



# Lump Sum Allowance Relocation Guidelines

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**If you have any questions about relocation, please contact:**

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## TABLE OF CONTENTS

Introduction.....	2
Eligibility .....	2
Definitions .....	2
Removal allowances .....	3
Insurance – Marine and In-Transit .....	3
Storage .....	4
Travel.....	5
International travel arrangements .....	5
Stopover .....	5
Domestic travel arrangements .....	6
International Travel insurance.....	6
Accommodation .....	6
Immigration .....	7
Settling in.....	7
Resignation – Repayment of Relocation expenses.....	8
Policy exclusions .....	8
Other notes.....	9
Out of policy requests and increase of allowance requests.....	9
Frequently Asked Questions.....	9

## INTRODUCTION

The University of Otago's Relocation Policy provides guidance on the level of contribution that the University of Otago will make to an appointee's relocation expenses, for specified appointments. While the policy seeks to contribute to the appointee's relocation expenses, it does not attempt to cover all direct or indirect costs.

On a case-by-case basis, the University may provide a lump sum contribution (which may be by way of reimbursement) towards approved expenses for specified fixed-term positions (see eligibility below). The lump sum allowance will consist of either:

1. A lump sum amount that the appointee is free to spend however they like within the policy entitlements and restrictions (unless specified in the letter of offer). For example the appointee may wish to spend their lump sum amount on removal (up to the maximum cubic meterage), or they may wish to split it between flights and accommodation

and/or

2. Assistance with one or more of the following: travel costs; accommodation assistance; removal expenses; insurance expenses; storage fees; immigration expenses (all within the policy maximums).

**The lump sum allowance and any conditions of use is specified in the letter of offer and the Relocation Policy.**

The provision of a lump sum allows flexibility for the appointee. The appointee can make their own relocation arrangements within the conditions outlined in their letter of offer and the Relocation Policy, or they may opt to request that the University of Otago makes the arrangements on their behalf. If the appointee chooses to make their own arrangements, they must first seek approval from Human Resources. The appointee must retain original tax receipts and submit these to Human Resources upon arrival. The University will reimburse up to the maximums specified in the letter of offer and the Relocation Policy.

## ELIGIBILITY

Lump Sum relocation assistance may be offered to fixed-term academic positions e.g. Postdoctoral Fellows, and some permanent or fixed-term general staff positions, e.g. management band positions.

## DEFINITIONS

For the purpose of the Relocation Policy, the following definitions apply:

**Appointee:** the person accepting the appointment

**Partner:** the spouse, civil union partner or de facto partner of the appointee

**Dependents:** children of the appointee and/or their partner who are 18 years or under and reside with the appointee

## REMOVAL ALLOWANCES

If specified in the appointee's letter of offer, the University may:

- a) Contribute a lump sum towards the removal of household goods; **or**
- b) Arrange for the removal of household goods (at the appointee's request) in accordance with the following maximums:

### International

Number of persons	Allowances
Appointee	12 cubic metres
Appointee with partner	18 cubic metres
Appointee with partner and dependents	28 cubic metres

### Domestic

Number of persons	Allowances
Appointee	15 cubic metres
Appointee with partner	25 cubic metres
Appointee with partner and dependents	30 cubic metres

The University has an agreement with a preferred supplier for the removal of effects. Where the letter of offer specifies that the lump sum is to be used for removal, the University can refer the appointee to its preferred supplier, if required. At the appointee's request, the University can co-ordinate removal arrangements on their behalf.

If the appointee opts to make their own removal arrangements, they must first seek approval from Human Resources and they must retain tax receipts and submit these to Human Resources upon arrival.

The University of Otago is not responsible for removal expenses in excess of the above defined allowances. Appointees with excess to their allowance can either negotiate a pro-rata payment with the chosen removalist or make alternative arrangements for the disposal or transportation of household goods and personal effects in excess of their allowance.

## INSURANCE – MARINE AND IN-TRANSIT

If specified in the appointee's letter of offer, the University may contribute to either:

- a) A lump sum towards the insurance for the removal of household goods; **or**
- b) Arrange for the insurance of the removal of household goods (at the appointee's request) in accordance with the following maximums:

## International

Number of persons	Standard cover
Appointee	Insurance cover up to the value of \$13,000 (\$227.50 premium)
Appointee with partner	Insurance cover up to the value of \$25,000 (\$437.50 premium)
Appointee with partner and dependents	Insurance cover up to the value of \$50,000 (\$875.00 premium)

An excess of US\$100 will apply, which the appointee will be responsible for paying should an insurance claim be required.

