



Blood and Transplant

Human Resources Policies and Procedures

**Removal Expenses and Relocation
Support Policy & Procedure**

UCD/HRO/Removals/017

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1. INTRODUCTION

NHSBT wishes to ensure that prospective and existing employees are provided with appropriate financial support when they are required to change their place of residence as a result of accepting a post with the organisation or as a consequence of organisational change. Equally NHSBT is committed to ensuring that public money is spent appropriately and in a manner which provides a measurable benefit to the service.

In applying this policy NHSBT will have due regard to its commitment and responsibilities under equal opportunities legislation.

The purpose of this policy is to outline the conditions of eligibility and the types and levels of expenses that may be reimbursed. The terms of this policy may vary, in order that an agreement between the organisation and a prospective/existing employee reflects the circumstances of the appointment. Such variation will only be granted at the discretion of the Chief Executive or the Director of Workforce.

2. PRINCIPLES

Relocation expenses are provided to new and existing appointed employees if they are required to relocate to comply with their contractual terms and conditions of employment and the manager considers that a move of home will make an appreciable difference to the ability of the employee to fulfil the requirements of the job.

Relocation expenses are provided when relocation is occurring as a consequence of organisation change.

Payment of relocation expenses will only be made against valid receipts and, where appropriate on the basis of an agreed quotation.

Once entitlement to relocation support has been confirmed, all claims must be submitted within 12 months from the date of appointment or redeployment, with initial requests for assistance being submitted within 1 month of commencement. H.M. Revenue and Custom (HMRC) regulations will govern the taxation status of any payments made.

3. SCOPE

This policy applies to all staff employed on or being appointed on a permanent contract. Staff on temporary or fixed term contracts will not normally be eligible.

4. AIMS AND OBJECTIVES

The aim of this policy is to support the recruitment of high calibre staff and to facilitate the career development of employees. The policy is also in place to support staff affected by organisational change.

The objective of the policy is to offer financial assistance with relocation expenses where staff are required to relocate to another part of the country to take up an offer of employment or redeployment.

To facilitate relocation as quickly and easily as possible thereby ensuring effective performance as soon as possible.

To ensure the organisation achieves value for money when recruiting new staff.

5. ELIGIBILITY

5.1 General

Where approval has been given that the post attracts relocation removal expenses and relocation support they will only be granted in circumstances where;-

- The line manager can show that a move of home is essential and where such a move will make an appreciable difference to the ability of the employee/prospective employee to fulfil the requirements of the job

OR

- Where there is a national labour market and the appointment of a more local candidate is unlikely (except in cases of redeployment to avoid redundancy),

OR

- In cases of redeployment, where the economic case for relocation support to avoid compulsory redundancy is compelling.

AND

- Where the relocation is to a property which is less than 30 miles and/or a maximum of 1 hour travel time from the new base. In addition the new home must be situated closer to the new base than the previous home.

All decisions will be taken in line with the requirements of the organisations Dignity at Work Policy.

5.2 Fixed Term Contracts

Removal Expenses and relocation support will not be paid to post holders where the initial appointment is 2 years or less.

5.3 Exclusions

Relocation expenses will not be payable if they are recoverable from another source (e.g. partner's employer)

6. TIMESCALES

Employees will remain eligible for removal expenses for 12 months following commencement of employment or appointment to the post.

7. LEVELS OF FINANCIAL SUPPORT

The overall level of relocation expenses will be agreed on an individual basis up to a maximum of £8,000. This figure will be subject to annual review and will be set with reference to any current tax legislation. The agreed amount will only be paid for eligible expenses. Expenses eligible are detailed in HM Revenue and Customs guidance.

8. ELIGIBLE EXPENSES

Employees will be able to claim against the following expenses:-

- **Legal and Professional expenses, such as:**
 - Solicitor's conveyancing fees involved in the sale of an existing property and purchase of a new property inclusive of VAT.
 - Disbursements, inclusive of VAT. i.e. Local searches etc.
 - Stamp Duty
 - Estates Agents Fees
- **Search for accommodation, such as:**
 - Travel costs, based on public transport mileage rate or lease car fuel reimbursement rate.
 - Hotel accommodation
- **Removal and storage, such as:**
 - Removal Expenses involved in transporting furniture and effects.
 - The cost of reconnecting key services i.e. telephone/gas/electricity etc.
 - Storage fees
- **Temporary housing**
 - Hotel and or rental costs on production of appropriate receipts
 - Continuing expenses in old area, such as insurance, utilities standing charges etc

Employees will not be able to claim for white goods, carpets, curtains or rugs.

Accommodation and meal costs incurred may be claimed in line with the limits of NHSBT travel and expenses policy. These will form part of the £8,000 maximum and should be claimed as part of relocation expenses.

Expenses which are ultimately refunded, such as deposits (including those paid for rented accommodation) are not reclaimable.

Expenses are reimbursed directly to employees only. Queries related to claims, once approval has been given, should be referred to the NHSBT Pay Support helpline (0191 202 [5] 4455). If there is any doubt over the admissibility for reimbursement of an expense, this should be referred to the Director of Workforce **before expenditure has been committed**.

