

Trust Policy and Procedure for Relocation Expenses

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To be read in conjunction with: Recruitment and Selection Policy and Concerns Resolution Policy.				
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Executive Lead	Chief People Officer

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Trust Policy and Procedure for Relocation Expenses

1.0 Introduction

This policy sets out how new employees may be eligible for reasonable expenses, to enable them to relocate near to their place of work. It also includes details regarding entitlements that employees may be able to claim, including the maximum limits set out by the University Hospitals of Derby and Burton NHS Foundation Trust. The Trust is only able to incur expenses that are reasonable and relevant to the relocation of eligible new employees.

Relocation expenses provide employees with financial assistance and support enabling them to move near to their place of work. It should be accessed to enable employees to move near to their new place of work so that they are able to travel and carry out specific requirements of their role including daily travel, and on-call duties. All payments made under this policy are dependent on fulfilling all relevant criteria that is specified prior to authorisation.

Approval of relocation expenses remains at the discretion of the Trust. In all cases, authorisation will be granted by the relevant General Manager once eligibility has been confirmed by an appropriate member of the Recruitment Team and Pay Services Team.

Separate arrangements exist for Doctors and Dentists in training; Health Education England 'Relocation and Travel Expenses- Arrangements for Doctors & Dentists in Training'. Trainees are expected to complete the application form contained within this policy but refer to the HEE document for information on eligibility and entitlements.

2.0 Purpose and Outcomes

The Trust aims to recruit the highest quality workforce and recognises that to achieve this, new employees will on occasions, need to relocate to the area and must be in a position to do this without incurring unreasonable personal expense associated with such a move.

In pursuit of this the Trust aims to assist and support new employees in their move to the area where appropriate and this policy outcomes the nature of assistance available for those who need to relocate, to enable them to work for the Trust.

3.0 Definitions

3.1 Relocation

This refers to the process where it is necessary for a new Trust employee to move to a new home in order to be within a commuting distance to their workforce in the Trust.

3.2 Employees

Employees for the purpose of this policy are individuals who are in a substantive contract of employment.

4.0 Key Responsibilities/Duties

4.1 People Services

Working with divisions to identify which difficult to recruit to posts might be considered for relocation expenses.

Provide advice and guidance to staff and managers on the access to and approval of relocation expenses.

Providing information to prospective employees applying for posts that are eligible for relocation expenses.

Providing information to prospective employees applying for posts that are eligible for relocation expenses.

Processing approved applications within reasonable timescales.

To provide expert advice on the specific relocation elements available to staff.

4.2 Employees

To ensure that they adhere to the requirements of the policy.

To ensure that the information they provide when requesting relocation expenses are correct and complete.

4.3 Chief People Officer

The Chief People Officer has responsibility for ensuring implementation and monitoring of the People Services Policies and Procedures. This work is maintained by the Partnership Forum and reported to the People Services Committees in place at the time and the Trust Joint Council.

4.4 General Managers

General Managers will authorise Relocation Expenses within their own area.

4.5 Executive Director of Finance and Performance

The Executive Director of Finance and Performance has responsibility to reinforce the policy and if there are any inappropriate claims these will be escalated.

4.6 Forums/Committees

The Trust has a number of forums and committees whose responsibility it is to ensure the policies meet employment legislation, good workforce practice and NHSLA standards and are implemented and monitored appropriately. These include

Partnership Forum, Local Negotiating Committee for medical and dental staff, Trust Joint Council and People Committees.

5.0 Implementation of the Policy and Procedures

5.1 Eligibility

To be considered for relocation and removal expenses employees must fulfil the following criteria:-

- they must be appointed by the Trust to a substantive permanent post.
- their current residence must not be within 20 miles of their new base.
- the new employee must change their sole or main residence to a new residence.
- the new residence must be within 20 miles of their new base site with the Trust.

