



RELOCATION POLICY

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1.0 INTRODUCTION

1.1 Policy Statement

This document sets out the South Cambridgeshire District Council policy and procedure regarding relocation, accommodation, and associated expenses provisions. This policy will form the basis of all remuneration to employees for relocation, accommodation, and associated expenses.

1.2 Scope

Relocation assistance may be offered to job applicants on a discretionary basis, subject to the availability of funding and where this is a Head of Service recommendation. This should be discussed at the job offer stage.

The council retains discretion to tailor the relocation package to suit the particular circumstances and needs of the individual employees. However, the council will always act fairly and in a non-discriminatory manner.

2.0 ELIGIBILITY

No individual is automatically entitled to relocation expenses. Newly appointed staff may apply for expenses if they need to relocate to the area in order to take up their appointment, and all of the following criteria are met:

- i. The initial appointment must be for a period of 1 year or more.
- ii. The initial appointment must be for a full-time position, or a part-time position of at least 0.5 full-time equivalent hours.
- iii. Employees must be moving from an area at least 50 miles away from, or over one hours' traveling time from, their normal place of work.
- iv. The property to be purchased or rented must be located no more than 35 miles from, or within one hours' traveling time from, their normal place of work.
- v. The employee must make a statement of intention to move within six months of their appointment.
- vi. The expenses concerned, and the related claim(s), must meet the conditions set out in section 3.

In exceptional circumstances, where there is a valid reason, the new employee can ask to delay their house moving process. The following are examples of exceptional circumstances, this list is not exhaustive:

- Needing to keep the family in the current location because of school exam courses or other relevant reason;
- Trying the journey for a trial period rather than moving (claims for travel or temporary lodgings will not be allowed until a Relocation agreement is entered into).

In considering the exceptional circumstance proof of reason given will be required. However, application for relocation must have been submitted within 18 months of the employees start date.

If the employee prefers to travel rather than relocate they may do so but will forfeit any claim for relocation expenses unless they have agreed to a fixed trial period for this arrangement. The trial period will be for no longer than 6 months and the trial period end date will be the date of the relocation agreement with the repayment periods calculated from this date.

3.0 GENERAL CONDITIONS

No payments may be authorised until the employee has completed the application process, and their application has been approved. The following conditions must also be met:

- i. Applications can only be made for one relocation allowance per household, irrespective of whether anyone else within the household is employed by the Council.
- ii. The employee must change their main residence within 6 months of taking up the appointment.
- iii. The application must be made within the first 6 months of employment.
- iv. The maximum amount payable will be the limit set for the financial year in which the costs have been incurred; employees will be entitled to receive the benefit of any increase to the scheme's limits. However, where a cost is incurred in March of a financial year, the rate for that financial year will be applied, even if the claim is not submitted until the new financial year, i.e. after April and an increase has been made to the maximum.
- v. Only claims for items on the SCDC Relocation Payments list will be passed for payment. HR/Payroll will record and monitor claims to ensure all claims comply with tax legislation and the Relocation Policy. Any queries about a claim must be resolved before payment is made.
- vi. The expenses reimbursed are only for those incurred and will require receipted proof of expenditure to be submitted. All costs must be deemed reasonable, and comparable to market costs. Where possible three quotes for services should be obtained and submitted – see 4.2 below.
- vii. Payment will not be made for expenses which are recovered in full or in part from any other source.
- viii. The council will not pay any suppliers directly or pay any expenses in advance of the employee taking up their appointment or incurring the costs.
- ix. The employee must not make any further claims once the maximum limit has been met. Any further claim put through in error must be repaid by the employee.
- x. All parties will sign the completed claim record and it will be retained with the Relocation Agreement Letter in HR/Payroll. A copy of the record and agreement will be put on the employees Personnel file.
- xi. All payments will be subject to the HM Revenues & Customs, Income Tax and National Insurance contributions on relocation packages regulations at the time of each claim (as this may be subject to change). The HM Revenues & Customs grants exemption from Income Tax for the reimbursement of certain expenses incurred in moving to take up a new job. All items on the SCDC Relocation Payment list are exempt under these regulations.
- xii. In order to qualify for the tax exemption, the reimbursements can only be made up to the end of the tax year following that in which the employee takes up the new post. In some circumstances the HM Revenues & Customs may grant an extension of the time; in these circumstances HR/Payroll should be contacted for advice before the end of the relevant tax year.
- xiii. There is a maximum amount that can be claimed, and there is a maximum limit within each category. The maximum that can be claimed may not cover all costs incurred and the balance is payable by the employee. Receipts/invoices will be required in all cases. In exceptional circumstances,

and at the discretion of the Service Director, the financial amounts under each of the headings for allowances payable may be used flexibly provided that:

