

CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST

REMOVAL AND RELOCATION EXPENSES POLICY

1 INTRODUCTION

- a. The aim of this policy is to provide a recruitment incentive to enable the Trust to attract high calibre staff and to fill posts to which it is difficult to recruit. It sets out the terms under which the costs incurred by newly appointed staff may be reimbursed, in relocating to the Sunderland area to take up a post with the Trust.

2 POLICY STATEMENT

- a. This policy applies where newly appointed staff have been deemed to be eligible (see criteria set out in Section 5 below).

3 PRINCIPLES

- a. In exercising discretion as to whom removal expenses will be paid, this policy will not discriminate in any way.
- b. The scope and level of assistance provided will be agreed between the relevant Divisional Director (or equivalent), Chief Executive and the Director of Human Resources.
- c. The Trust will have regard to the employee's circumstances, including the need to re-house dependants and the comparability of new and previous accommodation.
- d. Although the key provisions of the policy may apply to staff recruited from overseas, it will under normal circumstances only relate to expenses incurred from the point of entry into the UK.
- e. This policy allows the reimbursement of reasonable expenses incurred and should not result in the employee profiting from this, as the monies are from public funds.
- f. In the event that employees have any concern regarding the application of this policy, they have the right to raise their concern in accordance with the Trust's Grievance Procedure.

4 DEFINITIONS

- a. Newly appointed staff – candidates who have been offered a paid contract of employment with the Trust, inclusive of removal and relocation expenses.
- b. Sunderland area – an area within a 20-mile radius or a 30-minute travelling distance from the relevant City Hospitals Sunderland work base.

- c. Difficult to recruit to posts – a post identified within the Trust’s Recruitment and Retention Premia Policy, and/or regarded as a national shortage post by the Home Office/Department of Health.
- d. Dependant – someone who is an employee’s parent, wife, husband, partner, child, or someone for whom the employee is responsible in an emergency situation.

5 ELIGIBILITY

Removal expenses shall only be offered where **all** of the following criteria are satisfied:

- a. The post is identified by the Trust as a difficult to recruit to post, and/or is a national shortage profession prior to the appointment.
- b. The Divisional Director (or equivalent), Chief Executive and the Director of Human Resources, have given their approval to pay removal and relocation expenses to the successful applicant(s) for a particular post.
- c. A person is moving to the Sunderland area solely as a result of taking up paid employment with the Trust and is not claiming funds from any other employer to cover removal and relocation costs, or receiving assistance from another source.
- d. The person moves to within a 20-mile radius or 30 minutes travelling time of their City Hospitals base.
- e. The person moves a distance of at least 20 miles from their previous residence to their new one (distances to be measured by the shortest road route).
- f. The appointment is for more than 2 years.
- g. The individual signs a contract of employment and the Removal and Relocation Expenses Declaration Form (Appendix 1) before commencement of employment.

6 AMOUNT OF FINANCIAL ASSISTANCE

- a. The amount of financial assistance offered under this policy will under normal circumstances be up to a maximum of £10,000 for those selling an existing property and buying a new one, or £5,000 for those selling an existing property **or** buying a new one. Such expenses must be receipted.
- b. In the specific case of Junior Doctors who are in training and rotating between local Trusts, the maximum amount will be up to **£130** for expenses incurred in the removal of their personal effects, such expenses must be receipted.
- c. General removal and relocation expenses can only be claimed from the point of UK entry and with regard to UK residences. However, when

conducting a major recruitment campaign overseas the Trust may exercise discretion and agree a predetermined relocation package for successful candidates, subject to the limits as stated above.

- d. Certain items may be subject to taxation and individuals should liaise with the Inland Revenue for confirmation (e.g. cost of replacing essential household items as a result of moving to a different property).
- e. If an employee is receiving rent on their other property this will be offset against any claim being made.
- f. The Divisional Director (or equivalent), Chief Executive and Director of Human Resources will **all** need to approve any additional funding of removal and relocation expenses over the allocated amount.

