

Removal and associated expenses guidance for doctors in training

Contents

Foreword	3
Background principles	4
Eligibility	4
Travel in lieu of relocation	5
Relocation	6
Funding provision for removal and associated expenses	7
Process for reimbursement of removal and associated travelling expenses	7
Designation of base place of work for practitioners on rotation	8
Expenses during search for accommodation	9
Continuing commitments	9
Expenses on removal	9
Form of undertaking	10
Allowances and rates	10
Administrative arrangements	10
Appeals procedure	10
Appendix 1 – Examples of Expenses for Reimbursement	11
Appendix 2 – TCS paragraphs 314–5	12
Appendix 3 – GWC Section 26	13

Foreword

1. The level and scope of removals expenses payable to doctors and other NHS staff are to a large extent at the discretion of the employer and this is only right in the context of Shifting the Balance of Power, but this can lead to significant variation between regions and confusion amongst staff. This paper is intended as a guide to good practice and as clarification of existing negotiated arrangements in respect of removals expenses for doctors, particularly for those who may be expected to make a number of moves during the course of their training.
2. This paper does not, nor should it, be taken to modify existing negotiated arrangements. It describes a reasonable standard that employers would be expected to implement.
3. In this paper, references made to the 'appropriate authority' should be read as referring to whichever organisation is responsible for employing the doctor(s) to whom this guidance is being applied, and should be replaced by references to the Deanery, lead trust or other employer as befits local administrative arrangements. Similarly, references to 'public transport rate' should be read as referring to local rates currently in force.
4. It is hoped that a document such as this would be included in recruitment packs and should in all cases be made available to applicants before appointment.

Background principles

5. The guiding principle behind the provision of removal expenses is that a practitioner should not be financially disadvantaged by reasonable costs incurred through a move in the interests of the service, or to further their training. However, practitioners are not expected to profit materially from reimbursements in respect of removals.
6. While the level of reimbursement is ultimately a matter for agreement between the employer and the practitioner, it is useful to have some basic guidance on which employers might base their provisions, in order to minimise the variations between employers in different areas. This guidance suggests a basic framework for the reasonable reimbursement of removal and associated expenses to practitioners appointed to training positions with the recognition and agreement of the Postgraduate Dean, and is appropriate where the availability and level of support for removal costs has been agreed as part of the employment contract.
7. The scope and the level of the financial package should be determined and agreed prior to the post being accepted or, in the case of existing employees, the change of place of work, or base place of work for practitioners on a rotation being agreed. Finally, there should be no improvement in the quality of the housing at a cost to the taxpayer.
8. Place of work or base place of work for practitioners on rotation is referred to hereafter as 'place of work'.

Eligibility

9. All practitioners in training grades, who are required:
 - to relocate in the interests of the service, or
 - to further their training to enable them to take up their appointment, or
 - who are given approval for a subsequent move during their employment, or
 - when a change is made to the base place of work (generally by the deanery when on a rotation),are normally eligible to claim expenses for removals.
10. Practitioners may be expected to remain in post for an agreed period to be determined locally to be eligible for reimbursement of relocation costs, unless any subsequent move is as a result of unforeseen circumstances, or due to rotational placement, or at the behest of the employer, or because of the end of the rotation/post. The level of reimbursement by practitioners to the appropriate authority should be pro rata to the length of time remaining in the agreed period.

11. To be eligible for removal expenses, the practitioner will normally have changed their main residence as a result of:
 - a. starting a new employment, or
 - b. a change of duties of employment, or
 - c. a change of location of employment.
12. Employers should consider the consequences of any move on subsequent travel. The new residence should be within a reasonable daily travelling distance of the new normal place of work, and the old residence should not be within a reasonable daily travelling distance of the new normal place of work, in order to be eligible for removal expenses.
13. A reasonable travelling distance is up to one hour door to door, using best available public transport, at the start and end of a normal working day.
14. To avoid tax liability, the benefits must be incurred, or benefits provided, before the end of the year of assessment following the one in which the practitioner starts the new job. It does not matter when the practitioner moves to their new home.
15. Reimbursement for practitioners appointed to locum or fixed-term training appointments, or sub-specialty trainees who may be employed for less than the usual training period, may be considered as per substantive SpR posts. Reimbursement of removal expenses should be considered where the post is of more than six months duration. For shorter posts reimbursement of the cost of removal of personal effects plus travelling expenses during a preliminary search for accommodation is reasonable.
16. Travel and removal expenses will be reimbursed from UK port of entry only.

