

EAST AYRSHIRE COUNCIL

CORPORATE GOVERNANCE COMMITTEE 23 NOVEMBER 2006

LOCAL GOVERNMENT EMPLOYEES, CRAFT EMPLOYEES AND CHIEF OFFICIALS REVISED RELOCATION SCHEME

Report by Depute Chief Executive/Executive Director of Corporate Support

1. PURPOSE OF REPORT

- 1.1** The purpose of the report is to ask the Committee to approve proposed changes to the Council's Relocation Scheme, subject to consultation with Trade Unions.

2. BACKGROUND

- 2.1** The Council's Relocation Scheme was last updated when the Personnel Sub-Committee of the Policy and Resources Committee at its meeting on 21 March 1996 approved the changes relating to expenses paid to employees who, because of reorganisation, moved home within a period of 3 years.

- 2.2** A review of the Relocation Scheme has been necessary to remove reference to reorganisation and to ensure that the Council continues to reflect best personnel practice.

- 2.3** The Scheme applies to Local Government Employees, Craft Operatives and Chief Officers. It does not apply to Teaching Staff.

- 2.4** Copies of the Scheme are available in the Members' Information Point.

- 2.5** The main changes proposed are summarised below:

3. PROPOSED CHANGES

- 3.1** The revised Scheme will provide financial assistance to enable prospective employees to relocate their home in order to take up employment with East Ayrshire Council.

- 3.2** If an employee who has received expenses in accordance with the Relocation Scheme leaves the service of the Council within one year of payment of their last claim submitted under the Scheme, the employee must repay the Council the full sum received. For employees who leave after the one year period the amount due to be repaid will decrease by one twenty-fourth for each completed calendar month of service from payment of their last claim under the Scheme. For example, where an employee received £5500 and left 14 months after the payment date of their last claim would need to repay £2292 ($10/24 \times £5500$).

3.3 Employees who receive financial assistance and subsequently fail to relocate will be required to repay all monies received immediately.

3.4 The maximum employees can claim under the Scheme will be limited to £5,500 **inclusive of VAT**.

3.5 The documentation has been updated to reflect:

- Pre-employment visits to view property;
- The option of self-drive for the removal;
- The cost of temporary insurance premiums or bridging loan interest payments will not be reimbursed;
- The requirement for employees to obtain three competitive quotes for the removal has been removed;
- Various changes to rental expenses, including reimbursement for a maximum of 26 weeks for temporary accommodation and reimbursement for a maximum of 4 return journeys when the employee is separated from his/her dependents;
- As an alternative to rental expenses, the employee can be reimbursed the cost of commuting from old home to workplace.
- Disturbance allowance limited to a maximum of £1000.

3.6 The revised Scheme will continue to assist the Council to achieve a corporate and consistent approach when dealing with relocation requests.

4. COMMUNICATIONS

4.1 Employees will be made aware of the amendments to the above Scheme via the Council's intranet site and the issue of a relevant PER Circular.

5. FINANCIAL IMPLICATIONS

5.1 Any additional costs arising from the proposed changes to the Relocation Scheme will be contained within existing budgets.

6. POLICY/LEGAL IMPLICATIONS

6.1 The Relocation Scheme will be amended to reflect the proposed changes. There are no Community Plan implications.

7. TRADE UNIONS

7.1 The proposed changes are subject to Trade Union consultation.

8. RECOMMENDATIONS

- 8.1** The Committee is asked to approve the proposed changes to the Council's Relocation Scheme subject to consultation with Trade Unions.

Elizabeth Morton
Depute Chief Executive/Executive Director of Corporate Support
23 October 2006

LIST OF BACKGROUND PAPERS

Local Government Employees, Craft Employees And Chief Officials
Revised Relocation Scheme

Any person wishing further information should contact Martin Rose, Head of Personnel (Telephone 01563 576092).

EAST AYRSHIRE COUNCIL



RELOCATION SCHEME SUMMARY OF CATEGORIES OF EXPENSES

Type of Expense	What Can Be Claimed	Limit to Claim
Pre-Employment Visits to View Property	Employee's and dependants' travel expenses incurred in return journeys to the area.	Reimbursement of all reasonable claims will be made within the maximum limit of £5,500.
Removal	Removal of furniture by contractor or Removal of furniture by employee (self-drive and fuel). Removal into and out of storage (when employee is in temporary accommodation)	Reimbursement of all reasonable claims will be made within the maximum limit of £5,500.
Travel on Day of Removal	Employee's (and dependants') travel on day of removal.	Public transport rate (2 nd class if rail travel) or mileage at the local public transport rate when travelling by car (within the maximum limit of £5,500).
Legal Fees	Legal, house agent and mortgage redemption, survey fees and expenses for the sale and purchase of employee's homes.	Reasonable claims within the maximum £5,500 limit.
Rental Accommodation	Temporary lodgings in guest house or equivalent or Let of Council house or approved rented property. Travel from temporary accommodation to old home when employee is separated from dependants.	Reasonable claims for a period of up to 26 weeks within the maximum limit of £5,500. Public transport rate (2 nd class if rail travel) or mileage at the local public transport rate when travelling by car (maximum of 4 return journeys). Within the maximum limit of £5,500.
Commuting Allowance (Alternative to Rental expenses)	Commuting expenses from old home to workplace.	Public transport fare (2 nd class if rail travel) or mileage at the local public transport rate when travelling by car (within the maximum limit of £5,500). Maximum period of 26 weeks.
Storage Charges	Storage and insurance costs	Maximum period of 26 weeks (within the maximum limit of £5,500).
Disturbance Allowance	Expenditure necessarily incurred on certain expenses connected with moving house, i.e. curtains or blinds, carpets or floor coverings (not rugs), relaying carpets, fixtures and fittings, telephone installation or reconnection, installation of electrical appliances, postal redirection.	Maximum claim for this allowance is £1000 (within the maximum limit of £5,500).

**TOTAL CLAIM UNDER THE RELOCATION SCHEME LIMITED TO £5,500
(INCLUSIVE OF VAT)**