7 PROCEDURE TO OFFER AND CLAIM RELOCATION AND REMOVAL EXPENSES

- a. Prior to advertising the Trust will determine whether the circumstances of an appointment justify the offer of a removal and relocation package. This will be recorded on the Request to Recruit Forms.
- b. The offer of a removal and relocation package will be confirmed at the point the individual is offered the post.
- c. The individual must sign a contract of employment and return it to the Personnel Department prior to commencing employment and the release of any funds.
- d. The individual must sign and return a declaration that they will repay a proportion of the monies received should they leave the Trust's employment within two years of commencing (Appendix 1). This will be six months for Junior Doctors on a rotational training programme.
- e. All claims must be made on the relevant claim forms (Appendix 2), and accompanied by the original receipts, and quotes where relevant, to support the claim.
- f. Claim forms must be submitted to the relevant Divisional Director for approval, within 12 months of taking up the post.
- g. The Divisional Director reserves the right to withhold payment of any claim or part thereof, deemed to be unreasonable. If there is any doubt as to what may be reasonable, the employee should seek **prior** approval from the Divisional Director.
- h. It is a condition of this policy that staff should seek to minimise the costs incurred wherever possible to avoid claiming their allocated limit.
- i. The approved claim will be forwarded by the Divisional Director to the Payments Department to process the claim. A file copy of the claim will be held on the personal file to provide a record of all expenses claimed.

- j. The individual must complete their relocation to the Sunderland area within one year from the date of commencement.
- k. Once the individual has accrued more than 2 years service with the Trust, there will be no obligation to repay any of the removal and relocation expenses.
- l. If the individual should leave within two years of commencing employment, recovery of monies paid will be actioned, unless the Divisional Director/Director of Human Resources agrees otherwise.
- m. The normal repayment schedule will be 1/24th of the expenses paid for each complete month short of two years' service. (For Junior Doctors on rotational training programmes the repayments will under normal circumstances be 1/6th of the expenses paid for each complete month short of 6 months' service).

8 EXAMPLES OF ITEMS WHICH MAY BE CLAIMED

- a. The following are examples of items that may be claimed under this policy:
 - o Removal and storage costs (Appendix 2, Section 3)
 - o House Purchase expenses (Appendix 2, Section 5)
 - o Travel and accommodation for new home search (Appendix 2, Section 9)
 - o Temporary accommodation (Appendix 2, Section 11)
 - o Excess rent allowance (Appendix 2, Section 15)
- b. Individuals who have been offered a removal and relocation package should seek advice from the Personnel Department with regard to the type of expenses that may be claimed. Full guidance on the type of expenses that may be claimed and the relevant claim forms are also provided in Appendix 2.

9 ACTUAL PAYMENTS OF EXPENSES

- a. No payments will be made to an individual until he/she has taken up post with the Trust.

10 TIME LIMITS FOR CLAIMS AND AMOUNTS

- a. The time limit for claims under the policy will normally be one year from the date employment commences, although in exceptional circumstances with prior agreement with the Divisional Director (or equivalent), Chief Executive and Director of Human Resources claims may be allowed to be made up to two years from the date of commencement.

11 REVIEW OF FINANCIAL LIMITS

- a. The Director of Human Resources and the Head of Finance will review the financial limits contained within the policy regularly.

12 DATE LAST REVIEWED

- February 2006

13 OTHER RELATED POLICIES/DOCUMENTS

- Equal Opportunities Policy
- Recruitment and Retention Premia Policy
- Accommodation Policy
- Home Office – list of shortage professions
- Inland Revenue website: www.hmrc.gov.uk
- Inland Revenue Expenses and Benefits – A Tax Guide 430(2003)

14 APPENDICES

Appendix 1 Declaration Form

Appendix 2 Guidance for Claimants

REMOVAL AND RELOCATION EXPENSES DECLARATION

This form must be completed and signed prior to you taking up your appointment.