Travel in lieu of relocation

17. Practitioners who would be eligible for reimbursement of removal expenses, but are for good reason not able to move house immediately, should be paid excess travel from their home to the designated place of work for a mutually agreed period after appointment to the training programme, provided that the proposed interim travelling arrangements are reasonable and safe.
18. The mileage that may be paid under these circumstances is the difference between the mileage from home to the previous place of work and the mileage from home to the new place of work.

19. A practitioner moving placement within a rotation may choose, under paragraph 315 of Terms and Conditions of Service (TCS), not to move home but to travel the greater distance between their home and the next hospital on the rotation.
20. The mileage that may be paid, under these circumstances, is the difference between the mileage from home to their designated base place of work and the mileage from home to the new place of work, as set out in TCS Paragraph 315.
21. Excess travel, under these provisions, will be paid at a rate to be agreed between the employer and practitioner, and will normally be the equivalent of public transport rate, subject to guidance issued as Advance Letter (MD)2/01 and any subsequent formal clarification.
22. Payment of excess travel costs should not be agreed where, in the judgement of the appropriate authority, the journey time and/or the distance involved is likely to be detrimental to the safety of the practitioner, and/or to the satisfactory performance of the practitioner's duties. In such circumstances, the appropriate authority will seek alternative arrangements, such as those outlined in paragraphs 38 and 42, addressing the needs of the practitioner and the service.
23. In some cases, placements on rotation are classed as temporary workplaces and expenses paid in these circumstances are not subject to tax. Practitioners should be aware that this may not be the case in all circumstances.

Relocation

24. Practitioners who sell a property in their old home area and purchase a new property within an appropriate proximity of their place of work (see paragraph 13), would no longer be liable to pay

The proper transfer of the cost of the expense, is to be borne by the practitioner. The cost of the purchase of the new property should be borne by the practitioner. The cost of the sale of the old property should be borne by the practitioner. The cost of the relocation should be borne by the practitioner.

occupy the new property and/or the old property. The cost of the relocation should be borne by the practitioner.

These costs (expenses set out in Appendix F1) will normally be reimbursed if these circumstances.

27. Practitioners living in hospital accommodation may have to relocate each time they change post in a rotation. They should be eligible for reimbursement of removal expenses on the same basis as practitioners living in rented accommodation, or for payment of excess travel where their residence is remote from their place of work, subject to appropriate determination of their base hospital. Consideration should also be given to reimbursement of expenses for a visit to inspect the new accommodation, prior to relocating.

Funding provision for removal and associated expenses

28. Reimbursement will normally be to an agreed maximum sum for all categories of expenses outlined in this guidance, inclusive of all removal and associated expenses and excess travel for any one appointment. The sum reimbursed will usually be limited to those expenses listed in Appendix 1 and will be the lesser of the agreed sum, or the total of authorised and receipted expenses. Exceptionally, consideration may be given, by the appropriate authority, to funding additional expenditure beyond the agreed limit.
29. Abortive purchase may be reimbursed where the practitioner is not responsible for the abandonment of the transaction, or the practitioner's withdrawal is entirely reasonable.

