



# Relocation Procedure

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HRPRO005

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## **1. Introduction**

### **1.1 SCOPE**

Shetland NHS Board (the Board) recognises the financial and emotional strain for employees who, by necessity to take up their post with the Board, have to relocate their home, and family where appropriate.

To ease the process of relocation, the following procedures have been introduced to assist and support staff during relocation. The procedures are not designed to cover every aspect of relocation and have been introduced to help towards relocation expenses and upheaval as detailed in this procedure under Section 2. The procedures account for Inland Revenue legislation and have not been designed to meet the full costs of individual relocation.

It is important that all employees offered relocation allowance take time to read these procedures and guidance notes carefully **before** committing to any expense.

### **1.2 BENEFITS**

In line with Inland Revenue rules, a maximum of up to £8000 qualifying relocation expenses can be reimbursed as non taxable (including VAT) depending on length of contract issued can be claimed within the terms of these procedures. Assistance will not exceed the eligible allowance actually incurred by the employee. Employees will have a choice in the mix of expenditure claimed subject to approval. In order to receive expenses as non taxable, all expenses must be claimed by the end of the tax year (5th of April) after the employee takes up the post. HM Revenue and Customs can extend this period on application. Employees should therefore ensure they take such action, as they consider necessary to extend the period if appropriate.

### **1.3 JUNIOR DOCTOR RELOCATION AND TRAVEL EXPENSES**

Junior doctors recruited directly by NHS Shetland will follow this procedure. Junior Doctors employed under DDiT (Doctors and Dentists in training) with another board and coming to NHS Shetland on placement will follow the NHS Scotland Relocation Procedure for Trainee Medical & Dental Staff. A local leaflet has been designed to assist with these expenses.

### **1.4 ELIGIBILITY & CONDITIONS**

- a) Advertisements and/or information packs for jobs will clearly state whether a post is eligible for a relocation allowance. Currently those in Agenda for Change band 5 and above posts will be eligible if stated in the job information. In situations where the post is band 5 or above, but is advertised solely as a local vacancy, then the relocation procedure is not applicable. GPs and Consultants employed directly by the board may also be eligible for the relocation allowance if applicable.

- b) If you are required by the board to change your base of employment and as a result you must change your sole or main residence, then you may be eligible for relocation assistance irrespective of grade or post. If you do not have to change your sole or main residence, then you may be eligible for payment of excess daily travel expenses. The relocation allowance or travel expenses agreed in this situation would be dependant on individual and departmental circumstances and be proportionate to the terms of the change.
- c) There may be special circumstances where relocation allowance will be paid to other grades or bands, but these will require authorisation from the Chief Executive preceded by consultation from the relevant Director of Service with the Human Resources Director. Any outcome that differed from policy would go before the Remuneration Committee as the governance arrangement for exceptional payments.
- d) The written offer of employment will confirm eligibility to a relocation allowance.
- e) For all claims, the employee must be changing their sole or main residence to Shetland and payment will not be made to anyone commuting back and forth to Shetland.
- f) Where relocation to Shetland is necessary for fixed-term appointments, reasonable individual assistance will be offered at the discretion of the Board. In these cases, an allowance will be proportionate to the period of employment in accordance with the Fixed term Employees (Prevention Of Less Favourable Treatment) Regulations 2002.
- g) Part-time employees who are eligible for relocation assistance will receive the same limit as a full-time employee in accordance with the Part Time Workers (Prevention Of Less Favourable Treatment) Regulations 2002.
- h) When purchasing or renting a property in Shetland, the employee must consider potential difficulties in getting to work in a reasonable amount of time. As a guide, this could be within 10 miles and/or 30 minutes but will be dependant upon specific circumstances and job requirements. For example, where the post carries a requirement for on-call or out of hours work, which cannot be planned in advance, then residence on Shetland Mainland will be essential. In situations where an employee chooses to live further from base, they must accept responsibility for getting to and from work on time in order to fulfil their contractual obligations.
- i) Any expenses claimed must have been incurred as the result of the change of home and must not be recovered in full or part from any other source. Any breach of this will be treated as fraud and reported to NHS Scotland Counter Fraud Services, the individual may also be subject to disciplinary action.
- j) The employee is expected to relocate as soon as possible and ideally within 12 months from the date of commencing the new appointment. If this is not practicable, this must be discussed with the line manager, who may, at their discretion and in

consultation with their Director of Service and the Human Resources Director, be able to agree an extension of the claim period.

