

POLICY ON RELOCATION EXPENSES

1. The University is committed to easing the passage of staff to Birmingham if they have to relocate to the area to take up an appointment.
2. It recognises that this can be a difficult, traumatic and expensive time for staff and in certain circumstances it may award a cash limited sum to help defray some of the costs of moving. The sum will be indicated in the offer of employment and will be the maximum amount payable, irrespective of whether more expenditure is actually incurred. Reimbursement will normally be on the basis of submission of receipts for expenditure.
3. The University will adopt the Inland Revenue Guidelines on Relocation Expenditure as the basis for reimbursement of claims under this policy. Copies of the Inland Revenue Guidelines are available at www.hmrc.gov.uk/guidance/relocation.htm or on request from the Finance Office or Human Resources.
4. If the relocation allowance set out in the offer of appointment exceeds the Inland Revenue approved unit at the time of the claim (£8,000 as at April 2001), the element over and above the Inland Revenue limit will be subject to deductions for tax even though it is deemed to be allowable expenditure. National Insurance deductions will not be made on this, or any other, portion of relocation allowance, provided it falls within the definition of allowable expenditure.
5. The relocation allowance will be available for 12 months after the new employee takes up their appointment. During this period it is expected that the employee will have made every effort to relocate to a property within reasonable travelling distance of the University but it is recognised that it may not have been possible to complete the move if, for example, they still have a property to sell. Should the employee not have made efforts to relocate after 12 months, it will be assumed that they no longer wish to have access to this allowance. It is not a condition of relocation that the employee disposes of their former residence but there must be a change of main residence in order to qualify for tax relief. Further advice on this point is available from Tim Fuery, Assistant Director of Finance on 0121 414 6084.
6. Should the employee decide to resign from the University's employment within two years of making a claim for relocation expenses, the University requires any sums paid to the employee to be repaid in full. This requirement may be waived at the discretion of the Vice-Chancellor and if so, this will be communicated to the employee in writing following receipt of a letter of resignation.

Personnel Services

Approved by Council **27 March 2002**