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**Relocation Assistance Policy**

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***Solent NHS Trust policies can only be considered to be valid and up-to-date if viewed on the intranet. Please visit the intranet for the latest version.***

<b>Purpose of Agreement</b>	This policy explains the circumstances under which relocation assistance can be granted within the Trust, and provides an explanation about items which can be granted under this policy.
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## Review Log

Include details of when the document was last reviewed.

Version Number	Review Date	Name of reviewer	Ratification Process	Reason for amendments
2	10/09/13	L Bicknell	Policy Group	Changes to the word “public transport” to “reserve”. Change the word “appointment” to “date of starting work”.
3	14/01/14	L Bicknell	NHSLA	Insert the word immediate into paragraph 3.1. Change the word “Associate Director” to “Operational Director”. Inserting the word “limit” in 5.2 and 5.3. Changing authorisation procedure.
4	27/10/17	L Bicknell	JCC	<ul style="list-style-type: none"> <li>• Insert Summary</li> <li>• Amend Section 3 to clarify the meaning of relocation expenses for owner occupiers and rental properties. Define Actively Marketing a property</li> <li>• Amend Section 4 to include relocation due to Organisational change and define “hard to fill”</li> <li>• Insert roles and responsibilities in Section 9</li> <li>• Update Relocation Assistance flowchart in appendix A</li> <li>• Update letters and forms in appendix B</li> </ul>

## **SUMMARY OF POLICY**

This policy intends to provide a consistent approach to the award of relocation costs to employees and new recruits. All payments are discretionary and will only be considered where there is a national/local skills shortage or there would be a serious risk to the Trust if the position is not filled.

Page 5 explains the meaning of relocation costs for employee's who own their own home or rent a property in line with the requirements of the HM Revenue and Customs

Page 6 explains the criteria that must be satisfied in order to be granted a relocation payment, and outlines the terms of any payment.

Page 7 confirms the maximum amounts that can be paid tax implications and the responsibilities of different individuals contained within this policy.

A flowchart of the procedure to be followed is attached at appendix 1 and appendix 2 provides copies of all letters and forms to be used.

## Relocation Assistance Policy

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## RELOCATION ASSISTANCE POLICY

### 1. INTRODUCTION AND PURPOSE

- 1.1 The Trust acknowledges that there occasions when potential recruits to the Trust or employees who are being relocated as a result of an organisational change will need to relocate their homes, if they are able to accept advertised positions. In order to recruit staff from the widest possible field and to ensure that the best candidate is able to fill vacancies, the Trust may wish to offer relocation assistance in specified circumstances. This policy explains the circumstances under which removal expenses can be granted and gives details of the maximum payments which can be made.
- 1.2 In all cases the granting of relocation assistance is discretionary.

### 2. SCOPE

- 2.1 This policy applies to all permanently employed staff, including those on limited term or fixed term contracts within Solent NHS Trust in line with the Trust's Equality, Diversity and Human Rights Policy, with the exception of Junior Doctors and Dentists in Training who are covered by the Health Education England Relocation Policy. It does not apply to Volunteers, Honorary Appointments, Bank workers, Locums, Non Executive Directors, Agency workers, Contractors, students or other individuals not directly employed by the Trust.

### 3. DEFINITION OF REMOVAL COSTS IN LINE WITH THE HM REVENUE AND CUSTOMS REQUIREMENTS

#### 3.1 Removal expenses where an employee owns a property

- 3.1.1 Removal expenses for employee's who already own a property are defined as follows:
- Legal fees for the sale of a property owned either fully or in part by the employee
  - Estate Agents or Auctioneer's fees on the sale of the property and purchase of the new property
  - Legal expenses for the purchase of the new property
  - Survey fee on the purchase of the new property
  - Stamp duty on the new property
  - Removal costs - the lowest of three quotes
  - Cost of travel and two weekends' accommodation for the immediate family to view the area
  - Cost of local temporary accommodation for the employee for up to three months while they are actively marketing their former property and finalisation of purchase of their new property
  - Cost of travel home via public transport or where this is not practicable or cost effective at the reserve rate of mileage for up to three months
- 3.1.2 In this policy *Actively Marketing* their property means the property they own is:
- on the market for sale, or
  - in the process of being sold.