## Domestic

Number of persons	Standard cover
Appointee	Insurance cover up to the value of \$13,000 (\$97.50 premium)
Appointee with partner	Insurance cover up to the value of \$25,000 (\$187.50 premium)
Appointee with partner and dependents	Insurance cover up to the value of \$50,000 (\$375.00 premium)

An excess of NZ\$175 will apply, which the appointee will be responsible for paying should an insurance claim be required.

## STORAGE

**If specified in the appointee's letter of offer,** The University of Otago will cover the expense of storing household goods and personal effects for the first 14 days following arrival of the goods in New Zealand.

If the appointee is experiencing difficulty finding suitable housing and needs to extend their accommodation arrangements, the University of Otago may extend storage provisions for an additional 7-14 days, contributing up to 50% of the additional costs.

Storage is usually arranged by the removalist. In instances where the appointee has requested that the University arranges the removal, the University will ensure that storage is arranged. In instances where the appointee has chosen to use their lump sum amount towards removal, they will need to ensure that storage has been arranged through their chosen removalist.

## TRAVEL

If specified in the appointee's letter of offer, the University of Otago will meet the actual expenses of a one-way or return economy airfare for the appointee and travelling family members covered under the Policy. In the spirit of the University's Travel Policy, flights arranged will be the most direct and economical flights available.

Travel arrangements are as follows:

- a) the University arranges and prepays the airfares via its preferred Travel Agent (this includes any stopover arrangements required); or
- b) the appointee makes their own travel and stopover arrangements. If this option is selected, the appointee must forward their flight quotes to Human Resources. Human Resources will obtain a quote through its preferred Travel Agent; if the University's quote is lower than that submitted by the appointee, then the University will only reimburse up to the amount of its own quote.

Where the appointee has chosen to make their own travel arrangements, they will be required to retain all original tickets/e-tickets and tax receipts for submission to Human Resources upon arrival. The appointee will be reimbursed up to the agreed amount, if specified in the letter of offer.

## INTERNATIONAL TRAVEL ARRANGEMENTS

If the appointee finds cheaper flights than the flights quoted by the University's preferred Travel Agent, they should advise Human Resources who will consider. If approved, the appointee can confirm and pay for those flights.

## STOPOVER

The University of Otago may pay reasonable costs of one night's accommodation for the appointee and their family en-route, as well as airport transfers.

The University of Otago will not pay for any meal, phone, internet or minibar expenses.

## DOMESTIC TRAVEL ARRANGEMENTS

The University will pay one-way **or** return economy air fares for the Appointee, his/her partner and dependent children.

With prior approval from the University, the Appointee may elect to drive to the relevant campus. In such cases, the University will pay the equivalent of a one-way economy airfare for the Appointee, his/her partner and dependent children. The appointee must submit all original invoices/tax receipts for expenses incurred i.e. ferry tickets, petrol costs and any stopover accommodation costs to Human Resources upon arrival. If the relocation is from an area that is closer to the campus than the nearest airport, then mileage will be paid at the prevailing rate as determined by the Inland Revenue Department.

Appointees driving with their family from the North Island to the South Island or vice versa may be eligible for one night's stopover accommodation. If the appointee chooses to stopover for more than one night, the University will only reimburse for one.

## INTERNATIONAL TRAVEL INSURANCE

At their own cost, the appointee is able to make use of the University's international personal travel insurance benefits. Please see <http://www.otago.ac.nz/financialservices/Policymanual/16Insurance.html#travel> for more information. The appointee's family is only able to use the University's international travel insurance option if they are travelling at the same time as the appointee.

Human Resources may arrange this for the appointee if requested, at the appointee's expense.

The international travel insurance is not available for domestic travel.

## ACCOMMODATION

The purpose of accommodation support is to cover a period of initial temporary accommodation while suitable housing is secured.

**If specified in the appointee's letter of offer**, the University of Otago will pay for accommodation (only) expenses for the first 14 days upon arrival in New Zealand for the appointee and their family.

If the appointee experiences difficulty finding suitable housing, the University may contribute up to 50% of accommodation (only) expenses for an additional 7-14 days.

The University will not pay for phone, internet, meal and minibar expenses.