If the employee has not been appointed to a substantive post, then authorisation for expenses will only be considered if the post is a shortage occupation. In this case, the Trust Guidance on Recruitment Incentives must be followed, and the necessary approval sought in line with that guidance.

The Trust will not reimburse costs associated with first time purchase of a property or where the applicant retains an existing property. In these circumstances removal and storage costs may still be applicable.

New employees must be informed in their offer letter of appointment that the offer is conditional subject to pre-employment checks and that no relocation expenditure should be incurred until the appointment is confirmed and eligibility for relocation expenses has been agreed in writing from the Trust.

5.2 Refundable Expenditure

The expenditure reimbursed will be based on the policy in effect on the date the new employee starts in employment within the Trust. Any changes made to the policy after the start date will not apply to a previous agreement.

The Trust will consider all reasonable costs incurred up to the maximum level agreed. The following details the type of things that can be claimed:-

Searching for new accommodation in the new area which can include: Travelling, expenses (including overnight accommodation where appropriate, up to the maximum of three visits).

Transporting belongings and other committed costs which can include:

- ✓ removal of furniture, packing and unpacking, temporary storage, (providing the items stored are moving to the new residence) removal of old domestic appliances and reattachment in new home, disconnection and connection services for electricity, gas and water, removal and refitting of carpets/ curtains, insurance of belongings. Up to

three estimates must be obtained and submitted, the Trust will reimburse the lowest quotation, providing it is within the overall limit.

- ✓ excess travel or other related costs whilst working in the new post prior to moving to new accommodation.
- ✓ Visits to the current home whilst working at the new base site, visits to the new home prior to starting work, visits to the current home whilst staying in temporary accommodation to enable them to work at the Trust.
- ✓ Travel to and from the current home on moving day.
- ✓ Temporary accommodation costs or ongoing expense (mortgage) if current home remains unsold e.g. due to market forces. However, there must be proof of intent to change main residence by actively marketing former property and/or seeking accommodation in a new area.

The following are examples of what cannot be claimed as these items/services are not included in the Inland Revenue tax exempt articles:-

- ✓ mortgage/housing subsidies if the move is to a higher cost area
- ✓ compensation paid for any loss on the sale of the old property
- ✓ interest payments for the mortgage on the existing home
- ✓ council tax bills
- ✓ purchase of new school uniform
- ✓ transporting/ kennelling of domestic pets
- ✓ house cleaning at either the old or new property
- ✓ spouse's loss of earnings
- ✓ compensation of losses such as part used season tickets, cost of joining a sports/health club
- ✓ decoration of either property
- ✓ garden work
- ✓ mail redirection
- ✓ bridging loans, including financial interest payments on such loans
- ✓ English language test/ exam fees
- ✓ visa fees
- ✓ professional registration fees

The Trust has set maximum payment limits for each type of accommodation. These limits are fully inclusive of all related expenditure and subject to the necessary original receipts, invoices, and other acceptable methods of expense evidence and these are as follows when individuals move from:

- rented accommodation- up to £2,000 maximum, inclusive of VAT
- Owner occupied accommodation- up to £8,000 maximum, inclusive of VAT. **Values over £5,000 MUST be authorised by the Divisional Director, Chief People Officer and Executive Director of Finance.**

Agreement of expenses above these limits can only be for shortage occupations, the Trust Guidance on Recruitment Incentives must be followed, and the necessary approval sought in line with that guidance.

All such agreements are signed off by the Director of Finance and People via the SOL form.

HM Revenue & Customs allows claims for removal and relocation expenses to be exempt from tax. The conditions for this are that the employee must change residence and submit their claim within 12 months of the end of the tax year in which they have taken up the new post and if relocation is cancelled and the employee does not change their residence then any expenses or benefit as a result of the cancelled relocation will be taxable.

5.3 Claiming Expenses

In order for the employee to receive reimbursement of removal and relocation expenses the following criteria must be fulfilled: -

- the individual must relocate within 12 months of starting the post
- all claims must be made within 3 months of the date of moving into new accommodation.