Process for reimbursement of removal and associated travelling expenses

30. Practitioners should obtain written authorisation for reimbursement of removal expenses from the appropriate authority before making any firm arrangements. No responsibility for expenses incurred should be accepted where arrangements are made without written confirmation that the doctor is eligible for reimbursement of removal expenses for the post in question. Such authorisation will normally be made at the time of appointment to a post or rotation, along with the designation of a base place of work where appropriate.
31. Before storage and/or removal of furniture is agreed, three quotes should be obtained for approval. Reimbursement will usually be limited to the lowest quote. For small removals, reimbursement of a self-hire vehicle and fuel would be acceptable.
32. Stamp duty will normally be reimbursed to the order of the lower value of either the old permanent residence sold, or the new permanent residence purchased.
33. Reimbursement should not be made until the practitioner takes up the appointment. Original receipts will usually be required as proof of outlay against authorised expenditure. Generally, reimbursement will not be made to third parties. Typical examples of expenses for reimbursement and excluded expenses are given in Appendix 1.

34. Claims for reimbursement of removal expenses should normally be made within 12 months of the incurring of authorised expenditure.

Designation of base place of work for practitioners on rotation

35. Employers should clearly state the location of the base place of work when offering an appointment to a rotation and this should be recorded in the practitioner's contract. All decisions in this respect, including any subsequent change to the base place of work, should be made with the agreement of the practitioner. The base place of work should normally only be changed if relocation occurs.
36. In most cases the base place of work will be that where the majority of time and/or work is spent, although there may be local circumstances where both employers and practitioners may wish to reach an alternative agreement. For rotations, considerations may include the geography of the area encompassed, and the base place of work will not necessarily be the first place of work on the rotation. For example, should the practitioner have a home convenient to the place of work in which the second or subsequent post in the rotational appointment is to be held, the practitioner may elect to travel the extra distance to the place of work in which the previous post or posts are held, and agree the subsequent place of work as their base place of work. Ideally, all posts on a practitioner's rotation should be determined at the time of appointment.
37. Due to the rotational nature of the training programme, approval may also be given to reimbursement of removal expenses for subsequent moves of house within the rotation. These moves will be subject to the eligibility criteria outlined earlier, and the designated base place of work may change as a result.
38. Practitioners who, for good reason, do not move house when eligible for reimbursement of removal expenses and are not able to travel on a daily basis to the next place of work on the rotation, may apply to the appropriate authority to be reimbursed for accommodation costs. In particular, consideration should be given to the needs of trainees with families, who may not be able to move house for a distant rotational placement lasting a year or less, but who may wish to be accompanied by their families in these circumstances. The decision whether to pay accommodation costs will normally include an assessment of the projected cost of travel, both financial and in terms of time spent, versus the cost of accommodation, either private or provided by the employer.

Expenses during search for accommodation

39. Whenever relocating, practitioners are entitled to make preliminary visits to the area of their new employment in search of accommodation.
40. Expenses for preliminary visits will normally be reimbursed; these may cover accommodation and subsistence for a maximum of four nights, and return travel at public transport rate or standard rail fare, for the practitioner and their immediate family.

Continuing commitments

41. Whilst the old property remains unsold, reasonable accommodation costs may be reimbursed. Reimbursement should normally be for the lower of the monthly mortgage on the old property and the monthly mortgage/rent on the new property, normally for a maximum of 12 months.
42. Practitioners who have not found suitable accommodation in the new area and who are in accommodation separated from their family may be reimbursed the travel costs of weekly visits either by the practitioner to the family home or by immediate family to the practitioner, at public transport rate or standard rail fare, normally for a maximum of 12 months.
43. To be eligible for reimbursement under these provisions, practitioners should expect to be required to demonstrate that they are actively marketing their former property at a realistic price and that they are actively seeking suitable accommodation in the new area, or that they have a good reason not to relocate immediately. Such reasons might include partner's employment, childcare, schooling, or elderly dependents.

Expenses on removal

44. Practitioners and their dependants may be reimbursed for travelling expenses incurred on removal from the old accommodation to the new property accommodation at public transport rate, or standard rail fare.
45. Practitioners may be reimbursed for one return visit to their old property to supervise the removal. Entitlements would normally include paid leave for a maximum of three days by arrangement with the appropriate authority, accommodation and subsistence for a maximum of three days, and one return journey at public transport rate, or standard rail fare.

