

Relocation Policy UK

December 2022 (Previously part of Travel & Expenses Policy 2018)

Approving authority:	UE
Consultation via:	CJNCC, GOE
Approval date:	13 December 2022
Effective date:	13 December 2022
Review period:	December 2023
Responsible Executive:	Global Director of HR
Responsible Office:	Human Resources

HERIOT-WATT UNIVERSITY

RELOCATION POLICY

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POLICY

1.	INTRODUCTION
	In support of Strategy 2025 Heriot-Watt University aims to attract and recruit the highest calibre of staff in all our Campuses. This Policy and accompanying Procedures outline the financial assistance available to recover some of the costs incurred by new employees if they need to relocate their main residence from outside or within the UK to within reasonable daily travelling distance of the UK University Campuses. They are part of a suite of Policies supporting the Attraction and Recruitment of Staff.
2.	PURPOSE
	The purpose of this Policy and accompanying Procedure is to: - strengthen our Staff Recruitment and Attraction Strategy by recognising the costs incurred for new starts who are required to relocate to or within the UK to take up employment - set out the parameters and guidelines for new members of staff who may be entitled to claim relocation expenses when they take up employment with the University in the UK. - specify and support the consistent application of the allowances and processes for claiming relocation assistance across all UK Schools and Directorates - align with Dubai and Malaysia procedures and policies where practicable
3.	KEY PRINCIPLES
	- Heriot-Watt University is a campus-based university and it is a key principle that staff appointed to UK positions are expected to live within reasonable travelling distance of their campus and to attend there regularly. - Staff wishing to claim relocation expenses will be required to sign an agreement to confirm that they meet the above criteria, including a declaration that they are not receiving expenses for the same claim from another employer or other source when submitting their claim for relocation expenses. - If a member of staff leaves before completion of three years' continuous employment, or before the end of their fixed term contract they will be required to refund some or all of the expenses reimbursed. The Relocation Procedures below set out further detail.
4.	SCOPE
	The Policy applies to all staff appointed (from the date this Policy was approved) to a Grade 6 or above role on an open-ended post or to a fixed term post of two years or more, and who have to move to the UK or relocate their UK place of residence as a result of taking up the appointment. Typically such relocation will only be supported for colleagues currently living over 50 miles from their new work location (or greater than 1 hour by public transport). It is expected that staff employed at Grades 1 to 5 will be recruited from within the surrounding area and therefore payment of expenses will only be considered by exception (e.g. specialist roles). Where two members of one household are offered employment with the university at the same time only one expenses claim should be made for joint costs incurred, e.g. removal costs, storage costs, and stamp duty. However individual claims may be submitted for expenses incurred by each person, e.g. flights or other travel. Where another member of the removing household is claiming relocation expenses for the same items/elements from another source the member of staff may not make a duplicate claim from Heriot-Watt University. It is expected that staff move house and submit any claims within 12 months of the commencement of employment.

	All relocation expenses are covered by the Hiring Department and form part of the overall cost to hire. For staff seconded between Heriot-Watt University international campuses, separate Guidance applies. Please visit the HR Policy Web Page and scroll down to Reward and Remuneration to find the Secondment Policy.
5.	RELOCATION EXPENSES Relocation allowances are subject to certain “qualifying conditions” under UK HM Revenue and Customs guidance. As a general rule, removal and relocation costs may be refunded up to a maximum of £8,000 before tax and National Insurance Contributions (NIC) are applied at the individual’s personal rate of deduction. The terms of this Policy allow for the following: - For those staff appointed on a contract of two years or longer, a lump sum payable on presentation of appropriate receipts as follows: £2k for staff employed below Grade 6¹. £4k for staff employed at Grade 6 or 7. £6k for staff employed at Grade 8. £8k for staff employed at Grades 9 and 10. - Hiring managers may recommend higher amounts to take specific individual circumstances into consideration or in order to secure a key strategic appointment. Such requests should be first discussed with the Recruitment team and would be subject to specific approval as set out below under Roles and Responsibilities. Any sum payable over £8k will be subject to tax and NIC deductions at the individual’s personal rate of deduction. - Where a team of researchers is relocating, each member of the team will be eligible for the lump sum set out in point 1 above according to their grade and noting the potential for exceptional cases as set out in 2 above. - For all staff who are relocating: - Economy class flights and other reasonable travel expenses to the new work location for the staff member and immediate family if relocating from outside the UK. - Reasonable travel costs of relocating to the new work location for the staff member and immediate family if relocating from within the UK. - Possible use (where available) of University accommodation for up to 2 weeks, rent free. Further periods of let may be possible, but this must be paid for at the individual’s expense (which may come from the lump sum). Note that expenses claimed at point 4 and 5 will be calculated as part of the lump sum entitlement where it applies. Visa Fees, International Health Surcharges (IHS) and associated costs are not directly or fully reimbursable under the Relocation Policy but employees may use the lump sum in part or full to cover their own visa and associated fees². However, the University also offers an interest-free loan for employees and family members to cover such fees, repayable over a 2-year period via payroll deductions.

