

REMOVAL AND RELOCATION POLICY

This scheme forms part of Fareham's recruitment programme, ensuring we can recruit and retain employees with the skills and attributes necessary to provide the quality of service that meet the needs of the Council.

Its purpose is to assist newly appointed employees in meeting the cost of relocation, removal and other related expenses incurred through taking up their appointment with the Council.

1. ELIGIBILITY

- 1.1. The scheme applies to employees newly appointed to permanent posts who live either on the Isle of Wight or beyond a 20 mile radius of their new place of work and whose primary reason for relocating to the area is to take up their new appointment with the Council. The relocation should be within 10 miles of their new work base.
- 1.2. Exceptions to the above eligibility may be made in special circumstances by the relevant Director but cannot exceed the stated limits.
- 1.3. Employees to whom this benefit applies will normally be expected to move within 26 weeks of taking up their appointment. This period may be extended by a further 26 weeks with the approval of their Director and HR.
- 1.4. An application for relocation should be made within 4 weeks of joining the Council even if all claims are not to be paid straight away.
- 1.5. Employees can claim allowances under the scheme alongside another person in the household claiming for the same relocation subject to confirmation that each expense is only being claimed once.

2. PROVISIONS OF THE SCHEME

- 2.1. The employee may claim up to a maximum of £8,000 in total in line with the HMRC tax free limit.

The claim can cover expenses of the following:

- Removal expenses.
- Professional fees.
- Buying things for the new home.

Eligible employees may also be entitled to:

- Travelling expenses.
- Separation allowance.

Separation payments will be subject to limits reviewed annually on 1 April. This will be in line with the annual cost of living pay increase. Maximum levels of reimbursement are those which apply on the date that the employee actually takes up their appointment.

2.2. Removal expenses

The cost of moving furniture and belongings including insurance, storage and other similar expenses in connection with the actual transfer of furniture and belongings from the existing property to the new property may be reimbursed. If the employee takes up temporary accommodation prior to purchase of the new property this may include a second removal, provided this takes place within 12 months of the employee taking up appointment.

Employees must provide 3 competitive quotations for the above costs. Reimbursement will not exceed the value of the lowest quotation.

2.3. Professional fees

Professional fees including cost of estate agents, solicitors, local search, mortgage valuation survey, stamp duty and any other similar expenses may be reimbursed subject to the production of receipts. This does not include costs such as mortgage insurance.

2.4. Buying things for the new home

Costs related to the purchase of new carpets, curtains and domestic goods will be paid where these could not be transferred from the old home.

2.5. Travelling expenses

Travelling expenses together with one night's accommodation may be paid to a new employee, partner and dependents who travel to Fareham to seek accommodation prior to commencement of employment. A maximum of two such visits may be reimbursed. Payment will be made only after employment has commenced. Travel expenses will be paid at second class rail fare or HMRC Fuel Rate if travelling by car.

Travelling and subsistence expenses at the time of the move may be paid for the employee, his/her partner and dependents from the old home to the new accommodation at second class rail fare or HMRC Fuel Rate if travelling by car.

2.6. Separation expenses

Further assistance may be given when newly appointed employees are seeking permanent accommodation but are meanwhile living in temporary accommodation whilst still incurring expenditure on their old home. It may also be given when the employee is travelling daily from their old home and therefore incurring excessive travel costs. The provision is for:

- (a) a weekly allowance (current rate available from Finance)
 - (b) second class return rail fare or HMRC Fuel Rate to and from the former home once every 4 weeks (within the 26 week period)
- Separation allowances are payable for up to 26 weeks provided that the employee is genuinely endeavouring to sell his/her existing property (where appropriate) at a competitive price and to find a reasonably acceptable alternative. In exceptional circumstances this may be extended to a maximum of 52 weeks at the discretion of the relevant Director and HR.

3. REPAYMENT ON TERMINATION OF EMPLOYMENT

Employees terminating their appointment with the Council or employees whose employment is terminated for reasons of conduct or performance within the periods detailed below will be required to repay all or part of the monies paid under the scheme as specified. Eligible employees will be required to sign a form of undertaking before the scheme can be applied.

Repayments will be as follows:

- a) 100% of the sums paid in the event of leaving the Council's employment within and including 24 months of the commencement of employment.
- b) 50% of the sums paid if leaving after 24 months but within and including 36 months

The above repayments would also apply if an employee, having received reimbursement under the scheme, subsequently moves a second time to outside the 10 mile radius within 2 years of appointment.

4. DOCUMENTATION

Reimbursement of all claims under the scheme can only be made upon proof of expenditure. Original invoices will be retained by the council for audit purposes. If employees require copies for their records they should take these before submitting the original documents.

5. INCOME TAX

In order to qualify for tax relief, the relocation expenses must normally be incurred or the benefits provided before the end of year assessment following the one in which the employee starts the job, i.e. if the employee commences September 2020, all relocation expenses need to be claimed and reimbursed by March 2022.

6. INTEREST FREE LOAN

An interest free loan, repayable over the period of one year, will be made available to employees renting a property, for the purpose of paying their deposit.

7. REVIEW

Allowances will be reviewed periodically in line with current HMRC rates.

December 2020