Form of undertaking

46. It would be reasonable to expect a signed undertaking that practitioners would not seek to recover any expenses (in part or in full) from another source, for example partner's employer, excepting legitimately incurred expenses that were not reimbursed by the practitioner's employer.

Allowances and rates

47. Subsistence should be payable only against the provision of original receipts, and rates for accommodation, meals and transport should be in accordance with local policy.

Administrative arrangements

48. The process for claiming removals expenses and the level of reimbursement available should be made clear to the practitioner before any contract of employment is entered into, as this provision will form a part of that contract. Claim forms should be included in the documents provided on confirmation of appointment.

Appeals procedure

49. There should be a clearly set out appeals procedure to cover cases of disagreement. This should include the formal input of an independent third party, acceptable to both sides.

Appendix 1

Examples of Expenses for Reimbursement

The following are offered as examples only and are neither inclusive nor exclusive.

House purchase

- Solicitors' fees
- Estate agents' or auctioneer's fees
- Finders fees
- Stamp duty
- Land registration fees
- Survey fees
- Incidental legal expenses

House sale

- Solicitors' fees
- Estate agents' or auctioneer's fees
- Incidental legal expenses
- *Furniture removal and storage expenses including insurance of goods in transit

Property rental

- *Agency fees

Other expenses

- *Travelling expenses in connection with the move
- *Subsistence expenses in connection with the move
- Continuing commitments allowances
- *Miscellaneous expenses

and VAT where applicable on any of the above.

Excluded expenses

The following categories of expenses will normally be excluded:

- Interest on bridging loans
- Increase in insurance premiums

*Denotes expenses reimbursable when moving from rented property.

Appendix 2

HOSPITAL MEDICAL AND DENTAL STAFF AND DOCTORS IN PUBLIC HEALTH MEDICINE AND THE COMMUNITY HEALTH SERVICE

(ENGLAND AND WALES)

TERMS AND CONDITIONS OF SERVICE

REMOVAL EXPENSES

314. The provisions of Section 26 of the General Council Conditions of Service shall apply.

315. Practitioners who are required to move house during a rotational training programme may receive reimbursement of removal expenses in accordance with Section 26 of the General Council Conditions of Service. Practitioners who might be reimbursed for moving house in such circumstances may, however, choose not to move home on taking up the second or subsequent posts in a rotation but to travel daily the greater distance between their home and the hospital. Similarly if the practitioner has a home convenient to the hospital in which the second or subsequent post in the rotational appointment is to be held the practitioner may elect to travel the extra distance to the hospital in which the previous post or posts are held. In such cases, the practitioner may be paid excess travelling expenses at the appropriate rate according to the circumstances in which the practitioner's vehicle is used.

Appendix 3

GENERAL WHITLEY COUNCIL SECTION 26

REMOVAL EXPENSES AND ASSOCIATED PROVISIONS

1. The application of this Section to hospital medical and dental staff, or doctors in community medicine and the community health service, or dentists working in the Community Dental Service and Dental Public Health is subject to modifications set out in their respective Terms and Conditions of Service.

CIRCUMSTANCES IN WHICH REMOVAL EXPENSES ARE PAYABLE AND GENERAL CONDITIONS

2. Assistance with removal and other expenses shall be granted to employees who need to move their home or incur extra daily travelling expenses as a result of being required by their employing authority to transfer to a new headquarters or on taking up a post which is regarded as suitable employment as an alternative to redundancy.

3. Assistance shall also be granted to employees who are required to change employing authority, or who otherwise have to move home or incur extra daily travelling expenses, in order to satisfy the requirements of their normal professional training.

4. Assistance may also be granted, at the discretion of the employing authority, to employees who as a result of taking up employment with the authority either need to move their home or incur extra daily travelling expenses. In exercising their discretion, employing authorities shall apply the principles of the General Whitley Council Equal Opportunities statement (Section 7).