¹ Only where, exceptionally, a suitable candidate cannot be recruited within local travelling distance of the relevant UK campus and is required to relocate. The Hiring Manager should discuss with their Executive Dean/Director prior to offering relocation expenses.

² This is a taxable benefit for visa-holders already in the UK and relocating, as well as for dependants of visa-holders.

	The Relocation Procedures below set out further details of what may be an eligible expense claimable under the lump sum. Section 4 of the Procedures also sets out repayments to be made where a member of staff leaves the University within a certain period of time.
6.	ROLES AND RESPONSIBILITIES
	University Executive Members must: • Approve requests which are above the maximum allowances set out in the Policy. Proposals must be approved on an exceptional basis only by the relevant UE Member in consultation with the Global Director of HR and the Head of Pay & Pensions in advance of an offer being made to the new member of staff. • Approve requests for Relocation Allowance for all appointments to Executive Dean, Director and Senior Executive positions for whom they are responsible, in discussion with the Head of Recruitment. Executive Deans/Directors must: • Approve the request and endorse the expenditure in line with the limits set out above. This would include requests for relocation for staff below Grade 6 where a suitable candidate cannot be recruited locally. • Refer exceptional requests to their UE member and the Global Director of HR/Head of Recruitment as appropriate. Hiring/ Line Managers must: • Ensure that any conversation they may have with a new appointee is consistent with the expenses and limits set out in this Policy and Procedure. • Provide support and guidance for the new employee to claim reimbursement through the appropriate expenses channels https://heriotwatt.sharepoint.com/sites/CloudERP/SitePages/Expenses-Update.aspx New Appointees and Employees should: • Read and understand the Relocation Policy • Normally claim any legitimate expenses in line with policy within a year³ of taking up the appointment and ensure full receipts are available. • Note that any fraudulent claims may be considered as gross misconduct under the Disciplinary Procedure. Finance Directorate will: • Ensure Management Accounts reflect relocation allowance expenditure HR UK colleagues will: • Include links to and information about the Relocation Policy and Procedure in formal offers. • Support new staff with advice and guidance about the application of the Relocation Expenses Policy. • Discuss and recommend/jointly approve exceptional payments over and above the limits set out (The Global Director of HR and/or the Head of Recruitment together with the Head of Pay & Pensions).
7.	MONITORING AND EVALUATION
	Records and information obtained under this Procedure will be kept held and reported on in line with the UK Data Protection Act 2018, the University's Records Retention Policy and in line with the Staff Privacy Notice

³ Within six months for fixed-term appointments

	A record of the expenses claimed and repayment terms will be retained securely within The University's HR/Finance System. Any reports produced using this information will be kept securely and confidentially with personal data removed in accordance with the Data Protection Act 2018 and the University's Records Retention Policy. If required by HMRC, records for tax purposes will also be shared with them. This Policy and related Procedures will be reviewed every five years from the date of implementation, or in line with a review of the Recruitment and Retention/Global Reward Policy or earlier if legislation dictates. Any amendments will be notified to employees through the normal communication channels and/or e-mail. This Policy and related Procedures will be maintained on the HR Hub.			
8.	RELATED POLICIES, PROCEDURES AND FURTHER REFERENCE			
	All HR Policies and Procedures can be found at this link: HR Policy Web Page Policies Secondment Policy (see the section on Reward and Remuneration) Procedures Visa Fees Interest Loan Scheme (see the section on Immigration and Right to Work)			
	Further reference https://www.gov.uk/guidance/relocation-expenses-480-appendix-7 https://greattalent.campaign.gov.uk/live-in-the-uk/ for general information about living and working in the UK, including the Scottish Health and Education systems.			
9.	FURTHER HELP AND ADVICE			
	For queries to HR and Payroll please contact HR helpdesk For queries about claiming expenses or finance-related queries contact Finance Helpdesk			
10.	POLICY VERSION AND HISTORY			
	Version No	Date of Approval	Approving Authority	Brief Description of Amendment
	V. 1.2	13.12.2022	UE	New Policy and Procedure to clarify relocation entitlement for new staff, formally part of Travel & Expenses Policy