Name:

Directorate: Specialty/Department:

Job Title: Grade/Pay Band:

Whole-time/part-time: Start date:

Rotational Date: (This date may have a bearing on this or future claims)
(if applicable)

Previous Post/Appointment In The NHS

NHS Trust: Place of Work:

Speciality/Department: Grade/Salary:

Whole-time/part-time: Leaving Date:.....

Type of Contract: Permanent / Temporary / Fixed Term / Locum (delete as appropriate)

Employer Name (if non NHS):

Previous Accommodation

My previous accommodation was (please tick as appropriate):

Owner/occupied

Privately rented

Hospital accommodation

Other, please specify below

.....

Please state type of property, number of rooms and whether furnished or unfurnished:

.....
.....

I wish to (please tick as appropriate):

Buy a property

Rent

Hospital accommodation

Other, please specify below

.....

Please state type of property, number of rooms and whether furnished or unfurnished:

.....
.....

Date of Removal:

I apply for reimbursement of my expenses associated with removal in accordance with City Hospitals Sunderland NHS Foundation Trust Removal and Relocation Expenses Policy:

From: (the current/previous area)

To:(the new area),

I also confirm that no other member of my household will claim assistance for removal and relocation expenses from any other source.

I have dependants (please give details, including number)

.....

Personal Undertaking

In accordance with the Trust's Removal and Relocation Expenses Policy, I accept that if I do not remain in the employment of the Trust for two years, I will be expected to repay a proportion of the total cash value of removal expenses paid to me. The proportion to be repaid will be 1/24th of the expenses paid for each complete month short of the two years service*.

I accept the removal and relocation package offered and agree to abide to the terms contained within this policy.

Signature: Date:

AUTHORISATION TO RELEASE INFORMATION ABOUT PROPERTY

Address of property
to be purchased:

Address of Estate
Agent/Solicitor:

Signature: Date:

Note: Removal Expenses will only be paid once a contract of employment and declaration form has been completed, signed and accepted, and you have commenced your new post.

**Please return this form to: Personnel Department, Trust Headquarters
Sunderland Royal Hospital, Kayll Road, Sunderland
Tyne and Wear SR4 7TP**

**CITY HOSPITALS SUNDERLAND NHS FOUNDATION
TRUST**

REMOVAL AND RELOCATION EXPENSES POLICY

GUIDANCE FOR CLAIMANTS

FEBRUARY 2006

REMOVAL AND RELOCATION EXPENSES POLICY

GUIDANCE FOR CLAIMANTS

INDEX

SECTION

- 1) Introduction
- 2) General Points
- 3) Removal and Storage Costs
- 4) Expenses of Selling Property in Old Area
- 5) House Purchase Expenses
- 6) Abandoned Purchase
- 7) Tenancy Agreement
- 8) Visits Home
- 9) Travel and Accommodation Expenses for New Home Search
- 10) Expenses of the Journey from Old to the New Home
- 11) Temporary Accommodation
- 12) Losses Arising from Educational Arrangements
- 13) Miscellaneous expenses
- 14) Continuing Commitments Allowance
- 15) Excess Rent Allowance
- 16) Medical Placements
- 17) Inland Revenue Regulations and Implications

1. INTRODUCTION

- This guide outlines the type of expenses that may be claimed under the Trust's Removal and Relocation Expenses Policy, the conditions that must be met, and details that will need to be submitted in order for a claim to be processed.
- It should be read in conjunction with the Trust's Removal and Relocation Expenses Policy.
- The overall guiding principle is that you are reimbursed reasonable expenses you have incurred through moving into the area, within the allocated limit agreed. However, it is not expected that you will profit financially from the reimbursements you receive in respect of your move.
- It is in the interests of both you and the Trust that claims are made as quickly as possible after expenditure has been incurred.
- Each individual element of reimbursement is set out in the guide. If you wish to seek clarification on any aspect in this guide please do not hesitate to contact the Personnel Department.

