**RELOCATION POLICY**

**Introduction:**

The Council is committed to employing people with the right skills and experience. This means there may be occasions where successful applicants do not reside within a commutable distance. As a result of this some individuals appointed may require financial assistance to help them relocate to reasonable travelling distance of their new place of employment.

The purpose of the Relocation Policy is to compensate, in part, the financial loss incurred by new employees who are required to relocate their permanent residence to daily travelling distance of the Council.

In all cases the Council needs to be satisfied that the expenditure incurred by an employee in connection with relocation, and for which allowances may be paid, is necessary expenditure and has been approved in advance.

# Application:

This Policy applies to all staff newly appointed, provided the recruitment advertisement clearly states that the post qualifies for the ‘**Recruitment Relocation Scheme’** and the application and claim forms submitted by the individual fully meets all the requirements outlined in this policy.

Eligibility will be determined by taking into account an employee’s normal means of travel and whether it is considered unreasonable or impractical for the employee to travel from his/her present home to their new place of employment.

The relocation must take place within 12 months of the date that the individual starts in the new post. The Council will consider late claims provided the employee has requested an extension in writing (before the end of the initial 12 months period) and has received agreement in writing from Human Resources.

It is important to note that the Inland Revenue guidelines state that relocation and removal expenses must be claimed before the end of the tax year following the one in which the employee commences employment. Please refer to Payroll/Finance for further advice.

# Statement of Intent:

Within this policy ‘purchasing’ or ‘purchase’ means the acquisition by purchase of the freehold title to a residential property or the leasehold title for a fixed term (expiring not less than 3 years from the date of commencement of the employee’s employment).

Any reference to ‘renting’ or ‘rent’ means the rental of private residential accommodation, not Council owned property.

By completing and signing the claim or application forms associated with reimbursement of removal and or relocation costs, the employee agrees to be bound by the declarations within the forms. It is therefore important that the employee reads the forms carefully before submitting them for approval and payment.

Any fraudulent claim will be dealt with in accordance with the Council’s Disciplinary Policy, which is located on the Intranet site. For the sake of clarity please note that fraudulent claims will be treated as gross misconduct.

Any reimbursement due to the employee will be made via monthly payroll.

# Principles:

Expenses will be reimbursed only when the Council is satisfied that removal from the employee's home is required, and/or that the relocation or travel arrangements proposed are reasonable and all expenses are receipted.

Relocation expenses will be available to a new employee joining the Council if it is agreed that it will be necessary for the individual to move his/her place of residence to take up the appointment. This agreement will be between the Director of the Service Area, or Assistant Director duly authorised by the Director and the employee. The agreement will be made prior to, a formal offer letter being issued. See Appendix 1 for Relocation and Removal Expenses Agreement form. This form must be submitted to the Recruitment Team once completed.

# The maximum amount that will be reimbursed to an employee for all relocation, removal, temporary financial assistance or traveling expenses claimed is £8000.00. Employee claims that exceed this amount will not be reimbursed

**Reasonable Commuting Distance:**

Financial Assistance will only be provided to an employee if he/she is living more than **45 miles** from their designated workplace or more than one and half hours travelling time on public transport.

# Removal Expenses:

Removal expenses will be paid for:

* removal to temporary accommodation and/or
* storage (where this is agreed in advance)
* removal to permanent residence (whether purchased or rented)

This means an employee is entitled to claim all the removal expenses related to firstly moving into temporary accommodation (if applicable), storing furniture (if applicable) and, provided this is agreed in advance, moving into permanent residence. Please note that the employee must provide receipts when claiming the abovementioned expenses. **Removal expenses will not be paid without a valid receipt.**

# Submitting a Removal Expenses Claim Form:

To claim removal expenses the employee must submit three written estimates from different removal firms with the claim form. Please refer to Appendix 2 for Removal Expenses Claim form.

The claim form includes a declaration confirming that should the employee leave the Council before he/she has been employed for a period of two years from the commencement of their employment, they will repay the full amount of removal expenses received. If an employee leaves the Council during their 3rd year of employment they will repay 1/36th (2.77%) of the total

amount received for each full month remaining. Please refer to Appendix 3 for an example of this calculation.

Employees should note that the Removal Expenses Claim Form (Appendix 2) includes a statement confirming that any amount due to the Council (in the event that the employee leaves the Council before 3 years from the commencement of their employment) may be debited from their final salary.

The Council will only reimburse the amount of the lowest estimate (including insurance). If an employee decides to use the removal organisation with the highest or middle quotation, they will be responsible for paying the difference between the quote they choose to use and the cost of the lowest quote.

