

RELOCATION ASSISTANCE FOR NEWLY APPOINTED STAFF

DRAFT REVISIONS AUGUST 2009

Relocation assistance is discretionary, and not a contractual entitlement. The Council reserves the right to withdraw it at any time.

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

ELIGIBILITY

1. Allowances, up to the agreed maximum in the scheme, may be payable to newly appointed employees intending to relocate to the local area in order to take up their appointment. Employees must obtain the approval of their Corporate Manager to access the Council's Relocation scheme.
2. Employees on fixed term contracts may be eligible to receive relocation expenses but the same repayment conditions apply.
3. Employees must be moving from an area at least 40 miles away from their new place of employment. The property to be purchased/ rented must be no more than 10 miles away from their new place of employment. Distances will be calculated using a recognised route finder system for the shortest distance between any two addresses in the calculation.
4. In approved cases, the employee can instigate home-moving proceedings on confirmation of the job offer or within the first few weeks of employment. The employee must provide proof that they are actively trying to relocate. This could be: proof of HIP and copies of property being advertised for sale; copy of letter giving notice on current tenancy; tenancy agreement for new property; or copy of sale agreement for purchase of new property or other relevant documentation.
5. 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: e.g. needing to keep the family in the current location because of school exam courses or other relevant reason; trying the journey rather than moving for a trial period (claims for travel or temporary lodgings will not be allowable 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 start date.
6. 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.

CONDITIONS FOR MAKING CLAIMS

7. No payments may be authorised until the employee has entered into a written agreement with the Council. The signed agreement should be sent to the HR Manager for counter signing and then retained in HR-Payroll. A copy should be put on the employee's personal file and a copy given to the employee.

8. The maximum payable will be the limit set for the financial year in which 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 a claim is not submitted until the new financial year i.e. after April and an increase has been made to the maximum.
9. Each claim must be on the standard pro forma invoice and accompanied by original vat receipts. The code 0723 must be used on the pro forma invoice under Expenses/Activity code, as this is the code for Relocation. The appropriate Service budget holder must sign off all claims.
10. Only claims for items on the SCDC Relocation Payments list will be passed for payment.
11. All completed claims must be sent to the HR manager. 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. HR-Payroll will pass the claim to Creditors for payment.
12. When the maximum amount allowed under this policy is reached the employee should make no further claim and the Service manager responsible for the budget should not authorise the claim. If a claim is put through in error HR -Payroll will inform the employee and Service manager. No further claims will be processed after this point, even if authorised by the Service manager
13. All parties will sign the completed claim record and it will be retained with the written agreement in HR-Payroll. A copy of the record will be put with the copy of the written agreement on the employees Personnel file.
14. 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 Inland Revenue 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.
15. 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 Inland Revenue may grant an extension of time. HR-Payroll should be contacted for advice in these circumstances before the end of the relevant tax year.
16. Relocation assistance will not be granted by SCDC where financial assistance is being given by another organisation e.g. partner's employer. SCDC reserves the right to make checks with service providers before payment. In signing the Relocation agreement, the employee agrees not to claim for something if a partner/spouse is claiming assistance from their organisation. (See Relocation agreement). False or inappropriate claims will lead to disciplinary action and repayment in full.
17. 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.
18. The figures are reviewed regularly and updated where applicable.
19. In exceptional circumstances, and at the discretion of the Corporate Manager, the financial amounts under each of the headings for allowances payable may be used flexibly provided that:
 - The total amount paid to the employee does not exceed the Maximum allowance of £7,000
 - The employee provides receipts and mileage claims to substantiate the claim
 - The employee has signed the Relocation Agreement Form

RELOCATION AGREEMENT REPAYMENT SCHEME

| Period of Service (from first claim for expenses) | Amount to be repaid (as % of total assistance paid to the employee) |
|---|---|
| Leaving 0 – 18 months from first claim | 100% |
| Leaving 19 – 36 months from first claim | 50% |
| In the event that an employee does not relocate after making claims they will be required to repay all monies paid to them. | 100% |
| In the event the employee makes a false or inappropriate claim | 100% |
| In the event that the employee is dismissed for any reason e.g. failed probation; disciplinary action | 100% |
| Ill health retirement or death in service | None |
| If an employee is made redundant during the normal payback period after appointment or is transferred to a new employee under Transfer of Undertakings Protection of Employment Regulations 1981 (TUPE) the requirement to pay back the relocation expenses will be waived. | None |

