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| Relocation manual  Chapter 4: Payment of expenses  October 2017 |

# Revision history

Department of Health

| Version | Amended section | Effective | Details |
| --- | --- | --- | --- |
| 1.0 |  | October 2017 | Incorporation of version control table  Accessible format |

More information

To find out about housing options visit the [Housing website](http://www.housing.vic.gov.au) <http://www.housing.vic.gov.au> or contact your local [Housing Office](http://www.housing.vic.gov.au/contact-a-housing-office) <http://www.housing.vic.gov.au/contact-a-housing-office>.

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Available on the [Relocation manual page](https://providers.dhhs.vic.gov.au/relocation-manual) on Services Providers website <https://providers.dhhs.vic.gov.au/relocation-manual>.

# Contents

Department of Health

Department of Health

[Revision history 2](#_Toc497216763)

[Contents 3](#_Toc497216764)

[Payment of expenses policy 4](#_Toc497216765)

[Introduction 4](#_Toc497216766)

[Budget for relocation expenses 4](#_Toc497216767)

[Delegations for relocation expenses 4](#_Toc497216768)

[Connection fees 4](#_Toc497216769)

[Mail redirection fees 4](#_Toc497216770)

[Removal expenses 5](#_Toc497216771)

[Packing and unpacking 5](#_Toc497216772)

[Insurance 5](#_Toc497216773)

[Compensation for improvements 5](#_Toc497216774)

[Transport to relocation or redeveloped housing 6](#_Toc497216775)

[Payment of expenses procedures 6](#_Toc497216776)

[Payment of relocation expenses 6](#_Toc497216777)

[Paying reconnection fees 6](#_Toc497216778)

[Arranging mail redirection 6](#_Toc497216779)

[Tenant has paid fees 7](#_Toc497216780)

[Tenant arranges removalist 7](#_Toc497216781)

[Tenant undertakes own removal 8](#_Toc497216782)

[The Department arranges removalist 8](#_Toc497216783)

[Assistance with packing and unpacking 9](#_Toc497216784)

[Insurance claims 9](#_Toc497216785)

[Transport to relocation or redeveloped housing 9](#_Toc497216786)

[Assessing compensation for improvements 10](#_Toc497216787)

[Appendices 11](#_Toc497216788)

[Relocation disclaimer form 11](#_Toc497216789)

# Payment of expenses policy

## Introduction

The Department of Human Services (the Department) aims to minimise the financial expenses incurred by tenants when relocating from a Departmental property or back to a Departmental property when due to a redevelopment project.

The Department takes responsibility for payment of:

* electricity and gas connection fees
* mail redirection fees
* telephone connection fees
* removal of household items
* transport to the relocation or move back housing
* compensation for property improvements in specific circumstances.

Tenants are not expected to pay for any relocation expenses and then be reimbursed by the Department.

## Budget for relocation expenses

A budget is available for each redevelopment projects. A project code and a project charge code is established for a redevelopment project. The project code is a number used to identify a specific redevelopment project. The project charge code is the financial code used to charge all relevant expenses.

## Delegations for relocation expenses

The Housing Services Manager (HSM) can approve individual tenant relocation or move back payments up to $15,000, including compensation for an improvement to the original housing and the letting of removalist contracts.

## Connection fees

### Electricity connection fees

The Department pays for electricity connection fees for tenants who are being relocated or moving back to the redeveloped site.

### Gas connection fees

The Department pays for gas connection fees for relocation and move back to the redeveloped site.

### Telephone connection fees

The Department pays for telephone connection fees only where the phone was connected in the original property in the name of any of the household members.

## Mail redirection fees

The Department pays for mail redirection from the original or interim housing to the relocation or move back housing for a period of six months.

Australia Post provides free mail redirection service for six months to persons in receipt of a pension or benefit.

## Removal expenses

The Department pays for the removal of items from the original and interim housing to the relocation or redeveloped housing.

Tenants can arrange their own removalist or use a removalist contracted to the Department.

### The Department arranges removalist

The Department contracts a removalist in consultation with tenants, tenant groups or the Local Advisory Committee.

For removal contracts in excess of $50,000, it must go to public tender, consistent with Treasury Regulations.

Removalists are requested to also include in their quote the cost of providing estimates for tenants undertaking the removal of their own household items.

### Tenant arranges removalist

If a tenant wishes to arrange their own removalist, they must provide three written quotes. The Department pays removalist expenses based on the cheapest quote unless problems have been previously reported with the removalist and verified. For example, the removalist has left without removing all household items.