#### 3.2 Removal expenses where the employee does not own a property

- 3.2.1 Where an individual does not own a property but rents or leases a property the following are included as removal expenses:
- Removal costs
  - Cost of the arrangement fee and legal expenses on any loan taken out to pay for a deposit or rental advance

- Cost of local temporary accommodation for the employee for up to three months whilst they are waiting to move into their new rented accommodation.

#### 4. ELIGIBILITY

4.1. Relocation expenses will only be considered when an individual is being relocated as a result of an organisational change, or the vacant post is classified as being hard to fill due to a shortage of suitable candidates, whether this is due to a skill shortage, or other labour market pressure.

4.2. “Hard to fill” vacancy, within this policy includes any role:

- which is on the Immigration Rules shortage Occupation List,
- where there is a national/local skills shortage, or
- it has been previously advertised externally without success and it would be a serious risk to the organisation if the role was not filled.

In all cases the Operational Director/Director must agree that relocation is appropriate.

4.3. It must be clearly stated on any recruitment authorisation form if the post is considered to be a hard to fill vacancy and that relocation will be considered. The advert will also need to explicit that relocation may be appropriate.

4.4. If the advertisement has not been annotated in this way relocation expenses will not normally be authorised, however if a manager does wish to pay relocation expenses because the post is hard to fill then authority from the relevant Operational Director must be obtained, prior to making any offer. In order to avoid any doubt the relocation costs will be charged to the service budget.

4.5. The individual taking up the post must have a permanent residence more than 50 miles from the new base location, or if public transport is used, be one hour travelling from home to the proposed (new) base location.

4.6. The new permanent residence must be within 15 miles of the proposed base location, or individual contractual requirements.

4.7. The employment contract being offered is for more than twelve months duration.

#### 5. TERMS OF PAYMENT

5.1 Payment will be offered subject to the following terms and agreement reached:

- Should the employee leave the Organisation within two years of commencing work in the role repayment will be made as follows:
 

* Within one year of commencement	100%
* 1 year to 18 months of commencement	50%
* 18 months to 2 years of commencement	25%
- On production of three formal estimates 50% of the agreed relocation costs will be paid with the employee’s first salary payment following receipt.
- The balance up to the agreed sum will be made upon production of receipts that the relocation expenses have been paid. Receipts must be produced within the tax year in which the initial payment is made. Please be aware that if receipts are not produced within the same tax year as the payment is made the whole payment will become a taxable payment.

- Throughout the period that removal costs are in payment, if the employee has a property to sell they are actively marketing it.
- Travel and removal costs will only be paid from a UK port of entry if the individual is entering the country from abroad.
- The expenses claimed are not recoverable from any other source.

## 6. AMOUNT OF MAXIMUM PAYMENTS

- 6.1 The manager, in consultation with the Operational Director/Director, will determine the amount of the payment to be made in individual cases, however no payment made may exceed £10,000 or 25% of salary whichever is the lesser figure.

## 7. TAX IMPLICATIONS

- 7.1. The Trust will report the provision of any allowance that exceeds £8,000 at year end via the real time information gateway or P11D.
- 7.2. Any payment in respect of removal expenses must be included on the employee's end of year tax return, but it is likely that the majority of expenses reimbursed under this policy will be exempt from income tax up to £8,000.
- 7.3. All receipts must be attached to the application forms and sent to the People Services team (PS). The receipts will be retained by the Payroll team as the HM Revenue and Customs will require sight of them if they undertake an inspection.

## 8. APPLICATION PROCESS

- 8.1 The process to be followed when considering a relocation assistance payment is enclosed in Appendix A and the relevant forms are in Appendix B.