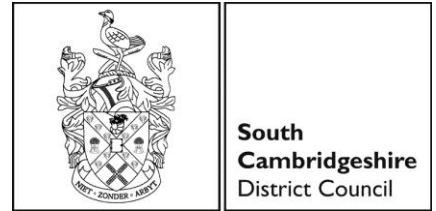
PROCEDURE FOR REPAYMENT

20. The employee hands in their resignation (they should be aware if some repayment of assistance is due but should check with HR-Payroll if they are unsure).
21. The line manager should also check with HR-Payroll to see if any relocation expenses remain outstanding **[link to termination of employment Manager's checklist]** immediately they receive the notice of resignation.
22. On receiving the Leaver form from the manager, HR Payroll will check the relocation agreement records.
23. The line manager & Payroll Officer meet with the employee and reach an agreement that confirms the sum to be recovered and the method of recovery. Exceptionally, the new employer may meet this cost outright but normally it will be recovered from the employee using the sundry debtor process.
24. The employee gives their new employer's name and address to Payroll and this is retained as a contact in the event of any problems in recovering the outstanding sum. The employee's future contact address must also be given where this is or is going to be different from the address on the HR-Payroll system.
25. Where the employee is moving to employment with another Local Government Employer, it may be possible for the employee to arrange for the new employer to reimburse SCDC for the recoverable amount or pay it to SCDC through their system. If this is the case the employee must have written confirmation from the new employer and give this, and a contact name and phone number to the Payroll Officer.

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

RELOCATION PAYMENT LIST

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|---|----------------|
| Maximum allowance payable | £7,000 |
| Removal Expenses The lowest of three tenders for removal will be paid. Copies of the quotations and invoice must be provided. | Actual cost |
| House Hunting Expenses The Council will reimburse reasonable travelling expenses (within the UK) at the current public transport rate, and over night accommodation costs, but not meals, for employee and spouse/partner where this is appropriate and approved in advance, for a maximum of 2 visits to cover trips to the area for 'housing hunting' purposes, to find a property to either purchase or to rent. | £250 |
| Disturbance and Furnishings Allowance A contribution towards incidental settling in expenses, e. g. carpets, curtains, white goods etc. Claims must refer to named items and be accompanied by the relevant receipts. | £500 |
| House Sale and Purchase Expenses The actual cost of solicitor's, agent's, surveyor's fees and Home Information Packs (HIPS) can be claimed as follows: <ul style="list-style-type: none"> • Where an employee moves from owner occupancy to owner occupancy, • Where only a purchase is involved, e. g. employee moves from tenancy to owner occupancy. • Where an employee moves from owner occupancy to tenancy. i.e. only a sale is involved. | maximum £3000 |
| Rental Expenses Any charges for disconnection/ reconnection of public utilities and white goods serving the rented property. Any associated administration costs from the letting agent or agents (including check-out fees, penalty clauses and lease arrangement fees). <ul style="list-style-type: none"> • Where an employee terminates a tenancy in one location and sets up a tenancy in another location. • Where an employee moves from tenancy to owner occupancy. | |
| Temporary Lodging Allowance The actual cost of temporary lodgings is payable where a permanent residence has not been secured before starting employment. Proof of payment must be supplied. | maximum £1,000 |
| Travelling Home The actual cost of travelling home at weekends from temporary lodgings is payable at the current public transport rate unless the journey is made in a leased car in which case the private miles concerned will be reimbursed at the current official business mileage rate. | maximum £500 |



RELOCATION AGREEMENT

(REVISED October 2009)

This is an agreement between South Cambridgeshire District Council ("the Council") and _____ ("the Employee") under which the Council agrees to provide financial assistance pursuant to the scheme for Relocation Expenses for Newly Appointed Staff ("the Scheme") a copy of which is attached to this agreement.

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 eighteen months from the date of his/her commencement of employment with the Council then the Employee agrees to repay to the Council all sums paid to the Employee under this agreement.
4. 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) before the expiry of thirty-six months from the date of his commencement of employment with the Council but after the expiry of eighteen months from the date of such commencement then the Employee agrees to repay to the Council half of all sums paid to the Employee under this agreement.(see over page for repayment scheme).
5. Any repayment to the Council due under paragraph 3 or paragraph 4 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 _____

Closure date of agreement (36 calendar months from employee start date or date of entering into a relocation agreement where this has been delayed by mutual agreement)_____

Address employee relocating from _____

I agree to abide by the above conditions and the terms of the relocation policy

Signed by the Employee _____ date _____

Signed on behalf of the Council - Service budget holder _____ date _____

Signed by HR Manager _____ date _____

RELOCATION ASSISTANCE RECORD FORM

HR-Payroll will use the form to record all claims passed for payment to Accountancy and a running total will be kept.

Only claims for authorised areas as set out on the Relocation Payments list will be passed for payment.

When the maximum amount allowed under this policy is reached the HR manager will inform the employee and Service manager. No further claims will be processed after this point, even if authorised by the Service manager

Employee Name: _____

Service Area Manager: _____

Employee start date: _____

List of Claims

| Date | Item/detail of claim | Amount | Running total |
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Signed by the Employee

date

Signed on behalf of the Council - Service budget holder

date

Signed by HR Manager

date