

Relocation policy

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Contents

1. Introduction.....	2
2. Purpose or aim.....	2
3. Scope	2
4. Definitions	2
5. Policy description.....	2
6. Eligibility criteria.....	2
7. Approval of relocation expenses	3
8. Payment of relocation expenses.....	3
9. General conditions	3
10. Standards	4
11. Roles and responsibilities	4
12. Training.....	4
13. Monitoring or audit	4
14. References.....	4
15. Appendices.....	5
15.1 Appendix 1	5

1. Introduction

The Trust aims to recruit and retain a high quality work force and to this end will consider paying relocation expenses as outlined in this policy. The offer of assistance in relocation (subject to the eligibility criteria in Section 6 below) is aimed at attracting and supporting new employees in their move to the area.

2. Purpose or aim

The policy sets out the Trust's eligibility criteria and process for the payment of relocation expenses in accordance with HM Revenue and Customs (HMRC) regulations.

3. Scope

This policy applies to all employees with a substantive contract with AWP with the exception of Doctors in Training who are eligible for relocation costs in line with the relevant NHS South of England guidance.

4. Definitions

HMRC Definitions: See Appendix 1

5. Policy description

The Trust will provide payment or part payment of legitimate expenses incurred by an employee who has to move house to take up a post, which is new to them, within the Trust, in line with the eligibility criteria given in Section 6 below.

The Trust will also consider payment or part payment of legitimate expenses incurred by existing staff who move house due to redeployment under service configuration (reference must be made to the Trust [Organisational Change Policy](#)).

There is no automatic entitlement to relocation expenses and any reimbursements are at the sole discretion of the Trust.

The Trust will comply with [HM Revenue and Customs \(HMRC\)](#) requirements in relation to the payment of relocation expenses. Payments for relocation costs will normally only be paid if they are defined by the HMRC as 'Qualifying relocation benefits and expenses' and are therefore not subject to tax and National Insurance. See Appendix 1 for further details.

Relocation expenses reimbursed by the Trust will be subject to repayment if the employee leaves within 24 months of their start date, as detailed in section 9 below.

Where discretion is used in the reimbursement of relocation costs matters will be referred to a Trust Executive Director to enable decisions to be taken equitably and in accordance with the Trust's [Workforce Diversity and Equal Opportunities Policy](#).

6. Eligibility criteria

New Employees: Relocation costs associated with an individual moving their main residence, up to a maximum of £8,000 will be considered for individuals taking up substantive posts.

Relocation expenses may be requested and considered if a new employee is required, by the distance or logistics of travel, to move home as a result of commencing permanent employment with the Trust.

Existing Employees: Relocation expenses may be requested and considered if an existing employee is required, by the distance or logistics of travel, to move home as a result of commencing alternative employment with the Trust where this employment change is a

Relocation policy

requirement of the Trust. Expenses up to £8,000 will be considered taking into account any potential redundancy cost.

Staff relocating from outside the UK will be eligible to request enhanced assistance recognition of the additional expenses likely to be incurred. This will be agreed by the Service Director in conjunction with the Trust's Finance Director or Head of HR.

Where a new or existing employee is unable to move house, due to personal circumstance, an application can be made to a Trust Executive Director for reimbursements for costs associated with working in a location away from their main residence. Each case will be dealt with on individual merit. If agreed reimbursement of costs would include excess travel for a period of one year to be paid at the public transport rate or lease car rate if appropriate. All of these expenses are classed as 'Non-Qualifying' benefit and will be subject to tax and NI.

7. Approval of relocation expenses

The agreement to pay 'Qualifying' relocation expenses must be approved by the appropriate senior manager.

The Trust's Director of Resources or Head of HR (who will determine whether relocation is necessary for the efficient and effective discharge of duties) must approve any agreement to pay 'Non-Qualifying relocation benefits and expenses', such as in 5.6 above. The employee will be liable to pay the appropriate tax and NI. See Appendix 1 for further details.

In agreeing the reimbursement of relocation, the Trust will consider the individual employee's circumstances.

8. Payment of relocation expenses

Normally the change in rented accommodation, or sale and purchase of accommodation should be completed within 12 months of the date of commencement of the post. If there are exceptional circumstances, an extension may be agreed by an Executive Director of the Trust.

Where an employee does not move within 12 months of commencing employment, or within an agreed time period of more than 12 months, the Trust, will have the right to withdraw from any agreement of financial support for relocation expenses.

Claims for relocation expenses must be submitted within one calendar month of the expense being incurred.