Procedures

Relocation Policy – UK

PROCEDURES

HERIOT-WATT UNIVERSITY
PROCEDURES TO SUPPORT THE UK RELOCATION POLICY
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1.	INTRODUCTION
	These Procedures accompany the Relocation UK Policy. They outline the process for claiming the financial assistance available to cover some of the costs incurred by new employees if they need to relocate their main residence from outside or within the UK to within reasonable daily travelling distance of the UK University Campuses. Typically such relocation will only be supported for colleagues currently living over 50 miles from their new work location (or greater than 1 hour by public transport) These Procedures and the accompanying Policy part of a suite of Policies supporting the Attraction and Recruitment of Staff. Heriot-Watt University is a campus-based university and it is a key principle that staff appointed to UK positions are expected to live within reasonable travelling distance of their campus and to attend there regularly.
2.	ELIGIBLE EXPENSES
	As set out in the Relocation Policy, employees needing to relocate may claim as follows: 1. For those staff appointed on a contract of two years or longer, a lump sum payable on presentation of appropriate receipts as follows: a) £2k for staff employed below Grade 6⁴. b) £4k for staff employed at Grade 6 or 7. c) £6k for staff employed at Grade 8. d) £8k for staff employed at Grades 9 and 10. 2. Hiring Managers may recommend higher amounts to take specific individual circumstances into consideration or in order to secure a key strategic appointment. Such requests should be first discussed with the Recruitment team and would be subject to specific approval as set out below under Roles and Responsibilities. Any sum payable over £8k will be subject to tax and NIC deductions at the individual's personal rate of deduction. 3. Where a team of researchers is relocating, each member of the team will be eligible for the lump sum set out in point 1 above according to their grade and noting the potential for exceptional cases as set out in 2 above. 4. For all staff who are relocating: a) Economy class flights and other reasonable travel expenses to the new work location for the staff member and immediate family if relocating from outside the UK. b) Reasonable travel costs of relocating to the new work location for the staff member and immediate family if relocating from within the UK. 5. Possible use (where available) of University accommodation for up to 2 weeks, rent free. Further periods of let may be possible, but this must be paid for at the individual's expense (which may come from the lump sum). Note that expenses claimed at point 4 and 5 will be calculated as part of the lump sum entitlement where it applies.

⁴ Only where, exceptionally, a suitable candidate cannot be recruited within local travelling distance of the relevant UK campus and is required to relocate. The Hiring Manager should discuss with their Executive Dean/Director prior to offering relocation expenses.

	Visa Fees, International Health Surcharges (IHS) and associated costs are not directly or fully reimbursable under the Relocation Policy but employees may use the lump sum in part or full to cover their own visa and associated fees⁵. However, the University also offers an interest-free loan for employees and family members to cover such fees, repayable over a 2-year period via payroll deductions. The Lump Sum The lump sum may be used for any of the following expenses, up to the eligible limit or £8k, whichever is lower. 1. Removal of furniture and personal effects, including insurance and storage. Three competitive quotes must be produced by the claimant in support of a claim for removal costs, the lowest amount being reimbursed. 2. Claims for domestic goods in the new residence 3. Where the newly appointed member of staff is a homeowner, they may also claim for the following, within their eligible limit a) Costs incurred in disposing of old residence b) Solicitor's fees c) Surveyor's fees d) Estate Agent's fees e) Stamp Duty f) Costs of bridging loans g) Travel costs to the former home whilst it remains unsold 4. Employees who require a visa and are currently living outside the UK⁶ may use an element of the lump sum if they wish towards their own visa fee or International Health Surcharge, providing evidence of payment in advance. Alternatively or additionally, they may use the Visa Fee Interest Free Loan Scheme (see HR Policies and Procedures under Immigration) Travel Costs <u>Within the UK</u>, the cost of relocating to the new area will be paid at economy class or equivalent air or train fare for the member of staff, spouse/partner and children; or if moving by car, appropriate mileage (based on the University's mileage rate) can be claimed. <u>Travelling from overseas</u>, one economy class or equivalent air fare for the member of staff, spouse/partner and children will be paid to port of entry to the UK. Airfare in excess of economy level will not be reimbursed.
3.	Process for Claiming relevant allowances
	When the offer of employment is issued, this Policy and Procedure will be sent with the offer documents from the HR Directorate. The Hiring or Line Manager should pass all requests for relocation allowance and all quotes/receipts to their Exec Dean/Director of Service for approval. If the new appointee is an Exec Dean or Director, the Head of Recruitment will contact the relevant member of the University Executive to obtain approval for expenditure and to approve expense claims. If the Hiring Manager or the Exec Dean/Director believe there is a strong case for an exceptional allowance to be made, the Exec Dean or Director of Service must make a

⁵ This is a taxable benefit for visa-holders already in the UK and relocating, as well as for dependants of visa-holders.

