



## Relocation Assistance Policy

### 1.0 Introduction

- 1.1 This policy sets out Bath Spa University Students' Union's provisions regarding relocation. Relocation assistance may be given by the Union to help with out-of-pocket expenses incurred when an employee relocates as a result of his/her employment with the Union. This policy only applies on commencing employment with the Union.
- 1.2 To qualify for relocation assistance, the employee must be relocating as a result of accepting an offer of employment with the Union.
- 1.3 Relocation expenses are judged on a case-by-case basis and each employee's situation and circumstances will be unique. The Union therefore retains discretion to tailor the relocation package to suit the particular circumstances and needs of each employee. However, the Union will always act fairly and in a non-discriminatory manner.
- 1.4 Relocation assistance is discretionary. It is not a contractual entitlement and the Union reserves the right to withdraw it at any time.

### 2.0 Eligibility

- 2.1 To be eligible for relocation assistance, the employee must be living more than 50 miles away from the Union and must be moving to within 20 miles of the Union.
- 2.2 The employee must be moving to a permanent residence that will be his/her main residence and this can be either purchased or rented.

### 3.0 Amount available

- 3.1 The maximum level of relocation assistance provided by the Union will not exceed £8,000 inclusive of VAT. This amount is not a lump sum but can be reimbursed for eligible expenditure as set out below against valid receipts and invoices.
- 3.2 Employees are required to mitigate all expenses involved in their relocation and expenses will be reimbursed only if they are deemed to be reasonable. This policy provides for a contribution to the cost of relocation only and is not intended to meet fully all costs associated with relocation, although it may do so in some circumstances.
- 3.3 The Union reserves the right to limit the total level of relocation assistance available, if the employee and/or, his/her, spouse/partner is receiving assistance in respect of any or all of the items in the relocation package from any other employer (e.g. his/her, spouse/partner's employer). When an employee's spouse/partner is receiving relocation assistance from his/her employer, the final limit of relocation

assistance available from the Union shall be agreed by the Finance & Resources Manager following discussion with the employee regarding the specific circumstances.

#### **4.0 Taxation**

- 4.1 All offers of relocation are subject to HM Revenue & Customs regulations. The employee is responsible for any statutory income tax and national insurance liability incurred as a result of receiving relocation expenses. As the relocation is job related, the first £8,000 is exempt from tax provided that certain conditions are met, including that the new property is the employee's main residence.
- 4.2 HM Revenue & Customs has also set a time limit on relocation. Relocation must be completed before the end of the tax year (5 April) after the one in which the employee takes up his/her new position. At the time of being offered relocation assistance, the employee will be advised of the date by which his/her relocation must be completed.

#### **5.0 Repayment of relocation assistance**

- 5.1 Employees will be offered relocation assistance only if they agree to repay some, or all, of the amount given by the Union in the event that their employment terminates for whatever reason, within two years from the date of payment of the relocation expenses. Those offered relocation assistance will be required to sign an agreement to this effect. The amount payable is reduced proportionally and is as follows:

<b>Period of service (from date of payment of expenses)</b>	<b>Amount to be repaid (as % of total expenses)</b>
Leaving 0-12 months from date of expenses paid	100%
Leaving 13-18 months from date of expenses paid	50%
Leaving 13-24 months from date of expenses paid	25%

- 5.2 Repayment will not, however, be required if the reason for termination of the employee's employment is redundancy.
- 5.3 The timescale starts from the date of payment of the expenses.
- 5.4 In the event that the employee does not relocate, he/she will be asked to repay all or part of any relocation assistance given.

#### **6.0 House hunting**

- 6.1 The Union will reimburse reasonable travelling and accommodation costs incurred by the employee in respect of a maximum of 3 visits to the area. The cost of travel (petrol or standard rail fare for two people) will be paid for three visits. Bed and breakfast up to a maximum of £150 per night will also be paid for, in addition to travel, to cover all three visits.