- a. The total amount paid to the employee does not exceed the maximum allowance.
 - b. The additional costs must be reasonable, and comparable to those of the market (see paragraph 3.vi)
- xiv. The figures are reviewed regularly and updated where applicable.

4.0 ALLOWANCES AND CLAIMABLE EXPENSES

All claims must be supported by receipts and invoices, which should be official VAT invoices or official VAT receipts, clearly showing the nature of the expenditure and submitted with a claim form as in Appendix 1.

4.1 Employee Allowances

The maximum relocation allowance for the financial year of 2018/19 is £8,000.

Employees taking on a position for a minimum of three years may be eligible for the full relocation allowance.

Employees on a fixed term contract of between two years and three years may still be eligible for the allowance, on one of the following options:

- i. Option One: Employees can apply for the full allowance amount, but will have to repay a portion of the allowance if they leave the councils employment before completing three years of service. However, the amount they must repay will be fixed at 50% if they have completed their contracted time.
- ii. Option Two: Employees can apply for 50% of the allowance, and will not have to repay any amount if they complete their fixed term contract.

Employees on a fixed term contract of between one year and two years may be eligible for a relocation allowance of £1,000.

Employees' relocating from outside of the UK may be eligible for additional assistance of up to £3,000 on top of the relocation allowance. This amount is intended to cover the increased removal costs, and travel costs for the employee and their family. The additional payment would not be exempt from income tax, and are subject to additional approval by the Service Director.

4.2 Relocation Payment List

The following list provides examples of what costs might fall under each category. The list is not exhaustive:

Maximum allowance payable	£8,000
<p>Removal Expenses</p> <p>Removal of household effects and domestic pets, including insurance in transit – three quotations must be obtained – see 3 vi above, and the lowest of these will normally be relied upon unless there are extenuating circumstances</p> <p>If the employee chooses not to use a removal firm but to undertake their own move, the cost of hiring a vehicle and associated fuel and insurance costs may be claimed.</p> <p>Temporary storage, including insurance, of furniture and belongings for up to 6 months. However, this can only be claimed for items which will be moved into the new residence.</p>	Actual cost

<p>House Hunting Expenses</p> <p>The council will reimburse reasonable travelling expenses for a maximum of two visits to the area to find a property to purchase or rent. Claims can be made for the employee and their spouse/partner. Types of expenses included are:</p> <ul style="list-style-type: none"> • Mileage at 45p per mile • Standard rail or bus fare, and economy/standard air ticket • Overnight accommodation for a maximum of two nights (board only) 	<p>£250</p>
<p>Moving expenses</p> <p>The council will reimburse reasonable travelling expenses for the actual move of the employee and their family to the area. Types of expenses included are:</p> <ul style="list-style-type: none"> • Mileage at 45p per mile • Standard rail or bus fare, and economy/standard air ticket 	<p>£150</p>
<p>Disturbance and Furnishings Allowance</p> <p>A contribution towards incidental settling in expenses, e.g. carpets, curtains, white goods, etc.</p> <p>Claims must refer to the named items with prices and be accompanied by the relevant receipts.</p>	<p>£500</p>
<p>House Sale and Purchase Expenses</p> <p>The costs of solicitor's, agent's, surveyor's fees and Home Information Packs (HIPS) can be claimed (up to maximum limit):</p> <ul style="list-style-type: none"> • Solicitors' fees for buying and selling a property, including searches, property enquiries and land registry fees. • Estate agents' fees, or direct advertising costs if not using the services of an estate agent. • Surveyors' fees • Stamp duty 	<p>Maximum £3,500</p>
<p>Rental Expenses</p> <p>The following costs can be claimed (up to maximum limit):</p> <ul style="list-style-type: none"> • Estate agents' fees • Fees for setting up initial rental agreement (excluding deposits) • Costs of disconnection/reconnection of public utilities and white goods serving the rental property. • Check-out fees and penalty clauses <p>Please see Appendix 5 for details on Ermine Street Housing</p>	
<p>Temporary Lodging Allowance</p> <p>The actual cost of temporary lodgings is payable where a permanent residency has not been secured before starting employment. Proof of payment must be supplied. Limited to the first three months of employment.</p>	<p>Maximum £1,000 for lodgings + maximum £500 for travelling</p>

