

Policies, Procedures, Guidelines and Protocols

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Local Ref (optional)		
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Owner	Human Resources	
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Who has been consulted in the development of this policy ?	HR & Workforce Team, Senior Leaders, HR and Workforce Group and Joint Negotiating Partnership	
Approved by (Committee/Director)	HR and Workforce Group	
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2		
3		
4		
5		

1. Introduction

- 1.1 This policy forms a guide to eligibility for, and payment of, accommodation assistance and relocation and associated expenses incurred when taking up an appointment with Shropshire Community Health NHS Trust.
- 1.2 This policy is designed to act as a recruitment incentive and reflects the importance that the Trust places on attracting and retaining skilled staff.
- 1.3 Inherent within all of its practices the organisation is committed to the principles of diversity, equality of treatment and equality of opportunity and believes that direct or indirect discrimination against any person is unacceptable.

2. Eligibility

Eligibility for relocation expenses

- 2.1 Posts that may be eligible for relocation need to meet the following criteria.
- 2.2 Where a post is one where experience has demonstrated that there are recruitment difficulties:
 - The post has been advertised and received no applicants; or
 - The post has been advertised and no suitable applicants were appointable; or
 - There is a known issue with recruiting to the staff group (national issue); or
 - the post has been designated in advance as attracting support with relocationand
 - where on taking up a new post with the organisation, the need to move house is necessary.
- 2.3 Recruiting Managers must seek advice from Human Resources and final approval from their service Director before advertising the post. A copy of this policy must form part of the vacancy advertisement.

Eligibility of the prospective applicant

- 2.4 Employees and prospective post-holders may be eligible for the appropriate relocation expenses, where their permanent residence is greater than 50 road miles by the shortest navigable route, from the base location of the post.
- 2.5 In relation to any individual relocating from outside the UK, expenses are claimable from the place of entry to the UK.
- 2.6 Assistance with the cost of relocation will be dependent upon the move being completed within 12 months of taking up the appointment.

Eligibility for accommodation assistance

- 2.7 The Trust may consider paying accommodation assistance where the services of the postholder are required for a fixed period for a specific project/role.

3. Extent of financial assistance

Financial assistance for relocation

- 3.1 Reimbursement of relocation expenses is at the discretion of the organisation.
- 3.2 The maximum value of expenses to be reimbursed or benefits to be provided by the organisation in individual cases is £8,000. As part of this maximum figure, **but not in addition to it**, up to £2,000 may, subject to the provision of evidence of essential and necessary expenditure, be claimed as "miscellaneous" expenses.
- 3.3 Examples of such miscellaneous expenses are:
- charges for disconnection and reconnection of utilities
- 3.4 It must be stressed that these are **maximum** amounts and the financial package appropriate to each eligible employee will be agreed by the organisation taking into account individual circumstances and requirements and what is considered reasonable by the Head of HR & Workforce.
- 3.5 All items of **actual** expenditure, or benefits provided by the organisation will count against the approved limit. These include, but are not necessarily restricted to:
- Estate Agents fees or auctioneers fees for the sale of the old property (these will not be reimbursed where the sale has been effected prior to the offer of employment)
 - Solicitors' fees and other legal or search charges connected with the sale of the old property and the purchase of the new one (these will not be reimbursed where the house purchase/sale has been effected prior to the offer of employment).
 - Removal of furniture and effects from old to new home, three written quotations are required for removal, and whilst the employee is free to choose any company, the organisation will only reimburse the value of the lowest of the three quotes.
 - Mileage and subsistence reimbursements connected with the search for accommodation, return visits home, excess mileage costs or other travelling costs incurred as a result of relocation.
 - Temporary accommodation costs where two homes (one in the old area and a temporary one in the new area) are being maintained. Costs associated with rental accommodation in the area being relocated to while the existing home is being marketed for sale.
 - Replacement carpets/curtains or other internal permanent fixtures or fittings required to be purchased or adapted. Only to the extent that such purchases or adaptations are necessary because existing items cannot be used in the new home.
- 3.6 The organisation will not reimburse items of a capital nature (e.g. building work or improvements to the property) nor will it reimburse repairs to, or replacements of, fixtures or fittings, garden sheds, walls, fences etc. Such items are considered to be part of the property as purchased.