When available, accommodation is always booked in a motel within walking distance to the relevant campus/city centre.

If the appointee has rental or permanent accommodation to immediately move into on arrival, the University does not contribute to any expenses.

## IMMIGRATION

A NZ Immigration Adviser Act came into effect on 4<sup>th</sup> May 2009 and it requires anyone providing immigration advice about New Zealand to be licensed. Anyone that provides immigration advice, who is not licensed, can face penalties (prison and/or fines). The University of Otago is not licensed to provide advice.

**If specified in the appointee's letter of offer**, the University of Otago will pay one set of approved standard immigration expenses for the appointee and their family as per the following:

For those who have applied for Talent/Work Visa:

- Work permit/work visa fees
- Medical examination fees
- Police clearance fees

For those who have applied for Permanent Residency:

- Expression of Interest fee
- Migrant Levy (\$300 per person for four family members)
- Medical examinations
- Police clearance fees
- Residency fees

The appointee will be required to retain tax receipts for the above expenses, and submit these to Human Resources for reimbursement. The reimbursement will be made in New Zealand dollars for the equivalent amount, conversion will be made at receipt's date exchange rate.

The University will not fund any of the following:

- Passport photos
- NZQA fees ([www.nzqa.govt.nz](http://www.nzqa.govt.nz))
- Translation fees (for non English speaking countries)
- Courier fees
- Travel costs associated with obtaining required documents

If the University has paid for talent/work visa expenses, the cost of subsequent Permanent Residency is to be met by the appointee.

## SETTLING IN

The University of Otago has a wide range of information about moving to New Zealand and our respective campus locations. This information is located on our *Human Resources website*: <http://www.otago.ac.nz/humanresources/careers/relocation/>

Appointees who relocate to the University of Otago will be provided with tailored information to assist them with settling in, including potential housing options, location information and any specific recreation information that the appointee is interested in.

## RESIGNATION – REPAYMENT OF RELOCATION EXPENSES

Where the appointee resigns within **three years** of accepting the appointment, or prior to the expiry of a shorter, fixed-term appointment, they must reimburse the University relocation-related expenses paid on their behalf on a pro-rata basis.

The pro-rated amount will be calculated (based on length and expenditure incurred) and advised by Human Resources.

Immigration costs shall be paid in full if an appointee leaves the service of the University within three years of taking up appointment, or prior to the expiry of a shorter, fixed-term appointment

## POLICY EXCLUSIONS

The University of Otago's financial responsibility does not extend to include the transportation, accommodation, or storage of the following items:

- Articles for independent private enterprise
- Motor vehicles, trailers, motorcycles, motorscooters, spare parts and accessories
- Boats, yachts, etc.
- Wood, coal and other fuels
- Building materials
- Farm machinery
- Horses and other livestock
- Pets of any kind
- Items not essential for adequate day to day living
- Travel insurance
- Customs import duty
- Agriculture and quarantine charges
- Demurrage
- Steam-cleaning
- Storage levies
- Taxes or terminal charges
- Household cleaning services
- All landscaping, gardening, lawn mowing and rubbish collection services.

## OTHER NOTES

- Quotations supplied to the University for the transportation of household goods and personal effects are based upon the original inventory prepared by the removalist(s). The University will not accept charges for additional effects added to the consignment after the acceptance of a quotation.
- The University will accept no responsibility or liability for any failure to produce an Appointee's household goods and personal effects. Under no circumstances will the University be responsible for delays in transit caused by strike, labour trouble, riot, civil commotion, war, invasion, weather, Act of God, bankruptcy, or insolvency.
- University allowances and payments are only made on the basis that neither appointee's nor any accompanying family member(s) are in receipt of, or entitled to any relocation allowance from any other organisation.

## OUT OF POLICY REQUESTS AND INCREASE OF ALLOWANCE REQUESTS

On a case-by-case basis, the University may consider requests out of policy. In these instances, the appointee will contact Human Resources with their request for consideration, prior to arrival in New Zealand. Human Resources will help assess the request and will manage the approval/decline process. The University of Otago will not consider out of policy requests received once the appointee has commenced work. Any approval will be at the discretion of the University of Otago, delegated to the Pro-Vice-Chancellor or Divisional Head.

## FREQUENTLY ASKED QUESTIONS

All our FAQ's are available on the Human Resources website  
<http://www.otago.ac.nz/humanresources/hr/selfservice/>