2. GENERAL POINTS

- The Divisional Director and Director of Human Resources will determine whether the circumstances of your relocation justify the reimbursement of removal expenses.
- The maximum amount that you will be able to claim under the Trust's Removal and Relocation Expenses Policy will have been agreed in writing at the time of your offer of appointment.
- The Trust is required to satisfy itself that (a) the removal of your home is necessary and that the arrangements proposed are reasonable (b) the expenses reimbursed are only those which you have incurred, and (c) the expenses in respect of which payment is made are not recoverable in full or in part from any other source.
- Expenses will only be reimbursed once a contract of employment has been issued, accepted, and returned to the Personnel Department.
- **We are not able to pay bills directly so you must pay them first and then apply for reimbursement from the Trust.**
- **All claims submitted by you must be accompanied by supporting original authorised receipts of payment.**
- All claims must be submitted within 1 year of taking up post, unless circumstances prevent this (e.g. unable to sell property in old area).
- It should be noted that if you are taking up a first appointment in the National Health Service from overseas you might be eligible for payment of removal expenses, but only from the point of entry to the UK subject to an agreed limit.

- Removal expenses incurred will not be reimbursed if claimed after you have left the employment of City Hospitals Sunderland NHS Foundation Trust.
- If you leave the employment of the City Hospitals Sunderland NHS Foundation Trust within 2 years you will be expected to repay a proportion of expenses reimbursed by the Trust.

3. REMOVAL AND STORAGE COSTS

You may be reimbursed reasonable costs connected with:

- The removal of furniture and effects from the old to the new area, including insurance of goods in transit. This may include pedal cycles, and heavy but ordinary articles of furniture or garden equipment. Livestock or animals, other than domestic pets, should be conveyed at your own expense.
- Storage of furniture and effects for a maximum of **six months from the date of commencement**.
- Removal of furniture and effects from temporary to permanent accommodation, or from storage to permanent accommodation.
- On the actual removal day, travelling expenses for the employee, partner and dependants, if appropriate, at Trust public transport rates, and subsistence expenses at Trust rates.

Payment of removal costs will be subject to **three** quotes being submitted, with the **lowest** tender being reimbursed, even if you choose another company to carry out the removal.

To make a claim you must complete the claim form in Appendix (A).

4. EXPENSES OF SELLING PROPERTY IN OLD AREA

You may be reimbursed reasonable receipted expenses incurred in selling your property in the old area, including the following:

- Legal fees related to the selling of your property.
- Estate agents or auctioneers fees.
- Solicitor's fees.

Fees connected with the sale of your property that "falls" through may only be claimed subject to the approval of the Divisional Director (or equivalent) and the Director of Human Resources.

You may be able to claim reasonable costs incurred for the disconnection and/or installation of essential appliances or services.

Items that may **not** be claimed for include mortgage redemption fees/no compensation can be claimed for any loss incurred on the sale of the house consequent upon transfer i.e. negative equity.

To make a claim you must complete the claim form in Appendix (A) and submit receipts from your Estate Agent/Solicitor detailing all expenses.

5. HOUSE PURCHASE EXPENSES

You may be reimbursed any reasonable receipted legal and other expenses incurred in buying a property in the Sunderland area, including the following:

- Stamp duty.
- Standard house buyer survey fees.
- Solicitor's fees.
- Local Authority search fees.
- Land Registry charges.
- Incidental legal expenses.
- Electrical wiring test.
- Drains test.

The expenses claimed may include any VAT payable.

You may be able to claim reasonable costs incurred for the disconnection and/or installation of essential appliances or services.

To make a claim for expenses incurred on the purchase of a new home you must complete the claim form in Appendix (A) and submit receipts from your Estate Agent/Solicitor detailing all expenses. In addition, please submit details of Estate Agents details you are buying.

6. ABANDONED PURCHASE

Where a purchase is abandoned, reimbursement of costs is at the Trust's discretion. The costs must be reasonable in relation to the work done and you must satisfy the Trust that you are in no way responsible for the abandonment or that your reasons for withdrawal are entirely reasonable, (e.g. house withdrawn from the market by the vendor) having regard to the difficulties encountered.