3.7 Costs that do not qualify include:-

- mortgage or housing subsidies if you move to a higher cost area
- interest payments for the mortgage on your existing home
- re-direction of mail
- council tax bills
- the purchase of uniforms for your children's new school
- compensation for losses, such as having to give up a part- used season ticket
- a penalty for giving insufficient notice of a child's withdrawal from school
- the cost of having to join a new sports or social club

3.8 Where no property is being sold, the extent of reimbursement under this policy will be limited to the cost of removal only.

3.9 In normal circumstances, the organisation will reimburse expenses incurred, subject to the production of original receipts, not photocopies.

3.10 Reimbursement will not be made on quotations, estimates or unreceipted claims.

3.11 The employee will be required to certify, at three monthly intervals, that they are actively seeking to relocate at the earliest opportunity and that there are no known reasons to prevent a move taking place within 12 months of taking up the appointment.

3.12 The employee will be required to certify that assistance with relocation costs is not available from a third party (e.g. spouse's employer or from existing employer). Where assistance is available from a third party, the employee will be required to provide documentary evidence as to the nature and extent of such assistance, and the organisation may, in the light of such evidence, agree to a reduced package of assistance.

Temporary Accommodation/Travel Expenses

3.13 Where necessary, and by agreement, the Trust will reimburse rental on temporary accommodation until such time as the post-holder obtains permanent accommodation for himself/herself and family, or for six months after commencing employment, whichever is the lesser period.

3.14 Alternatively, the post-holder will be reimbursed daily travel costs at public transport rate (in accordance with public transport rates prevailing at the time), until such time as the post-holder obtains permanent or temporary accommodation, or for up to six months after commencing employment, whichever is the lesser period.

Accommodation Search/Preliminary Visits

3.15 On appointment, preliminary visits to the area in order to obtain accommodation will be paid in accordance with the relevant rates prevailing at the time. Travelling expenses will be paid at public transport mileage rate, second class rail fare or bus fare, depending upon the mode of travel.

3.16 The Trust will pay for 2 night's bed and breakfast accommodation for the post-holder and immediate family, if any, to help with searching for a suitable property.

Financial assistance for accommodation

- 3.17 The Trust will pay reasonable accommodation assistance taking account of Agenda for Change subsistence rates and the costs of local accommodation. This will be for a six month period. Claims for accommodation assistance should be made using the form in Appendix 2

4. Tax Implications

Relocation expenses

- 4.1 Under current Inland Revenue rules, expenses may be paid tax free providing ALL of the conditions identified below are met:-
- 1) The total value of the financial assistance (actual and notional) is within the organisation's financial limits. Please note that the organisations limit is £8,000.
 - 2) The relocation is required by the employer and is necessary for the performance of duties.
 - 3) Your existing home is not within reasonable daily travelling distance of your new workplace (over forty miles)
 - 4) The home you move to is within reasonable daily travelling distance of your new workplace (less than twenty five miles)
 - 5) The employee intends to permanently move to the new area.
 - 6) Expenditure is necessary and is as a direct consequence of relocation and is fully receipted
- 4.2 To qualify for the £8000 tax exemption the benefits must fall within the following categories:
- Disposal or intended disposal of the old residence
 - Acquisition or intended acquisition of the new address
 - Transportation of belongings
 - Travelling and subsistence
 - Domestic Goods for the new residence - only fixed items that would be unreasonable to take from the old residence.
- 4.3 Relocation takes place within a reasonable period as defined by the Inland Revenue as follows:
- "Expenses must be incurred before the end of the tax year following the tax year in which the employee takes up the new post".*
- 4.4 For example, an employee who took up a new post on 1 September 2015 must have incurred his/her expenses relating to relocation by 5 April 2017.
- 4.5 In circumstances where any one of the above conditions cannot be met, expenses will be taxed at source under PAYE. It is then for the employee to apply to the Inland Revenue for any tax relief which it is considered appropriate.
- 4.6 In cases where there is an element of doubt as to whether or not eligible expenses fall within the tax-free concession, the Trust will seek Inland Revenue advice. In circumstances where the Inland Revenue rules that expenses previously paid free from

