



## RELOCATION SCHEME

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*(Approved by the Resources Management Committee on 5th May 2009)*

#### 1. INTRODUCTION

- 1.1 The following expenses can be claimed under the Council's relocation scheme. Please note that the maximum amount which may be claimed under this scheme, inclusive of VAT, is **10% of the salary of the job or £7,500, whichever is the greater.**
- 1.2 Employees should read this scheme and the attached appendix carefully, for details of eligibility, general conditions of the scheme and the procedure for making claims.

#### 2. PRE-EMPLOYMENT VISIT TO THE CITY AND SURROUNDING AREA

- 2.1 The Council will reimburse all necessary costs incurred by the employee and his/her immediate family for a visit(s) to the City of Aberdeen and surrounding area prior to taking up appointment. The visit(s) will be for the purpose of seeking and viewing prospective accommodation and the costs can include return travel, overnight accommodation (where required) and related expenditure for meals. Where overnight accommodation is required employees can stay at a hotel/guesthouse of their choice. A list of hotels/guesthouses frequently used by the Council is available for reference from Administrative Officers within Services, if required.
- 2.2 Reimbursement in respect of the above will only be made AFTER the employee has commenced duty.

#### 3. LODGING/COMMUTING EXPENSES

- 3.1 Employees seeking permanent accommodation (to purchase or rent) who are unable to purchase/rent a property and move into it before they commence work with the Council, shall be eligible to claim, with effect from their first day of duty, the rent of any temporary accommodation they occupy. Payment will be made on the production of appropriate receipts.
- 3.2 Alternatively, where it is more convenient for an employee in such circumstances to commute daily rather than take lodgings, necessary actual travelling costs will be paid with effect from the first day of duty, on the production of appropriate receipts.
- 3.3 Where the employee uses a car for commuting they can claim the equivalent of the Council's 'Travel Outwith the Boundaries of Aberdeen City' mileage rate for all miles travelled for each return journey. Details of this mileage rate are available from Administrative Officers within Services.



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### 4. LEGAL/ESTATE AGENTS' AND MORTGAGE FEES

- 4.1 Payment shall be made in respect of legal expenses and estate agents' fees in connection with the selling of the old home and/or legal expenses and survey fees in connection with the purchase of the new property.
- 4.2 Payments shall also be made in respect of fees, which are levied by the Council's Finance and ICT Service in relation to requests for mortgage references.

### 5. REMOVAL EXPENSES

- 5.1 Payment shall be made to cover the cost of removal, insurance of goods during transit and storage (including insurance), where necessary, of furniture and household effects.
- 5.2 Storage costs will only be paid in arrears in case the date of entry into the new home is earlier than anticipated to avoid any unnecessary repayment claims by the Council.
- 5.3 The costs of a second move from temporary accommodation to the new permanent accommodation will be reimbursed in a circumstance where the employee has initially had to move into temporary accommodation.
- 5.4 Alternatively, an employee may opt for removal by van hire and payment will be made to cover the cost of the van hire, insurance and petrol/diesel.

### 6. BRIDGING LOAN INTEREST

- 6.1 The cost of bridging loan interest will be paid to cover the interest costs of a bridging loan necessarily taken out because the employee has not been able to sell his/her home and has purchased a new home within the City of Aberdeen or surrounding area.

### 7. SETTLING-IN ALLOWANCE

- 7.1 The payment shall be a sum **not exceeding £500 (inclusive of VAT)** and can be claimed in respect of alteration or replacement of curtains, floor coverings and installation or adaptation of domestic appliances in the new home.
- 7.2 In a situation where an employee has initially taken temporary accommodation and incurs settling-in costs (for items as above), then consideration will be given by the appropriate Corporate Director to additional settling-in costs being reimbursed in excess of £500 (i.e. settling-in costs for both the temporary and the new permanent home). However, these additional costs would require to come out of the maximum amount claimable under the Relocation Scheme.



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### a) PURPOSE OF THE SCHEME

The purpose of this scheme is to assist the Council in the recruitment and retention of employees through providing financial assistance to new employees who are required to relocate on taking up appointment.

