

**DEPARTMENT OF PUBLIC WORKS,
RESETTLEMENT EXPENDITURE POLICY**

1. INTRODUCTION

The Department of Public Works, within the Limpopo Provincial Administration recognises the fact that employees within its employment or prospective personnel may at one stage or another be transferred, or be resettled from their current work station or residence/home to a new work station.

It is with this understanding that the department developed the resettlement expenditure policy, to compensate and reimburse the expenses that might be incurred due to such a process. The policy may be revised annually to cater for any legislative policy changes that might have an effect on it.

2. PURPOSE

- 2.1. To assist in determining the actual resettlement costs incurred by an employee and his or her immediate family as a result of official duties, or in some cases, on termination of service or death.
- 2.2. To compensate an employee who in the interest of the department is transferred due to certain service requirements and is utilized at a place other than his/her place of appointment or residence.
- 2.3. To outline the limits on expenditure, maximum period of compensation, restrictions on the quantity and kind of personal effects covered, as well as costs of transfer the department will pay out.

3. MANDATES

The Department of Public Works derives its mandate to develop this policy from the following legislative framework:

- 3.1 The Public Service Coordinating Bargaining Council (PSCBC)
- 3.2 Resolution No.3 of 1999, Part XV.
- 3.3 Public Service Regulation, 2001 Part V E2 (b).
- 3.4 Determination by the DPSA on the consideration of the CPI

4 PROVISION OF THE POLICY AS PER ITS MANDATES

4.1. RESETTLEMENT

Resettlement refers to the moving of an employee and /or his immediate family and personal belongings from his/her headquarters to the new workstation as indicated in 4.1.1 below.

4.1.1. GENERAL

PSCBC Resolution No.3 of 1999, Part XV stipulates (sub-section 1.1.) that “the employer shall generally meet, within reason, the actual resettlement costs within the country incurred by an employee and her or his immediate family as a result of official duties, or, in some cases, on termination of service or death”.

The resolution further describes that for the purpose of resettlement (sub-section 1.2.) an employee’s immediate family includes only an employee’s

- (a) Spouse,
- (b) minor child, **adopted child, dependant child and/ or**
- (c) relative (i) who lives with the employee except when attending an educational institution, and
(ii) who relies on the employee for the bulk of her or his subsistence.

4.2. TRANSFER OF AN EMPLOYEE (state initiated)

4.2.1. Costs associated with the transfer

Any Cost associated with the transfer of employees in the department of Public Works shall be paid in accordance with PSCBC Resolution No.3 of 1999. The department shall assist the employee with the associated costs, as provided below:

4.2.1.1 Subsistence and Travel

- (a) The employer may meet reasonable actual costs an employee incurs for travel and subsistence during:
 - one visit by an employee or a member of his or her immediate family to the new place of work before the date of transfer, and
 - the move of the employee and his or her immediate family to the new place of work.

Such claims should be submitted in accordance with the department policy on Travel and Subsistence allowance, supported by correct documentation. Examples of travelling expenditure are proof of toll fees, parking fees, transport, air tickets and meals (breakfast, lunch and supper).

4.2.1.2 Transportation and storage of household and personal effects

- (a) The employer may meet reasonable actual costs of transport to the new permanent accommodation, storage, packing and unpacking, and insurance cover.
- (b) It is expected that the employee should submit not less than three (3) quotations from local removal transporters of which the lowest will be recommended to convey the employees’ personal belongings and household goods from old to new headquarters.
- (c) The department may only cover the expenditure related to the storage of personal effects for a period of one month or as approved by the Head of Department if there are valid reasons to this effect, for example, if the employee is really experiencing problems in securing accommodation or when the accommodation at the new headquarters is relatively small to accommodate all the employee’s property.

4.2.1.3 Interim Accommodation

If the employee and his or her immediate family must unavoidably rent interim accommodation at the new place of work, the department may meet reasonable actual costs for one month, at the discretion of the Head Of Department.

4.2.1.4 Tax on motor vehicles that cross international borders

The department may pay the actual expenditure on custom duty and other levies or fees that arise from the transportation of private motor vehicles (including vehicles obtained under the Motor Finance Scheme) across international borders.

4.2.1.5 New school books, uniforms and related costs

For each school child who must change school and is dependent on the employee, the department may on the production of proof/receipt of payment, provide a once-off amount that is revised on a quarterly basis by the Minister in accordance with the Consumer Price Index for clothing and footwear.

4.2.1.6 Travel expenses of dependent school children

If members of the employee's immediate family must remain in a school near the employee's former place of work, the employer may, for a maximum of one's school year, cover the most economical reasonable mode of transport to the new place of work at the beginning and at the end of the school year and for school holidays. The employee will claim for their transportation (fuel allowance) based on the private tariffs if using own vehicle, or subsidised motor tariffs if using the government subsidised vehicle applicable at the time.

