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| **Human Resources** | **HR46 Relocation Expenses Policy** |

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| **Version Number** | **Date Issued**  | **Review Date** |
| **1.0** | July 2022 | July 2025 |

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| **Consultation Process:** | North of England Commissioning Support (NECS) in partnership with CCG management and Trade Union organisations via the HR Policy Working Group and the CCG Partnership Forum. |
| **Formally Approved:** | July 2022 |
| **Approved By:** | ICB Board |

**EQUALITY IMPACT ASSESSMENT**

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| **Date** | **Issues** |
|  | To be completed, as outlined in the agreed 2022/23 HR EIA review schedule. |

**POLICY VALIDITY STATEMENT**

Policy users should ensure that they are consulting the currently valid version of the documentation. The policy will remain valid, including during its period of review. However, the policy must be reviewed at least once in every 3-year period.

**ACCESSIBLE INFORMATION STANDARDS**

If you require this document in an alternative format, such as easy read, large text, braille or an alternative language please contact necsu.icbhr@nhs.net

**Version Control**

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| **Version** | **Release Date** | **Author** | **Update comments** |
| 1.0 | July 2022 | NECS HR | First Issue |

**Approval**

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| **Role** | **Name** | **Date** |
| Approver | ICB Board | July 2022 |

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# **POLICY STATEMENT**

* 1. The North East and North Cumbria (the Organisation) recognises that in order to recruit the most appropriate staff it may be necessary to offer assistance with the costs of relocating in order to optimise the prospect of successful settlement into the employee’s new appointment.
	2. This policy sets out the organisation’s provisions regarding relocation expenses and aims to assist the organisation to recruit staff as an employer of choice.

# **2. PRINCIPLES**

2.1 The policy will apply to employees of the organisation who take up a new appointment with the organisation from outside the organisation and for whom the organisation is their primary employment. Temporary, fixed term and bank staff are specifically excluded.

2.2 Relocation expenses will be judged on a case by case basis and each employee’s situation and circumstances will be unique. The organisation therefore retains discretion to tailor the relocation package to suit the particular circumstances and needs of each employee. However the organisation will always act fairly and in a non-discriminatory manner. The Executive Board, or where appropriate the ICB Remuneration Committee, has the exclusive authority to authorise relocation expenses out with of the criteria set down in this policy.

2.3 The organisation’s Remuneration Committee will be required to consider claims for relocation expenses for certain roles, for example Very Senior Managers and Board Members.

2.4 Assistance will not be given to an employee who is already living or planning to move within a reasonable distance of their work base, or if the move is not as a direct consequence of taking up employment with the organisation.

2.5 Only one claim per household will be considered. Employees will not be eligible for reimbursement of relocation expenses if their spouse/partner is in receipt of, or claiming, relocation expenses from any source.

2.6 Relocation assistance is discretionary. It is not a contractual entitlement and the organisation reserves the right to withdraw it at any time.

2.7 All offers of relocation are subject to HM Revenue & Customs regulations.

2.8 The organisation will reimburse legitimate claims that meet the criteria outlined in this policy. Any claims found to have been falsified or inflated in anyway will be referred to the organisation’s Local Counter Fraud Specialist / NHS Protect. Abuse of the policy will be investigated and may result in disciplinary action.

# **3. ELIGIBILITY CRITERIA**

3.1 The following eligibility criteria will apply:

1. The role must be deemed by the organisation to be eligible for relocation expenses to be paid.
2. For the appointed candidate the proposed place of residence must be within reasonable travel distance of the work base and enable work commitments to be met.
3. The proposed arrangements must be reasonable.
4. The proposed residence must be the employee’s main and permanent residence; this can be either purchased or rented.

3.2 The relocating employee is required to discuss any relocation package with the recruiting manager at the time of an offer of employment being made to them and to receive written confirmation of the relocation package which is agreed before committing to any spend. The employee will then be expected to register their claim within three months of the offer of appointment and no more than one month after taking up appointment. The employee will normally be expected to complete the submission of all expenses claims within 12 months of taking up the new post. To be eligible for tax exemption, any eligible claim must be incurred before the end of the tax year following the tax year in which new employment is taken up.