## 9. ROLES AND RESPONSIBILITIES

- 9.1 Remuneration Committee is responsible for agreeing any relocation packages paid to Very Senior Managers before final agreement is sought from NHS Information Remuneration Committee.
- 9.2 Operational Directors/Directors are responsible for confirming that the post is classified as hard to fill or that relocation is appropriate as a result of an organisational change and that they agree to a payment being made.
- 9.3 Managers are responsible for ensuring they understand the limitation of the policy and that they ensure the correct forms are completed in a timely manner.
- 9.4 Employees are responsible for ensuring they follow this policy and provide quotes/receipts in accordance with this policy.
- 9.5 The People Services (PS) team are responsible for ensuring that payments are made once all the appropriate forms and receipts are received.

## **10. TRAINING**

- 10.1 Whilst there is no specific training identified in relation to this policy, the Trust recognises the importance of appropriate training for staff. If any clarification in relation to this policy is required please contact the PS team. Contact details are contained on the intranet People Service (HR) Toolkit - Key Contacts.

## **11. EQUALITY IMPACT ASSESSMENT AND MENTAL CAPACITY**

- 11.1 In line with Trust policy, an Equality Impact Assessment has been completed. It is understood that no employee will receive less favourable treatment on the grounds of disability, age, sex, race, religion or belief, gender reassignment, pregnancy or maternity, marriage or civil partnership, working patterns or Trade Union membership or non-membership in relation to the application of this policy. The Equality Impact Assessment is included in Appendix C.

## **12. SUCCESS CRITERIA/MONITORING EFFECTIVENESS**

- 12.1 Implementation of this policy will be monitored via the PS team who will ensure that the process has been followed before arranging payment. The Finance team, and Internal Audit will also monitor the payments made.

## **13. REVIEW**

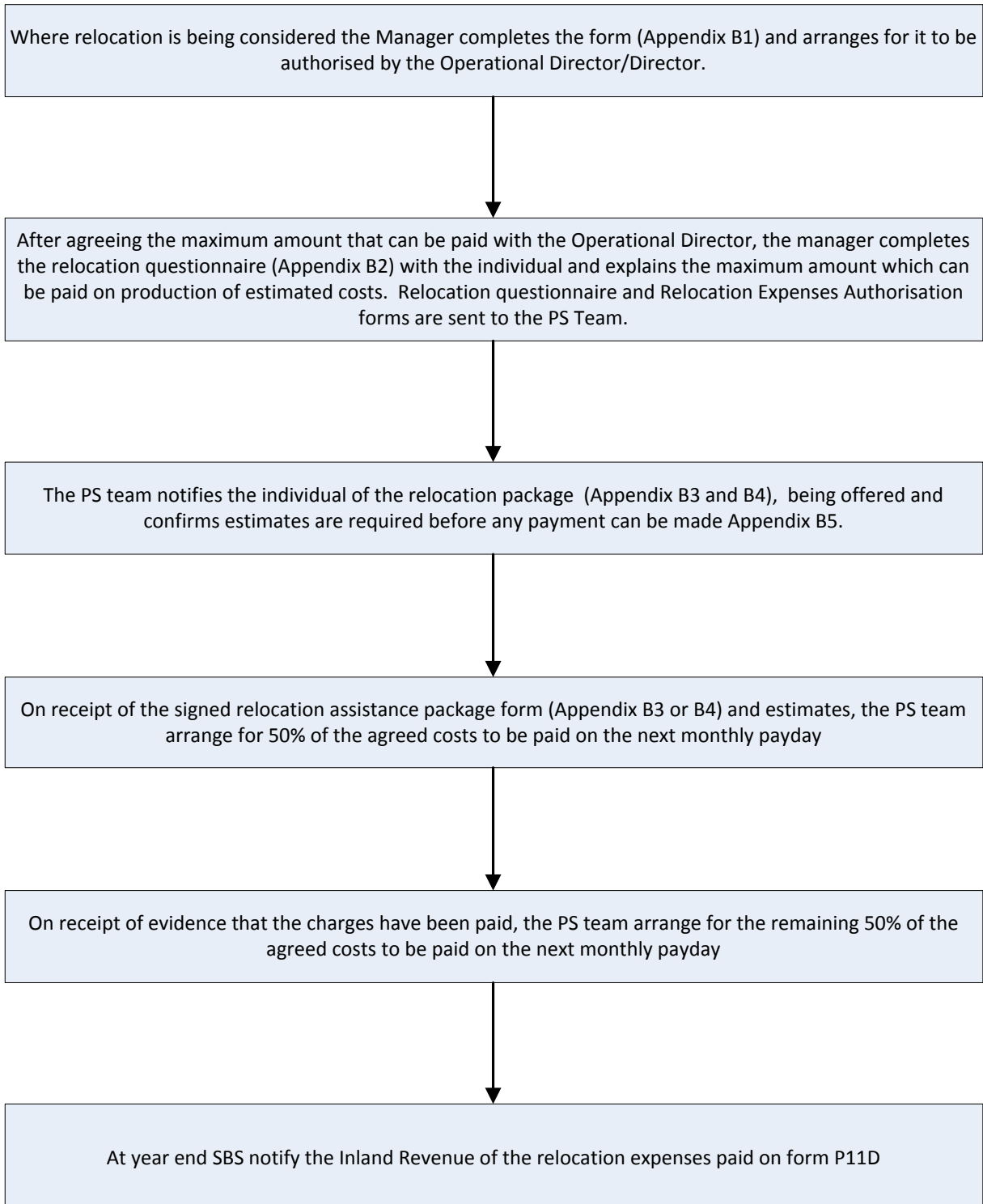
- 13.1 This document may be reviewed at any time at the request of either at staff side or management, but will automatically be reviewed 3 years from initial approval and thereafter on a triennial basis unless organisational changes, legislation, guidance or non-compliance prompt an earlier review.