- k) Where the employee's spouse/partner/civil partner is also taking up an appointment within NHS Shetland and eligible for receiving relocation assistance, the Board will restrict the package in order that a maximum assistance of £8,000 will be provided between partners.
- l) Reimbursement of relocation expenses is restricted to all reasonable expenditure in line with Inland Revenue rules, (<https://www.gov.uk/expenses-and-benefits-relocation>) and you are requested to keep claims to a minimum, particularly Solicitor's and Estate Agents fees, which are not fixed, and can vary considerably. If your claim for reimbursement is unreasonably high you may be asked to provide a statement supporting the costs and if you are unable to do so reimbursement may be abated to an amount considered reasonable by the Board given all relevant circumstances (all relocation expenses should be supported by receipts).
- m) There is a maximum level of reimbursement for all relocation allowance for any employee and relocation allowance benefits payable to any employee cannot exceed £8,000. HR and Finance track all relocation expenditure and should any individual go over the £8,000, arrangements will need to be made for reimbursement (details will be discussed between Finance and the individual concerned).

## **2. ELIGIBLE EXPENSES**

Expenses and benefits you can claim for are:

- a) Costs of disposing of your existing home, whether you own it or rent it (or of a proposed disposal which falls through), such as
  - legal fees and services
  - estate agent's and auctioneer's fees and services
  - home information pack
  - advertising sale of property
  - disconnecting gas, electricity, water and telephone supplies
  - loan redemption costs, where the loan was raised to buy your existing home, or where the loan was secured on your existing home
  - mortgage, insurance, maintenance and security once the property is left empty and before you sell it
- b) Continuing Commitments – continuing commitments is mortgage/rent in the old area at the same time as mortgage/rent in the new area, if this is the case then the lowest duplicate mortgage or rent payment can be reimbursed for up to 6 months, this may be extended to a maximum of 12 months in certain circumstances with approval from the Human Resources Director. Proof of payment from your bank or building society/landlord is required confirming the mortgage/rental payments during the periods being claimed, along with a completed claim form. Each claim along with supporting documents, must be made for each individual month, in arrears. Please note continuing commitments is not eligible for payment if property in the old area is generating an income e.g. sub letting.

- c) Costs of acquiring a new home (or of a proposed acquisition which falls through for reasons outside your control, or where you have good reason to pull out) including:-
- legal fees and services
  - loan arrangement costs and mortgage indemnity premiums
  - structural surveys and valuations
  - Stamp Duty and Land Registry fees
  - fees payable to the Keeper of the Registers of Scotland
  - connection fees for gas, electricity, water and telephone supplies
- d) Costs of moving household furniture and effects (including ordinary gardening equipment), such as:-
- packing and unpacking
  - temporary storage, if you do not move directly from the old residence to the new (for up to six months)
  - insurance specially taken out to cover goods in transit or in temporary storage
  - removing and refitting domestic goods
  - includes moving of ordinary domestic pets
  - The Board will reimburse all reasonable costs relating to the removal of your furniture and effects by a removal contractor. Before the removal is arranged you must obtain **three** comparable and competitive estimates, at least one of which the Board would expect to be from a removal company based in Shetland, in writing and forward these to the Human Resources Department. The Board will reimburse the level of the lowest estimate although you will be free to engage any of the removal contractors however you will need to pay the difference if engaging with any company above the lowest estimate.
  - Should you be in temporary unfurnished accommodation, the Board will (subject to the three estimates as above) reimburse all reasonable costs relating to the removal of your furniture and effects to your purchased accommodation. The Board has limited this to one claim.
  - If you prefer to personally arrange for the transit of your belongings you will be eligible for reimbursement of the hire costs for a van or other suitable transport as well as mileage costs.
  - Invoices for removals may be sent directly to the board, referencing your name.
- e) Travel and subsistence costs for:-
- family visits to the new location, prior to taking up appointment of the post (for a reasonable period of time for relocating family members)
  - family travel when the actual house move takes place (relocating family)
  - travel and subsistence for a child (under 19 at the beginning of the tax year in which you start your new job) who has to stay at the old location, or move to the new location before the rest of your family, in order to ensure continuity of schooling including return visits for child
  - return visit to your old location to oversee removals.