Employees can also claim for the cost of travelling home at weekends from temporary lodgings. Claims can be made for the actual cost of reasonable tickets, or 45p per mile, to a maximum of £500.	costs
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4.3 Employee Relocation from Overseas

For employees relocating from overseas an additional £3,000 allowance may be available to help cover the additional costs of moving incurred. Relocation expenses in excess of £8,000 will incur Income Tax and National Insurance contributions.

Types of additional expenses that this can cover:

- Additional air/rail travel costs
- Additional removals and storage costs
- Reimbursement of Visa application fees for the employee's dependents.
- Relocation services, such as assistance with house buying, orientation tours, information dossiers, etc. These services must be arranged through the Council.

There is also an additional allowance for employees who are relocating from overseas, and have not previously lived in the UK as their main country of residence. These employees are entitled to return flights to their place of origin, to the value of reasonable economy flights. This allowance can be used to pay for flights for the employee, their partner, and any dependents.

4.4 Excluded Expenses

Expenses which are not covered by the relocation allowance include:

- Removal of office equipment and items from the premises of the employee's previous employer.
- Costs relating to the quarantine of domestic pets.
- Security deposits relating to rented accommodation and other refundable deposits
- Redirection of mail
- Council tax bills
- Car rental
- Purchase of new domestic goods
- Mortgage arrangement fees related to fixed-rate loans
- Payments for services provided by relocation companies (other than household removal fees).

5.0 APPLICATION AND AUTHORISATION OF EXPENSES

Employees who want to apply for the relocation allowance must complete the application form and submit it to the HR department (appendix 1). Employees wishing to claim the additional allowance available to applicants relocating from overseas must state this in their application form. The annual allowance for flights should be claimed through the usual expenses process.

The application will then be reviewed by the Service Director, who may approve or decline the application. This will be confirmed in writing with the applicant within 10 working days of the application being submitted.

If the application is approved the employee must then submit all relevant quotes, VAT receipts and invoices to the HR/Payroll department, who will record a running total of expenditure. Invoices must be accompanied with proof that the amount has been paid, such as a bank statement or official stamp. In the case of expenses related to the sale or purchase of property the final receipted Solicitor's completion statement must be submitted.

The claims will be paid in multiple instalments, as and when the expenses are submitted, until the limit is met. The expenses will be paid through the payroll system.

6.0 REPAYMENT

The council may require employees to repay all or some of the allowance under certain circumstances, although the amounts due to be repaid will depend on the type of contract the employee was hired on, and the percentage of the allowance they received.

In the following situations employees would be required to repay the full amount they received:

- In the event that an employee does not relocate after making claims
- The employee makes a false or inappropriate claim. This would then be managed under the disciplinary process.
- The employee is dismissed for any reason, e.g. failed probation, disciplinary action, etc.

In the following situations employees would not be required to repay any of the amount they received:

- Ill-health retirement or death in service
- If the employee is made redundant or is transferred to a new employer under Transfer of Undertakings Protection of Employment Regulations 1981 (TUPE). The agreement would transfer to the new employer.

