

## Relocation and Associated Expenses Policy

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<b>Consultation</b>	HR Policy Group	<b>Applicable to:</b>	All staff All sites
<b>Equality, Diversity And Human Right Statement</b>	The Trust is committed to an environment that promotes equality and embraces diversity in its performance both as a service provider and employer. It will adhere to legal and performance requirements and will mainstream Equality, Diversity and Human Rights principles through its policies, procedures, service development and engagement processes. This procedure should be implemented with due regard to this commitment.		
<b>To be read in conjunction with / Associated Documents:</b>	N/A	<b>Information Classification Label</b>	<input type="checkbox"/> <b>Unclassified</b>
<b>Access to Information</b>	To access this document in another language or format please contact the policy author.		

**Document Change History (changes from previous issues of policy (if appropriate):**

Version number	Page	Changes made with rationale and impact on practice	Date
2		Policy reformatted as per LUHFT template – no content changes.	June 2023

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## 1. Summary

This policy exists to support qualifying employees who are required by the Trust to relocate in order to undertake their Trust duties by contributing towards the costs of relocation. However, the application of the policy is at the discretion of the Trust. Relocation Expenses must be discussed and initially approved at the Interview Stage. All Claims must be submitted electronically using the Trust online expenses system and must be supported by an approved Appendix 1 application form and all associated receipts.

To qualify for the maximum reimbursement of up to £5,000 (including VAT) a qualifying employee must own an existing property which is their current family home and which (by virtue of their employment at the Trust) he/she is required to sell.

If a qualifying employee does not own an existing property, he/she will only be eligible to recover “removal costs” up to a maximum cost of £400 (including vat), as described in paragraphs 4.3.11 to 4.3.13.

To be a “qualifying employee”, the following criteria must be met:

- a) The employee’s relocation must be defined as permanent, in that the new property must become the main (family) residence.
- b) The employee is expected to remain at the Trust for a period of at least 2 years. In normal circumstances, the Trust will require qualifying employees to repay all or part of the reimbursement and grants paid if they leave the Trust, for any reason, within 2 years of the appointment which gave rise to the expenses. Employees given contracts of employment for less than 2 years are not eligible for reimbursement under the terms of this policy. Similarly, employees who hold Trust contracts, but who are expected to be based at the Trust for less than 2 years (i.e. rotational contracts “nominally” held by Liverpool University Hospitals (LUH)) are not eligible for reimbursement under the terms of this policy.
- c) Staff will only be eligible for relocation expenses where their existing permanent address is not within reasonable travelling distance to the Trust (nominally, greater than 50 miles and greater than 1 hour’s travelling time from their headquarters) and the new property should be within the local authority boundaries coterminous with the sites of Liverpool University Hospitals NHS Foundation Trust. In all cases, eligibility is at the discretion of the Medical Director and the Chief People Officer.
- d) Claims must be made within 12 months of the employee’s date of commencement. All claims are to be submitted using the Trust Expenses system. A copy of the approved Appendix 1 form and all receipts are to be uploaded for review. [Summarise key points of the policy]

## 2. Introduction

This Policy exists to reimburse employees for reasonable costs associated with a relocation due to their employment with the Trust. It provides support of up to £5,000 for employees that are required to sell an existing property in order to relocate and £400 for employees that do not currently own a property but who incur removal costs.

Prior to receiving any reimbursement, the employee will be required to sign a declaration form that acknowledges that all remuneration is made under the terms of this policy document (Appendix 3).

All payments will be made through the Trust's payroll and will be taxed at source, until such time as the criteria allowing the payments exemption from tax is proven.

Upon request, interview Chairs / Managers should discuss the potential for reimbursement of expenses, based upon the criteria in this policy document, prior to an applicant accepting a post at the Trust. This policy must be made available to all candidates for Trust posts on the same basis.

## 3. Policy Content

### 3.1 Assistance Available

If a qualifying employee owns an existing property (which is their current family home), then he/she will be eligible to receive assistance in disposing of the existing property and purchasing a new property, and associated expenses in relation to the relocation, up to a maximum of £5,000 (including vat). However, the Trust will not reimburse the employee for any costs associated with the new property being of a higher specification than the existing property.

### OR

If a qualifying employee does not have an existing property to sell, he/she will be eligible to recover "removal costs" up to a maximum value of £400 (including vat), as described in paragraphs 4.3.11 to 4.3.13.

### 3.2 Level of Support

The scope and level of financial assistance to be provided will be determined by the Trust, in consultation with the prospective employee. However, the total cost of assistance will be limited to £5,000.

