

Relocation Expenses Policy – Internal Staff

1. Introduction

This policy applies to internal members of staff who are offered a new appointment which involves a change of work location and, as a result, incur additional costs associated with removal, rent or extra travelling. This policy does not apply to individuals taking up their first appointment with The Open University (see Relocation Expenses Policy – External Appointments). In agreed cases, this policy may be extended to cover secondments to another employer.

2. Permanent moves

This section outlines the expenses payable where the new appointment is for a period of not less than 2 years and involves a change of work location which necessitates a permanent move of home.

Where these conditions are met, removal expenses will be reimbursed up to a maximum of £15,000 (not including Disturbance expenses).

Those internal staff on temporary contracts offered permanent employment are covered by this policy, providing they have one year's service at the date of the new appointment.

Removal expenses

Claims will be considered in respect of the following expenses subject to receipts being provided:

- Cost of removal (including insurance) of furniture and effects – 3 quotes should be submitted with the claim and the University will use the lowest for the expense claim, unless a self-drive van is used, in which case receipts for hire and petrol should be presented.
- Storage charges (including insurance) of furniture and effects.
- Legal charges of selling and buying residences (including all relevant Solicitors' bills and charges - plus Stamp Duty and Building Society Solicitors' accounts).
- Estate Agents' and Accommodation Agency Fees other than returnable deposits.
- Survey fees (personal, Bank or Building Society):

- Mortgage redemption charges, including charges associated with endowment mortgages;
- Costs of bridging finance interest for up to three months in approved circumstances. (Payment of bridging loan costs will be made only when prior approval has been given by the Group People Director).
- Costs of disconnecting/reconnecting appliances and telephones;
- 'Reasonable' costs of replacing soft furnishings and other miscellaneous expenses will be considered, up to a maximum of £1,090.

Disturbance expenses

Where a member of staff intends to move their domestic accommodation to within an average of one hour's journey or 25 miles of the office and is obliged to simultaneously pay for accommodation at both old and new locations whilst in the process of moving, the University will make a contribution to the increased living and travel costs for up to 30 weeks (or date of removal, if sooner) as follows:

- Accommodation: receipted costs up to a maximum of £520 per month (to include rent, phone, gas, electricity, water and services on the accommodation in their new area of employment);
- Up to one return journey per week by the most economical means of transport at standard University travel rates (e.g. standard class rail) – see Travel and Subsistence Policy for details.

Claims should be made monthly in arrears.

Special consideration will be given to extending this period in circumstances beyond the employee's control.

Staff not intending to relocate are not eligible.

3. Secondments

This section outlines the expenses payable where a new temporary appointment (i.e. secondment) involves a temporary change of work location.

Secondments requiring rented accommodation

The University will make a contribution towards the increased living costs incurred by members of staff who meet all of the following conditions:

- are offered a secondment which involves a change of work location and which necessitates a move, provided that in all cases the appointment is for a period of more than three months and up to 2 years;
- are already maintaining, partly or wholly at their own expense, living accommodation at the place from which they were seconded; and

- are obliged simultaneously to pay for the living accommodation in (b) above as well as for temporary living accommodation in the area of their secondment by the University.

It is a condition of this scheme that the individual will not permanently change their normal residence in order to undertake the secondment.

Where these conditions are met, the following expenses are payable:

- rent at the new location up to an approved maximum (currently £520 per month), where there is an additional expense i.e. they are also obliged to retain living accommodation at the place from which they were seconded. (The maximum may be raised for high cost areas e.g. London, Edinburgh; please seek advice from your Human Resources Partner);
- removal of personal effects including insurance and storage;
- *an allowance for duplicated living costs of £84 per month;
- *where the whole family does not move, up to one return journey per week by the most economical means of transport at standard University travel rates (e.g. standard class rail) – see Travel and Subsistence Policy for details, plus journeys for initial take up and completion of the assignment;
- *where the family does move, occasional returns for property inspection will be reimbursed.

Copies of receipts are required, except for items marked with an asterisk *.

Secondments not requiring rented accommodation

Short term, short distance or part-time secondments not requiring rented accommodation at the new temporary location are able to claim for the following:

- the difference between the agreed cost of travel from home to new place of work and from home to old place of work, based on University business travel rates (see Travel and Subsistence Policy);
- where it is necessary to spend nights during the week at their new temporary location, the cost of bed/breakfast and evening meal within the daily limits established in the University's Travel and Subsistence Policy may be claimed. Receipts must be presented. In addition, claims may be submitted for the weekly return journey at University business travel rates.

Claims should be presented on separate forms from normal business travel expenses.

Travel costs are **not** reimbursed if the distance from home to the new location is less than travel to the normal office base.

4. Taxation

Permanent moves

Any expenses received above a total of £8,000 under this policy will be reported to the Inland Revenue and will result in income tax liability on the portion exceeding £8,000. Disturbance and removal expenses are aggregated for this purpose.

Secondments

Expenses towards the costs of temporary accommodation and travel are normally tax free providing the secondment is for less than 2 years **and is not extended** beyond 2 years. All reimbursements on secondments of greater than 2 years are taxable either from the outset or, in cases where an initial secondment is extended beyond 2 years, the date from which the extension becomes effective.

5. Period of eligibility to claim expenses

Permanent moves

Claims should be made monthly in arrears and need to be made within 12 months of taking up the appointment.

Secondments

Expenses may be claimed from the date of taking up rented accommodation in the relevant area of employment, until the termination of the secondment. If a secondee is subsequently offered the job on a permanent basis they then become eligible to claim relocation expenses in connection with any permanent change of residence as set out in section 2 of this policy. Otherwise eligibility to claim expenses ceases at the end of the secondment. Claims should be completed monthly in arrears and need to be made within 12 months of taking up the appointment.

6. Repayment of expenses

In the event of a person voluntarily terminating an appointment within two calendar years, the University reserves the right to seek repayment of any expenses paid, excluding disturbance expenses, as follows:

Appointment terminated within one calendar year: 100%

Appointment terminated within two calendar years: 50%

7. Excluded situations

No member of staff will be eligible to claim full removal expenses where:

- these are obtained from another source, e.g. a partner's employer;
- their permanent home address is less than 25 miles or an average of one hour's journey away from the new office;
- the new residence is more than an average of one hour's journey or more than 25 miles away from the new office location.

The Group People Director has discretion to extend this policy to cover other categories of staff.

8. Equality, diversity and inclusion

Policies are inclusive of all Open University staff, regardless of age, care experience, caring status or dependency, civil status, disability, family status, gender, gender expression, gender identity, gender reassignment, marital status, marriage and civil partnership, membership of the Traveller community, political opinion, pregnancy and maternity, race, religion or belief, sex, sexual orientation, socio-economic background or trades union membership status.

9. Useful references

Reimbursable Expenses Policy
Relocation Expenses Claim Form Internal Staff/Permanent Moves
Secondment Expenses Claim Form
Relocation Expenses Policy External Appointments
Office Moves Policy
Travel and Subsistence Policy