocation of a newly appointed public Servant to his / her place of work. These expenditures must include reasonable actual costs of:

7.10.1.1 once-off travel to the new place of work by the employee and his / her immediate family, and;

7.10.1.2 transport, insurance and two month's storage for personal and household goods.

7.10.2 The employee shall agree in writing to repay in full the Department's expenditure for relocation and resettlement if he / she should leave the public service in less than twelve months. This undertaking is attached in *Annexure B*.

7.10.3 In the event that the employee is recruited from abroad, his / her Executing Authority may provide a once-off sum to assist him / her with his / her initial expenses before he / she receives his / her first salary payment. The once off payment may not exceed the basic

monthly salary of the employee and initial expenses must be supported by documentary proof and subject to the written approval of the Executing Authority.

**7.11 Privileges on termination of service (*death, ill-health, retirement*)**

- 7.11.1 This applies under the following circumstances:
- (a) the employee dies or retires, or;
  - (b) the employer terminates the contract of an employee, the employer shall meet, at the request of the employee or his / her family, the reasonable costs of resettlement of the employee and his / her immediate family, as provided for in paragraph 7.10.2 and 7.10.3 above;
- 7.11.2 In the case of an employee recruited in South Africa, the employer will pay for resettlement within South Africa;
- 7.11.3 In the case of an employee recruited from abroad, the employer will pay for settlement at the employee's place of origin; and
- 7.11.4 The employer may meet the costs of transporting home the remains of an employee who died on official duty away from her / his normal place of work.

**8. ROLES AND RESPONSIBILITIES**

**8.1 Human Resource component**

- 8.1.1 Ensure that delegations are assigned and approved for the provisions in the whole of paragraph 7 above; and
- 8.1.2 Ensure that the contents of this policy are communicated to all line managers and employees in the department.

**10. MONITORING, EVALUATION AND REVIEW**

- 10.1 The Human Resource Management of the Department is responsible for communicating the provisions of this policy to all employees;
- 10.2 The affected institutions and components are also responsible for the implementation thereof; and
- 10.3 The policy will be monitored, evaluated and reviewed on regular basis to ensure that it achieve the intended purpose.

**11. EFFECTIVE DATE**

The effective date of this policy will be the date of approval.




**12. TITLE OF THE POLICY**

This policy shall be called Policy on Occupational Relocation and Resettlement.

**13. POLICY APPROVAL**

This policy was approved on the 20<sup>th</sup> day of October in the year 2009 and will be effective on the date of approval.



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**MR BL NKOSI**  
**HEAD: DEPARTMENT OF SOCIAL DEVELOPMENT**

## COMPENSATION OF EXPENSES REGARDING TRANSFER FEES

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### 1. Introduction

The purpose of this measure is to reimburse certain expenses to the employee who, as a result of a transfer, is obliged to sell his / her dwelling at his / her previous headquarters and to purchase / erect a dwelling at his / her new headquarters.

### 2. Scope of Application

An employee qualifies for participation in the measures only if he / she:

- 2.1 changes headquarters because he / she has been transferred:
  - (a) at State's expense and primarily in the interest of the State; or from abroad; or
  - (b) on termination of his / her secondment to another country and returning back to the Republic of South Africa or transfer to another mission abroad; and
- 2.2 takes occupation of a private dwelling at his / her existing head-office(s) due to:
  - (a) owing to departmental requirements, he / she is compelled to permanently vacate his / her assigned quarters with full privileges; or
  - (b) he / she obtains exemption of occupation of his / her assigned official quarters and permanently vacates the said quarters at his / her own expense; or
  - (c) arising from his / her appointment he / she has to vacate the official quarters he / she occupied; and
- 2.3 sells his / her dwelling at his / her previous headquarters and purchases or erects another dwelling at his / her new headquarters, which dwelling must be owned and occupied in accordance with paragraph 3.1 below.

### **3. Requirements: Sale and purchase of residential dwelling**

- 3.1 The dwelling or site situated within the new municipal boundaries of the new work offices has to comply with the following:
- (a) be registered in the name of the employee or his / her spouse, or jointly. The mortgage on the dwelling must also be registered at a financial institution; and
  - (b) be permanently occupied by the employee and / or a member of his / her household.
- 3.2 In the case of transfers, the dwelling:-
- (a) at the previous head-offices, must not be sold prior to the date of written notice of the transfer; and
  - (b) must not be purchased or erected at the new head-offices prior to the aforementioned date.
- 3.3 In the case of vacating assigned official quarters the:-
- (a) dwelling at his / her previous headquarters must have been owned and occupied by the employee and must not have been sold prior to the date of written notice to occupy the quarters; and,
  - (b) dwelling at his / her headquarters must not be purchased / erected prior to the date of written notice to vacate the quarters.
- 3.4 For the purpose of sub-paragraphs 3.2 and 3.3 above a dwelling is:-
- (a) regarded as being sold or purchased at the earliest on the date upon which the seller accepts the written proposal of the buyer;
  - (b) regarded as being erected, if an official erects a dwelling, on the date upon which:-
    - (i) the financial institution from which the building loan was obtained, releases the funds; or
    - (ii) building activities are commenced where the financing is not supplied by an institution; and
  - (c) not regarded as being sold or purchased for as long as it is sold or purchased on the hire purchase basis.