- f) Contribution to costs of replacing domestic goods such as carpets, curtains, cookers, fridge/freezers and washing machine if the goods used in your old home are unsuitable for installation in your new home, less any amount you received for the replaced goods. If your claim for reimbursement is unreasonably high you may be asked to provide a statement supporting costs and if you are unable to do so reimbursement may be abated to an amount considered reasonable by the Board given all relevant circumstances (all relocation expenses should be supported by receipts).
- g) Interest payments on bridging loans, providing:-
- the loan is used only to redeem a loan secured on your old home or to purchase your new home
  - the loan does not exceed the market value of your old home at the time you purchase your new home.
- h) Temporary Board Accommodation - In some circumstances and subject to availability, the Board may be able to provide you with Board/hospital accommodation during your search for permanent accommodation. However, you will be liable for the full rental costs including service costs such as electricity, council tax and private telephone calls. Continuing Commitments may apply here as per section 2b of this procedure. If available, and Board accommodation is provided it will be for a maximum period of six months or for a longer period if considered appropriate by the Board.

### **3. PAYMENT OF CLAIMS**

To make a claim, which can only be done after HR have received the signed agreement (appendix iii) including your bank details on the back of the form in order for your claim to be paid by electronic transfer, please complete the attached form in appendix **vi** and submit it to the Human Resources Department for authorisation. The HR department will check against previous expenditure prior to payment of any claim. If bank transfer is not possible, claims will be paid by cheque via the Creditors Department and sent to your home address. Every effort is made to process payments promptly. In the case of relocation expenses that attract National Insurance Contributions (unreceipted payments or grants) payment must be processed via your salary. Cheques cannot normally be paid to a third party such as a bank or lawyer. You should contact your line manager immediately if this should cause you difficulty.

All eligible expenses should be paid for by yourself and claimed back via submission of a claim form and necessary receipts to the HR Department. Please note your removal costs can be invoiced directly by the Removal Company to the board quoting your name in the subject area.

#### **4. INCOME TAX**

As far as possible the relocation allowance has been framed in order that they are qualifying expenses that are therefore non taxable. However, some aspects of the relocation expenses may be taxable and if so you will be notified directly by the Inland Revenue of the tax liability. Additionally some aspects of relocation expenses (unreceipted payments or grants) may be subject to the payment of National Insurance contributions.

#### **5. REPAYMENT OF RELOCATION EXPENSES**

Should an employee choose to leave NHS Shetland employment within two years of the date of taking up post for which relocation expenses were paid, a proportion of the amount reimbursed under relocation expenses provision will require to be refunded. Repayment will be proportionate to the part of the 2 years unfilled – see appendix 2.

You will consent for the Board to have the authority to deduct any such monies outstanding from your salary to meet these payments. In addition, you will agree to repay any further outstanding monies to the Board on demand or as mutually agreed at the time. You are therefore required to sign an undertaking to this effect before any claims can be accepted. (Appendix III Form RE1.) If you were to leave the organisation within the time limit, then the Human Resources department will forward your contact details to the Finance Department to follow this up with you.

If an individual were to leave the organisation during their first two years as a result of an organisational restructure or by mutual agreement in the interests of the organisation, then the Director of Human Resources has the delegated authority to discuss these cases with the relevant Director of Service with a view to exemption from repayment.

#### **6. FURTHER INFORMATION**

The Board welcomes you to your new post and it is hoped that you find this guide to your relocation allowance useful to aid your move to the new home. You are reminded that the first step is to complete and return the Agreement and that all **signed** claims must be submitted to the Human Resources Department on the appropriate forms, attaching the necessary receipts.

If you have further questions relating to your entitlement under relocation expenses regulations please contact the Human Resources Department.

#### **7. REVIEW**

These procedures will be reviewed annually unless changes in tax take effect sooner by the Human Resources Director on behalf of the Local Partnership Forum.



## **SUBSISTENCE ENTITLEMENTS**

- 1. Night Allowances: First Thirty Nights**  
Actual receipted cost of bed and breakfast up to a maximum of £75.
- 2. Meals Allowance** (per person)  
Per full 24 hour period      £20 (i.e. maximum Lunch £5, Evening Meal £15)
- 3. Night Allowances in Non Commercial Accommodation (friends or relative's accommodation)**      £25
- 4. Night allowances: After First Thirty Nights**  
Actual receipted cost of bed and breakfast up to a maximum of £55.
- 5. Mileage Rate** (public transport rate) 24p per mile

## PROPORTIONAL REPAYMENT OF RELOCATION EXPENSES

Employees who leave the Board's employment within 24 months or prior to the end of your fixed term contract from the date of taking up duty in the post that attracted relocation allowance, will be required to repay the whole or part of relocation expenses paid in accordance with the following table based on length of service.

COMPLETED MONTHS OF SERVICE	PROPORTION OF REMOVAL EXPENSES PAYABLE %
1	96
2	92
3	88
4	83
5	79
6	75
7	71
8	67
9	63
10	58
11	54
12	50
13	46
14	42
15	38
16	33
17	29
18	25
19	21
20	17
21	13
22	8
23	4
24	0

**FOR THOSE EMPLOYEES ON A FIXED TERM CONTRACT THE PROPORTION OF EXPENSES TO BE REPAYED WILL BE EQUIVALENT TO THE PERCENTAGE OF THE CONTRACT LEFT TO RUN**

**AN AGREEMENT**

**For**

**THE REPAYMENT OF RELOCATION EXPENSES**

Between

\_\_\_\_\_ (name of employee) \_\_\_\_\_ (Job Title)

and

**SHETLAND HEALTH BOARD**  
(now known by the common name of Shetland NHS Board)

Start Date:

In return for relocation allowance (maximum value £?,???) offered to me, I

\_\_\_\_\_ **please print full name above**

Relocation claims must be submitted by **5<sup>th</sup> April**

**FIRST** Agree to repay, according to the scale at Appendix II, all relocation expenses for which I have been reimbursed, in the event I leave the employment of Shetland NHS Board within (?? Months) of the date of taking up duty in the post that attracted relocation allowance.

**SECOND** Authorise the Board to deduct from my final pay any agreed sum outstanding on leaving the employment of the Board subject to the requirements of the paragraph **FIRST** above.

**THIRD** Agree in the event the amount due from me on leaving the employment of the Board exceeds the net sum of my final pay to repay the agreed difference to the Board on demand or as mutually agreed at that time.

**FOURTH** Accept that any outstanding sum to be reimbursed to the Board shall be subject to verification at the time.

Signed ..... for the Board  
..... (name)  
..... (date)

Signed ..... the employee  
..... (name)  
..... (date)

RELOCATION

**Bank details**

If you wish to receive repayment for relocation claims directly into your bank account, please include your bank details below when returning this form:

**Bank/Building Society:** .....

**Address:** .....

.....

.....

.....

**Sort Code:** .....

**Account No.:** .....

**This information will be treated with the strictest confidence and will be used solely for the purposes of payment of relocation claims.**

**Shetland-based removal companies**

Reid Removals Ltd  
Warehouse  
Broonies Taing  
Sandwick  
SHETLAND  
ZE2 9HH  
01950 431233  
01957 755331  
[mail@ianreidremovals.com](mailto:mail@ianreidremovals.com)  
[www.ianreidremovals.com](http://www.ianreidremovals.com)

Shetland Transport Ltd  
Greenhead  
Lerwick  
ZE1 0PY  
01595 69 5792  
[haulage@shetlandtransport.com](mailto:haulage@shetlandtransport.com)

Wiseman's Removals (smaller and local removals)  
Evergreen  
Fogralea  
Lerwick  
SHETLAND  
ZE1 0SE  
01595 69 4014



## DOCUMENT DEVELOPMENT COVERSHEET\*

<b>Name of document</b>	Relocation Procedures	
<b>Registration Reference Number</b>	HRPRO005	<b>New</b> <input type="checkbox"/> <b>Review</b> <input checked="" type="checkbox"/>
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Executive Management Team				
All staff / Area Partnership Forum				
Staff Governance Committee				
Date	Version	Group	Reason	Outcome
01/02/2009	1.0	APF/SGC	C/S	PRO
14/03/2019	2.0	APF/SGC	C/S	PRO

Examples of reasons for presenting to the group	Examples of outcomes following meeting
<ul style="list-style-type: none"> <li>Professional input required re: content (PI)</li> </ul>	<ul style="list-style-type: none"> <li>Significant changes to content required – refer to Executive Lead for guidance (SC)</li> </ul>
<ul style="list-style-type: none"> <li>Professional opinion on content (PO)</li> </ul>	<ul style="list-style-type: none"> <li>To amend content &amp; re-submit to group (AC&amp;R)</li> </ul>
<ul style="list-style-type: none"> <li>General comments/suggestions (C/S)</li> </ul>	<ul style="list-style-type: none"> <li>For minor revisions (e.g. format/layout) – no need to re-submit to group (MR)</li> </ul>
<ul style="list-style-type: none"> <li>For information only (FIO)</li> </ul>	<ul style="list-style-type: none"> <li>Recommend proceeding to next stage (PRO)</li> </ul>

\*To be attached to the document under development/review and presented to the group

Please record details of any changes made to the document on the back of this form

<b>DATE</b>	<b>CHANGES MADE TO DOCUMENT</b>
Feb 19	Various minor amendments to reflect clearer understanding of claims process in line with HMRC guidelines & HR Shared Services revisions.  Addition of expenses claim form