# **4. REIMBURSEMENT COSTS**

4.1 The maximum level of relocation expenses that will be reimbursed by the organisation under all parts of this policy will not exceed £8,000.

4.2 It should be noted that this is the tax free maximum allowed by HM Revenues & Custom, though certain items of expenditure within this may be taxable and subject to national insurance contributions, i.e. travel expenses. The employee is responsible for any statutory income tax and national insurance liability incurred as a result of receiving relocation expenses.

4.3 This amount is not a lump sum but can be reimbursed for eligible expenditure as set out in sections 4.6, 4.7, 4.8, 4.9 and 4.10 against valid receipts and invoices.

4.4 Employees are required to mitigate all expenses involved in their relocation and expenses will be reimbursed only if they are deemed reasonable. This policy provides for a contribution to the cost of relocation only and is not intended to meet fully all costs associated with relocation, although it may do so in some circumstances.

4.5 In cases of relocation from abroad, expenses will be limited to those from the point of entry into the UK.

**4.6 House Hunting**

4.6.1 The organisation will reimburse reasonable travelling and accommodation costs incurred by the employee when visiting the new area in an attempt to find accommodation.

4.6.2 The employee may claim reimbursement of travelling expenses for one return journey. Travel expenses by public transport will be limited to the cost of standard class rail fare. Reimbursement of mileage for travel by other means, e.g. car, will be at the Reserve Rate in accordance with Section 17 of the NHS Terms and Conditions of Service Handbook.

4.6.3 A subsistence allowance may also be claimed for up to four nights. Subsistence allowances are subject to an upper limit equivalent to the allowances set out in Annex 14 of the NHS Terms and Conditions of Service Handbook.

**4.7 Buying and Selling Property**

4.7.1 If they are approved, the organisation will reimburse the following costs reasonably incurred by the employee in the selling and buying of property to relocate:

1. The estate agency, auctioneer and advertising fees associated with selling the employee’s existing property.
2. The legal and conveyancing fees associated with selling the employee’s existing property.
3. Any charges for disconnection of public utilities and white goods (such as washing machines) serving the employee’s existing property.
4. The legal and conveyancing fees (including survey, Land Registry, search and mortgage arrangement fees) associated with purchase of the new property
5. The stamp duty incurred in connection with the purchase of a new property (up to 1% based on a maximum property value of £250,000).
6. Any charges for connection of public utilities and white goods serving the new property.
7. The costs of moving the employee’s furniture, domestic goods and personal possessions from his/her existing property to the new property, including insurance taken out to cover goods in transit. Three quotations should be obtained from removal companies and reimbursement will be limited to amount of the lowest quote.
8. The costs of temporary storage and insurance of the employee’s furniture, domestic goods and personal possessions if not moving from existing property to the new property, for a maximum of six months. Three quotations should be obtained from storage companies and reimbursement will be limited to amount of the lowest quote.

**4.8 Non Home Owners**

4.8.1 If the employee is living in rented accommodation but intends to purchase a property in the new work location, relocation expenses is limited to the costs reasonably incurred in moving from the rented accommodation as set out in section 4.8.2 and no contribution will be made towards the purchase of the new property. Property purchase expenses will be paid only where an existing property has been sold. This is because employees should not gain financially as a result of the relocation.

4.8.2 If the employee is living in rented accommodation and intends to live permanently in rented accommodation in the new work location, the relocation allowance is more limited. If they are approved, the organisation will reimburse the following costs reasonably incurred in moving from rented to rented accommodation:

1. Any charges for disconnection of public utilities and white goods serving the existing rented property.
2. The deposit payable to the landlord for the new rented property. The deposit must be reimbursed to the organisation within three months of the employee moving to the new rented property.
3. Any associated administration costs from the letting agent (including check-out fees, penalty clauses, and lease arrangement fees).
4. Any charges for connection of public utilities and white goods serving the new rented property.
5. Any overlap in rental payments.
6. The costs of moving the employee’s furniture, domestic goods and personal possessions from his/her existing rented property to the new rented property, including insurance taken out to cover goods in transit. Three quotations should be obtained from removal companies and reimbursement will be limited to amount of the lowest quote.
7. The costs of temporary storage and insurance of the employee’s furniture, domestic goods and personal possessions if not directly moving from the existing property to the new property, for a maximum of six months. Three quotations should be obtained from storage companies and reimbursement will be limited to amount of the lowest quote.

