

9.11 Cost Of Living Addition (COLA)

This policy describes what addition you receive to your normal pay in respect of increased living costs if you are posted overseas

- The frequency and criteria for increases in the cost of living addition are detailed in Section 2
- The amount you will receive is dependant on whether you are accompanied by your partner and/or children – Sections 4 and 5
- The policy also describes what happens in unusual situations where you are not in post during the whole of the posting – Sections 7, 8 and 9

The following terms within this policy are defined in the glossary:

Temporary Duty, COLA, children's' visit journey

You may also be interested in the following policies:

8.07 Pay for Overseas Postings, 9.04 General Guidance on Overseas Posting, 9.06 Administrative Arrangements for Overseas Posting, 9.07 Other Allowances and Grants or Overseas Posts, 9.08 Medical Arrangements at Overseas Post, 9.09 Overseas Subsistence Allowance, 9.10 Overseas Posting and Travel, 9.12 Financial Liabilities of Staff Who Leave Overseas Post Early

This policy is version 1.0

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This homepage is only a guide to the policy, not the policy itself. In the event of any discrepancy between the content of this homepage and the associated policy, the wording of the policy shall apply.

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CONTENTS

1 Purpose	3
2 Changes to COLA	3
3 Qualifications and Rates	3
4 Accompanied/Unaccompanied Officers	3
5 Children	3
6 Leave	4
7 Temporary Duty Away From Substantive Post.....	4
8 Medical Treatment.....	4
9 Maternity/Paternity/Adoption Leave.....	4
10 Partner Temporarily Absent	4
11 Child Temporarily Absent.....	5

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1 Purpose

1.1 COLA is paid to compensate you for the additional cost of maintaining overseas a standard of living comparable to that in NI. In countries where the cost of living is less expensive than in NI, COLA might be set at zero. COLA rates can change significantly during a posting, up or down.

1.2 If you are posted overseas to a European Commission post, you will in addition to receipt of the EC Daily Allowance (COLA equivalent) also receive the Inner London Weighting Allowance.

2 Changes to COLA

2.1 Rates of COLA are revised on 1 March and 1 September each year and are subject to:

- a. changes in salary;
- b. changes in rates of inflation at post;
- c. changes in exchange rates;
- d. price changes in the UK; and
- e. the UK annual Family Expenditure Survey (FES) exercise.

Revisions are undertaken more often in high inflation countries or in exceptional circumstances. Revised rates are issued to Departments on request by Central Personnel Group, Department of Finance and Personnel.

3 Qualifications and Rates

3.1 If you are posted overseas for more than four months you are eligible to receive COLA. If Temporary Duty is extended beyond four months, subsistence ceases from the date of being informed of the extension and COLA becomes payable instead. Rates vary according to your salary and family circumstances.

4 Accompanied/Unaccompanied Officers

4.1 When you are accompanied by your partner you receive the accompanied rate of COLA. When unaccompanied, you receive the single rate of COLA whether or not you have a partner remaining in NI.

5 Children

5.1 Additions to COLA may be paid for children up to the age of 19 years. Payments cease on the 19th birthday or earlier if your child enters into an established relationship with a partner or starts work and earns more than the appropriate UK minimum wage for their age group and circumstances.

5.2 COLA for Children at Post (CAP) is paid at a flat rate for all grades. One rate is set for the first CAP and a lower rate for second child. If you are in receipt of CAP you will be entitled to a 'third and subsequent child at post' allowance where this is appropriate.

5.3 A Child Elsewhere (CEW) rate is intended primarily for those children who, but for Boarding School education in NI, would live at post. It is calculated to cover the main school holidays. Payment of CEW can, however, be made in respect of any dependent child under 19 years of age eligible for a Children's Visit Journey and who actually travels, or intends to travel, to the post.

6 Leave

6.1 When on a posting of 12 months or over, COLA is payable during earned leave, including that taken outside the country of posting.

7 Temporary Duty Away From Substantive Post

7.1 COLA continues, plus subsistence at the temporary duty post. UK Detached Duty terms will apply.

8 Medical Treatment

8.1 During absences for medical treatment allowances continue for up to six months from the start of absence unless you are declared unfit to return to post. If you are absent for more than six months you are paid allowances from the day you resume duty again, but each Department will consider every case on its merits and decide whether or not to continue to pay or bring you home.

9 Maternity/Paternity/Adoption Leave

9.1 Allowances continue during paid maternity/paternity/adoption leave, unless you do not resume duties at post after your maternity /paternity/adoption leave.

10 Partner Temporarily Absent

10.1 The unaccompanied rate of COLA will be paid during any continuous absence by your partner of longer than two months (60 days). This applies even if your partner meets the six month qualification for the year as a whole. This rule does not apply during any time spent away from the post with you when you are on leave or official business in the UK.

10.2 Providing that you confirm that you intend to serve on accompanied terms, the accompanied rate of COLA can be paid from the date of your partner's arrival at the post. You should advise your Department immediately that you expect your partner to be absent

for longer than two months, or if you no longer expect your partner to be at the post for six months during the year, in order that the accompanied rate can be stopped. Departments will recover any amounts which have been overpaid.

11 Child Temporarily Absent

11.1 Temporary absences of children are governed by the above rules.