The Department will also provide assistance through contractors to remove items the removalist will not remove. For example, dismantling playground equipment, fish tanks, and aviaries etc.

### Tenant undertakes removal

If a tenant wishes to undertake the removal of their own household items, the Department’s appointed removalist provides an estimate of the removal cost and the tenant is paid this amount.

The Department does not pay for insurance in these cases.

## Packing and unpacking

The Department does not pay for a packing or unpacking service, unless packing would be difficult for the tenant. For example, tenants who are elderly or have a disability.

The removalist makes available boxes for the packing of goods.

## Insurance

The Department pays for transit insurance. Transit insurance covers any damage to the tenant’s goods whilst on the vehicle, for example, fire or collision.

Mechanical damage to fridges, stereos etc. is not covered under transit insurance unless obvious damage occurs, for example if an item has been dropped.

The Department does not pay comprehensive insurance, however tenants may wish to pay for this themselves.

Breakable items are not insured unless the removalist packs them.

## Compensation for improvements

The Department compensates tenants for improvements that they made to the original housing for example, carports and pergolas where:

* Departmental approval has been given to the tenant for the improvement
* the improvement was made less than five years before relocation from the original housing
* the improvement cannot be removed, resold or reused.

The Department pays compensation at the current value of the tenant's improvement, or provides the improvement at the permanent relocation or redeveloped housing.

## Transport to relocation or redeveloped housing

The Department will pay for public transport to the relocation or redeveloped housing for tenants who require transport on the day of the move.

The Department will pay for the reasonable cost of a taxi where the tenant has a special need that would make using public transport difficult. For example, the tenant is elderly or has a disability.

# Payment of expenses procedures

## Payment of relocation expenses

All payment claim forms are sent to Property Services Asset Management (PSAM) Branch Level 26, 50 Lonsdale Street, Melbourne, 3000 to charge the payment against the redevelopment project charge code. Finance and Business Services then arranges payment.

## Paying reconnection fees

### Electricity and gas accounts

Advise the tenant to pay electricity and gas accounts except for the connection fee components. Ask the tenant to provide the account itemising the connection fee amount along with their Health Care Card details to the Redevelopment Project Officer (RPO) managing the redevelopment.

### Telephone accounts

Ask the tenant to confirm if the telephone was connected in the name of a household member. If so request that the tenant provide documentation showing this. For example, a previous telephone account in the name of a household member.

Request that the tenant pay the telephone account except for the reconnection charge component. Ask the tenant to provide the account to the RPO managing the redevelopment.

RPOs may negotiate alternative payment arrangements with service authorities, provided the agreed arrangement does not require the tenant to pay the service authority and then be reimbursed.

Complete a Payment Authorisation Form including the redevelopment project charge code and attach a copy of the account/s. Arrange for the form to be authorised by the relevant manager depending on the amount of the claim, see [Delegations for relocation expenses](#_Delegations_for_Relocation)page 4.

Send the form and account to PSAM to charge the payment against the redevelopment project charge code. PSAM then arranges payment to the tenant, see [Payment of relocation expenses](#_Payment_of_Relocation), page 6.

## Arranging mail redirection

Provide the tenant with a mail redirection form when a new Residential Tenancy Agreement is signed for the relocation or redeveloped housing.

* Mail redirection forms can be obtained from Australia Post.

Ask the tenant to complete and sign the form. Advise the tenant to take the form to Australia Post. For confidentiality reasons it is a requirement of Australia Post that clients present the form in person.

Redirection fees should be charged against the redevelopment project charge code.

Where there are a small number of tenants requiring mail redirection, cheques may be provided to the tenant to cover the cost of mail redirection.

If this is the case, complete a payment authorisation form for the individual tenants including the redevelopment project charge code and the cost of the mail redirection.

Australia Post provides a free mail redirection for up to six months to people in receipt of a pension or benefit.

Ask the HSM to authorise the form.

Send the form and account to the Property Services and Asset Management Branch (PSAM) to charge the payment against the redevelopment project charge code. PSAM will then arrange for a payment to be made see [Payment of relocation expenses](#_Payment_of_Relocation)**,** page 6.

Where there are a sufficient number of tenants requiring mail redirection, Australia Post can establish an account for mail redirection. Contact the Major Account Manager of the Credit Management Office of the local Australia Post Office to arrange this.

## Tenant has paid fees

Where a tenant has paid any connection or mail redirection fees, advise the tenant that the Department will reimburse them for the payment.

Identify clearly on the electricity, gas, or telephone account the amount for which the Department is responsible.

