

*Developing people
for health and
healthcare*

**Removal and
Associated Expenses
Local Guidance for
Doctors in Training**

June 2014 v3

Foreword

1. This document provides local guidance on removal and associated expenses for doctors in training and is based on the NHS Employers document:

‘Removal and Associated Expenses for Junior Doctors’

2. Employers are responsible for administering claims made by doctors for Removal and Associated Expenses and Health Education West Midlands will then reimburse Trusts based on the information recorded on Intrepid.
3. This document does not, nor should it, be taken to modify existing negotiated arrangements. It describes a reasonable standard that employers would be expected to implement.

Background Principles

4. 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.
5. 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. This document provides local guidance on the basic framework provided by the NHS Employers guidance for the reasonable reimbursement of removal and associated expenses to practitioners appointed to training positions with the recognition and agreement of the Postgraduate Medical Dean and is appropriate where the availability and level of support for removal costs has been agreed as part of the employment contract.
6. There should be no improvement in the quality of the housing at a cost to the taxpayer.
7. Place of work or base place of work for practitioners on rotation is referred to hereafter as ‘place of work’.

Eligibility

8. All practitioners in training grades from Foundation Year One onwards, who:
 - I. Are required to relocate in the interests of the service, or
 - II. Are required to further their training to enable them to take up appointment, or
 - III. Are given approval for a subsequent move during their employment, or when a change is made to the base place of work (either by entering another training programme via competitive entry or by special decision by the Postgraduate Dean)

are normally eligible to claim expenses for removals.

9. It would be expected that practitioners who claim full relocation expenses are required to sign an undertaking to repay a proportion of any relocation expenses received should they leave before the end of their training contract. This is unless it is as a result of unforeseen circumstances, or due to a rotational placement, or at the behest of the employer. The level of reimbursement by practitioners to the employing Trust should be pro rata to the length of time remaining in the agreed period.
10. To be eligible for removal expenses, the practitioner will normally have changed their main residence as a result of:

- starting new employment, or

- a change in location of employment

11. 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. A reasonable daily travelling distance would normally be considered to be 23 miles each way. This would usually be calculated using AA Route Planner shortest distance.
12. 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.
13. 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 Specialist Training Registrars. 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 personal effects plus travelling expenses during a preliminary search for accommodation is reasonable.
14. Practitioners who are buying their first property can only claim removal of effects plus travelling expenses to take up the post.
15. Those appointed via inter deanery transfer will not normally be entitled to relocation expenses except under exceptional circumstances and this must be agreed in advance with the Postgraduate Dean. If the practitioner subsequently rotates as part of their training they will only be eligible for a percentage of the maximum sum available for relocation and excess travel, this will be agreed on a case by case basis the Postgraduate Dean.
16. Travel and removal expenses will be reimbursed from UK port of entry only.

Travel in lieu of relocation

17. Travel in lieu of relocation or 'excess travel' is only payable where the practitioner meets the criteria for reimbursement of removal expenses, including exceeding the reasonable daily travelling distance of 23 miles each way (46 miles round trip). Practitioners are not able to claim relocation **and** excess travel expenses.
18. Practitioners who would be eligible for reimbursement of removal expenses, but are for a valid reason not able to move house immediately, should be paid excess travel from their home to 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. It is recommended that the mutually agreed period should not exceed 24 months from appointment. Practitioners should contact their employer to confirm this arrangement before they start incurring expenses.
19. The mileage that may be paid under these circumstances is the difference between the mileage from home to base and home to new place of work less 23 miles (see Flowchart) (Practitioners are not eligible for mileage between 0 – 23 miles as this is not defined as 'excess travel').
20. If a practitioner is eligible for reimbursement but uses public transport they would be eligible for reimbursement of excess travel based on the calculation of mileage outlined in paragraph 19.
21. 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. 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 less 23 miles, as set out in TCS paragraph 315. [This paragraph is contingent on the Practitioner meeting the criteria set out in paragraphs 17 to 20 above].

22. Excess travel, under these provisions, will be paid at the equivalent of public transport rate, subject to guidance issued in Annex B of Pay Circular (M&D) 3/2006 and any subsequent formal clarification.
23. 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 addressing the needs of the practitioner and the service.
24. In some exceptional cases, placements on rotation may be 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 and should seek guidance from their employing Trust.

In the majority of cases, placements on rotation will be permanent workplaces. Travel from home to a permanent workplace will be ordinary commuting not business travel. Accordingly, excess travel expenses will be subject to tax. (For further information regarding the definition of 'temporary' and 'permanent' workplaces and 'ordinary' commuting please refer to the HMRC website).