6.1 Permanent Contract Employees

Employees who were hired on permanent contracts may be required to repay some or all of the allowances if they resign from employment within the first three years of joining the council. The proportion of the allowance they would have to repay is shown in the table below:

Within 18 months of commencement	100%
19 - 30 months from commencement	75%
31 – 36 months from commencement	50%

6.2 Fixed Term Contract Employees

Employees hired on a fixed term contract of between two years and three years will be able to choose between Option One or Option Two (see 4.1):

For employees who chose Option One and leave employment, the repayments due would be as follows:

Within 12 months of commencement	100%
Between 12 months and end of contract	75%
At the end of their contract	50%
If contract is extended and employee remains employed for three years	None

For employees who chose Option Two and leave employment before their contract end date, the repayments would be as follows:

Within 12 months of commencement	100%
Between 12 months and end of contract	75%

Employees hired on a fixed term contract of between one year and two years can apply for a relocation allowance of £1,000. If they leave employment within the first year they will have to repay 100% of the allowance.

6.3 Procedure for Repayment

When an employee leaves employment and is due to repay some or all of the allowance the Repayment Process must be followed (see appendix 4). If the employee has any questions regarding this they should speak to HR/Payroll.

The Executive Director of Corporate Services in consultation with HR must approve any variation from the terms of the Relocation Agreement repayment scheme.

7.0 FURTHER ADVICE

Further advice and guidance about relocation is available from HR. Managers are encouraged to seek advice from the HR department on the application of this policy to ensure consistency across SCDC.



Appendix 1 – Application for Relocation Expenses

Please complete the following application form and return to your line manager or appointing officer. You will be notified in writing within 10 working days if your application is successful.

Name of applicant	
Job title of new post	
Location of new post	
Length of new contract	
Details of Accommodation in Area of Previous Employment	
Address	
Post code	
Telephone number	
Was accommodation rented or owner occupied?	
If rented, was accommodation furnished or unfurnished?	
If unfurnished, did accommodation consist of more than one main room?	
If accommodation was owner occupied, do you intend to sell?	
Distance from new place of work (miles)?	
Details of Accommodation in SCDC Area	
Address	
Post code	
Telephone Number	
Is this address permanent or temporary?	
Is the accommodation totally unfurnished?	
If unfurnished, does the accommodation consist of more than one room?	
Is accommodation rented or purchased?	
Distance from new place of work (miles)?	

It is the policy of South Cambridgeshire District Council to make expenses payments using the payroll system, meaning payments are made on the last working day of the month.

Applicants on fixed term contracts of between two and three years only:
Please indicate with of the following options you are applying for

- Option One: full allowance Option Two: 50% of allowance

Applicants relocating from overseas only:
 Please indicate whether you are applying for the additional allowance for employees
 relocating from overseas:

Yes

No

I certify that relocation expenses are not recoverable in part or full from any other
 source by myself or partner, and that the information I have given is correct to the
 best of my knowledge and belief.

I agree to repay all or part of the expenses and allowances made to me if I leave
 employment of SCDC within three years of my commencement (or before my
 contract end date if employed on a fixed term contract).

Applicant Name	
Applicant Signature	
Date	

Proof of current address must be submitted along with the application.

INTERNAL PURPOSES ONLY

Line Manager's signature	
HR signature	
Date received by HR	

Service Manager's Name	
Application is (please delete as necessary):	APPROVED / DECLINED
Reason for decision:	
Service Manager's Signature	
Date	
If overseas allowance has been applied for, is this (please delete as necessary):	
APPROVED / DECLINED	

Appendix 2 – Relocation Agreement Letter

Dear (employee name)

Relocation Agreement

I am writing to tell you that your application for relocation expenses has been approved. The Council agrees to provide financial assistance pursuant to the Relocation Policy (“the Scheme”):

1. Subject to the terms and conditions in this agreement and to the financial limits set out in the Scheme the Council agrees to pay the expenses incurred by the Employee which are authorised to be paid under the Scheme together with the allowances for which the Employee qualifies under the Scheme.
2. The sum of money to be paid under paragraph 1 is only due when the Employee has submitted a claim in such a form as the Council may reasonably require. The employee will not put in any claim where they have /will receive assistance from another source (including payments to a spouse or partner from their employers).
3. If the Employee terminates his or her employment with the Council for any reason (other than as a result of the Council committing a serious breach of contract) on or before the expiry of the employees allowance period then the Employee agrees to repay to the Council all or some of the sums paid to the Employee under this agreement.
4. Any repayment to the Council due under paragraph 3 may be recovered in such manner as the Council decides but in particular may be deducted from the Employee’s salary or from any other sum owed by the Council to the Employee.