Failure to comply with the first two criteria detailed above will forfeit the right to claim removal and relocation expenses;

- all original receipts must be submitted within 12 months of the end of the tax year in which they take up the post to qualify for tax-exemption.
- All items claimed for must be supported by original verifiable, valid, VAT receipts or other original acceptable method of the expense which detail the nature of the expense
- All receipts, invoices and other acceptable methods of expense
- Evidence provided must be in the name of the employee
- All payments will be reimbursed directly to the employee and not to any supplier of items or services.

Documentation that can be used to provide suitable evidence of expenditure includes:

- ✓ Any original official receipt that details the seller's business name and address, details of what was purchased, how much the item cost and includes the name of the employee.
- ✓ Official letters such as a solicitor/ conveyors letter confirming that contracts have been exchanged and detailing the appropriate costs.
- ✓ Completion statements for house sale/purchases
- ✓ Rental or Lease agreements
- ✓ Public transport tickets

Original receipts, invoices and other acceptable methods of expense evidence must be submitted with any claims made. However, the employee should also keep a copy of all documentation submitted as part of their claim.

All claims must be made on the Trust's Relocation Expenses Claim and Approval form and authorised by the appropriate General Manager. Should expenditure exceed the agreed maximum limit no payment will be made to cover the excess. The claim form must be clear and detail all appropriate expenditure claimed so that the HM Revenue & Customs does not treat this payment as a taxable expense (See Appendix 1).

Prior to any payment being made the individual must submit a signed undertaking which states their intention to relocation within 12 months of taking up the appointment and that costs incurred are not recoverable in full or part from any other source (See Appendix 2).

5.4 Withdrawal of Payment

If the employee does not move within 12 months of taking up the appointment, the Trust will withdraw any agreement of financial support for removal and relocation expenses. If the employee leaves the Trust's employment within two years of taking up the appointment, then all payments made by the Trust are refundable by the employee on the following basis:

- within 6 months of commencement 100%
- 6 months to 1 year 75%
- 1 year to 18 months 50%
- 18 months to 2 years 25%

The employee, in applying for and accepting relocation and/or removal expenses, agrees that the amount to be repaid can be deducted from any salary or payment due.

5.5 Recording, Keeping and Accounting Arrangements

Records of all removal and relocation expense agreements must be held in the individuals' personal file.

Employees will be required to provide evidence of expenditure by the production of original receipts.

Employees should submit claims for expenditure using the Relocation Expenses Claim and Approval Form (See Appendix 1).

Please see below the team that the Relocation Expenses Claim and Approval Form should be returned to:

- Medical and Dental Staff: The Medical Recruitment Team
- All other Staff: The General Recruitment Team
- Relocation expenses for Executive Directors will be authorised by the Trust Chair.

5.6 Interpretation

The interpretation of the definition of terms relating to this Policy will rest with the Chief People Officer Services. The interpretation of any financial matter's rests with the Executive Director of Finance and Performance.

5.7 Electronic Staff Records (ESR)

Where relevant to this Policy and the Electronic Staff Record (ESR) system across the Trust, the Recruitment Teams must ensure that all relevant employee data/information is captured on the ESR system without delay whether this is of a financial or personal nature as it affects the employee.

6.0 Monitoring Compliance and Effectiveness

The key requirements will be monitored as follows:

Monitoring Requirement:	The process for authorising claims Claims data
Monitoring Method:	Analysis of claims received including amounts, purpose and any rejected claims, for the Trust and split by Division
Report Prepared by:	Assistant Director of Resourcing and Workforce Systems.
Monitoring Report presented to:	People & Culture Group (PCG); People & Culture Committee (PCC)
Frequency of Report	Six monthly

Relocation Expenses Claim and Approval Form

Please note that to be eligible to claim removal and relocation expenses:

- It must have been confirmed and agreed with you within 1 month of the time of offering the post that you wish to and are eligible to apply.
- You must have changed/ be changing your sole or main residence.
- Your move must have taken place within 12 months of commencing the post.
- Your claim must have been submitted within 3 months of the relocation having taken place.