⁶ This is a taxable benefit for visa-holders already in the UK and relocating, as well as for dependants of visa-holders.

	formal request to the relevant member of the University Executive and the Global Director of HR before discussing any exceptional allowance with the new appointee. For removal and storage expenses, three quotes must be obtained by the new appointee for the Exec Dean/Director to approve one. For travel costs, the relevant School or Directorate should support the new appointee by arranging travel through the University Travel Agent. If the new appointee wishes to use Edinburgh Campus University buildings on a short-term let basis, the Hiring Manager should liaise with The Head of Hospitality to ensure appropriate accommodation is available and made ready, On start of employment, the new appointee should make the relevant claims through the University Expenses System, attaching receipts and using the Relocation Allowance field. Claims will not be reimbursed without an accompanying receipt. All claims will be reimbursed into the UK bank account held within the University Finance System. Any claim that exceeds £8k should be referred to the Global Chief Financial Officer or nominee for advice on the tax and national insurance implications. Where two members of one household are offered employment with the university at the same time only one expenses claim should be made for joint costs, e.g. removal costs, storage costs, and stamp duty, indicating that the claim is for two employees. However individual claims may be submitted for expenses incurred by each person, e.g. flights or other travel, or, if the family/employees relocating are not living in the same single house or location, costs relating to each location and property may be claimed. The key principle is that the same single cost cannot be claimed twice.
4.	Recovery of Expenses and Allowances The University reserves the right to recover relocation allowances paid if the member of staff should voluntarily leave the University within the periods set out below. <u>Exceptions to recovery of payments</u> If the member of staff leaves employment due to voluntary or compulsory redundancy or ill health retirement, no repayment of expenses will be expected. Other exceptional reasons for leaving the University within the timescales set out below may be considered on a case by case basis. If the member of staff leaves within three years if appointed on an open-ended contract or before the end of the fixed term contract, the University will recover relocation expenses on the following basis: <u>Open Ended Appointments</u> • Within one year of appointment: 100% • Within two years but more than one year of appointment: 50% • Within three years but more than two years of appointment: 25% <u>Fixed Term appointments</u> • In the first third of the fixed appointment: 100% • In the second third of the fixed appointment: 50% • In the final third of the fixed appointment: 25%

	This will be deducted during employee's notice period and final salary payment. All employees whose relocation allowance is approved will be required to sign a written undertaking confirming their acceptance that if leaving within the timelines stated above, they will be required repay the relevant proportion (See Appendix 1).			
5.	FURTHER HELP AND ADVICE			
	Members of staff can find general information about claiming expenses on the HR hub here https://heriotwatt.sharepoint.com/sites/CloudERP For general advice about the Policy and Procedure, please contact the HR helpdesk If you have a query about the role of Finance, or how to submit or follow up an expenses claim, contact the Finance Help Desk			
6.	PROCEDURES VERSION AND HISTORY			
	Version No	Date of Approval	Approving Authority	Brief Description of Amendment
	V. 2.0	13.12.2022	UE	New Policy and Procedure to clarify relocation entitlement for new staff, formally part of Travel & Expenses Policy

APPENDIX 1

Relocation Policy – Signed Declaration – Repayment Agreement

I understand that under the Heriot-Watt University UK Relocation Policy and Procedure I am eligible to claim the amount set out in the Policy for my grade via reimbursement of receipted expenses. If I leave the University within three years or before the end of my fixed term contract for any reason other than redundancy or ill-health retirement, I understand that I will be required to repay some or all of the allowances received.

In claiming the Relocation Allowance, I accept the terms and conditions of the Heriot-Watt University Relocation Policy and Procedure Recovery Clause:

1. I will obtain three quotes where required and will submit them to my Executive Dean/Director of Professional Services before incurring any expense
2. I understand that if the University arranges and pays for flights for me the sum will be deducted from the total allowance for which I am eligible
3. I will submit receipts against expenditure through the University Finance System using Relocation Allowance as the appropriate code.
4. I will submit receipts for reimbursement as soon as possible after incurring the expense
5. I understand that reimbursement will be paid into the UK bank account that I have notified to the University
6. I understand that taxation relating to relocation costs are covered by HMRC rules <https://www.gov.uk/expenses-and-benefits-relocation> and that any costs which are not classed as “qualifying expenditure” will be subject to taxation as a benefit in kind
7. I understand that if, exceptionally, a Relocation Allowance of more than £8k is approved, the balance will be subject to tax and National Insurance deductions.
8. Should my employment at Heriot-Watt University come to an end before three years (if I am employed on an open-ended contract) or before the end of my fixed term contract, I accept that I will need to repay a proportion of the expenses I have received.
9. I understand that the University may deduct such sums from my salary during my notice period including and up to my final salary payment
10. I understand that the University will agree with me how any outstanding payment still owed after termination will be paid
11. I confirm that the expenses I have claimed for comply with the terms of the Relocation Policy and Procedure and that making any false claim may result in disciplinary action being taken against me.

SIGNED

NAME

DATE