

ISLE OF MAN CIVIL SERVICE
RELOCATION EXPENSES SCHEME

Last updated 7 March 2013 – Amendment No 13-002

Isle of Man Government has a scheme which allows for relocation expenses to be paid to assist successful candidates in relocating to the Island from the UK. The following details how this Scheme is applied to appointments in the Civil Service.

OBJECTIVE

Where a vacancy is to be advertised off Island, financial assistance can be offered to a successful candidate who resides outside of the Isle of Man. It should be part of an overall package and regard must be taken of any recruitment allowance already included in the terms and conditions of the post concerned. The Relocation Expenses Scheme is made up of three parts:-

A Relocation Grant
An interest free Advance of Salary
Housing Assistance – ***this part of the Relocation Expenses Scheme has been suspended indefinitely***

AUTHORITY

1. The Public Services Commission or its Secretary under delegated authority, will, in consultation with the department concerned:-
 - a) advertise a vacancy without the offer of relocation expenses having regard to the availability of qualified staff and circulation of advertisement (e.g. local only);
 - b) offer a Relocation Grant and determine the maximum amount available (payable upon the production of relevant receipts/invoices), within budgetary provision; (Appendix 1). Where a relocation grant is offered, the appointee will also be entitled to submit a claim under the Housing Assistance Scheme, ([Appendix 3](#)); ***N.B. this Scheme is suspended indefinitely,***
 - (c) offer an optional interest free Advance of Salary to any post eligible for the relocation grant, ([Appendix 2](#));

Note - Delegated Authority

In those departments where the Public Services Commission has formally delegated the authority for Recruitment and Selection, the department should determine which post holders will have the authority for determining 1 a) to c) above, subject to the civil servant concerned being at Pay Span IV or above. (Normally those staff who act as Recruitment Manager on the Selection Panel).

The only exception to this is where the appointment is for a Chief Executive Officer/Accounting Officer position where in all cases, the authority will lie with the Public Services Commission or its Secretary.

2. Relocation Expenses will only be paid in the following circumstances:-
 - (a) as a **recruitment incentive**, i.e. if the Scheme has been mentioned in the job advertisement and the terms and conditions leaflet;
 - (b) to enable off-Island appointees to take up an appointment as quickly as possible;
3. The Terms and Conditions leaflet for every vacancy will state whether or not Relocation Expenses are available and more detailed information will be given in the Notes for Applicants handout.
4. Any offer of appointment must include reference to the Relocation Expenses Scheme, the conditions (which the appointee will thereby accept as part of the contract of employment) and the maximum amount of relocation grant to be paid (upon the production of relevant receipts/invoices), as agreed by the Selection Panel. In accepting the offer of employment, the successful candidate must sign an undertaking to reimburse the Isle of Man Treasury on termination of appointment as provided for under the Scheme.
5. All claims for payment must be submitted on the appropriate form and will be processed via the relevant Payroll Section.

Claims must be submitted within 12 months of the date of taking up employment.
6. The Scheme only applies on the condition that a claim has not been met from any other source, e.g. a spouse's or partner's employer.
7. The amount of Relocation Grant awarded may be reviewed by a person with appropriate authority (see 1 above) and increased, where a civil servant is able to demonstrate that he is suffering financial hardship as a direct result of costs incurred in relocating to the Island.

RESPONSIBILITIES

All Government Departments

12. Payment of all entitlements via the payroll and in accordance with Scheme Rules.

Office of Human Resources

13. Monitor and review the Relocation Expenses Scheme on behalf of the Council of Ministers.
14. Recommendations concerning variations to the Scheme; including provision and scope, following consultation with departments.

RECORDS/AUDIT

Accounting Officers must keep detailed records of all claims passed for payment. Records should differentiate between the types of payment provided for under the Scheme to enable the total cost of each to be assessed easily and the effectiveness of the Scheme to be monitored on an annual basis.

REVIEW OF THE SCHEME

The Scheme is subject to review at any time. However, Accounting Officers and all staff who have been involved in the Scheme are asked to pass on any comments on its operation to the Chief Officer, Office of Human Resources.

PROVISIONS

These are set out in **Appendix [1](#), [2](#) and [3](#)**.

FURTHER ADVICE

Further advice and guidance is available from the Office of Human Resources.

ISLE OF MAN CIVIL SERVICE

RELOCATION EXPENSES SCHEME - RELOCATION GRANT

PRINCIPLE

Before the post is advertised, an appropriate person should determine whether it is appropriate to offer a relocation grant and in doing so, should firstly consider the availability of locally qualified people.

The relocation grant has a maximum amount (payable upon the production of relevant receipts/invoices) but a lesser amount can be negotiated paying regard to particular circumstances including the availability of recruits following advertisement.