Employee’s start date with SCDC _____

End date of employees allowance period _____

Total allowance approved £ _____

Please submit all relevant claims and expenses to the HR/Payroll department for processing.

Yours sincerely,

Your Name
Your Position

cc. HR/Payroll Team



**South
Cambridgeshire
District Council**

Appendix 3 – Claims for Relocation Expenses Record

HR/Payroll will use this form to record all claims passed for payment and a running total will be kept.

Only claims for authorised areas as set out in the Relocation Payments List will be passed for payment. It is the responsibility of the employee and the Service manager to ensure that claims do not exceed the allowance limit. No further claims will be processed after this point, even if authorised but the Service manager.

Employee name	
Job Title	
Service Area	

	Claim £	Expenses paid (confirmed and dated)
Removal Expenses – Actual cost		
Removal quote 1 £.....		
Removal quote 2 £.....		
Removal quote 3 £.....		
The lowest quote should be used, unless there are extenuating circumstances.		
Insurance costs		
Vehicle rental		
Temporary storage		
Total:		
House Hunting Expenses - £250		
Travelling expenses:		
Mileage at 45p per mile:miles		
Rail/bus/air fare:		
Overnight accommodation		
Total:		
Moving Expenses - £150		
Expenses for the actual move of the employee and their family:		
Mileage at 45p per mile:miles		
Rail/bus/air fare:		
Total:		

Disturbance and Furnishings Allowance		
Please provide details:		
Total:		
House Sale and Purchase Expenses / Rental Expenses - £3,500		
Solicitors costs		
Survey		
Stamp Duty		
Land Registry fees		
Estate agents fees		
Initial rental agreement fees (excluding deposit)		
Costs of disconnection/reconnection of public utilities and white goods servicing the property		
Check-out fees and penalty clauses		
Total:		
Temporary Lodging Allowance - £1,000 + £500 Travelling Home Costs		
Temporary cost of living in lodgings (please provide details)		
Cost of travelling home at weekends:		
Mileage at 45p per mile:miles		
Rail/bus/air fare:		
Dates:		
Total:		
Total Amount of Expenses Paid		
Total:		

Employee:

I certify that the expenses above were actually and necessarily incurred and are in accordance with the terms and conditions of the Relocation Policy of South Cambridgeshire District Council.

Employee's signature:

Date:

