

RELOCATION AND COMMUTING POLICY

1. **POLICY**

PREAMBLE

The Municipality will reimburse all reasonable costs incurred when Employees change their work location, at the Municipalities request or compensate employees for Commuting between their workplace and residence.

2. **SCOPE**

All permanent Employees who have been affected by the amalgamation of Municipalities and who have been placed in terms of the placement policy of Council.

3. **RESPONSIBILITY**

Directors are responsible for ensuring that adequate provision is made in their budgets to cover the cost of relocation and commuting.

4. **AUTHORITY**

The authority to approve bridging finance is at the level of the Municipal Manager and the Director: Finance.

5. **BACKGROUND**

Relocation terms will normally be offered to Employees if their existing residence is considered, by the Municipality, to be beyond reasonable daily commuting distance.

The terms of the relocation policy are designed to offset the actual costs of moving within the same category of home ownership or rented accommodation, and to provide compensation for the relocation costs.

Upper limits to the reimbursement of relocation costs may be set by the Municipality in cases where such costs may be abnormally high.

Employees relocating on these terms must obtain the Municipal Managers prior clearance to proceed before entering into any related financial commitment.

The Company reserves the right to recover a proportion of the relocation costs from Employees who leave the Company within 2 years of their new appointment for any reason other than redundancy or ill-health.

6. PROCEDURE

Although Managers have little active involvement in the procedure, to enable them to answer any question from their staff, detailed below is a guide to the sequence of events for relocating and otherwise compensating employees for committing.

- Candidate selected for the job.
- Human Resources Department, in conjunction with the Manager, confirm offer of relocation (if need be).
- Appointment confirmed in writing.
- Human Resources Department contacts the successful candidate and establishes individual needs.
- Bridging finance is arranged by the relevant Director in conjunction with the Financial Director, (if appropriate) after authorization from the Municipal Manager.
- Relocation takes place or Commuting Compensation (7) is considered.

7. COMMUTING COMPENSATION

If any employee by virtue of the fact that he/she cannot reasonably be expected to relocate, must commute to his/her place of work, which is more than 8km away from the admin unit, the following guide is to be followed:

- The Municipal Manager must agree that the employee cannot reasonably be expected to relocate, then;
- An amount determined in terms of the Department of Transport tariffs for a 1.6 ltr engine capacity must be paid to the employee who lives further than 8km from his admin unit, if he/she is not using official transport (e.g. Council vehicle) or if he/she does not receive a travelling allowance of any kind but uses his/her own vehicle.
- That all employees who commute to work in Ermelo will be paid according to the formula of the actual kilometers travelled (according to the Department of Transport tariffs) less 10kms: $(x \text{ kms} - 10\text{kms} = \text{commuting compensation})$ where x = the actual kilometers travelled (at a tariff of a 1.6 engine).
- The commuting compensation paid and the reasons for not relocating must be revised by the Municipal Manager annually.
- Commuting Compensation to be cancelled and reviewed the moment the relevant employee changes address.