#### 4. Reimbursement of transfer costs and bond registration expenses

4.1 The State shall re-imburse expenditure in full to the property purchaser under the following criteria:

4.1.1 a maximum of 7.5% commission where applicable as payable to an Estate Agent or third party in the transaction. Commissions vary from 6%-7.5%;

4.1.2 **all transfer fees payable for a purchased property of value not exceeding R1, 5 million.** The State shall pay up to this amount, and any *difference* in transfer costs beyond this limit shall be borne by the purchaser;

4.2 The following must be finalised before sub-paragraph 4.1 above maybe applied:

(a) The head of department must satisfy himself / herself of the acceptability of:

(i) the amount claimed in respect of attorney's costs. If any doubt exists concerning the regularity thereof, it must be referred to the State Attorney for appraisal; and

(ii) the reasons for any unusual delays in finalising the sale and purchase transactions.

(b) The employee must furnish documentary proof of the expenditure referred to in sub-paragraph 4.1 above. Where only a building site is purchased only the transfer costs may only be reimbursed once the dwelling is erected.

(c) Reimbursement in accordance with sub-paragraph 4.1 must be paid directly to the employee except when he / she utilises a portion of the profit of the sale of his / her previous dwelling to pay for the transfer fees on the new dwelling / building site.

(d) In the latter circumstances the department must deposit the amount to be reimbursed directly into the registered mortgage loan account for the official's new dwelling site.

(e) If the portion of the profit which was utilised to pay for the transfer fees is less than the amount payable in accordance with sub-paragraph 4.1 above, only an amount to that portion of the profit must be paid directly into the mortgage loan account and the balance to be paid directly to the employee.

Note:

The following persons and circumstances are excluded from participation in these measures:

***An employee who:–***

- (a) is transferred at his / her own request, which is not primarily in the interest of the State;
- (b) vacates his / her assigned official quarters on a temporary basis;
- (c) is transferred to, or vacates assigned official quarters at headquarters where he / she already owns a dwelling, irrespective of whether he / she purchases a second dwelling at that headquarters or retains or sells the first-mentioned dwelling;
- (d) permanently vacates his / her own dwelling at his/her present headquarters to occupy rented accommodation and he / she:-
  - (i) is instructed to occupy official quarters at that headquarters while renting such accommodation; or
  - (ii) whilst occupying such rented accommodation or, if applicable, the official quarters referred to in (i), was transferred to another headquarters where he / she occupied official quarters, irrespective of whether he / she immediately took occupation of such quarters or whether he / she temporarily occupied rented accommodation;
- (e) on the date of written notice of his / her transfer to new head offices occupies rented accommodation, at the headquarters where he / she owns a dwelling and from where he/she is transferred; or
- (f) purchases only a building site at his / her new head offices. Transfer costs shall only be reimbursed once the dwelling is erected and the transfer fees have been incurred.

## UNDERTAKING

I, \_\_\_\_\_ in consideration of my appointment on the terms and conditions specified in my notice of appointment issued under the signature of the Head of Department for the Department of Social Development, KwaZulu-Natal; hereby undertake to refund the aforementioned Department a *pro rata* of the expenditure incurred in connection with the conveyance of myself, my household and personal effects from \_\_\_\_\_ to \_\_\_\_\_ in the Republic of South Africa in the event of my resigning or my service being terminated as a result of unsatisfactory service or misconduct within 1 (one) year of the date upon which assume duty at \_\_\_\_\_. This period will be extended by any Special leave or leave without pay granted to me before I have met my service obligation in full.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day in the year \_\_\_\_\_.

\_\_\_\_\_  
SIGNATURE

**As Witness (es):**

Signature : \_\_\_\_\_

Signature : \_\_\_\_\_

Full Name : \_\_\_\_\_

Full Name : \_\_\_\_\_

Address : \_\_\_\_\_

Address : \_\_\_\_\_

Occupation : \_\_\_\_\_

Occupation : \_\_\_\_\_