**4.9 Temporary Accommodation**

4.9.1 In circumstances where the employee has not been able to move to a new permanent property (whether purchased or rented) by the time of starting work in the organisation, the organisation will give consideration to the reimbursement of the costs of temporary hotel, bed and breakfast or rental accommodation. In these circumstances either the rental cost will be reimbursed or the current long term night allowance subsistence rate as set out in Annex 14 of the NHS Terms and Conditions of Service Handbook, whichever is the lower.

4.9.2 Temporary accommodation will be allowed for a maximum of three months.

**4.10 Travel Expenses**

4.10.1 If the employee is travelling from his/her existing property to their organisation work base, rather than staying in temporary accommodation prior to relocating, the mileage can be claimed from the relocation allowance and will be paid at the reserve rate as set out in Section 17 of the NHS Terms and Conditions of Service Handbook.

4.10.2 Until relocation has been completed, mileage can also be claimed at the reserve rate, as set out in Section 17 of the NHS Terms and Conditions of Service Handbook, from the relocation allowance for the cost of travelling between the temporary accommodation and the property being sold. One return visit home per week will be reimbursed for a maximum period of three months.

4.10.3 Mileage from the temporary accommodation to the new work base is not eligible for reimbursement.

**5. PROCEDURE FOR CLAIMING EXPENSES**

5.1 All expense claim forms containing relocation expenses, and supported by valid receipts/invoices/quotes, should be submitted in accordance with the relevant expense claim procedure.

**6. REPAYMENT OF RELOCATION EXPENSES**

6.1 Employees will be offered relocation expenses only if they agree to repay some, or all, of the amount given by the organisation in the event their employment terminates for whatever reason within two years from the commencement of the employment.

6.2 Those offered relocation expenses will be required to sign an agreement to this effect. The agreement is enclosed in the Resource Pack.

6.3 The amount payable is reduced proportionally and is as follows:

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| Period of service (from the date of payment of expenses) | Amount to be repaid (as % of total relocation expenses) |
| Less than 12 months | 100% |
| 12-18 months | 75% |
| 18-24 months | 50% |

6.4 Repayment will not be required if the reason for termination of the employee’s employment is redundancy.

6.5 In the event the employee does not relocate, he/she will be asked to repay all or part of any relocation expenses given.

# **7. EQUALITY**

7.1 In applying this policy, the organisation will have due regard for the need to eliminate unlawful discrimination**,** promote equality of opportunity**,** and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

**8. DATA PROTECTION**

8.1 In applying this policy, the Organisation will have due regard for the Data Protection Act 2018 and the requirement to process personal data fairly and lawfully and in accordance with the data protection principles. Data Subject Rights and freedoms will be respected and measures will be in place to enable employees to exercise those rights. Appropriate technical and organisational measures will be designed and implemented to ensure an appropriate level of security is applied to the processing of personal information. Employees will have access to a Data Protection Officer for advice in relation to the processing of their personal information and data protection issues.

# **9. MONITORING & REVIEW**

9.1 The policy and procedure will be reviewed periodically by Human Resources in conjunction with operational managers and Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.

**10. ASSOCIATED DOCUMENTATION**

* NHS Terms and Conditions of Service Handbook

# **APPENDIX 1 - Equality Impact Assessment**

Equality Impact Assessments will be updated to include statistical data. Equality Impact Assessments will be updated and included in each Human Resource policy, as per the agreed 2022/23 HR EIA review schedule