A removal expenses claim form should be completed each time that an employee wants to be reimbursed. For example, if an employee moves to temporary accommodation he/she must complete a claim form to be reimbursed for these expenses. If the employee then incurs further removal expenses for moving to permanent residence he/she must complete a separate removal expenses claim form to be reimbursed for these expenses.

If an employee decides to hire a van to undertake the removal him/herself, receipts for the hire and the fuel must be submitted on the Removal Expenses Claim Form.

# Relocation Costs:

The Council will reimburse the relocation costs outlined below (in this section) provided the conditions specified in this policy are met:

The costs related to the purchase of a property may be claimed, and these include:

* Stamp Duty
* Land Registry Fees
* Solicitor’s Costs and Disbursements (in relation to the purchase)
* Mortgage Lender’s Survey – (this survey protects the mortgage lender)
* Mortgage Lender’s Solicitors Costs and Disbursement (if applicable) The following costs in relation to selling a property may be claimed:
* Estate Agents Fees
* Solicitors Costs and Disbursements (in relation to the sale)
* Valuation and Surveys of Property to be sold

# Conditions for Reimbursement of Relocation Costs:

The appropriate assistance will only be given if an employee purchases a property within 12 months of commencing employment with the Council. Exceptions to this condition will only be considered where the employee has the written agreement of the Director of the Service Area, or Assistant Director duly authorised by the Director, in which he/she is employed. Such agreement must be obtained **before** the 12 month period expires.

The costs relating to the purchase of a property will be met, provided this is agreed, even though the employee may not have a property to sell.

If an employee decides that he/she would prefer to rent instead of purchasing a property he/she will be eligible for a contribution towards relocation costs on similar terms and conditions that would be applicable if he/she were purchasing a property.

The Assistant Director of the service area where the employee is employed is authorised to agree up to two days additional leave, with pay, for staff who are relocating.

Please refer to Appendix 4 for an Application for Reimbursement of Relocation Costs.

The application form includes a declaration where the employee agrees to repay the Council the full amount received should he/she leave the Council’s employment within a period of three years from the commencement of their employment, or within two years from the date of completion of the purchase, whichever is sooner.

The employee also agrees to repay 1/36th of the total amount received for each full month remaining if they leave the Council’s employment during the 4th year from the date of commencement of employment, or 3rd year from the date of completion of the purchase, whichever is the sooner. Please refer to Appendix 3 for an example of this calculation.

In addition to the above declaration the employee also agrees that any amount due to the Council may be debited from his/her final salary.

# Settling in Allowance:

In exceptional circumstances the Director of the Service Area, or Assistant Director duly authorised by the Director may agree to pay an employee who is relocating a settling in allowance of up to £1000.00. This allowance is specifically aimed at supporting an employee who is relocating with the cost of replacing carpets and curtains.

To receive this allowance the employee **must** provide valid receipts. There is no automatic right to the £1000.00 - the employee will only be reimbursed for the amount that they spend on carpets and curtains.

See Appendix 4 for an Application for Reimbursement of Relocation Costs, which includes a provision to claim the settling in allowance.

Please refer to the section ‘Conditions for Reimbursement of Relocation Costs’ for the declaration within the application, which the employee agrees to be bound by, by completing and signing the application.

# Temporary Financial Assistance:

In exceptional circumstances, the Council may agree to provide an employee who is relocating with temporary financial assistance. The purpose of this assistance is to help the employee pay for local temporary accommodation where it is not practical for the employee to travel daily from his/her current location.

An allowance of up to £50.00 per week will be paid for a maximum period of 26 weeks. Please note that this period will not under any circumstances be extended and **valid receipts for temporary accommodation must be provided**.

Whilst in receipt of temporary financial assistance an employee is also entitled to claim standard class - return travel fare, once a fortnight. A receipt for travel must be submitted with the claim form. **Travel fares will not be reimbursed without a valid receipt**.

The purpose of the travel allowance is to enable employees to travel to their former home once a fortnight. It is important to note that travelling expenditure must actually be incurred in order to claim the return travel fare.

Please see Appendix 5 for Application for Temporary Assistance/Reimbursement of Return Home Travelling Expenses.

The application form includes a declaration stating that, should the employee leave the Council before he/she has been employed for a period of two years from the commencement of employment, he/she will repay the full amount of financial assistance received. If an employee leaves the Council during their 3rd year of employment they will repay 1/36th (2.77%) of the total amount received for each full month remaining. Please refer to Appendix 3 for an example of this calculation.

Employees should note that the Application for Temporary Financial Assistance/Reimbursement of Return Home Travelling Expenses includes a declaration that any amount due to the Council (in the event that the employee leaves the Council before 3 years from the commencement of their employment) may be debited from their final salary.