All expenses must be claimed by the end of the tax year (commencing 5th April) following the year in which the new post commenced.

Reimbursement for relocation expenses are payable to one party where a spouse, partner, or dependent living in the same residence moves due to employment within the Trust.

Any expenses reimbursed above the HMRC limit or any 'Non-Qualifying' benefits and expenses, will be subject to income tax and are the responsibility of the individual employee.

9. General conditions

If the employee terminates the employment contract within two years of the date of commencement, they are required to reimburse the Trust in accordance with the following schedule:

- Within a period of 12 months: 100%
- Within a period of 12 - 18 months: 60%
- Within a period of 18 – 24 months: 30%

Relocation policy

It is the responsibility of the prospective employee to check their eligibility for relocation expenses and reach a defined agreement, during the offer of employment stage. The scope and level of assistance must be agreed by the Trust before the appointment is formally accepted.

The Trust does not pay for any expenses associated with Bridging Loans.

A prospective employee who is dissatisfied with the level of relocation offered, or wishes to appeal against a decision not to offer relocation expenses, should put their concerns in writing to the Head of HR.

If an existing employee is dissatisfied with the level of relocation offered, or wishes to appeal against a decision not to offer relocation expenses, the Trust's Grievance Procedure should be invoked.

10. Standards

Individuals will submit claims for expenses that are consistent with the guidance for the policy.

Concerns about fraudulent claims will be progressed via the Local NHS Counter Fraud Specialist.

This policy will be measured against the requirements of employment legislation and the best practice expected from a modern health organisation.

11. Roles and responsibilities

Senior Local Area Managers will work with the Recruitment team to oversee remuneration packages for individuals including relocation costs.

Line managers will ensure that relocation expenses are authorised appropriately and in a timely manner.

Employment Services will provide advice on remuneration packages where required and ensure that the HMRC regulations are followed when making payments for relocation expenses through payroll.

12. Training

There is no specific training provision, but advice on relocation is available on Ourspace.

13. Monitoring or audit

In order to ensure compliance with the Trust's [Workforce Diversity and Equal Opportunities Policy](#), payment of relocation expenses will be monitored annually by the Head of HR and reported to the relevant assuring group to the Trust Board.

Representatives from trades unions formally recognised by the Trust and management representatives have drawn up this policy. Management as part of the review will provide meaningful statistics.

This policy will be reviewed after 1 year or earlier at the request of either party.

14. References

This policy has been drawn up with reference to current UK and European employment legislation and relevant national terms and conditions.

[HMRC Relocation Information](#)

15. Appendices

15.1 Appendix 1

Summary of HM Revenue and Customs Regulations for Relocation Benefits and Expenses (as at January 2013)

NB: This is intended as a guide only. Full details can be found at [HMRC Relocation information](#). The Trust's Payroll Manager will advise whether an expense is a 'Qualifying' or 'Non-Qualifying' expense. This must be clear before any agreement to pay any particular redeployment expense is made with the employee or prospective employee.

Qualifying Benefits and Expenses

Relocation expenses of up to £8,000 may be paid without incurring tax or NI provided they fall within the criteria for 'Qualifying Relocation Benefits and Expenses as detailed below:

1. The employee's **reason for relocation** must be one of the following:
 - The employee starting a new job with the Trust
 - A change in their employment duties
 - A change in the place where their employment duties are normally carried out
2. The expenses and benefits must **fall into one of the six 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
 - Domestic goods for the new premises (this is interpreted by the HMRC as being 'white goods'.)
 - Deposit for temporary rented accommodation while a new residence is found.
3. There is a **time limit**. To qualify, the expenses must be incurred or the benefits must be provided before the end of the tax year after the one in which the employee's circumstances changed.
4. 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.

Version History				
Version	Date	Revision description	Editor	Status
1.0	Feb 2004	Issued by AWP Board	LN	Approved
1.1	05 May 2009	Extended by IGC until 2012-01-31	AM	Approved
2.0	01 Nov 2011	QHCG approved extension until 30 June 2012	TW	Approved
2.1	25 June 2012	Extension of policy review date to 28 February 2013 agreed by Workforce Strategy Committee	TW	Approved
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3.0	24 Sept 2013	Amendments to policy agreed by GNG on 24 September for a further year	TW	Draft
3.1	14 Nov 2013	Agreed by ESEC on 14 November 2013 for one year	ADP	Approved
4.0	19/04/2016	Approved by Quality and Standards committee	JT	Approved