Complete a general claim form (generated via HiiP form no 281) including the redevelopment project charge code and attach a copy of the account/s. Arrange for the form to be authorised by the HSM, see [Delegations for relocation expenses](#_Delegations_for_Relocation)page 4.

Send the form and account to PSAM to charge the payment against the redevelopment project charge code. PSAM will then arrange payment to the tenant, see [Payment of relocation expenses](#_Payment_of_Relocation),page 6.

Place a copy of the account on the tenant's rental housing application file and a note in HiiP.

## Tenant arranges removalist

Where tenants wish to arrange their own removalist, advise the tenant to submit three written quotes from removalists to the Housing Office managing the redevelopment at least ten days prior to the move. This is necessary to allow time for the Department to accept a quote and arrange payment.

Check the written quotes to ensure that:

* transit insurance has been included
* the cost of supplying packing boxes has been included
* comprehensive insurance has not been included. (Note that tenants may wish to pay for this themselves)
* check with the tenant that all items to be removed have been included in the quote.

Identify the most suitably priced quote and notify the tenant of the successful removalist.

The tenant is advised:

* that the Department will pay for transit insurance
* that they may wish to pay for comprehensive insurance as this is not paid by the Department
* that all breakable items should be carefully packed as these are not insured unless they are packed by the removalist
* that packing boxes will be provided by the removalist for non-breakable items
* to ask the removalist to prepare a goods condition report (which is prepared by the removalist company) with the tenant on the day of the move to assist with any claims for damage
* to telephone the removalist to arrange a convenient date and time to move
* to negotiate with the Housing Office on a date for them to move.

Complete a payment authorisation form including the redevelopment project charge code and attach a copy of the account/s. Arrange for the form to be authorised by the relevant Manager (depending on the amount of the claim) see [Delegations for relocation expenses](#_Delegations_for_Relocation), page 4.

Send the claim form with a copy of the successful quote to the PSAM to charge the payment against the redevelopment project charge code. PSAM then arranges payment to the tenant, see [Payment of relocation expenses,](#_Payment_of_Relocation) page 6.

If the quotes provided are on an hourly basis, ask the tenant to advise the removalist to send the invoice to the Housing Office after the move so payment can be arranged.

Place a copy of the quotes on the tenant's rental housing application file and make a note in HiiP.

### Disclaimer form for tenants arranging own removalist

* The tenant is asked to sign a [Relocation disclaimer form](#_Relocation_Disclaimer_Form) see appendices page 11, before being given the cheque. This form acknowledges receipt of the cheque and states that the Department will pay no further expenses related to the removal of household items.

The cheque can either be sent directly to the removalist or given to the tenant to give the removalist on the day of the move.

## Tenant undertakes own removal

If the tenant wishes to remove their own items arrange for the Department’s appointed removalist to inspect the property and provide an estimate of the cost of the removal.

Advise the tenant of the amount they will be paid and that they will be paid after all items have been moved.

Complete a payment authorisation form including the redevelopment project charge code and attach a copy of the account/s. Arrange for the form to be authorised by the relevant Manager (depending on the amount of the claim), see [Delegations for relocation expenses](#_Delegations_for_Relocation), page 4*.*

Send the claim form to the PSAM to charge the payment against the redevelopment project charge code. PSAM then arranges payment to the tenant, see [Payment of relocation expenses](#_Payment_of_Relocation),page 6

* Check that all household items have been moved from the property before giving the cheque to the tenant. Ask the tenant to sign a [Relocation disclaimer form](#_Relocation_Disclaimer_Form), see Appendix 1, page 11 acknowledging receipt of the cheque.

## The Department arranges removalist

To arrange a removalist obtain three written quotes from three removalists.

If the removal contract is likely to be in excess of $50,000 arrange public tender.

Ask the removalist to also include in their quote the costs for providing estimate costs of removal where tenants wish to undertake the removal of their own household items.

It is preferable for removalists to inspect each property as part of the quotation process. However for large redevelopment projects this will not always be possible.

Where inspections are to occur, arrange this with tenants. Assistance in arranging inspections can be provided from the Local Advisory Committee or tenant group.

Ensure that transit insurance and packing boxes for tenants’ goods have been included in the quote.

Advise the removalists in writing whether their quotes have been accepted.

Give the tenant the name and telephone number of the removalist, and advise the tenant that:

* the Department will pay for transit insurance
* they may wish to pay for comprehensive insurance as this is not paid by the Department
* all breakable items should be carefully packed as these are not insured, unless these are packed by the removalist
* packing boxes will be provided by the removalist for non-breakable items
* goods condition report is to be prepared by the removalist with the tenant on the day of the move to assist with any claims for damage
* the removalist is to be contacted by the tenant to arrange a convenient date and time to move
* to notify the Department of the date that they intend to move.