tax should be taxable, the organisation will, where it is called upon to meet the shortfall, require the employee to reimburse such sums to the Trust. The employee shall be advised at the outset if there is any element of doubt with regard to eligibility for tax free payments.

- 4.7 HMRC regulations are subject to regular review and may be amended. The Trust will apply tax in accordance with the rules and regulations in force at the time of relocation.

Accommodation assistance

- 4.8 These payments are subject to tax and national insurance at the applicable rate, as they are a benefit in kind.

5. Undertaking

- 5.1 Employees who are offered relocation expenses shall be required to give a signed undertaking that if they leave the employment of the Trust within two years of their appointment, which gave rise to the expenses, they will repay the expenses at the rate of 1/24th for each complete month served less than the two year period. For example, if an employee has worked for only 6 months they will be required to repay for the 18 months period not worked, i.e. 75% of the overall amount received.
- 5.2 Generally, all relocation expenses are reimbursed retrospectively. However, prospective post-holders eligible for removal/relocation expenses shall give a signed undertaking that if they fail to take up their post they will repay any removal/relocation expenses already received.
- 5.3 In circumstances of hardship or other extenuating circumstances, repayment may be reconsidered by the relevant service Director within the Trust, in conjunction with the Director of Finance.

6. Procedure

- 6.1 Recruiting Managers must seek advice from Human Resources and final approval from their service Director before advertising the post that attracts relocation expenses. (See Appendix 1).
- 6.2 Following the VRF approval the recruitment team will advertise the post with the relevant relocation information.
- 6.3 Following interview the recruiting manager will advise the recruitment team of the successful applicant using the relevant form. (See Recruiting Managers Toolkit).
- 6.4 Written confirmation of the relocation expenses offered will be included in the conditional offer letter of appointment. (See Appendix 2) The applicant will be sent a declaration form to sign and return with their paperwork. (See Appendix 3)
- 6.5 The recruiting manager will confirm that the applicant is eligible to apply for the relocations expenses. (See Appendix 4)
- 6.6 Final completed copies of the agreement will then be sent to:
- the post-holder
 - the post-holder's personal file
 - the Finance department

as detailed on the relevant forms.

- 6.7 Claims for reimbursement of relocation expenses must be submitted to the recruiting manager to be authorised by the relevant Budget Holder and submitted to the Finance department for payment.
- 6.8 All claims for reimbursement of relocation expenses must be supported by original invoices, or VAT receipts with a VAT registration number where applicable.
- 6.9 All valid claims will be reimbursed direct to the employee's bank account.

Appendix 1

Application for approval to offer relocation expenses/accommodation assistance

Post of:.....

TO BE COMPLETED BY THE RECRUITING MANAGER

	Please tick
Application for the approval of relocation expenses to a value of £8,000	
Application for the approval of accommodation assistance for a maximum of £.... Per night not exceeding 6 months.	

Rationale for the application:

1. The post has recruitment difficulties

	Comments/dates
The post has been advertised with no applicants	
The post has been advertised and no suitable applicants were appointable	
There is a known issue with recruiting to the staff group	
Explanation:	

2. The post has been determined previously as attracting support with relocation

Yes/No

3. The post has been determined as eligible for accommodation assistance because the services of the postholder are required for a fixed period for a specific project/role.

Yes/No

I have sought advice from Human Resources in the application of relocation expenses for this post.

