

## RELOCATION POLICY

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# University of Hull

## Relocation Policy

### Introduction

1. This policy has been agreed with the campus trade unions and is intended to describe eligibility for, limits on, and process, of claiming expenses associated with the costs of relocation to Hull University, which includes campuses at both Hull and Scarborough. While this policy is to be followed by all staff of the university, it does not form part of a member of staff's contract of employment.

### Eligibility

2. Newly appointed staff, will be eligible to claim relocation expenses where the following conditions are met:
  - They must have an initial contract offer of MORE THAN two years
  - They must have a genuine intention to move to the Hull and East Riding, or North Yorkshire area in order to take up employment at the University of Hull (including both Hull and Scarborough campuses). Any relocations to a new residence further than 30 miles from either Hull or Scarborough campus must be agreed in advance by the Director of HR or nominee.
  - It must be a reasonable expectation that they would have to move house in order to take up employment at the University of Hull.

### Allowances

3. Actual expenses that have not been re-imbursed from any other source, incurred in relocating from within the UK or overseas will be reimbursed up to a maximum allowance of £10,000.
4. Only expenses which fall within the HM Revenue and Customs regulations – (details below) will be considered, except where stated.
5. Only expenses incurred in the tax year that the member of staff joins the University and the one following will be considered. The UK tax year is 6 April to 5 April.
6. Where an individual is unclear as to whether an item may be claimed, then guidance should be sought from the Finance Office, prior to expenditure being committed.

### Payback arrangements

7. In the event that a member of staff resigns from office within the first 3 years of appointment, a proportion of actual expenses claimed must be repaid at the following rates:
  - 100% during the first year of employment.
  - 50% during the second year of employment.

- 20% during the third year of employment.

**Any such repayments will be deducted from the member of staff's salary**

## **Exemption from tax**

8. HM Revenue and Customs (HMRC) allows tax exemption on relocation expenses within certain regulations. Full information can be obtained from HM Revenue and Customs Website at <http://www.hmrc.gov.uk/guidance/relocation.htm>. A summary of HMRC rules are provided below for general guidance, but as the HMRC may alter these from time to time members of staff are advised to check with the HMRC for the most up to date regulations. The University will not be responsible for any tax liabilities which may be incurred.
9. A member of staff's relocation allowance is exempt from tax (to a maximum of £8,000) as long as the conditions below are met. The University is required to make a declaration to HMRC on the P11D Benefits and Expenses form for any amount in excess of the £8,000 maximum.
  - The member of staff has to move home to take up a new job and the new home becomes their main or sole residence
  - The existing home is not within reasonable daily travelling distance
  - The new home is within reasonable daily travelling distance
10. The existing home does not have to be disposed of providing the home moved into becomes the sole or main residence. If a member of staff lives in their new home during the week but returns to their old home and family at weekends, their old home would probably still remain their main residence and all amounts paid may be subject to tax by HMRC.
11. Expenses must be incurred, or the benefits provided before the end of the tax year following the tax year in which the new job is started.

A tax year runs from 6th April one year to 5th April the next.

Examples:	Start date of new job:	Must use exemption by:
	1st March 2016	5th April 2017
	1st September 2016	5th April 2018

12. If the member of staff does not relocate within the HMRC timescales, in exceptional circumstances the University may still consider the payment of relocation expenses, so long as there is a genuine intention to move. The Director of HR or nominee will make a decision on any such cases. Any monies paid outside of the HMRC rules however are likely to be subject to tax by HMRC, unless the tax office agrees to extend the time limit. The relocation process must have started within the timescales – relocation for the purposes of re-claiming expenses from the University cannot commence after the HMRC time limit has expired.

## **Examples of expenses which can be claimed**

13. Appendix 1 details the most common types of expenses which may be claimed however this is not an exhaustive list.

## Applying for relocation expenses

14. The following guidelines should be applied when making applications:

- Applications must be made on a Relocation Expenses Claim Form available from the Finance Office external web pages.
- Claims must be accompanied by receipts for payments made (with the exception of mileage claims), in the name of the employee, which show the company number/VAT number. Such claims should give details of each item and the expenditure claimed.
- Claims cannot be made in advance of the start date, and no advances will be made.
- Individuals may only claim for expenses incurred in the tax year that they join the University and the one following.
- Separate forms should be used where different currencies are involved in the claim. The Finance Office will provide the conversion rate, which will be the prevailing rate at the date the expense was incurred.
- No payments will be made for claims submitted after an individual has given notice of resignation.
- Claims should be submitted on a regular basis and within two months of the date of the expenditure itself.

## Equality

15. This procedure has been produced with the aim of supporting the university's overall strategy to embrace diversity and welcome individuals from all backgrounds on an equal and non discriminatory basis. When using this procedure, the university expects members of staff to treat all colleagues fairly and with respect and will take action against acts which breach the Policy on Diversity. Any change to this policy must be subject to an Equality Impact Assessment prior to submission for approval, consistent with The Equality Act 2010. Advice may be sought from the Equality & Diversity Unit or HR in this regard.