### b) ELIGIBILITY AND GENERAL CONDITIONS

i) This scheme applies to new employees who take up appointment and necessarily have to relocate their home to the Aberdeen area (subject to (iv) below).

ii) The maximum amount which may be claimed under this scheme, inclusive of VAT, is **10% of the salary of the job or £7,500, whichever is the greater.**

As an overall limit of expenditure applies to the scheme, employees are strongly recommended to undertake a competitive assessment of each element of expenditure they incur to achieve the best value for money. Employees should bear in mind that the overall package cannot exceed the overall limits mentioned above and that they are expected to exercise reasonableness when making claims.

iii) The new place of residence requires to be in a location, which will enable the employee to fulfil their contractual obligations and responsibilities.

The Council positively encourages its employees to utilise public transport where possible for travel to and from work and for travel during the working day and to adopt 'green' travel habits e.g. car sharing, bicycle use etc.

Employees who qualify for relocation expenses are therefore encouraged to relocate, if at all possible, to an area, or near to an area, served by a public transport link i.e. a bus or rail service.

iv) This scheme only applies where the appointment is permanent, or (where it is clearly determined at the outset) is for a non-permanent period of 3 years or more. In the case of non-permanent contracts of more than 12 months but less than 3 years, a proportion of the total allowances covered by the scheme may be paid in exceptional circumstances (e.g. for highly specialised posts for specific projects where the likely source of appropriate applicants is further afield). This will be determined by the appropriate Corporate Director in consultation with the Head of HR.



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However, it should be noted that no further payments will be made if the non-permanent appointment is then extended or made permanent.

- v) Employees appointed on a part-time or job-share basis are subject to the same allowances and conditions as employees appointed to full-time posts. The Council will not pay any relocation expenses which have already been paid or are to be paid by another employer or organisation, and employees are therefore required to inform the Council if particular relocation expenses have been met from another source (e.g. from the employer of another member of the household).
- vii) All expenditure must be actually and necessarily incurred and supported by detailed original receipts/invoices and forwarded together with a relocation expenses claim form to the appropriate Corporate Director for authorisation before reimbursement is made.
- viii) The Council will not be liable for any losses an employee incurs in connection with their relocation.
- ix) Any queries regarding eligibility for any parts of the scheme should be referred, in writing, to the appropriate Corporate Director before any commitment is undertaken by the employee.

If it is considered inappropriate to approve payment (or part of a payment) in respect of an employee's claim and the employee feels aggrieved, the matter will be resolved by the appropriate Corporate Director in consultation with the Head of HR.

- x) If an employee is found to have abused the provisions of the Relocation Scheme then the matter will be dealt with under the Council's Disciplinary Procedure.

### **c) METHOD OF CLAIM**

- i) Claims for payment must be submitted on a relocation expenses claim form, signed by the employee, and accompanied by original receipts/invoices for all expenditure actually incurred. Claims will be authorised by the appropriate Corporate Director and then processed by the Administrative Officer with actual payments made via cheque by the Corporate Director of Resources Management.

Employees can submit claims one at a time, or they can submit more than one claim on the same form.



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No direct billing may be made to the Council, with all relocation expense claims being settled on a reimbursement basis.

- ii) Claims must be made no later than **12 months** after the date of appointment. If however, in exceptional circumstances, an employee is unable to complete his/her relocation arrangements within the 12 month claiming period, the Head of HR may approve an extension of the time limit of up to 6 months if he/she is satisfied that the reason was beyond the control of the employee.

In such circumstances, a written request must be made by the employee concerned and supported by the appropriate Corporate Director not later than one month before the time limit expires.

### d) REPAYMENT

- i) The purpose of this scheme is to assist the Council in recruiting and retaining employees. Consequently, in the event that an employee does not complete **three years' service** with the Council, he/she will be required to sign an undertaking to refund to the Council the following sums:-
- \* If leaving **within one year** of employment - repayment of **all** allowances advanced.
  - \* If leaving **within two years** of employment - repayment of **50%** of allowances advanced.
  - \* If leaving **within three years** of employment - repayment of **25%** of allowances advanced.
- ii) With regard to employees on non-permanent contracts of **more than 12 months but less than 3 years**, who have been eligible and have claimed relocation expenses, such staff will also be required to sign an undertaking to refund the Council a proportion of the monies received, based on the duration of the contract, should they decide to leave the Council prior to the end of their appointments. The exact amount of repayment will be determined by the appropriate Corporate Director in consultation with the Head of HR.
- iii) The requirement to repay the assistance granted will not be enforced where the contract of employment is terminated by the Council for reasons other than serious/gross misconduct, for example due to retirement on medical grounds or redundancy.