You must provide the Trust with written evidence why the purchase has been abandoned e.g. letters from Estate Agents, Building Society, Surveyor Reports and a written explanation from yourself.

7. TENANCY AGREEMENT

Where you have been involved in the cost of a tenancy agreement in respect of rented accommodation in the new area, these fees may be reimbursed. You will need to indicate if you are currently in Rented (Unfurnished, or Furnished or Hospital Accommodation) on your Claim Form Appendix (A).

8. VISITS HOME

If you are receiving temporary accommodation allowance and are separated from your dependants, travelling expenses back to the former home may be claimed on a weekly basis for a maximum period of six months after the date of commencement. These will only be

paid whilst you have commitments in the area from which you are relocating, and will be at City Hospitals Sunderland public transport rates (or standard class rail fare if appropriate).

If you have property only in the old area, you may return to that property, once a month to ensure its safekeeping.

The initial claim for expenses must be submitted within 3 months of taking up post by completing a Claim for Travelling Expenses form and submitting the relevant receipts.

9. TRAVEL AND ACCOMMODATION EXPENSES FOR NEW HOME SEARCH

You may claim for expenses incurred during preliminary visits of up to 5 days (4 nights) to the new area in order to try and find accommodation. The costs of the visits must be contained to the 4 nights expenses, plus the travelling cost of return journeys for viewing property in the new area.

You may also claim a proportion of the expenses incurred by your partner and dependants if they accompany you, subject to production of receipts to show that the expenses on accommodation were actually incurred.

The level of subsistence paid will be in line with current Trust rates. Travelling costs will be reimbursed at Trust public transport rate (or standard class rail fare if appropriate).

To make a claim please complete a Claim for Travelling Expenses form and submit the relevant receipts. The initial claim for expenses must be submitted within 3 months of taking up post.

10. EXPENSES OF THE JOURNEY FROM THE OLD TO THE NEW HOME

Expenses incurred to make the journey from your old to the new home may be payable for you and your dependants. If it is necessary for you to make a return visit to supervise the removal of your possessions from your home, you may also be able to claim for travelling.

Travelling expenses where you use your private motor vehicle/public transport or lease car will be reimbursed at Trust public transport rate, or standard class rail fare or lease car rate. The expenses for a second car will not be reimbursed.

To make a claim please complete a Claim for Travelling Expenses form and submit the relevant receipts.

11. TEMPORARY ACCOMMODATION

It is a condition of receiving this payment that you make every effort to find suitable permanent accommodation in the new area within six months after your date of commencement. To be eligible for reimbursement:

- You must be maintaining two homes, and have dependants in the old area.
- You are in the process of relocating in the old area. and making every effort to sell the property even if you have been unable to sell your property.
- You can provide information from your estate agent that the property has been placed on the market, is correctly priced for a sale based the local housing market.

Rental of a temporary home in the Sunderland area up to a maximum of £500 per month may be claimed, for a maximum period of six months after your date of commencement.

In exceptional cases, as an alternative, hospital accommodation may be provided, if available. The normal charge for hospital accommodation will be offset against the value of the relocation package.

If you choose to reside in temporary accommodation or claim subsistence whilst living in temporary accommodation due to commitments in the old area, the Trust will reimburse your rental costs plus additional expenses, e.g. car parking (garage rental), on production of receipted accounts or pay NHS subsistence rates.

You are not entitled to reimbursement of expenses for removal of furniture and possessions where, as a matter of choice, you occupy hospital accommodation on a long-term basis and are required to vacate it.

The initial claim for expenses must be submitted within 3 months of taking up post.

If you do not have any dependants you may be entitled to Continuing Commitments Allowance and should refer to section 14.

12. EXPENSES ARISING FROM EDUCATIONAL ARRANGEMENTS

Where it is essential, for certain educational reasons, for you to leave any of your children at school in the old area, the Trust may pay for travel expenses incurred by the child(ren) between school and home at the beginning and end of term for 3 terms.

You should submit any documentary evidence to support your claim.

To make a claim please complete a Claim for Travelling Expenses form and submit the relevant receipts.

