

REMUNERATION TRIBUNAL

GUIDELINES ON GEOGRAPHIC RELOCATION OF FULL TIME OFFICE HOLDERS

Purpose: These Guidelines are issued by the Remuneration Tribunal to assist Commonwealth agencies, their Ministers and office holders in making a submission for additional benefits where a person is offered appointment to an office in a geographic locality different from their principal place of residence.

Application: The Guidelines apply to public offices where the Tribunal applies a ‘total remuneration’ approach. The Tribunal is also willing to consider submissions for similar benefits for any office where these would be more cost effective for the Commonwealth than travelling allowance provisions that would otherwise apply – for example, in the case of frequent travel to a single destination.

Relocation Costs: Where a person is appointed to an office and their principal place of residence is in a geographic locality (the ‘home locality’) different from that of the office (the ‘office locality’) it is expected that the person will relocate their principal place of residence to the new locality. When this occurs, reasonable relocation costs may be approved by the employer in accordance with agency policies and practices, without referral to the Tribunal.

Non-relocation of household:

Where a person decides to maintain their principal place of residence in their ‘home locality’ the Tribunal may, in special circumstances and where it is in the interests of the agency, give approval for accommodation costs and/or reunion fares to be paid to an office holder. In assessing such applications the Tribunal will have regard to the views of the relevant Minister on the following:

- the personal circumstances of the office holder;
- the duration of the appointment, as well as the duration of the maintenance of two properties by the office holder;
- the availability of other suitable candidates for the office;
- the additional costs involved; and
- any other relevant issues.

N.B. The provisions of the *Privacy Act 1988* should be taken into account when providing any personal information about an office holder or prospective office holder to the Tribunal.

Where the Tribunal concludes that the circumstances of the office holder and the interests of the agency mean that non-relocation is reasonable, one or both of the following provisions may be approved by the Tribunal.

Accommodation Costs

Subject to the Tribunal’s determination, the employer may meet commercial accommodation costs at the office locality (including one-off utility connection costs). The current standard is reimbursement of costs up to a maximum of \$34,500 per annum, other than for Sydney where the maximum reimbursement is up to \$40,000 per annum. The actual allowance maximum amount for an individual office holder will be determined by the Tribunal based on personal circumstances. Allowance payments are subject to proof of expenditure, and are not guaranteed payments to the office holder. Allowances are normally effective from the date of appointment: allowances apply during the settling in period and may encompass a short period of settling in prior to appointment.

Reimbursement of accommodation costs will only continue while:

- the office holder continues to have a property in their home locality, as their principal place of residence; and
- the office holder lives in premises at the office locality not owned by them or their family.

An office holder will not be eligible to access travelling allowance entitlements in their office locality or their home locality while eligible for geographic relocation allowances. Where the commercial accommodation does not include cooking facilities, the cost of meals may form part of the payment, within the accommodation cap set for the office holder.

Non-commercial Accommodation: Where the Tribunal agrees to the payment of accommodation costs, as outlined, and the office holder subsequently elects to be accommodated in private, non-commercial accommodation, such as the home of a family member or friend, a rate of one third of the accommodation allowance as determined by the Tribunal, will apply.

Adjustment of Accommodation Costs: Where the Tribunal has agreed to a payment which covers the total rent of a property, and the rent of that property is increased so that the maximum payment is no longer sufficient, the Tribunal will generally agree, on the receipt of written evidence, to an increase in the maximum amount to cover the total rent. Unless otherwise advised, a submission accompanying the documentary evidence will not be necessary.

Cessation of Accommodation Allowance: Where, in terms of the ongoing arrangements, it would clearly be more cost effective for the agency to provide travelling allowance entitlements in the office locality, at the earliest practical opportunity the agency should decide to pay travelling allowance rather than continue to pay the accommodation allowance and should advise the Tribunal accordingly.

Reunion Fares

Subject to the Tribunal's determination, the employer may provide the office holder with travel assistance between the office locality and the nearest capital city to the home locality for the purpose of family reunion.

When the Tribunal agrees to a reunion fares arrangement it will normally determine a specific dollar figure, based on up to 12 return fares at the office holder's normal class of travel. This amount operates as an annual cap on actual expenditure, within which the officer holder is able to organise flights for reunion travel as they see fit.

Where business travel to the home locality provides an opportunity for family reunion (such as when the business travel is adjacent to a weekend), the maximum reunion fares amount for the office holder should be reduced by the equivalent of one return fare at the office holder's normal class of travel.

Reunion travel is not travel on official business.

Any unused reunion travel entitlement cannot be cashed out. It lapses on separation, and may not be carried over or brought forward from year to year. Where the maximum allowance determined by the Tribunal for the office holder is demonstrably inadequate to meet the individual's reasonable reunion needs, a further submission should be made.

Where an agency decides to cease payment of accommodation allowance and to pay the office holder travelling allowance, the reunion fares allowance for that office holder will no longer apply, and the Tribunal should be advised.

Issued by the Remuneration Tribunal on 9 December 2014