## Data protection

16. The data collected in the course of following this policy will be used for the payment of expenses and for the purposes of monitoring the effectiveness of this policy. Some data may be stored on the computerised Staff Information Management System and paper records will be kept on individual staff's central HR file, and where necessary in secure records within other relevant departments such as Finance. Only staff who need the information in order to carry out the duties of their post will have access to this data. The information will be kept on computerised and paper record for the life of those records, details of which can be found in the Policy on Data Protection.

## Communication

17. The university aims to raise all staff's awareness of their rights and responsibilities under this policy.

## **Monitoring**

18. The effectiveness of this policy will be ensured by continuous monitoring, regular review and consultation with the campus trade unions. It will be the responsibility of the Director of HR to monitor the effectiveness of this policy.

## **Policy Management**

19. This policy will be automatically updated to comply with legal changes or other internal University changes for example, changes to names or titles.

Appendix 1

FOR EXISTING HOME OWNERS WITH CONTRACTS MORE THAN 2 YEARS

<b>Costs</b>	<b>Allowable</b>	<b>Not allowable</b>
Cost of disposing of existing home	Legal/estate agent fees Advertising Disconnecting gas, water etc	
Travel and subsistence	<p>Mileage may be reclaimed at 12p per mile</p> <p>Second class rail fare only</p> <p>Visit to the Hull/Scarborough location for the member of staff and immediate family members who will be living with them – maximum 2 visits. If relocating from overseas it will be a maximum of one visit using economy flights, plus one economy flight to relocate.</p> <p>Commuting costs to home (or point of exit from the UK) from hotel/bed and breakfast accommodation within the UK for 2 months, in preparation for moving into the Region.</p> <p>Temporary rented accommodation for 6 months whilst selling current property. If the existing property is rented out, the claim can only be for the excess cost of renting in Hull or 30 mile radius over the rental income from existing property.</p>	<p>Costs of food and drink (except breakfast where b&amp;b is booked)</p> <p>Daily travel costs to University including Humber Bridge tolls</p> <p>Bonds required for rent/rent deposits</p>
Costs of acquiring new home	<p>Legal fees and services</p> <p>Loan arrangement costs</p> <p>Surveys and valuations</p> <p>Land Registry fees</p> <p>Connecting gas, water etc</p> <p>Stamp duty</p>	<p>Utility bills</p> <p>Council tax</p>
Replacement of domestic goods	<p>Carpets, curtains etc if old ones are unsuitable for new house (up to a maximum of £1,000)</p> <p>White goods (up to a maximum of £1,000)</p>	<p>Decorating materials</p> <p>Gardening materials</p> <p>Kitchen equipment</p> <p>Linen/bedding items</p> <p>Furniture</p>
Costs of moving possessions	<p>Packing and unpacking including books</p> <p>Temporary storage</p> <p>Transportation costs</p> <p>Insurance in transit</p>	<p>Family pets</p>

Interest payments on bridging loans	To redeem a loan secured on old home or to purchase new home	
Other non-taxable allowances	Removal of books and equipment from existing office to new office (maximum £500) Cost of visa for individual	
Other taxable allowances	Cost of visa for family members where appropriate NHS surcharge for individual and family where appropriate for period of contract	

FOR NON HOME OWNERS WITH CONTRACTS OVER 2 YEARS

<b>Costs</b>	<b>Allowable</b>	<b>Not allowable</b>
Travel and subsistence	<p>Mileage may be reclaimed at 12p per mile</p> <p>Second class rail fare only</p> <p>Visit to the Hull/Scarborough location for the member of staff and immediate family members who will be living with them – maximum 2 visits. If relocating from overseas it will be a maximum of one visit using economy flights plus one economy flight to relocate</p> <p>Commuting costs to home (or point of exit from the UK) from hotel/bed and breakfast accommodation within the UK for 2 months, in preparation for moving into the Region.</p> <p>Difference in cost between existing and new temporary rented accommodation for 6 months.</p> <p>Buy out of existing lease.</p>	<p>Costs of food and drink (except breakfast where b&amp;b is booked)</p> <p>Daily travel costs to University including Humber Bridge tolls</p> <p>Bonds required for rent/rent deposits</p>
Costs of acquiring new home	<p>Legal fees and services</p> <p>Loan arrangement costs</p> <p>Surveys and valuations</p> <p>Land Registry fees</p> <p>Connecting gas, water etc</p> <p>Stamp duty</p>	<p>Utility bills</p> <p>Council tax</p>
Replacement of domestic goods		<p>Decorating materials</p> <p>Gardening materials</p> <p>Kitchen equipment</p> <p>Linen/bedding items</p> <p>Furniture</p>
Costs of moving possessions	<p>Packing and unpacking including books</p> <p>Temporary storage</p> <p>Transportation costs</p> <p>Insurance in transit</p>	Family pets
Other non-taxable	<p>Removal of books and equipment from existing office to new office (maximum £500)</p> <p>Cost of visa for individual</p>	
Other taxable allowances	<p>Cost of visa for family members where appropriate</p> <p>NHS surcharge for individual and family where appropriate for period of contract</p>	