RULES:

- (1) The maximum grant payable is £10,000 payable upon the production of relevant receipts/invoices and regard must be taken of any recruitment allowance included in the salary of the post.
- (2) If the Accounting Officer believes that there is sufficient reason to exceed the current maximum (£10,000), a request must firstly be submitted to the Public Services Commission for its approval. (Grants in excess of £10,000 are normally liable for NI and Income Tax deductions).
- (3) Civil Servants appointed on a 'permanent' basis or fixed term basis of 3 years or more, are eligible for the grant.
- (4) The grant will be payable upon the production of relevant receipts/invoices. Payments will be made, via the payroll.
- (5) Payments will only be made to civil servants where an undertaking is signed that any payments so made may be repaid to the department if the civil servant:
 - a) voluntarily leaves their appointment before completing 3 years' service or
 - b) is dismissed for reasons of discipline or capability before completing 3 years' service.

Note: Where the dismissal is on the grounds of capability, the Public Services Commission will consider whether it is appropriate to seek repayment for the payments made. It is unlikely that repayment will be sought where the capability is as a result of a serious debilitating illness.

The amount to be refunded will be directly proportional to the number of months' **uncompleted** service during the first 3 years.

e.g. a civil servant who resigns after completing 11 months and 25 days' service would be required to refund 25/36 of the grant paid.

- (6) Persons appointed on a fixed term of 12 months or more but less than 36 months have no eligibility for the full grant but may receive the relocation grant on a pro rata basis for the period that the contract exists.

e.g. 2 years = 2/3 of Grant paid monthly (in this case 24 monthly payments).

- (7) The grant will not be superannuable nor liable for income tax or National Insurance contributions where it **does not exceed** the normal maximum of £10,000.

EXPENSES COVERED BY THE RELOCATION GRANT (payable upon the production of relevant receipts/invoices)

It is intended that the grant will provide some assistance towards the usual expenses (inclusive of V.A.T.) connected with relocation such as:-

- Buying and selling of property expenses.
- Removal of all effects (including storage).
- All travel to and from old address (including preliminary visits).
- Relocation of dependants (see note below).
- Temporary accommodation costs, (during first 3 months).
- Associated miscellaneous expenses, e.g. telephone connection, household connections, fittings, etc.

NOTE: Dependants is defined as -

“Members of a person’s family or household which includes spouse or partner, children, parents and servants.”

ISLE OF MAN CIVIL SERVICE

RELOCATION EXPENSES SCHEME - INTEREST FREE ADVANCE OF SALARY

The interest free advance of salary of up to £2,000 is available to assist with unexpected expenses or hardship arising from relocation, e.g. delayed sale of UK property, storage of household effects.

- (i) The advance may only be claimed during the 12 months following the civil servant's appointment.
- (ii) It is repayable within 2 years of the date of the advance. Repayments will commence 6 months after the date of the advance and minimum monthly repayments will be 1/18 of the total advanced. Repayments will be deducted monthly from the civil servant's salary. The advance may be repaid earlier by agreement.
- (iii) In the event of the civil servant leaving employment before the advance has been repaid, the remaining amount due will become payable on or before the last day of service
- (iv) The civil servant must sign an undertaking to that effect before any advance is made.
- (iv) This advance is only available to a civil servant appointed on a 'without term' basis or for a fixed term of 3 years or more.
- (v) The payment of the advance will be made with the civil servant's salary.

**HOUSING ASSISTANCE SCHEME FOR CIVIL SERVANTS
RELOCATING TO THE ISLAND**

(N.B. this Scheme is suspended indefinitely)

Should a Department, Board or Office identify an exceptional case during this period of suspension which would warrant the payment of Housing Assistance, a business case would need to be submitted to the Secretary of the Public Services Commission for consideration by the Commission.

This Scheme provides financial assistance towards accommodation costs for civil servants who are relocating from the UK to the Isle of Man and who as a result of this, are incurring higher costs on the Island, which in the short term could lead to financial difficulties.

The Relocation Expenses Scheme which was introduced in April 1998, will continue to exist separately from the Housing Assistance Scheme and covers all other expenses associated with removal from the UK and all accommodation costs incurred within the first 3 months of employment. As the Relocation Expenses Scheme provides an element in respect of temporary accommodation costs, claims for Housing Assistance cannot be made during the first three months of a civil servant's appointment. Applications for Housing Assistance will be considered at any time within the six month period immediately following the third month of employment, i.e. between the fourth and ninth month of employment.

The authorisation of financial assistance under the Housing Assistance Scheme will be determined by the Chief Executive or delegated senior manager where the provisions of the scheme are met. This Housing Assistance Scheme will be funded by the relevant Department.

A civil servant granted assistance under this scheme will not be required to repay any of the amount granted under the Housing Assistance Scheme on resigning from his or her appointment even if that is less than 3 years.

ELIGIBILITY TO CLAIM

The Housing Assistance Scheme can only be applied where it has been agreed to offer a Relocation Grant with the post, which would have been agreed by the Recruitment Panel before the post was advertised.

Housing Assistance will normally only be paid to one person in respect of each property. For example, if two civil servants were living together and both were eligible to claim Housing Assistance, only one person should submit the application. If however both wished to submit a claim, their individual entitlement would be 50% of the amount that would have been paid if only one of them had made the claim. Where financial assistance in respect of housing costs has been granted from another source (i.e. a partner's employer), this should be declared on the application form and will be taken into consideration.