Name of ManagerJob Title

Signature of ManagerDate

Approved by (Print Name)(Director of Service)

Signature of DirectorDate

If approved this form should be forwarded to the Recruitment Team to publish with the job advert. A copy should be sent to finance for their information with regard to processing any claim.

Appendix 2

Information to be included in the conditional offer letter:

Relocation

In taking up this position, you will be required to move home. You are entitled to receive assistance with such a move in accordance with the attached Relocation Expenses policy and procedure. The assistance will be limited to a maximum of £8,000 with actual costs being reimbursed against original invoices or VAT receipts with a VAT registration number for all relocation expenses' claims.

It is a condition of this contract that in consideration of any relocation expenses paid to you, you will to adhere to the Relocation Expenses policy and procedure and undertake:

- 1] upon leaving the employment of the Trust within two years of being appointed to this post which gave rise to the expenses, to repay the expenses at the rate of 1/24th for each complete month served less than the two year period. For example, if you have worked for only 6 months you will repay the Trust for the 18 months period not worked, i.e. 75% of the overall amount received.
- 2] if you fail to take up this position you will repay any relocation expenses already paid to you.

Accommodation assistance

In taking up this position, you are entitled to receive accommodation assistance to a maximum of £.....per night for a period not exceeding six months in accordance with the attached Relocation Expenses policy. This payment is subject to tax and national insurance at the applicable rate as it is a benefit in kind.

Appendix 3

Declaration with regard to Relocation Expenses

Name of prospective Post-Holder

Post appointed to

Date appointment to commence

Expense amount agreed (to the maximum of £8,000).....

Prospective Post-Holder's Declaration:

I confirm that I understand and agree that in consideration of any relocation expenses paid to me, I will undertake:

- 1] upon leaving the employment of the Trust within two years of being appointed to the post which gave rise to the expenses, to repay the expenses at the rate of 1/24th for each complete month served less than the two year period. For example, if I have worked for only 6 months I will repay Shropshire Community Health NHS Trust for the 18 months period not worked, i.e. 75% of the overall amount received.
- 2] if I fail to take up the above post to repay any relocation expenses already received.
- 3] to supply original invoices or VAT receipts with a VAT registration number for all relocation expenses' claims.
- 4] to bear the cost of any additional expenses over and above those agreed.

Furthermore, I understand and agree that -

- 5] entitlement to relocation expenses is dependent on there being no other member of my family who is able to claim reimbursement of expenses arising from the move of home, whether or not such a claim is to an NHS employer.
- 6] assistance with the cost of relocation is dependent upon the move being completed within 12 months of taking up this appointment.

Signed (prospective) Post-HolderDate:

Appendix 4

Confirmation of eligibility to claim relocation expenses/accommodation assistance (to be completed by recruiting manager)

Name of prospective Post-Holder

Post appointed to

Date appointment to commence

Recruiting Manager

The above post is substantive, requiring the post-holder to move from his or her current permanent residence and to relocate to the area (they live more than 50 miles from their proposed employment base). The level of financial assistance has been confirmed with the prospective post-holder (insert amount authorised up to a maximum of £8000) and they have been issued with the Trust Relocation policy.

OR (delete as applicable)

The above post has been deemed as eligible for accommodation assistance and the amount of such assistance has been agreed as £.....per night for a maximum of 6 months.

Relocation Expenses/accommodation assistance for this post has been authorised by:

(name of Director)

I attach a copy of the signed authorisation form.

Budget code to which all expenses are to be charged

Copies of this form once completed to be sent to the Finance Department and a copy placed on the post-holder's personal file.

Appendix 5

Relocation expenses/accommodation assistance Claim form

To be completed by the claimant and submitted to their manager for authorisation.

In respect of my relocation expenses/accommodation assistance I submit the following claim for reimbursement:

Item	Amount	Receipt attached ✓
Total		

Total £ claims to date: £.....

Further claims to follow: Y / N

Name of ClaimantJob Title

Signature of ClaimantDate

Name of ManagerJob Title

Signature of ManagerDate