13. MISCELLANEOUS EXPENSES

The replacement of Essential household items required only as a result of moving to a different property (e.g. curtains, carpets etc).

Householders can claim a miscellaneous expenses grant of up to 5% of basic salary, or £1,500, whichever is the lesser in new appointments, subject to the overall maximum limit on removal expenses payable. This grant will be payable for additional expenses after taking up the new appointment and occupying the **new permanent accommodation**.

The grant does not apply to those who are first time buyers or those who move from hospital or furnished accommodation into their first permanent home. For those in rotational appointments they may claim this payment only once.

If you are selling household items owned by you, with the sale of your home then the **net amount only can be reimbursed**. See below.

Please refer to paragraph 17 for Income Tax implications.

Expenses reimbursed to you for the above are exempt from tax provided the following conditions are met:

- The items replaced **must be goods owned** by you in the old home, which are unsuitable for installation in the new home.
- The exemption is restricted to the net **cost** to you. For example, if you paid £1,000 for replacement goods but sold the old goods for £300, the tax relief would be restricted to £700.

14. CONTINUING COMMITMENTS ALLOWANCE

Your existing property must be up for sale to qualify for this allowance. If you have a commitment to a property you occupied in the old area, and your dependants are living with you in the new area, you may be entitled to assistance with these expenses. Progress reports from your Estate Agent will be required for this allowance. If leasing a property **evidence of the contract and receipted bills must be submitted.**

The following documentation must be submitted with your claim for Continuing Commitments Allowance: - Annual Ground Rent, Annual Council Tax, Annual Water Rates, Annual Buildings Insurance Premiums, Annual Mortgage Payments, in respect of your old property.

The allowance is payable for a period of three months or until the property is sold whichever is the earlier date.

If rent is being collected on the house in the old area then this amount will be subtracted from the Continuing Commitments Allowance by the Trust.

It should be noted that certain items reimbursed under the dual accommodation charge are not identified as "qualifying" by the Inland Revenue. These items will be reported as a taxable benefit and will be subject to National Insurance contributions.

Continuing Commitments Allowance and Temporary Accommodation cannot be paid together, the less expensive of the two will be paid.

15. EXCESS RENT ALLOWANCE

Once you have moved into your new permanent property and you incur increased expenditure for rent, council tax and property insurance in the new area, compared with similar type expenses in the old area, you may be paid an excess rent allowance. If you are an owner-occupier, an 'imputed' rent is calculated based on payments related to your old and new property.

Excess rent will only be payable for one year from the date of your move into permanent accommodation. This will be up to a maximum of £1,000 in total, and is only payable whilst you continue to occupy the same property and remain in the employment of the City Hospitals Sunderland NHS Foundation Trust.

Your claim should be submitted within 3 months of the date of moving from your old permanent accommodation.

It should be noted that excess rent allowance is **taxable** and attracts NI Contributions. These deductions are made at source by the Payroll Department.

Please refer to paragraph 17 for Income Tax implications.

To make a claim for excess rent allowance the form in Appendix (D) must be completed and authorised.

16. ROTATIONAL PLACEMENTS

Medical and Dental staff on rotation are entitled to only one payment of the miscellaneous grant.

Doctors/Dentists in training grades must ensure that they will be able to meet their clinical commitments on time from their proposed new home before the reimbursement of Removal and Relocation Expenses can be approved. Where appropriate, Medical Staff in rotational appointments will be encouraged to find a house convenient for 2 or more trusts within the rotational appointment. (If in doubt, contact the Chairman of Specialist Training Committee or the Programme Director).

A Trainee who, on rotation, moves a distance greater than 30 miles from their original base, and who does not wish to relocate because of time and costs may request either excess travel or temporary accommodation allowance. However only one option can be granted and you must apply in writing.

If a trainee opts for Temporary Accommodation Allowance then all payments will be taxable and attract national insurance contributions (see Section 17).

Depending upon Inland Revenue Taxation regulations, Excess Travel may not be taxable.