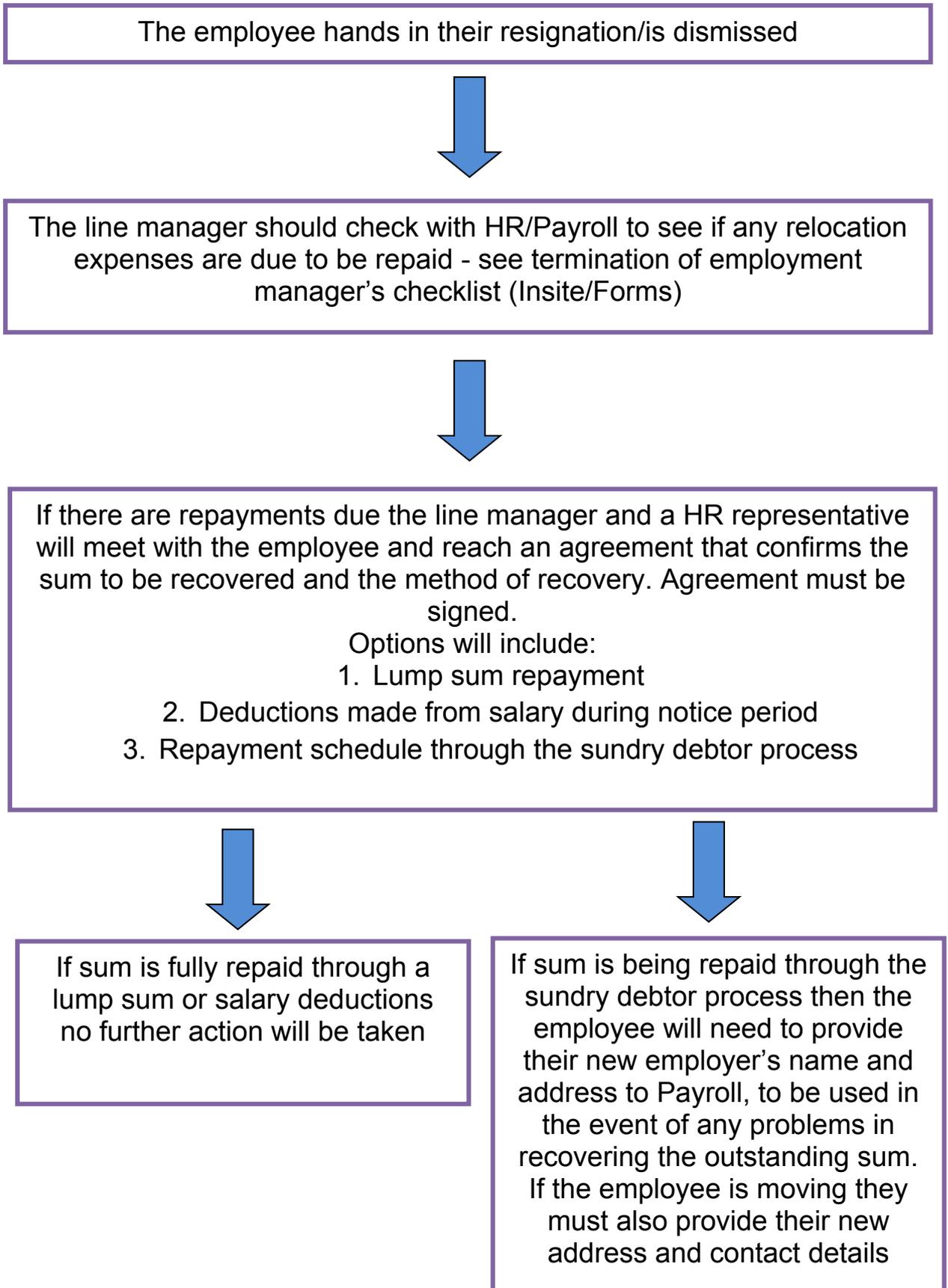
HR/Payroll:

I confirm that the above expenses have all been confirmed to be applicable under the terms of the Relocation Policy, and have been paid to the employee.

HR/Payroll signature:

Date:

Appendix 4 – Repayment Process



Appendix 5 – Ermine Street Housing

Ermine Street Housing is the trading name for South Cambs Limited, the housing company set up by South Cambridgeshire District Council.

We are an independent limited company, but wholly owned by the Council. The income generated is reinvested in the Council to provide and protect valuable services our residents want and need.

Ermine Street own a growing stock of homes in Cambridgeshire, Suffolk and Northamptonshire that allow us to offer the security and comfort of long term tenancies if you need it, but we are happy to put contracts in place that match your needs.

Alongside our own homes, we also manage a stock of homes for other landlords and are always keen to hear from people who want to get our professional, skilled and dedicated team on board to help.

Ermine Street Housing: putting the customer first

At Ermine Street Housing we aim to provide a quality service and let homes that are safe, secure and well maintained. We want you to enjoy your time with us, and be comfortable in the knowledge that your tenancy is secure provided you pay your rent and act responsibly as a tenant.

Length of the tenancy

You will be offered a six month assured short hold tenancy. However, we can offer longer tenancies depending on your circumstances. We will need to carry out mid term tenancy checks, but we will not do so without you being present, unless you specifically ask us to.

Rent in advance

We will need one month's rent in advance and the equivalent of one and half month's rent as a deposit. If you move in after the 15th of the month, we will charge the remainder of that month, and the following month's rent in advance.

The deposit is returnable at the end of the tenancy provided we haven't had to incur any costs for damage or unreasonable wear and tear. We will rely on a photographic inventory as evidence.

Benefit to relocating employees

If you are having to relocate in order to take up a job for the Council, we can find you a property to rent within commuting distance to your place of work. This could either be for the initial six months, while you are searching for a property to buy, or for as long as you would like.

We are also able to offer this service at a very low cost, as we do not charge the same fees as agencies. You will only be required to pay the actual administrative costs.