4.2.1.7 Transfer fees of fixed property

The department may pay reasonable actual transfer fees directly into the mortgage loan account or to the attorneys who have been assigned by the financial institution to register the bond, if the employee purchases a dwelling or a building site at the new place of work. The maximum period of claiming for Bond and Transfer costs should be within three (3) years.

4.2.1.8 Sundry costs

To meet incidental costs, the department may pay:

- (a) If an employee will occupy furnished accommodation at the new place of work, 25 percent of the employee's basic monthly salary on the date of resettlement,
- (b) If an employee will occupy unfurnished accommodation, the employee's basic monthly salary on the date of resettlement.

NB: The above will not apply if the transfer is not initiated by the state.

4.3 Privileges for new appointees in the Department of Public Works and persons indicated in 4.1.1

- 4.3.1 The employer MAY pay the reasonable actual costs of relocation of a newly appointed public servant to her or his new place of work. These expenditures may include reasonable actual costs of:
 - 4.3.1.5.1 Accommodation for a period of one month.
 - 4.3.1.5.2 Transport, insurance and one month's storage for personal and household goods.
- 4.3.2 The employee shall agree in writing to repay the employer's expenditure for relocation if she or he should leave the public service in a year or less.
- 4.3.3 If an employee is recruited from abroad, the executing authority may provide a once-off sum to assist her or him with initial expenses before she or he receives her or his first salary payment including assistance with reasonable accommodation for a period of one month.

4.4 Privileges on termination of service or death as per PSCBC, Resolution No.3 of 1999

- 4.4.1 If
 - a) an employee dies or retires, or
 - b) the employer terminates the contract of a contract employee, the employer shall meet, at the request of the employee or her or his family, the reasonable actual costs of resettlement of the employee and her or his immediate family **for a destination determined by both as final *domicilium excidanti*.**
- 4.4.2 In the case of an employee recruited in South Africa, the employer will pay for resettlement within South Africa.
- 4.4.3 In the case of an employee recruited from abroad, the employer will pay for resettlement at the employee's place of origin.
- 4.4.4 The employer may meet the costs of transporting home the remains of an employee who died on official duty away from her or his normal place of work and refer compensation to the Workman's Compensation as contemplated in the Act.

5. MAXIMUM PERIODS OF COMPENSATION

- 5.1. All other resettlement expenditures excluding costs for bond registration should be done within two months maximum period from the date of resettlement. Any delay in submitting claims for resettlement must be motivated by the employee's manager/project manager and such a delay must only be authorised by the Head of Department (HOD) or his/her delegate.

- 5.2. In cases where an employee, who, in the interest of the department was transferred or appointed or owing to certain service requirements, and was not compensated or reimbursed, for the resettlement expenditure before this policy, submission shall be forwarded to the HOD through the programme/ Project Manager for finalisation.
- 5.3. All outstanding claims in item 5.2, as from 01 June 2004, should be submitted accompanied by a submission to the HOD recommended by the programme/ project manager within a period of one calendar month from the date of this policy's approval. No further resettlement claims shall be entertained thereafter.

6. IMPLEMENTATION AND REPORTING ON RESETTLEMENT COSTS

- 6.1. In a case of a newly appointed public servant, the department will pay resettlement cost in line with paragraph 4.3 above in compliance with Part XV, section 4, of Resolution 3 of 1999. This includes accommodation only for a period of one month, in case where the employee is relocating.
- 6.2. The department will cover resettlement expenses as indicated in Part XV, section 1 and 3, of Resolution 3 of 1999 only if an employee is transferring/ relocating at the states expense (only if initiated by the department).
- 6.3. Any exception to 6.2 above could only be accepted if a written submission to the HOD is approved.
- 6.4. All programmes/ project managers are expected to report to the Directorate: Policy and Human Resource Management on half yearly basis, by submitting records with regard to approved resettlement claims and actual claim forms to the Directorate Finance.
- 6.5. Employees who are found submitting or recommending and approving illegal resettlement claims shall be charged with financial misconduct as it will be regarded as misappropriation of public funds and could lead to dismissal on the first offence.
- 6.6. Exceptional cases on resettlement expenditure costs and costs for bond registration may be referred to the executing authority or his/her delegate for consideration. However, the executing authority or his delegate may not approve deviations from the relevant collective agreement as contained in PSCBC Resolution No. 3 of 1999, paragraph XV.

7. EFFECTIVE DATE

The contents of this policy will take effect from the 1st November 2004.

This policy shall be reviewed annually

Signed
General Manager: P&HRM

12/10/2004
Date

Signed
Head of Department

22/10/2004
Date