The total amount of the temporary financial assistance and return home travelling expenses should be claimed at the end of the 26 week period or when the employee moves into permanent residence, whichever is the sooner. Employees must only claim **standard** return travel. **Reimbursement will not be made for the use of a private motor vehicle.**

# Leaving the Council

If an employee in receipt of expenses related to relocating leaves the Council during or before the 4th year of their employment they may have to repay expenses or relocation costs received. If the employee does not provide payment by cheque made payable to “The London Borough of Enfield Council” prior to the 8th of the month in which they are leaving, the manager should refer to Human Resources immediately so that appropriate instructions can be given to Payroll to deduct the amount due to the Council from the employee’s final salary.

In the event that payment is received from the employee the cheque should be sent to payroll with a covering note outlining the employee’s details.

**Appendix 1 – Relocation and Removal Agreement Form**

Following successful interview and selection of:

[Insert full name of successful candidate] to the post of: [Insert job title]

in [Insert Service Area]

It has been agreed that the Council will pay the following relocation and/or removal expenses.

\*\***Removal Expenses** for:

* 1. Moving into temporary accommodation
  2. Moving furniture into storage
  3. Moving into permanent residence

**\*\*Delete the removal expenses that have not been agreed**

The following **Relocation Costs** have been agreed:

Stamp Duty

Land Registry Fees

Solicitors Costs and Disbursements (For Sale and/or Purchase of property) Mortgage lenders valuation and survey Fee

Mortgage lender’s Solicitors Costs and Disbursements Estate Agents Fees

Survey of property to be sold

Is this employee entitled to claim the **Settling in Allowance** of up to £1000.00? YES/NO

Is the employee entitled to claim **Temporary Financial Assistance** of £50.00 per week for a maximum period of 26 weeks? YES/NO

(Delete the answer that is not applicable)

**The Director of the Service Area, or Assistant Director duly authorised by the Director, should email this form to the Recruitment Team so that the agreement can be included in the Employment Offer Letter.**

**Please note that this agreement will not be processed if emailed by anyone other than a Director or Assistant Director.**

# THE MAXIMUM AMOUNT THAT CAN BE REIMBURSED FOR RELOCATION, REMOVAL, SETTLING IN ALLOWANCE OR TEMPORARY FINANCIAL ASSISTANCE (INCLUDING TRAVELLING EXPENSES) IS £8000.00

**Appendix 2 – Removal Expenses Claim Form**

**To be completed and signed by the employee. The Director of the Service Area, or Assistant**

**Director duly authorised by the Director must also sign this claim form. Family Name: First Name(s):**

**Payroll Ref No: Service Area:**

**Job Title:**

**Date Commenced Employment with Enfield Council:**

**Proposed or present address:**

**Previous address:**

**Please list below details of three estimate removal quotes, and attach the quotes to this claim form. Please note that without this information your claim will not be processed.**

|  |  |
| --- | --- |
| **Removal Company Name** | **Estimated Cost** |
| 1. |  |
| 2. |  |
| 3. |  |
| **Hire Van Receipts attached YES/NO Fuel Receipts attached YES/NO** | |

\*\*I herby apply for reimbursement of my removal expenses in relation to:

1. removal into temporary accommodation
2. removing my furniture into storage
3. removal into permanent accommodation

\*\*(Delete the option that is not applicable)

I agree that should I leave the Council’s employment within a period of two years from the commencement of my service I will repay in full the amount received. I understand repayment of 1/36th (2.77%) of the total will be required for each full month remaining if I leave the Council’s employment during the 3rd year from the date of commencement. I confirm that **any** amount due from me to the Council (should I leave the Council before a period of 3 years from my commencement date) may be debited from my final salary.

**Amount of Claim (amount actually paid) £ you must attach your receipt of payment (not invoice) to this claim form.**

Employee Signature: Date:

I confirm that this application/claim is supported

Name of Director/Assistant Director of Service Area: \_

Director of Service Area Signature: Date:

Assistant Director of Service Area Signature: Date:

**THE MAXIMUM AMOUNT THAT CAN BE REIMBURSED FOR REMOVAL (ASSOCIATED RELOCATION COSTS) IS £8000.00**

**Appendix 3 – Example Calculation of Repayment of Removal Expenses**

**Employee A** joins the council on 1 June 2003 as a Financial Consultant Employee A’s date of commencement of employment is 1 June 2003.

On the 3 September 2003 Employee A claims and receives £750.00 expenses for moving into temporary accommodation. On the 3 March 2004 Employee A claims and receives £1000 in relation to moving into rented permanent residence.