£5,000 is the standard amount which will be reimbursed against expenditure actually incurred and should not be regarded as an allowance. Within this amount, the individual elements of a claim are subject to separate limits as described in this policy. However, in exceptional circumstances approval can be sought via the Medical Director and Director of Finance to increase the maximum limit to £8,000.

Payments up to £5,000 are exempt from Income Tax and National Insurance, provided the relocation meets HM Revenue & Customs' approved definitions.

In agreeing the assistance to be provided, the Trust will take account of the employee's circumstances, including the need to re-house dependants and the comparability of new and previous accommodation.

Deviations from the stated policy will only be permitted subject to the approval of the Director of People and Corporate Affairs and the Medical Director.

### 3.3 Categories for Assistance

The Trust may meet any reasonable cost incurred in relocation.

Reasonable expenses will include costs incurred in the search for accommodation in the new area, vouched expenditure incurred in the purchase and sale of property, the removal of furniture and effects, continuing commitments in the old area, general and miscellaneous removal costs, assistance with additional housing costs in the new area, etc.

The Trust will clearly indicate to the employee the level of assistance that will be provided, the aspects of removal costs that will be reimbursed and, where applicable, the upper limit of payment in all usual circumstances.

In simple terms, the Trust will need proof that the employee owned a previous property, proof that qualifying expenses were incurred and proof that they have been paid by the employee.

#### a) Search for Accommodation

Expenses payable during the search for accommodation will normally be in accordance with the Trust's Terms and Conditions for the relevant staff group.

#### b) Legal and other expenses associated with the sale and/or purchase of accommodation or any unsuccessful bona fide attempt to purchase

Employees may be reimbursed any reasonable vouched legal and other expenses (e.g. house agents or auctioneers fees, mortgage redemption fees, survey fees, stamp duty, etc).

The Trust will not reimburse an employee for any elements of the relocation that are of a higher specification than the existing property. Effectively, the Trust will meet the costs associated with purchasing a property in the new area that is comparable to the existing property in the old area. The methodology used to achieve this is to reimburse stamp duty, valuation and survey fee expenses on a pro-rata basis, in accordance with the following formula: -

$$\text{Amount Reimbursed} = \text{Expenses} \times \frac{\text{Value of comparable property}}{\text{Actual Purchase Price}}$$

For instance, if the existing property was a 3 bedroom semi-detached house and the new house is a 4 bedroom detached house in Anytown (say £400,000), the level of reimbursement will be prorated on the basis of the perceived value of a 3 bedroom semi-detached house in Anytown (say £250,000) over the actual price paid for a 4 bedroom detached house in Anytown as follows:

$$\frac{\text{Value of 3 bedroom semi in Anytown} \quad \underline{\pounds 250,000}}{\text{Purchase price of 4 bedroom detached in Anytown} \quad \pounds 400,000} = 62.5\%$$

**c) Removal and storage of furniture**

Employees may be reimbursed any reasonable cost connected with removal of furniture and effects from the old to the new home, including insurance of goods in transit and storage of furniture and effects for a reasonable period.

Removal firm expenses will be limited to the lowest of three competitive, commercial, quotations. Before reimbursement is made, the Trust should be provided with copies of the three quotations and proof of a payment being made.

Removal expenses will be reimbursed from the UK port of entry only.

**3.4 Bridging Allowances**

There will be occasions when an existing property has not been sold prior to the commencement of employment. Consequently, arrangements will need to be in place to bridge the gap between the commencement of employment and the receipt of funds from the sale of the existing property.

The Trust will reimburse either bridging loan interest, temporary accommodation rental or excess travel, based upon certain criteria.

The main stipulation is that the employee's existing property is placed on the market at a value which accurately reflects prevailing selling prices and market conditions and should allow for the conclusion of the sale within a 6 month period (the Trust may obtain an independent valuation if considered necessary).

Such reimbursement is included within the Trust's £5,000 limit.

All the following allowances will be paid up to a maximum of 4 months from the date of commencement in the post that led to the required relocation and will be repayable to the Trust should the sale of the existing property and purchase of the a new property not take place within 12 months of the employee's date of commencement.

Interest accruing on a bridging loan, arranged with a bona fide banking institution as approved by the Trust, will be reimbursed up to a ceiling of £1,000 per month.

Temporary accommodation rental, arranged thorough a bone fide property company, will also be reimbursed up to a ceiling of £1,000 per month, dependent upon submission of copy invoices and receipts.

In circumstances where an eligible employee chooses to travel from the existing property to the hospital for the interim period between commencement of employment and the actual relocation, the Trust will pay an excess travel allowance at prevailing rates. The allowance will be paid at a rate per mile and applied to the difference between current and new home to work mileage. This reimbursement is an alternative to a bridging loan/temporary accommodation rental and is restricted to £1,000 per month.