5. The scope and level of financial assistance to be provided should be determined by the authority, in agreement with the prospective employee, prior to the post being accepted. In providing assistance, authorities should ensure equity between one category of staff and another, while balancing their own interests with the needs of prospective employees.

6. In agreeing the assistance to be provided, the employing authority shall have regard to all the individual employee's circumstances, including the need to re-house dependents and the comparability of new and previous accommodation.

7. Authorities may require employees to repay all or part of the reimbursements and grants paid if they leave the employing authority within two years of the appointment which gave rise to the expenses.

ASSISTANCE WHICH MAY BE MADE AVAILABLE

8. The employing authority may meet any reasonable cost incurred in relocation, including: reasonable expenses incurred in the search for accommodation in the new area; reasonable vouched expenditure incurred in the purchase and sale of property; the removal of furniture and effects and continuing commitments in the old area; grants to cover general and miscellaneous removal costs; assistance with additional housing costs in the new area, etc., (for examples see Annex).

9. The employing authority shall clearly indicate to the employee the level of assistance that will be provided, the aspects of removal costs that will be reimbursed and, where applicable, the upper limit of payment in all usual circumstances.

10. The authority shall stipulate in the agreement reached with the employee the procedure to be followed and the costs that will be reimbursed in circumstances where an authority has entered into an agreement with solicitors or others to provide house purchase/conveyancing services, private structural surveys, estate agency services and/or a removal service at preferential cost.

EXAMPLES OF ASSISTANCE AVAILABLE**Search for Accommodation**

1. In applying these examples, employing authorities are reminded of the requirements in paragraphs 9 and 10 of the agreement. Expenses payable during the search for accommodation (eg excess travelling expenses and/or subsistence) should normally be in line with the rates set out in Section 22 to 24.

Legal and Other Expenses Connected with the Sale and/or Purchase of Accommodation or any unsuccessful bona fide attempt to purchase

2. Employees may be reimbursed any reasonable vouched legal and other expenses (eg house agents or auctioneers fees, mortgage redemption fees, survey fees, stamp duty etc).

Removal and Storage of Furniture

3. Employees may be reimbursed any reasonable cost connected with:

3.1 Removal of furniture and effects from the old to the new home, including insurance of goods in transit;

3.2 Storage of furniture and effects for a reasonable period;

3.3 Travelling and subsistence expenses for the employee, spouse and children, if any.

Bridging Loans

4. Interest charges (net after income tax relief where available) on a bridging loan not exceeding the estimated selling price of the old property may be reimbursed.

Advance of Salary

5. Employing authorities may make an advance, recoverable from salary, to assist with house purchase or with the initial vouched cost of legal and other expenses, including VAT, associated with the purchase or renting of privately furnished or unfurnished accommodation.

Continuing Expenses in the Old Area

6. Employing authorities may reimburse any reasonable continuing commitments in the old area.

Miscellaneous Expenses

7. The employing authority may take in relation to the particular circumstances of each individual employee and of the expenditure actually incurred, a single payment for additional expenses arising as a result of the move.

Additional Housing Costs

8. The employing authority may make an allowance towards additional housing costs, where employers move to an area where the cost of accommodation (whether rented or purchased) is higher than before.

9. The allowance may be limited to the extent by which ongoing costs (eg rent, mortgage interest etc) in the new area exceed those in the old area. However, where there has been a demonstrable improvement in the standard of accommodation the authority may restrict the allowance by reference to the price or rent of accommodation in the new area roughly equivalent to that previously owned or rented.

NHS Employers is the employers' organisation for the NHS in England. Our aim is to help employers improve the working lives of staff who work in the NHS and, through them, to provide better care for patients. NHS Employers is part of the NHS Confederation but we have our own director, policy board and assembly. In striving to make the NHS an employer of excellence, we have four key roles: negotiating on behalf of employers; representing employers; supporting employers; promoting the NHS as an employer.

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