## Assistance with packing and unpacking

Where tenants would find packing and unpacking difficult because special circumstances apply, for example, the tenant is elderly or has a disability, seek approval from the HSM to include the cost of packing in the quotes from removalists.

Complete a Payment Authorisation Form including the redevelopment project charge code and attach a copy of the account/s. Arrange for the form to be authorised by the relevant Manager (depending on the amount of the claim), see [Delegations for relocation expenses](#_Delegations_for_Relocation), page 4.

Send the form to PSAM to charge the payment against the redevelopment project charge code PSAM then arranges payment, see [Payment of relocation expenses](#_Payment_of_Relocation), page 6.

Advise the tenant that the removalist is responsible for breakable items that have been packed by them.

## Insurance claims

If the tenant contacts the Department regarding damage to an item that occurred during transit, refer the tenant to the removalist company. Advise the tenant to refer to the goods condition report when discussing any damage with the removalist.

## Transport to relocation or redeveloped housing

If the tenant requires transport to the relocation or redeveloped housing on the day of the move, advise the tenant that the Department will pay for public transport to the relocation or redeveloped housing.

Complete a Payment Authorisation Form with the amount of an appropriate ticket and ask the tenant to sign the form.

If the tenant has special needs that would make travel on public transport difficult, provide the tenant with a taxi voucher. Include a limit on the voucher to reasonably reflect the cost of the trip.

Request for HSM approval, see [Delegations for relocation expenses](#_Delegations_for_Relocation),page 4. Send the form to PSAM Branch to charge the payment against the redevelopment project charge code, see [Payment of relocation expenses](#_Payment_of_Relocation), page 6, PSAM then arranges payment.

## Assessing compensation for improvements

If the tenant advises the Department that they have made an improvement to the original housing check that:

* the Department has granted approval for the improvement, records are generally kept in property or tenancy files
* approval was granted for the improvement less than five years ago
* the improvement cannot be removed and sold or re-used.

### Compensation for improvements to the original housing under $15,000

If the value of the improvements is below $15,000, arrange a visit to the property to assess the value of the improvement. Tenants may also have copies of receipts to assist in assessing the value of the improvement, or suppliers of the improvement can also assist in providing an indication of the value.

If agreement with the tenant is reached regarding the value of the improvement, complete a Payment Authorisation Form and request that the HSM approve the claim.

If approval is granted, send the form to the PSAM to charge the payment against the redevelopment project charge code, see [Payment of relocation expenses](#_Payment_of_Relocation), page 6, Finance and Business Services then arranges payment.

If agreement on the value of an improvement cannot be reached with the tenant, arrange for an independent valuer to assess the improvement. Valuers are listed under 'Valuers General' in the Yellow Pages.

Create a claim using HiiP Manage Incidents and Claims and load all documents into HiiP against the tenancy and the property via that function.

### Compensation for improvements to the original housing over $15,000

If the value of the improvements is over $15,000, obtain an independent valuation of the improvement. Valuers are listed under 'Valuer General' in the Yellow Pages.

Complete a Payment Authorisation Form and seek approval from the Regional Director/Manager Housing, Primary and Complex Care.

If approval is granted send the form to PSAM to charge the payment against the redevelopment project charge code, see [Payment of relocation expenses](#_Payment_of_Relocation), page 6. PSAM then arranges payment.

Create a claim using HiiP Manage Incidents and Claims and load all documents into HiiP against the tenancy and the property via that function.

# Appendix 1

## Relocation disclaimer form

### Payment of removal expenses

| Tenant/s name: | <Fill in tenant/s name> |
| --- | --- |
| Address moving from: | <Fill in address moving from> |
| New address: | <Fill in new address> |
| Removalist: | <Fill in removalist name> |

#### Disclaimer

Provision of this cheque is in full settlement of the costs of removal of goods that the Department has agreed to pay in respect to my/our relocation from my/our current housing to my/our new housing. No future claims will be made against the Department for additional removal costs.

| Cheque number: | <Fill in cheque number> |
| --- | --- |
| Amount: | <Fill in the amount> |
| Signature of tenant/s: | (Please sign by hand) |
| Date: | <Fill in the date the tenant signed form> |
| Signature of witness: | (Please sign by hand) |
| Date: | <Fill in the date the witness signed form> |