Section 1

Name:.....

Post:.....

Department:.....

Date of Interview:.....

Date of Commencement:.....

Contact Number:.....

Previous Address:.....

.....

Accommodation Type (delete as appropriate)

Furnished Rented/ Unfurnished Rented/ Owner Occupied

New Address:.....

.....

Mileage from Previous and New Addresses:

Mileage from current address to base: miles

Mileage from new address to base:.....miles Maximum amount agreed up to £.....

Section 2

Breakdown of Expenses claimed:

Searching for new accommodation in the new area

£.....

This can include travelling expenses, subsistence including overnight up to a maximum of three visits.

Sale of the current property and purchase of the new property

£.....

This can include house agents or auctioneers fees, mortgage redemption fees, survey fees, land registry fees, stamp duty. Expenditure on an aborted sale/purchase can be included as long as the employee does change their residence within the prescribed timeframe and expenses do not exceed the maximum agreed limit.

Transporting belongings and other committed costs

£.....

These may include:

- removal of furniture, packing and unpacking, temporary storage (providing the items stored are moving to the new residence), removal of old domestic appliances and reattachment in new home, disconnection and connection services for electricity, gas and water, removal and refitting of carpets/ curtains, insurance and belongings. Up to three estimates must be obtained and submitted and the Trust will reimburse the lowest quotation, providing it is within the overall limit.
- excess travel or other related costs whilst working in the new post prior to moving to new accommodation.
- Visit the current home whilst working at the new base site; visits to the new home prior to starting work; visits to the current home whilst staying in temporary accommodation to enable them to work at the Trust.
- Travel to and from the current home on the moving day.
- Temporary accommodation costs or ongoing expense (mortgage) if current home remains unsold e.g., due to market forces, there must however be proof of intent to change of main residence by actively marketing former property and/or seeking accommodation in new area.

TOTAL

£.....

Please attach original receipts. Photocopies will not be accepted.

Section 3

Employee declaration:

I declare that the information and costs that are submitted are correct and have attached all the necessary receipts. I declare that if I leave the employment of University Hospitals of Derby and Burton NHS Foundation Trust within two years of the appointment, I agree to repay the amount granted on a sliding scale as laid out in the Relocation Expenses Policy. I authorise the Trust to deduct any monies owing from my salary or other payment due.

Signature:.....

Claimant:..... Date:.....

Name (Capitals):.....

Eligibility Approved by (Recruitment Teams)

I understand that by approving the above expenses I am confirming that the above named is entitled to the removal and relocation expenses being claimed in accordance with the University Hospitals of Derby and Burton NHS Foundation Trust Relocation Expenses Policy.

Signature.....
(Recruitment Team)

Print Name:.....Date:.....

General Manager declaration

I confirm that I have the authority to agree these expenses.

Signature:

Name
(capitals).....

Date:.....

Appendix 2

Statement of Undertaking

This Statement of Undertaking MUST be completed if the employee will not be moving and incurring relocation expenses immediately upon taking up the post.

Employee declaration

I declare that it is my intention to relocate within 12 months of the commencement date below and that the costs incurred, as detailed on the Removal and Expenses Claim Form are not recoverable in full or part from any other source. I declare that the information and costs that are submitted are correct. I declare that if I leave the employment of University Hospitals of Derby and Burton NHS Foundation Trust within two years of the appointment, I agree to repay the amount granted on a sliding scale as laid out in the Relocation Expenses Policy. I authorise the Trust to deduct any monies owing from my salary or other payment due.

Signature:

(Claimant) Date:.....

Name:(Capitals).....
.....