### 3.5 Miscellaneous Issues

#### Advance of salary

Subject to the approval of the Chief People Officer and the Medical Director, the Trust may make an advance, recoverable from salary, to assist with house purchase or with the initial vouched cost of legal and other expenses, including VAT, associated with the purchase or renting of privately furnished or unfurnished accommodation up to the maximum values described in this policy.

#### Other expenses

The Trust may make other payments (within the £5,000 limit) to cover any other necessary vouched expenses resulting from the relocation. The basic principle is whether or not the expense was necessarily incurred purely because of the Trust requiring the employee to relocate to commence their employment.

## 4. Training

There are no specific training requirements.

## 5. Monitoring of compliance

Payments made under the policy will be reviewed as part of the Trust's internal audit annual plans. Any matters of concern will be presented to the Trust's Audit Committee.

To ensure that the implementation of this policy does not have an adverse impact in response to the requirements of the Race Relations (Amendment Act) and the Disability Discrimination Act 2005 and the Equality Act 2006, the Trust will monitor the impact of this policy and this policy will be Impact Assessed during the consultation process.

The Trust will take remedial action when necessary to address any unexpected or unwarranted disparities and monitor all strands of equality legislation and will meet statutory duties under race, gender, disability and wider strands of equality to ensure that this policy is fairly implemented. Where adverse impact is identified through the monitoring process the trust will investigate and take corrective action to mitigate and prevent any negative impact.

## **6. Relevant regulations, standards and references**

In order to comply with HMRC regulations, expenses must be incurred or the benefits provided before the end of the tax year following the tax year in which the employee starts their new job.

## **7. Equality, diversity and human right statement**

The Trust is committed to an environment that promotes equality and embraces diversity in its performance both as a service provider and employer. It will adhere to legal and performance requirements and will mainstream Equality, Diversity and Human Rights principles through its policies, procedures, service development and engagement processes. This SOP should be implemented with due regard to this commitment.

## **8. Legal requirements**

This document meets legal and statutory requirements of the EU General Data Protection Regulation (EU 2016/679) and all subsequent and prevailing legislation. It is consistent with the requirements of the NHS Executive set out in Information Security Management: NHS Code of Practice (2007) and builds upon the general requirements published by NHS Digital/Connecting for Health (CfH).



## 9. Appendices

### Appendix 1: Equality impact assessment

<b>Title</b>	
<b>Strategy/Policy/Standard Operating Procedure</b>	
<b>Service change (Inc. organisational change/QEP/ Business case/project)</b>	
<b>Completed by</b>	
<b>Date Completed</b>	

**Description** *(provide a short overview of the principle aims/objectives of what is being proposed/changed/introduced and the impact of this to the organisation)*

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**Who will be affected** *(Staff, patients, visitors, wider community including numbers?)*

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The Equality Analysis template should be completed in the following circumstances:

- **Considering developing a new policy, strategy, function/service or project(Inc. organisational change/Business case/ QEP Scheme);**
- **Reviewing or changing an existing policy, strategy, function/service or project (Inc. organisational change/Business case/ QEP Scheme):**
  - If no or minor changes are made to any of the above and an EIA has already been completed then a further EIA is not required and the EIA review date should be set at the date for the next policy review;
  - If no or minor changes are made to any of the above and an EIA has NOT previously been completed then a new EIA is required;
  - Where significant changes have been made that do affect the implementation or process then a new EIA is required.

Please note the results of this Equality Analysis will be published on the Trust website in accordance with the Equality Act 2010 duties for public sector organisations.

Section 1 should be completed to analyse whether any aspect of your paper/policy has any impact (positive, negative or neutral) on groups from any of the protected characteristics listed below.

*When considering any potential impact you should use available data to inform your analysis such as PALS/Complaints data, Patient or Staff satisfaction surveys, staff numbers and demographics, local consultations or direct engagement activity. You should also consult available published research to support your analysis.*

**Section 1 – Initial analysis**

<b>Equality Group</b>	<b>Any potential impact? Positive, negative or neutral</b>	<b>Evidence</b> <i>(For any positive or negative impact please provide a short commentary on how you have reached this conclusion)</i>
<b>Age</b> <i>(Consider any benefits or opportunities to advance equality as well as barriers across age ranges. This can include safeguarding consent, care of the elderly and child welfare)</i>		
<b>Disability</b> <i>(Consider any benefits or opportunities to advance equality as well as impact on attitudinal, physical and social barriers)</i>		
<b>Gender Reassignment</b> <i>(Consider any benefits or opportunities to advance equality as well as any impact on transgender or transsexual people. This can include issues relating to privacy of data)</i>		
<b>Marriage &amp; Civil Partnership</b> <i>(Consider any benefits or opportunities to advance equality as well as any barriers impacting on same sex couples)</i>		
<b>Pregnancy &amp; Maternity</b> <i>(Consider any benefits or opportunities to advance equality as well as impact on working arrangements, part time or flexible working)</i>		
<b>Race</b> <i>(Consider any benefits or opportunities to advance equality as well as any barriers impacting on ethnic groups including language)</i>		
<b>Religion or belief</b> <i>(Consider any benefits or opportunities to advance equality as well as any barriers effecting people of different religions, belief or no belief)</i>		
<b>Sex</b> <i>(Consider any benefits or opportunities to advance equality as well as any barriers relating to men)</i>		