On the 1 September 2005 Employee A resigns from his post, and his last working day is 30 November 2005.

# Repayment of Removal Expenses

Employee A needs to repay 2.77% of (£750.00 + £1000.00) £1750.00 for each full month remaining to June 2006. The number of full months between 30 November 2005 (Employee A’s leaving date) and 2 June 2006 (date when Employee a would have completed 3 years service) is **6** months.

Employee A will need to repay 2.77% of: 6 x 1750.00 = £290.85

The amount that Employee A will have to repay before his leave date is **£290.85.**

**Appendix 4 – Application for Reimbursement of Relocation Costs**

**To be completed and signed by the employee. The Director of the Service Area, or Assistant Director duly authorised by the Director must also sign this claim form.**

**Family Name: First Name(s):**

**Payroll Ref No: Service Area:**

**Job Title:**

**Date Commenced Employment with Enfield Council:**

**Proposed or present address:**

**Previous address:**

1. **Cost of Purchase or Lease of: ---**

**(Address) Date Transaction Completed**

**Costs incurred, as follows:**

**Stamp Duty £**

**Land Registry Fee £**

**Solicitor’s Costs and Disbursements £ Mortgage Lender’s Solicitor’s costs and Disbursements £**

**Total Cost of Purchase £**

1. **Cost of Sale of:**

**(Address) List amount of:**

**Solicitors Costs and Disbursements £**

**Estate Agents Fee’s £**

**Total Cost of Sale £**

**NB: Please note that this application will not be processed without receipts or the signature of the Director of your Service Area, or Assistant Director duly authorised by the Director.**

**- continued -**

I hereby make an application for reimbursement of my relocation costs and agree that should I leave the Council’s employment within a period of three years from the commencement of my service or within two years from the date of completion of the purchase, which is sooner, I will repay in full the amount received.

I understand repayment of 1/36th (2.77%) of the total will be required for each full month remaining if I leave the Council’s employment during the 4th year from the date of commencement or 3rd year from the date of completion of purchase whichever is the sooner. I confirm that **any** amount due, from me to the Council (should I leave the Council before a period of 3 years from my commencement date), may be debited from my final salary.

**Amount claimed £**

**\*Settling-In Allowance £**

**Total Amount Claimed £**

**Signed (Employee): Date:**

**\*You must provide valid receipts in order to claim the settling in allowance of up £1000.00**

I support this application:

**Name of Director/Assistant Director:**

**Signed (Director of Service Area) Date**

**or**

**Signed (Assistant Director of Service Area) Date**

**THE MAXIMUM AMOUNT THAT CAN BE CLAIMED FOR RELOCATION (AND ALL OTHER ASSOCIATED COSTS) IS £8000.00**

**Appendix 5 – Application for Temporary Financial Assistance/Reimbursement of Return Home Travelling Expenses**

**To be completed and signed by the employee. The Director of the Service Area, or Assistant Director duly authorised by the Director must also sign this claim form.**

**PART A**

**Family Name: First Name(s):**

**Payroll Ref No: Service Area:**

**Job Title:**

**Date Commenced Employment with Enfield Council:**

**Date moved into Local Accommodation:**

**Home address:**

**Local address:**

**\*Amount Claimed**

**Number weeks: x up to £50.00 = £**

**\*This claim will not be paid without valid receipts PART B**

**Return Home Travelling Expenses (Receipts must be provided)**

**From**: **To:**

(Insert details of Rail, Bus, Coach or Tube Station at start to end of Journey) **List the dates of travel from local address to home address below: Travel Dates**:

|  |  |
| --- | --- |
| 1. | 2. |
| 3. | 4. |
| 5. | 6. |
| 7. | 8. |
| 9. | 10. |
| 11. | 12. |
| 13. |  |

- continued -

I agree that should I leave the Council’s employment within a period of two years from the commencement of my service I will repay in full the amount received. I understand repayment of 1/36th (2.77%) of the total will be required for each full month remaining if I leave the Council’s employment during the 3rd year from the date of commencement. I confirm that **any** amount due from me to the Council (should I leave the Council before a period of 3 years from my commencement date) may be debited from my final salary.

Employee Signature: Date:

I confirm that this application/claim is supported

Director/Assistant Director of Service Area Name:

Director of Service Area Signature: Date:

Assistant Director of Service Area Signature: Date:

**THE MAXIMUM AMOUNT THAT CAN BE CLAIMED FOR TEMPORARY FINANCIAL ASSISTANCE/REIMBURSEMENT OF RETURN HOME TRAVELLING EXPENSES (AND ALL OTHER ASSOCIATED RELOCATION COSTS) IS £8000.00**