## **7.0 Buying and selling property**

7.1 If they are approved, the Union will reimburse the following costs reasonably incurred by the employee in the selling and buying of property to relocate:

- The estate agency, auctioneer and advertising fees associated with selling the employee's existing property, up to a maximum of 2.5% of the agreed selling price. Where the estate agents charge separately for advertising then the total fee plus any advertising costs must be contained within 2.5% of the selling price.
- The legal and conveyancing fees associated with both selling the employee's existing property and the purchase of a new property.
- A contribution towards any mortgage redemption penalty payable as a result of early redemption of the mortgage loan in relation to the employee's existing property.
- The stamp duty incurred in connection with the purchase of a new property up to 1% based on a maximum property value of £250,000.
- The costs of moving the employee's furniture, domestic goods and personal possessions from his/her existing property to the new property. Three quotations should be obtained from removal companies and the cheapest used, unless there is a valid reason not to do so. The cost of only one move will be paid for unless it is necessary to move furniture into storage because the sale is being completed at a different time from the purchase when relocation of furniture in two stages will be paid for.
- The costs of temporary storage and insurance of the employee's furniture, domestic goods and personal possessions if not moving directly from the existing property to the new property, for a maximum of 2 months.
- A contribution towards the cost of replacing carpets, curtains and certain other domestic goods, which are not suitable for use in the new home, up to a maximum of £2,000. Examples would include carpets and curtains which are the wrong size for the new home or fitted kitchen appliances i.e. cookers, which cannot be moved.

## **8.0 Rented to rented accommodation**

8.1 If the employee is living in rented accommodation and intends to live permanently in rented accommodation in the new work location, the relocation allowance is more limited. If they are approved, the Union will reimburse the following costs reasonably incurred in moving from rented to rented accommodation:

- Any associated administration costs from the letting agent or agents (including check-out fees, penalty clauses and lease arrangement fees).
- Any overlap in rental payments.
- The cost of moving the employee's furniture, domestic goods and personal possessions from his/her existing property to the new property, including insurance taken out to cover goods in transit. Three quotations should be obtained from removal companies and the cheapest used, unless there is a valid reason not to do so.

- The costs of temporary storage and insurance of the employee's furniture, domestic goods and personal possessions if not moving directly from the existing property to the new property, for a maximum of 2 months.

## **9.0 Rented to purchased accommodation**

- 9.1 If the employee is living in rented accommodation but intends to purchase a property in the new work location, relocation allowance is limited to the costs reasonably incurred in moving from the rented accommodation as set out above and no contribution will be made towards the purchase of the new property. Property purchase expenses will be paid only where an existing property has been sold. This is because employees should not gain financially as a result of the relocation.

## **10.0 Temporary accommodation**

- 10.1 In circumstances where the employee has not been able to move to a new permanent property (whether purchased or rented) by the time of starting work in the new work location, the Union will give consideration to the reimbursement of the costs of temporary hotel, bed and breakfast or rental accommodation. Temporary hotel or bed and breakfast accommodation will be allowed up to a maximum of 2 weeks, providing the costs are reasonable. Temporary rental accommodation will be allowed up to a maximum of four months, providing the costs are reasonable. To extend beyond these limits, the employee must obtain prior agreement from his/her line manager.
- 10.2 If the employee is renting out his/her existing property before or while trying to sell it, any rent received on the rented out property must be offset against the cost of temporary accommodation. The difference only will be covered by the relocation allowance.
- 10.3 The Union will not meet the cost of any evening meals during a period of temporary accommodation.

## **11.0 Travel expenses**

- 11.1 If the employee is travelling from his/her existing property to the new work location, rather than staying in temporary accommodation, prior to relocating, the mileage can be claimed from the relocation allowance and will be paid at normal rates. Likewise, if the work move is after the home move, mileage can be claimed at normal rates from the relocation allowance for travelling between the new property and the old work location. Until relocation has been completed, mileage can also be claimed at normal rates from the relocation allowance for the cost of travelling between the temporary accommodation and the property being sold.
- 11.2 Mileage from temporary accommodation to the new work location is not eligible for reimbursement.

## **12.0 Authorisation**

- 12.1 All employees applying for financial assistance with relocation should obtain the prior written agreement of Finance & resources Manager prior to committing to any

spend. The Finance & Resources Manager will confirm the maximum amount of financial assistance that the employee can receive in respect of relocation.

- 12.2 All expense claim forms containing relocation expenses, supported by valid receipts, should be countersigned by the employee's line manager and submitted in accordance with the relevant expense claims procedure.
- 12.3 Invoices may be able to be paid directly by the Union. However, the employee must discuss this with his/her line manager prior to making this arrangement with the relevant supplier.
- 12.4 All relocation expenses must be claimed within a time frame agreed between the employee and his/her line manager or as otherwise set out by the Finance & Resources Manager.

Approved May 2012.

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