Any income received from a property for which Housing Assistance is being paid, must be declared and will be fully taken into consideration when determining the amount to be paid.

CALCULATION OF PAYMENTS

The amount of assistance will be dependent on the civil servant's personal circumstances and should be calculated on the following basis, subject to any payments made under the Housing Assistance Scheme for a maximum total period of two years:-

Example A - Civil servant still paying UK mortgage

Civil servant has UK mortgaged property which is for sale and for which he receives no rental income, and is paying either rent or mortgage on an IOM property.

UK mortgage is £400 per month

IOM rent/mortgage is £550 per month

Housing Assistance of £400 per month, the lower figure, can be granted. There is a maximum limit of £500 per month and the assistance will only be paid whilst the UK property remains unsold or up to a maximum of 2 years. The civil servant will be required to provide proof that efforts are being made to sell the property and of the actual mortgage/rent payments made.

Example B -No UK property but civil servant has higher accommodation costs on Island

Civil servant previously owned/rented a UK property for £450 per month immediately prior to relocation and is now either paying rent or mortgage on IOM of £600 per month.

An allowance of £150 per month calculated on the difference between the two costs can be granted.

The maximum amount which can be paid in these circumstances is £250 per month - for a maximum of 2 years.

Note:

Example A applies until any UK property has been sold (maximum of £500 per month). Once UK property has been sold Example B will apply (maximum of £250 per month). As mentioned above any payments made under this scheme are only payable for a total of two years.

TREATMENT OF PAYMENTS MADE UNDER THE SCHEME

Any payments made under the Housing Assistance Scheme will be paid on a monthly basis with normal salary for a maximum of 2 years.

Such payments are not be liable to Superannuation contributions but are liable to National Insurance contributions. Housing Assistance payments will not be liable to Income Tax deductions at source, however officers will be required to declare the full amount of any Housing Assistance received as a 'benefit in kind' on their Income Tax Assessment forms each year.

CHANGE IN CIRCUMSTANCES - REVIEW

A civil servant who is receiving financial assistance under the Housing Assistance Scheme will be required to sign a declaration confirming the actual costs involved and agreeing to notify the Department of any change in circumstances. Failure to provide timely notification of changes may lead to the withdrawal of assistance. A copy of this form is attached.

RECORDS OF PAYMENTS MADE UNDER THE SCHEME

Departments are required to keep a full record of all payments made under the scheme including details relating to the initial and any subsequent assessments, in line with the Financial Regulations.

Housing Assistance Scheme Application Form

1. Personal Details

Name:

Post:

Date of appointment:

Amount of Relocation Grant awarded: £

2. About Your New Accommodation in the Isle of Man

Address:

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.....Postcode:.....

Do you own or rent this accommodation? Own / Rent (please circle)

Amount of rent/mortgage per month: £

Is this property: Terraced / Semi-detached / Detached / Apartment (please circle)

Number of bedrooms:

Number of dependents*:

*A dependent is defined as a spouse/partner, a child under 16 years of age (under 19 years of age if still in full-time non-advanced education), or a severely disabled relative (i.e. in receipt of Attendance Allowance, Constant Attendance Allowance or the highest or middle rate of the care component of Disability Living Allowance).

3. About Your Previous Accommodation Outside the Isle of Man

Address:

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.....Postcode:.....

Did you own or rent this accommodation? Own / Rent (please circle)

Amount of rent/mortgage per month: £

Do you still own this accommodation? Yes / No (please circle)

Is this accommodation for sale? Yes / No (please circle)

What is the current sale price? £

Is the property rented out? Yes / No (please circle)

How much is the rental income per calendar month? £

Is/was this property: Terraced / Semi-detached / Detached / Apartment (please circle)

Number of bedrooms:

4. Spouse or Partner

Is your spouse or partner already residing in the Isle of Man?

Yes / No (please circle)

Is your spouse or partner entitled to assistance towards relocating to the Isle of Man?

Yes / No (please circle)

Please give details:

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Is your spouse or partner eligible to claim under the provisions of this Scheme?

Yes / No (please circle)

If so, please give details of how any entitlement will be divided:

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5. Additional Information

Do you receive any income from or financial assistance towards **any** property?

Yes / No (please circle)

Please provide details:

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Have you included:-

- Bank/Building Society confirmation of mortgage and other associated payments (e.g. endowment policies) or copy of rental agreement or rent book
- Copy of the Estate Agency contract and property details.

If not, please provide details:

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6. Personal Statement

Please provide any further information that you feel may be pertinent to your application for housing assistance under the Scheme:

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You should ensure that you have read and understood the provisions of the Housing Assistance Scheme before submitting your application. Any queries should be directed to your Head of Department or the Office of Human Resources.

Declaration

I can confirm that I have read and understood this form and that the information which I have given is true and correct. I understand that should any of the details change which may affect the amount of assistance paid, I will inform the Head of Department within 5 working days and that failure to do so may result in the assistance being permanently withdrawn and any overpayment being fully recoverable.

Signed:Date:.....

**Approved.....Date:.....
(Head of Department)**