9. REIMBURSEMENT

9.1 Reimbursement criteria

Payment is subject to:

- Reimbursement only being made once approval to claim relocation expenses has been formally approved. The individual must complete an approval application form (**ADD LINK**) and applications must be approved by the appropriate Executive Director and the Director of Workforce.
- The procedure for claiming and reimbursement of expenses as set out at Section 13.
- NHSBT being satisfied that the arrangements made and the expenses reclaims are reasonable.
- The provision of receipts and quotations, where appropriate to support the claim.
- The employee having obtained 3 quotations for appropriate services. Only the lowest of the tenders will be reimbursed by NHSBT although the individual has the discretion to use any of the 3 companies who have quoted.

9.2 Payback Agreement

Except in the case of redundancy, the payment of relocation expenses will be conditional on the employee giving a signed undertaking to refund the expenses received should their employment with NHSBT be terminated (by either party) within 2 years of appointment. Repayment liability will reduce proportionately in line with length of service.

10. TAXATION OF EXPENSES

In line with current legislation which provides an exemption from tax for the first £8,000 of qualifying expenses reimbursed, provided that all the following conditions are met:

First, the reason for payment of expenses must be one of the following;

- the employee is starting a new job with the employer; or

- there is a change in their employment duties ; or
- there is a change in the place where their employment duties are normally carried out

Second, to qualify the expenses and benefits must fall into one of the categories below:

- the employee's sale of their old residence
- their purchase of a new residence
- transporting the employee's belongings to the new residence
- associated travel and subsistence costs

Third, there is a time limit. To qualify, the expenses must be incurred and reimbursed before the end of the tax year after the one in which the change (new job/duties or base location change) occurred.

Fourth, the employee's new residence must be within reasonable daily travelling distance of their new normal place of work, and their old residence must not be within reasonable daily travelling distance of the new normal place of work.

10.1 Non-qualifying expenses and benefits

A relocation expense or benefit is 'non-qualifying' if it doesn't meet the four sets of qualifying conditions outlined above.

Examples of non-qualifying expenses and benefits include:

- mortgage or housing subsidies for an employee moving to a higher-cost area
- mortgage interest payments for the employee's existing home
- compensation for any financial loss to the employee on the sale of their home
- compensation for other losses, such as penalties for withdrawing a child from school without sufficient notice
- re-direction of mail
- Council Tax bills
- Permanent fixtures (including kitchen and bathroom fittings)

Any changes to HMRC regulations and/or legislation in this area will apply immediately to expenses reimbursed by NHSBT.

11. PAID LEAVE

NHSBT will allow new employees a total of 2 days paid special leave for the purpose of searching for accommodation and/or for the arrangement or supervision of a move.

Where an existing employee is required by NHSBT to relocate due to organisational change they will, on request, be granted up to a total of 5 days paid special leave for the purpose of house hunting and relocation. See Time Off Work Policy.

12. RELATED HR POLICIES

Organisational Change

13. PROCEDURE – for use by HR/Finance/Line Managers/Employees

13.1 New Starters/Internal Applicants

1. The Recruitment & Resourcing Unit will include a document in recruitment packs for professional appointments reminding managers that they need to discuss relocation at interview where appropriate authority has been obtained. At this stage managers must not give a commitment that relocation expenses will be paid but they may be applicable and that appropriate authority will be required before a firm commitment can be agreed. If a candidate indicates the need for relocation then the appropriate box on the Interview Outcome form must be ticked.
2. A copy of the Removal Expenses and Relocation Support Policy and Procedure, application form and covering letter will be sent by the Recruitment Unit to appropriate successful candidates.
3. The successful candidate may wish to discuss removal expenses with the line manager and/or HR representative prior to accepting the post. Approval should therefore be sought from the appropriate Executive Director and the Director of Workforce.
4. As soon as possible after taking up their appointment, but usually within a maximum of one month after commencement in post, the employee must complete and submit the appropriate application form. The application must be authorised by the budget manager and appropriate Executive Director and the Director of Workforce. The original authorised form should be sent by the manager to NHSBT Pay Support. A copy of the form should also be sent to the relevant local HR department and to the employee as confirmation that they can begin their relocation.
5. Once an application for Removal Expenses has been approved, an individual will be required to submit claims for reimbursement of Relocation Expenses as expenditure is incurred. On receipt of the approval form NHSBT Pay Support will allocate access to relocation elements within the **expenses** system. The expenses claim should be authorised by the line manager in the usual way. Claims will be submitted on **expenses** with receipts being submitted to NHSBT Pay Support. Except in exceptional circumstances expenses incurred after 12 months of commencement of employment (or the change of base location) will not be paid.

6. NHSBT Pay Support will monitor expenses for each claimant against the agreed reimbursement limit and HMRC regulations.
7. In exceptional circumstances staff may request that an advance is made to them in order to assist them in meeting an expense at the time it is incurred. This must be authorised by both the Director of Workforce and the Director of Finance.
8. Once the approved relocation expense limit has been reached NHSBT Pay Support will write to the claimant and their line manager confirming this and advising that no further expenses should be claimed/authorised.

13.2 Employees affected by Organisational Change

1. Employees will be informed during individual consultation meetings as to whether appropriate authority has been obtained for the provision of relocation expenses.
2. A copy of the Removal Expenses and Relocation Support Policy and Procedure and application form will be provided by the HR representative/line manager during consultation meetings.
3. The successful candidate may wish to discuss removal expenses with the line manager and/or HR representative prior to accepting the relocation. Approval should therefore be sought from the appropriate Executive Director and the Director of Workforce.

Procedure then follows Section 13.1 New Starters/Internal Applicants, points 4 – 8 for the processing of applications for Removal Expenses and Relocation Support.