## **14. REFERENCE AND LINKS TO OTHER DOCUMENTS**

- 14.1 This policy links to the following policies
- Equality Diversity and Human Rights Policy
  - Immigration Rules Appendix K -Shortage Occupation List  
<https://www.gov.uk/guidance/immigration-rules/immigration-rules-appendix-k-shortage-occupation-list>
  - Recruitment and Selection Policy
  - Health Education England Policy for the Reimbursement of Removal or Rotational Travel Expenses for Doctors in Training  
[https://heeoee.hee.nhs.uk/policy\\_reimbursement\\_removal](https://heeoee.hee.nhs.uk/policy_reimbursement_removal)



## RELOCATION ASSISTANCE FLOWCHART



## RELOCATION EXPENSES AUTHORISATION

<b>Job number of post being advertised or name and assignment number of employee being relocated as a result of organisational change</b>	
Please could you consider agreeing to relocation expenses being paid to the successful applicant for this vacancy/employee affected by organisational change. I consider that relocation expenses should be paid for the following reasons:	
<b>Manager signature:</b>	
<b>Date:</b>	
<p>I confirm, I have agreed for relocation expenses to be considered</p> <ul style="list-style-type: none"> <li>• when interviewing for this post, on the basis that it is hard to fill, or</li> <li>• as a result of this organisational change</li> </ul> <p>(Delete as appropriate)</p> <p>The maximum amount that can be paid from my service budget is shown below.</p> <p>I understand the amount cannot exceed the limit I have stated and that limit must not be above £10k, or 25% of the individual's annual salary.</p>	
<b>Maximum amount of relocation expenses:</b>	£
<b>Operational Director Signature:</b>	
<b>Date:</b>	

To be forwarded to the People Services Team via email at [HRRecruitment@solent.nhs.uk](mailto:HRRecruitment@solent.nhs.uk)

**RELOCATION ASSISTANCE QUESTIONNAIRE**

**FOR COMPLETION BY MANAGER and SIGNED BY THE INDIVIDUAL**

**NOTE:** To be completed where the candidate’s permanent residence is more than 50 miles from the proposed new base (or one hours travelling by public transport if the individual does not drive) and the expense has been authorised by the Operational Director.