Relocation

25. Practitioners, who sell a property in their old home area and purchase a new property within an appropriate proximity of their place of work, would normally meet the eligibility requirements for reimbursement of expenses, as set out later.
26. The property for which reimbursement of removal and associated expenses is to be made should be of a broadly comparable standard (in terms of present housing arrangements i.e. rented or owner occupied, number of rooms, semi-/detached – not absolute cost) to that occupied in the area of previous employment. Should that not be the case, reimbursement normally is made as though the new property was similar to the old.
27. Eligible practitioners who are occupying rented accommodation immediately prior to beginning this employment should be reimbursed the cost of removal of furniture and effects, and for expenses relating to a search for accommodation including rental agency fees. No other expenses set out in Appendix 1 will normally be reimbursed in these circumstances.
28. 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 further than 23 miles 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

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. Within the West Midlands, the maximum sum is £8,000 for the entire period of training within the region. Up to £2,000 of the overall £8,000 maximum sum can be claimed by trainees in their foundation years. The amount claimed during foundation training will be deducted from the overall £8,000 maximum.

Examples :

Examples	F1/F2	CT1/ST1	Total Claimed
Doctor A	£2000	£6000	£8000
Doctor B	NIL	£8000	£8000
Doctor C	£1000	£7000	£8000
Doctor D	NIL	£5490	£5490
Doctor E	£500	£2200	£2700

29. 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 not exceeding the maximum limit. Exceptionally consideration may be given by the employing Trust to funding additional expenditure beyond the agreed limit.
30. 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. However this reimbursement will be included in the maximum limit for reimbursement.

Process for reimbursement of removal and associated travelling expenses

31. Practitioners should notify the employing Trust of their intention to claim expenses within 1 calendar month from commencement. No responsibility for expenses incurred should be accepted where arrangements are made without written confirmation that the practitioner is eligible for reimbursement of removal expenses from their employing Trust.
32. Before storage and/or removal of furniture is agreed, three competitive quotations 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.
33. 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.
34. Reimbursement should not be made until the practitioner takes up the appointment. Original receipts will be required as proof of outlay against authorised expenditure. Reimbursement will not be made to third parties. Typical examples of expenses for reimbursement and excluded expenses are given in Appendix 1.
35. Claims for reimbursement of removal expenses should normally be made within 3 months of incurring the authorised expenditure.
36. It is expected that Trusts record all reimbursement of removal and associated travelling expenses on the expenses module within the INTREPID system for individual trainees. Further guidance on this is available from the Local Education Training Board.

Designation of base place of work for practitioners on rotation

37. The LETB will clearly state the location of the base place of work when offering an appointment into a training programme 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 only changes if a practitioner enters another training programme through competitive entry or by special decision by the Postgraduate Dean

38. In most cases the base place of work will be the first place of work on the rotation following competitive entry into FY1 and/or specialty training. A trainee who wishes to change their base hospital must submit a written request to the Postgraduate Dean clearly explaining their reasons. For example, should the practitioner have a home that is more convenient to the place of work in which the second or subsequent post in the rotational appointment is to be held. The practitioner may request 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.
39. The base place of work may constitute a permanent workplace as will each subsequent placement on rotation whether the base place of work remains the same or not.
40. A new base of work will be allocated each time a practitioner is appointed into a training programme through a competitive recruitment process. The recruitment points are;
 - Foundation Year 1
 - CT1/ST1/FTSTA1
 - ST3/ST4
41. 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.
42. 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 employing Trust 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. This reimbursement would be included within the maximum allowance available.

Expenses during search for accommodation

43. Whenever relocating, practitioners are entitled to be reimbursed for a maximum of two preliminary visits to the area of their new employment in search of accommodation.
44. Expenses for preliminary visits will normally be reimbursed; these may cover accommodation and subsistence for a maximum of four nights, and return travel and public transport rate or standard rail fare, for the practitioner and their immediate family. This reimbursement would be included within the maximum allowance available.

Continuing commitments

45. 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.
46. 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.

47. 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 good reason not to relocate immediately. Such reasons might include partner's employment, childcare, schooling, or elderly dependents. This reimbursement would be included within the maximum allowance available.

Expenses on removal

48. 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.
49. 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 employing Trust, accommodation and subsistence for a maximum of three days, and one return journey at public transport rate, or standard rail fare.

Form of undertaking

50. It would be reasonable to expect a signed undertaking that practitioners would not seek to recover any expenses (in part or 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

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

Administrative arrangements

52. The process for claiming removals will be determined by the employing Trust.

Appeals procedure

53. Employing Trusts should be aware that a practitioner who feels that he/she has been unfairly treated in relation to removal and associated expenses provisions may pursue this matter as a grievance in accordance with the relevant employing Trust's grievance procedure or they can appeal to the Postgraduate Dean.

This guidance was originally developed and agreed with the BMA.

Implementation Date: 01/09/2011

Review Date: 01/06/2017

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
- Finder's 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 allowance
- Miscellaneous expenses*

plus 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
- Redemption fees

*Denotes expenses reimbursable when moving from rented property.