<i>and women eg: same sex accommodation)</i>		
<b>Sexual Orientation</b> <i>(Consider any benefits or opportunities to advance equality as well as barriers affecting heterosexual people as well as Lesbian, Gay or Bisexual)</i>		

If you have identified any **positive** or **neutral** impact then no further action is required, you should submit this document with your paper/policy in accordance with the governance structure.

You should also send a copy of this document to the equality impact assessment email address.

If you have identified any **negative** impact you should consider whether you can make any changes immediately to minimise any risk. This should be clearly documented on your paper cover sheet/Project Initiation Documents/Business case/policy document detailing what the negative impact is and what changes have been or can be made.

**If you have identified any negative impact that has a high risk of adversely affecting any groups defined as having a protected characteristic then please continue to section 2.**

### Section 2 – Full analysis

If you have identified that there are potentially detrimental effects on certain protected groups, you need to consult with staff, representative bodies, local interest groups and customers that belong to these groups to analyse the effect of this impact and how it can be negated or minimised. There may also be published information available which will help with your analysis.

<b><u>Is what you are proposing subject to the requirements of the Code of Practice on Consultation?</u></b>	Y/N
<b>Is what you are proposing subject to the requirements of the Trust’s Workforce Change Policy?</b>	Y/N
<b>Who and how have you engaged to gather evidence to complete your full analysis? (List)</b>	
<b>What are the main outcomes of your engagement activity?</b>	
<b>What is your overall analysis based on your engagement activity?</b>	

### Section 3 – Action Plan

You should detail any actions arising from your full analysis in the following table; all actions should be added to the Risk Register for monitoring.

Action required	Lead name	Target date for completion	How will you measure outcomes

Following completion of the full analysis you should submit this document with your paper/policy in accordance with the governance structure.

You should also send a copy of this document to the equality impact assessment email address

**Section 4 – Organisation Sign Off**

Name and Designation	Signature	Date
<b>Individual who reviewed the Analysis</b>		
<b>Chair of Board/Group approving/rejecting proposal</b>		
<b>Individual recording EA on central record</b>		

**Appendix 2: Roles and responsibilities**

<b>Role</b>	<b>Responsibility</b>
<b>Employee</b>	New employees, that are eligible to make a claim under the terms of this policy, are responsible for contacting the Finance Department and providing appropriate documentation, within the time limits stated in the policy.
<b>Finance</b>	The Finance Department is responsible for scrutinising claims and making payments. Employees should contact the Financial Accounts department to discuss the relocation and what documentation is likely to be required.
<b>Human Resources</b>	The Recruitment team will communicate the Trust’s policy to prospective employees of the Trust. Employees should contact the Recruitment team to obtain a copy of this policy and to determine if they meet the eligibility criteria.

### Appendix 3: Relocation Expenses Receipt Declaration Form

## Relocation Expenses Receipt Declaration Form

An application for Relocation Expenses must be made within 12 months of appointment with the Trust.

I, the undersigned, declare that, in receiving a reimbursement from the Trust:-

- a) I have read and understood Liverpool University Hospitals NHS Foundation Trust's "Relocation & Associated Expenses Policy" and agree to comply with the requirements therein.
- b) The expenses resulting in the reimbursement are legitimate qualifying expenses as determined by the terms of the above policy.
- c) I have personally incurred the expenses for which I am being reimbursed.
- d) I know of no reason or circumstance that may make a reimbursement inappropriate. I undertake to inform the Trust of any changes in circumstance that may affect the legitimacy of the reimbursement at the earliest opportunity.
- e) I will be required to repay the reimbursement should I leave the employment of the Trust within 2 years. I understand that, should a repayment be required for any reason, that the sum due will be taken directly from my salary, subject to prior notification and explanation.

Signed ..... Name (BLOCK CAPITALS).....

Date ..... Assignment number .....

#### Budget Holder Approval

Name:..... Signature:.....

Date:..... Appointment:.....

#### Executive Approval for Relocation claims over £5,000 up to a maximum of £8,000

Name:..... Signature:.....

Date:..... Appointment:.....

Amount Approved: £.....