<b>NAME OF APPLICANT:</b>					
<b>JOB NUMBER (NAME OF NEW POSITION if the move is due to organisational change):</b>					
<b>BAND/GRADE:</b>					
1.	Do you have a property to sell?	Yes		No	
2.	If yes, approximately value of your property?	£			
3.	Do you have any family who would relocate with you?	Yes		No	
4.	Would you look to buy or rent property locally?	Buy		Rent	

1. Currently Owns a Property

I agree to provide estimates of the anticipated costs, in respect of legal fees for the sale and purchase of a new property, estate agents fees for the sale of my current property, survey fees for the new property and cost of removals. I understand that the total costs payable cannot exceed £.....

OR (Delete whichever declaration is not relevant)

2. Currently Rents a Property

I agree to provide estimates of the anticipated costs, of legal fees for taking out a loan to pay for a deposit or rental advance, arrangement fee for the new property and cost of removals. I understand that the total costs payable cannot exceed £.....

Signed by employee: .....

Date: .....

I agree to the payment of relocation expenses up to a maximum of £..... to be paid from the service budget.

Signed by Manager: .....

Managers name: .....

Date: .....

To be forwarded to the People Services Team via email at [HRRecruitment@solent.nhs.uk](mailto:HRRecruitment@solent.nhs.uk) together with the signed form in appendix B1

**PEOPLE SERVICES OWNER OCCUPIER RELOCATION ASSISTANCE PACKAGE**

offered to

*[Insert name of employee]*

in association with the offer of employment with Solent NHS Trust

**Post:** *[Insert post name]*

**Start Date:** *[Insert proposed start date]*

The following relocation expenses have been agreed up to the maximum amount stated:

- Legal fees for the sale of a property owned either fully or in part by the employee
- Estate Agents fees on the sale of the property
- Legal expenses for the purchase of the new property
- Survey fee on the purchase of the new property
- Stamp Duty on new property
- Removal costs (on production of three written quotes)
- Cost of travel and two weekend accommodation for the family to view the area
- Cost of local accommodation for the employee for up to three months
- Cost of travel home via public transport or where this is not practicable or cost effective at the reserve rate of mileage for up to three months. This payment will be taxable.

**Overall limit which cannot be exceeded**

£
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The terms of this payment are that:

- \* The property is actively marketed during the period that relocation expenses are in payment.
- \* The post is for a minimum of six months duration.
- \* Estimates and receipts are produced before any payment is made.
- \* Relocation will only be claimed from a UK point of entry, or current home if it is within the UK.
- \* Receipts will be produced within the tax year in which the initial payment is made.
- \* The expenses are not recoverable from any other source.
- \* The individual's home is fifty miles or one hours travelling (if travelling by public transport) of the new base.

Signed on behalf of Trust: .....

Date: .....

Relocation Assistance is offered subject to agreement that should the employee leave the Trust within 2 years of appointment repayment will be made as follows:-

Within 1 year of Appointment: 100%  
1 year to 18 months of Appointment: 50%  
18 months to 2 years of Appointment: 25%

Eligibility to claim relocation assistance is dependent upon the new permanent residence being within 15 miles of proposed base location, or in accordance with individual contractual requirements.

50% of the above amount will be paid with the first salary payment following the production of formal estimates and the remainder will be paid on production of receipts. Please note that failure to provide receipts by the end of the tax year in which the payment is made is likely to make the whole payment taxable.

I understand and agree to the terms of this relocation package:

Signed by employee: ..... Date: .....

Name: .....  
*(In capitals)*

**NON OWNER OCCUPIER RELOCATION ASSISTANCE PACKAGE**

offered to

*[Insert name of employee]*

in association with the offer of employment/relocation with(in) Solent NHS Trust

**Post:** *[Insert post name]*

**Start Date:** *[Insert proposed start date]*

The following relocation expenses have been agreed up to the maximum amount stated:

- Legal fees on any loan taken out to pay for a deposit on a rental advance.
- Arrangement fees.
- Removal costs (on production of three written quotes)
- Cost of local accommodation for the employee for up to three months until the new property is available.