NOMINATED BASE

The nominated base should be the hospital closest to your permanent home, which is also on your rotation. A nominated base can only be changed in exceptional circumstances and in consultation with the Personnel Department.

If you are in Temporary Accommodation for more than 6 months then the original nominated base hospital will become your definite base hospital.

If you subsequently move into permanent accommodation your nominated base may be changed to the hospital nearest to your permanent home for excess mileage, which forms part of your expected rotational training programme.

NON-ROTATIONAL PLACEMENTS

A Trainee in a non-rotational placement will not qualify for Excess Travel but **may** qualify for relocation expenses if they meet the necessary criteria as specified within the Trust's Removal and Relocation Expenses Policy.

If you occupy hospital accommodation on a 'temporary' basis whilst searching for a permanent new home you may remain eligible for reimbursement of removals and associated expenses.

If you do not have a permanent residence and move from temporary accommodation to temporary accommodation, there are no Tax implications.

17. INCOME TAX REGULATIONS AND IMPLICATIONS

Since 6 April 1993 the Inland Revenue has set a limit of £8,000 on the amount of relocation expenditure an employer may reimburse to an employee tax-free. This limit applies to qualifying expenditure. It should be borne in mind that the Inland Revenue stipulate that which they deem as qualifying. Other items reimbursed are deemed as non-qualifying and attract a liability to tax and national insurance contributions. This applies even when the amounts reimbursed are below this £8,000 limit. The following guidance indicates areas, which will, or may, fall into this non-qualifying category under the Trust's Removal and Relocation Expenses Policy. Statutory regulations that govern tax and national insurance are constantly reviewed and subject to change.

Certain items of expenditure may be subject to income tax and national insurance contributions, for detailed information please refer to the booklet "Inland Revenue Expenses and Benefits – A Tax Guide 430(2003)" which can be accessed via the Inland Revenue website www.hmrc.gov.uk

Examples of items that may be subject to income tax and national insurance contributions are:

Non-Receipted Items

Receipts should be produced for all items that you claim through the Removal and Relocation Expenses Policy. If, exceptionally, payment is authorised for non-receipted items they will be subject to tax and national insurance through the Payroll. If they would otherwise have been deemed as qualifying expenditure, it will then be your responsibility to seek any relief due through the self-assessment process.

Inland Revenue Imposed Time Limit

Paragraph 5.9, Section 5 of Book 480 states:

"In order to qualify for relief the removal expenses must normally be incurred or the benefits provided before the end of the year of assessment following the one in which the employee starts the new job. It does not matter when the employee moved to the new home".

The day which you "start the new job" will be the date of your commencement with City Hospitals Sunderland NHS Foundation Trust or the date of your rotation if applicable. If any relocation expenses are incurred by you outside of this time limit they will be subject to income tax and national insurance through the Payroll. You may however, appeal to the Inland Revenue for the "relevant day" to be reviewed.

Miscellaneous Grant / 5% of Salary

Paragraph 6, Appendix 7 of Book 480 states:

"The relief applies where domestic goods intended to replace items used at the old home which are not suitable for use in the new home are purchased or provided by the employer. Where the employer is reimbursing the employee's costs the reimbursement must be confined to the net amount after any sale proceeds from the old goods".

Excess Rent Allowance

Excess Rent payments will be subject to tax and National Insurance contributions through the Payroll.

Continuing Commitments Allowance

Paragraph 2.3, Appendix 7 of Book 480 states:

“If the property is left empty awaiting disposal:

- Any rent paid for the period when the property is empty
- Insurance for the period
- Maintenance of the property during the period
- Preserving the security of the property during the period

The Council Tax for the period is **not** allowable”

Any items reimbursed to you, which do not fall into one of these categories, will be subject to tax and national insurance through the Payroll.

