

<b>OTAGO POLYTECHNIC MANAGEMENT POLICY</b>		<b>Number: MP0435.03</b>	
Title:	<b>Relocation Expenses for New Employees</b>		
Baldrige Criteria:	<b>5 Workforce</b>		
Chief Executive Approval:	Approval Date: <b>7 April 2017</b>	Effective Date:	<b>7 April 2017</b>
Previous Policy Number:	<b>n/a</b>	Review Date:	<b>as required</b>
Contact Authority:	<b>Director People and Culture</b>	Status:	<b>Current</b>

**Purpose**

Otago Polytechnic want the best people to work with us which means at times we may need to relocate people from other locations. This policy enables us to assist our new staff with the process of relocating and outlines what Otago Polytechnic will contribute towards relocation costs if these are agreed.

**Application**

Relocation expenses are inclusive of temporary accommodation (usually up to 4 weeks), travel, insurance and removal of personal and household effects including vehicles and animals and are generally only met for new permanent staff and any qualifying parties. A qualifying party may be the partner or spouse of the appointee, or any person who is directly dependent on the appointee for care.

**Policy**

1. Any contribution to relocation expenses is discretionary within policy and shall be by agreement between the new staff member, Formal Leader and Director People and Culture before an offer of employment is made to the staff member.
2. Any agreement for contribution to relocation expenses must be indicated at the time of requesting a new employment agreement.
3. Any contribution to relocation expenses which falls outside of the requirements of this policy must be approved by the Chief Operating Officer or Director Business Services. Such approval shall be in writing, and be granted prior to any commitment being made to a potential new staff member.
4. Contributions will usually be by way of direct payment by the Polytechnic of the costs incurred in relocating. Where direct payment is not practicable the new employee shall be reimbursed for prior approved expenditure on production of receipts.
5. Costs associated with buying/selling houses or real estate are not to be taken into consideration.
6. At least two quotations for removal of effects shall be arranged by Human Resources in consultation with the new employee. Once the removal company has been selected and approved by Otago Polytechnic, the new employee will be contacted directly by the selected removalist to make all necessary arrangements.
7. All commitments to relocation expense costs being met by the Polytechnic must be documented and quantified in the employment agreement along with a bond clause (refer bond agreement Appendix 1).

**Referral Documents**

MP0431 Recruitment and Appointment of Staff  
Schedule of Rates – Appendix 2

Approved by Chief Executive  
Date: 7 April 2017



### Bond Agreement for New Staff

Payment of relocation expenses is subject to a bond agreement. If the staff member leaves the service of Otago Polytechnic within three (3) years of taking up their appointment they will be required to refund a proportion of their relocation expenses, based on the length of service and of the expenditure incurred by Otago Polytechnic under this policy.

No monies shall be paid for relocation expenses or commitments with the service providers entered into until the employment agreement has been signed and returned to the Human Resources Department.

(Gross relocation expenses divided by 36) x (36 less the number of complete months employed).

If the new staff member has committed to a relocation plan or their personal and household effects have been or are in the process of being relocated to the city of destination (e.g. Dunedin, Cromwell, Auckland) and the staff member is unable to take up the employment contract, they will be responsible for the reimbursement of costs incurred by Otago Polytechnic and will also be responsible for arranging and paying the return of their personal and household effects (inclusive of pets and vehicles).

If the staff member resigns a proportion of their FTE but retains a part proportion with Otago Polytechnic and has had relocation expenses paid, then a proportion of the relocation costs may need to be reimbursed to Otago Polytechnic based on the following formula.

(Gross relocation expenses divided by 36) x (36 less the number of completed months employed =, then part proportion FTE divided by the original FTE).



**SCHEDULE OF RATES****Removal Expenses**

Maximum Total Contribution in NZ dollars:

	New Zealand		Australia / Pacific	South Africa / Asia	UK / Europe / USA / Canada
	South Island	North Island			
For new staff only	\$6,000	\$7,000	\$13,500	\$16,500	\$20,500
New staff plus one person	\$8,250	\$9,750	\$16,750	\$19,750	\$23,750
New staff plus two people	\$9,750	\$11,250	\$18,750	\$21,750	\$25,750
New staff plus three or more people	\$11,250	\$12,750	\$20,750	\$22,750	\$27,750

*NB: Equivalencies in other currencies may be negotiated as necessary between the parties and with the approval of the Director: Organisational Development.*

Contributions will cover all relocation expenses to the total value of the contribution.

An offer of employment including relocation expenses is subject to the person receiving the offer agreeing to Otago Polytechnic's bond clause as outlined below. It is the responsibility of the person offering employment to explain this to them at the time of offer.

A Human Resources representative will make contact with the new staff member to explain the process and to assist in arranging relocation for the new staff member and their family in line with Otago Polytechnic requirements after verbal offer has been accepted.