**Overall limit which cannot be exceeded**

£
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The terms of this payment are that:

- \* The post is for a minimum of six months duration.
- \* Estimates and receipts are produced before any payment is made.
- \* Relocation will only be claimed from a UK point of entry, or current home if it is within the UK.
- \* Receipts will be produced within the tax year in which the initial payment is made.
- \* The expenses are not recoverable from any other source.
- \* The individual's home is fifty miles or one hours travelling (if travelling by public transport) of the new base.

Authorising officer: .....

Date: .....

Relocation Assistance is offered subject to agreement that should the employee leave the Trust within 2 years of appointment repayment will be made as follows:-

Within 1 year of Appointment:	100%
1 year to 18 months of Appointment:	50%
18 months to 2 years of Appointment:	25%

Eligibility to claim relocation assistance is dependent upon the new permanent residence being within 15 miles of proposed base location, or in accordance with individual contractual requirements.

50% of the above amount will be paid with the first salary payment following the production of formal estimates and the remainder will be paid on production of receipts. Please note that failure to provide

receipts by the end of the tax year in which the payment is made is likely to make the whole payment taxable.

I understand and agree to the terms of this relocation package:

Signed: ..... Date: .....

Name: .....  
*(In capitals)*

Model letter to Individual from People Services confirming relocation expenses payment

Dear: *[Insert name]*

**RE: Relocation Expenses**

I write to confirm that you have been granted the sum of £*[Insert amount]* in respect of Relocation Expenses. This sum will be paid in two instalments; 50% (£*[insert amount]*) will be paid on production of the estimated costs. The remaining 50% (£*[Insert amount]*) will be paid on production of receipts for the agreed costs.

If you leave the Trust prior to completing 104 weeks continuous employment, or fail to implement the relocation arrangements proposed, you will be required to repay part or all of the payment made to you.

Relocation expenses over £8,000 are liable to income tax. If applicable, this will not be deducted at source but reported to the Inland Revenue at year end on Form P11D.

Furthermore, the recipient of relocation expenses may also be liable to pay tax on amounts less than £8,000 if the Inland Revenue believe a profit is being gained.

Yours sincerely

*[Insert name]*

**Cc: Manager**



## Equality Impact Assessment

Step 1 – Scoping; identify the policies aims	Answer		
1. What are the main aims and objectives of the document?	To ensure that there is a fair and consistent approach to dealing with requests for relocation assistance within the Trust		
2. Who will be affected by it?	All staff		
3. What are the existing performance indicators/measures for this? What are the outcomes you want to achieve?	To ensure that there is a fair and consistent approach to dealing with relocation assistance requests within the Trust		
4. What information do you already have on the equality impact of this document?	This policy provides a standard and consistency process.		
5. Are there demographic changes or trends locally to be considered?	No		
6. What other information do you need?	None		
Step 2 - Assessing the Impact; consider the data and research	Yes	No	Answer (Evidence)
1. Could the document discriminate unlawfully against any group?		x	This policy ensures all staff are treated in a consistent manner
2. Can any group benefit or be excluded?		x	This policy ensures all staff are treated in a consistent manner
3. Can any group be denied fair & equal access to or treatment as a result of this document?		x	This policy ensures all staff are treated in a consistent manner
4. Can this actively promote good relations with and between different groups?	x		Due to the consistency of approach everyone will be treated equally
5. Have you carried out any consultation internally/externally with relevant individual groups?		x	None required
6. Have you used a variety of different methods of consultation/involvement		x	None required
Mental Capacity Act implications			
7. Will this document require a decision to be made by or about a service user? (Refer to the Mental Capacity Act document for further information)		x	N/A
External considerations			
8. What external factors have been considered in the development of this policy?	x		The requirements of the HMRC in relation to income tax
9. Are there any external implications in relation to this policy?	x		If this policy is not adhered to relocation expenses will be taxable
10. Which external groups may be affected positively or adversely as a consequence of this policy being implemented?	x		It will be advantageous for applicants of hard to fill posts.

***If there is no negative impact – end the Impact Assessment here.***