APPENDIX A

REMOVAL AND RELOCATION EXPENSES CLAIM

Name:..... Grade/Pay Band:Start Date:

Post: Directorate:

Relocation Package Agreed: £ Total Expenses Claimed: £
(Including Mileage Claims)

Please detail items and attach original receipts (and quotes where required)

Removal and Storage	Amount Claimed £	For office use only
Removal expenses for furniture and effects		
Additional cost of insurance for removal		
Storage charge Number of weeks at £ per week		
Additional cost of insurance for storage		
TOTAL £		
House Sale	Amount Claimed £	For office use only
Sale price		
Estate agent fees		
Solicitors fees		
House agent's or auctioneer's fees		
TOTAL £		
House Purchase/Tenancy Agreement	Amount Claimed £	For office use only
Legal expenses		
Stamp duty		
Search fees / surveys		
House agent fees		
Cost of Tenancy Agreement		
Electrical Test/Drains Test		
Abandoned Purchase Cost		
TOTAL £		

Signed:

Date:

Divisional Director: Date:

REMOVAL AND RELOCATION EXPENSES CLAIM

NHS Foundation Trust

MISCELLANEOUS EXPENSES – ESSENTIAL HOUSEHOLD GOODS

Name:..... Grade/Pay Band:

Position: Directorate:

Relocation Package Agreed: £ Total Expenses Claimed: £
(Including Mileage Claims)

Date Occupied New Property:

Are you buying the property where the goods will be replaced? Yes/No

I am/I am not a first time buyer.

My previous home was owned by myself /rented (furnished)/ rented (unfurnished) / hospital accommodation (Please delete as appropriate)

<u>Description of Goods</u>	<u>Cost £</u>	<u>Selling Price of Old Goods</u> <u>If “Nil” Please indicate</u>

Please detail items and attach original receipts (and quotes where required)

I certify that:

- The domestic goods I am claiming for replaced goods, which I owned in my old home but are unsuitable for installation in my new home.
- I have indicated how much I sold the old goods for.

I claim exemption from Income Tax.

Signed..... Date.....

Divisional Director: Date:

**REMOVAL AND RELOCATION EXPENSES
 CONTINUING COMMITMENTS ALLOWANCE CLAIM FORM**

Name:	Address of Property in Old Area:
Post:	Married / Single / Other:
Date of taking up new post:	Date family joined in the new area:
DETAILS OF ACCOMMODATION IN OLD AREA	OLD AREA £
Owner occupied or rented	
Selling price / Asking price / Rent	
Mortgage repayment or interest on Loan if Endowment Mortgage	
Annual water rates	
Annual ground rent	
Annual insurance of property (Building insurance only)	
Annual Council Tax	

If you are receiving rent on the property in the old area please state the amount per month, £ per month.

Documentary evidence regarding rent, mortgage/interest on loan repayments, water rates etc. and annual insurance of property must be produced in support of this application.

Are you currently living in Temporary Accommodation? YES/NO

If YES please indicate where

.....

I wish to apply for the payment of a Continuing Commitments Allowance in respect of the above property, which I continue to maintain in the old area. I have been joined by my family and am incurring accommodation expenses in the new area.

Signed: Date:

Divisional Director: Date:

APPENDIX D

REMOVAL AND RELOCATION EXPENSES

APPLICATION FOR EXCESS RENT ALLOWANCE (Taxable)

Name:.....Grade/Pay Band:

Position: Directorate:

Relocation Package Agreed: £ Total Expenses Claimed: £
(Including Mileage Claims)

Date Occupied New Property: Start Date:

New address		Old address (Hospital/Rented/Owned)	
	NEW AREA £	OLD AREA £	
Rent / Selling price / Notional purchase price			
Annual general Rate			
Annual water rate			
Annual property insurance (Building Insurance only)			

NB: Please submit documentary evidence for each item.

Total Excess = _____ - _____ =

Excess rent will be payable for one year only from the date of your move into permanent accommodation. This will be up to a maximum of £1,000 in total for any eligible applicant, and is only payable whilst you continue to occupy the same property and remain in the employment of the City Hospitals Sunderland NHS Foundation Trust. The payment will be made in monthly instalments.

Signed By Claimant: Date:

Signed By Divisional Director: Date:

Checked By Finance: Date: