



# Relocation Assistance Policy

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# Relocation Assistance Policy

The University will contribute towards the relocation costs incurred by eligible new employees, providing that the main residence is not already within a reasonable travelling distance of the University campus where their main employment is based.

## Baseline eligibility

A new employee may be eligible to claim reimbursement of relocation expenses subject to the following:

- appointment to a post at grade 7 or above
- that the allowances are used to change their main residence to a new home within reasonable travelling distance from their main University contractual base (either Colchester, Southend or Loughton) Relocation expenses are not payable on promotion, extension or change of appointment within the University.
- their place of residence directly before appointment was over 40 miles from the University campus (as the crow flies) at which they were mainly based.
- the employee has moved their main residence to within 25 miles (as the crow flies) of the University campus at which they will be mainly based.
- <https://www.freemaptools.com/find-uk-postcodes-inside-radius>
- only one member of a family/cohabitant relocating will be eligible for the assistance if more than one member of the same family/cohabitant has been appointed to a position
- post is funded, fully or in part by the University not by a third party, such as a Research Council
- the applicant cannot claim until they have accepted an offer of employment from the University
- acknowledge and agree that if they were to leave their employment before the completion of their three years' service, a portion of their financial support will be recovered directly from their salary
- submitted for reimbursement within one year of their start date, claim to be finalised and completed by the end of the tax year following the tax year in which they took up post

## Amount of contribution

From within the UK:

- one month's gross salary up to a maximum of £8,000, whichever is the lower

From within the EU:

- one month's gross salary up to a maximum of £6,000, whichever is the lower
- plus, the cost of standard flight to the UK for the individual and their immediate family
- maximum assistance of £8,000

From outside the EU:

- 10% of gross salary up to a maximum of £8,000 (if 10% is higher than £8,000)
- plus, the cost of an economy flight to the UK for the individual and their immediate family
- the cost of removals of personal belongings to the UK
- maximum assistance £12,000
- supported by interest free loan policy

The Director of People & Culture may, in exceptional circumstances, allow reimbursement of expenses exceeding the individual allowances set out above by individual arrangement up to the maximum allowances. The recruiting manager will need to make a case supporting this action and submit for consideration to the Director of People & Culture.

## Length of contract and pro rata entitlement

Contracts that are fixed term for less than three years and part time employees will have a pro rata entitlement to financial assistance.

Term of appointment	% entitlement
1 year or less	0
1 – 2 years	33.33 of FTE entitlement
2 -3 years	66.64 of FTE entitlement
Permanent or over 3 years	100%

## Time limit for claims

Relocation costs must be incurred within a year of the University start date and finalised before the end of the PAYE year following the PAYE year in which they started their post at the University. The PAYE year runs from 6 April to 5 April. The University reserves the right to reject claims submitted after this date. If accepted, a tax charge will be levied against these claims which is payable by the individual.

**Example 1:** The start date with the University was 1 May 2017, which falls into the tax year 6 April 2017 to 5 April 2018. The costs must be incurred and claimed by 5 April 2019. This is the end of the tax year following the year the individual started at the University.

**Example 2:** The start date with the University was 8 March 2017 which falls into the tax year 6 April 2016 to 5 April 2017. The costs must be incurred and claimed by 5 April 2018. This is the end of the tax year following the year the individual started at the University.

## Temporary travel arrangements

The University will reimburse home to work travel costs for a period of three months from the University start date. This is only in the case where there is a confirmed change to their main residence (within the geographical requirement). Without meeting these criteria, the individual is not eligible for relocation assistance and therefore any home to work travel costs do not attract tax relief.

## Repayment of allowances

If the individual resigns and leaves the University's employment there will be a contractual agreement to repay an amount of the relocation assistance the individual received in line with the table below.

Length of Service	Recovery
Less than 1 year	100%
During years 1 and 2 years	Total allowance / 36 X number of months left to complete to 3 years
Over 3 years	0%

### Example 1

Chris Thomas started working for the University on 8 December 2017 and claimed £4250 in relocation allowance. Chris resigned and his last working day will be 31 August 2019. The total length of service is 19 complete months.

$£4250 / 36 \times 17 = £2006.94$  repayable to the University by Chris.

## Monitoring and review

This policy will be monitored to ensure that it is applied equally, fairly and consistently in compliance with the University's equality and diversity policies.

The policy will be reviewed bi-annually to ensure it effectively meets the on-going needs of the University and its employees.

The policy will be reviewed when guidance is released following Brexit and any immigration controls that may or may not be implemented.

## Cost of removal of personal and household effects

The allowance covers both international and domestic removals from over 40 miles to within a 25-mile radius.

Specifically covered are:

- removal of household effects, including packing and insurance. three quotes must be provided to People & Culture prior to arranging. This is for one household move only i.e. if the move is into temporary accommodation, the cost of the move to a permanent address later is not permissible
- if you choose to move your own belongings packing materials, van hire, petrol and related insurances can be reimbursed
- temporary storage costs are limited to a period of six months

Not permissible to reclaim are:

- relocation of livestock
- removal of vehicles or specialist personal items; such as cars or pianos
- relocation of office equipment; however, you may wish to speak to your department to determine if there is any scope to cover the cost. If so, the payment must be made directly to the removal company. It cannot be reimbursed to the individual
- permanent storage costs, with no intention to move belongings to a new residence

## Personal travel

This specifically relates to any new employee, their cohabitating partners and children under the age of 16 or who are in full time education at the time of appointment. The travel arrangements include a visit to the area to look for accommodation, schools etc prior to the main move.

Mode of Travel	Permissible costs
Car	Actual fuel costs from the original location to the new location, evidence by receipts
Rail	Cost of standard rate travel
Sea travel	Cost of a standard fare
Air travel	Cost of economy flight from the country in which the individual was resident immediately prior to employment with the University

## Sale and purchase cost

This section relates to the costs incurred with moving your main residence. If there is no confirmed change to your main residence then you would not be eligible for the relocation support package. For example, if the employee rented accommodation from Monday to Friday but returned to their family home at the weekends where their partner and children still reside. This would not be considered moving their main residence.

Specifically covered are:

- Solicitors fees in respect of the sale/purchase
- search, survey and property enquiry fees
- Estate agent professional fees
- valuation fees
- land registry fees
- costs of replacing white goods because the goods used in the old home are unsuitable for installation in the new home

Costs which are not permissible are:

- Stamp Duty
- redirection of mail
- Council tax bills
- assistance with mortgage deposits or loan payments

Disconnection/connection fees for:

- gas
- electricity
- water
- broadband connection
- telephone lines

## **Temporary accommodation arrangements**

The University will provide assistance to eligible employees for temporary accommodation costs. The costs can be reclaimed for a period of up to six months. The temporary accommodation must also be within 25 miles as the crow flies (or one hour's travel time) of the University campus location. The costs will only be reimbursed on presentation of proof of payment. It must be clear that this is a temporary arrangement and the employee must provide their permanent address once the move is made.

Specifically covered are:

- Letting administration fees
- reference checks
- credit checks
- monthly rent for a period of six months, proof of payment must be provided

Cost which are not permissible are:

- rental deposit
- any refundable deposit
- redirection of mail
- start/end of tenancy cleaning costs

## **Temporary travel arrangements**

The University will reimburse home to work travel costs for a period of three months from the University start date. This is only in the case of a confirmed change their main residence. Without meeting these criteria, the individual is not eligible for the relocation assistance and therefore any home to work travel costs do not attract tax relief.



## Immigration costs

For new employees entering the UK from outside of the EU, the University will financially support the additional cost of the immigration requirements, up to the maximum allowance available of £10,000 as an interest free loan and in addition to relocation assistance. This specifically relates to any new employee, their cohabitating partners and children under the age of 16 or who are in full time education at the time of appointment.

Specifically covered are:

- Health Immigration Surcharge
- VISA costs
- International English Language Testing System (IELTS) fees

The above lists are not exhaustive. The University reserves the right to reject any claim that is not permissible under the University and HMRC guidance.

## Document Control Panel

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