

## PERSONNEL SERVICES

University Offices, Wellington Square, Oxford OX1 2JD  
Acting Director of Personnel and Related Services



To: heads of departments and institutions, faculty board chairmen,  
departmental administrators and faculty board secretaries

Ref. EMS/6

cc. heads of division, divisional secretaries, Mrs Kinahan, Ms Hulin,  
Relocation Officer (Finance Division), Mr Morgan, Principal  
Administrator of the Conference of Colleges

01 August 2011

### Relocation allowances for newly-appointed employees

*Changes to the University's scheme for reimbursing relocation expenses will apply to appointments made on or after 1 September 2011. In future,*

- *departments and divisions will have discretion as whether to offer the relocation scheme in individual recruitment exercises;*
- *expenses will normally be capped at £8,000;*
- *in exceptional circumstances, when particular recruitment imperatives apply, more than £8,000 may be made available if authorised by the head of department;*
- *where a relocation allowance is offered, this should be stated in the further particulars for the post; and*
- *departments should notify the Finance Division of the amount authorised for each relocation allowance to before any payments are made.*

*Full details of the relocation scheme are available on the web at <http://www.admin.ox.ac.uk/finance/expenses/relocationscheme/>.*

#### 1. Action required

Departments and divisions are asked:

- (i) to note the changes to the relocation scheme and procedures given in full at <http://www.admin.ox.ac.uk/finance/expenses/relocationscheme/>, the key points of which are summarized below; and
- (ii) to draw the attention of appointees, when appropriate, to the scheme's guidance notes.

#### 2. Background

Four years ago the budget for the relocation scheme was devolved to divisions and thence to departments, having previously been held centrally. The relocation scheme was expressed as an automatic entitlement for any appointee who met the criteria. A number of departments have



expressed concern about the difficulty of budgeting for costs that are unpredictable, uncapped, and determined by the personal circumstances of the individual appointed.

In view of the present financial situation, the Personnel Committee has revised the scheme in order to contain the cost of relocation. In essence, this will allow departments and divisions to target the relocation scheme on high impact or priority posts.

## **2.1 Changes to the scheme**

Departments and divisions will now have discretion as to whether or not to agree to pay the relocation costs of any appointment. Such costs will normally be capped at £8,000 (which reflects the current HMRC taxation ceiling). Appointees will normally be expected to bear the costs above £8,000.

In deciding whether or not to offer a relocation allowance, the department should have regard to the following considerations:

- the need to recruit nationally or internationally to secure a suitable appointment;
- the difficulty of recruiting to a particular post;
- the importance of the post to the academic and business needs of the department;
- the need to pay relocation costs in order to secure the appointment; and
- any other material factors.

Relocation allowances will not generally be paid where departments intend to recruit locally.

In exceptional circumstances, when particular recruitment imperatives apply, more than £8,000 may be made available if authorised by the head of department. (The decision as to whether the department will bear the associated income tax on payments in excess of this amount will also be made by the head of department.)

In the case of appointments to statutory professorships, the Registrar will determine the level of the allowance and any associated tax costs to be paid, on the advice of the division and the department.

Where costs significantly exceed the allowance available, the appointee may apply for an interest-free loan from the department. This may have tax implications for the appointee. (Details of this are contained in the information on relocation.)

## **2.2 Changes to the procedure**

Where the department or division intends to pay a relocation allowance this should normally be stated in the further particulars at the time of advertisement, i.e. in the additional Information section of the job description template, as follows: "Subject to HMRC regulations and the availability of funding, a relocation allowance may be available".



No reimbursement of expenses will be made until the department has submitted the appropriate authorisation form, stating the amount of the relocation allowance, to the Relocation Officer, in the Finance Division ([relocationofficer@admin.ox.ac.uk](mailto:relocationofficer@admin.ox.ac.uk)).

For international relocations, Crown Relocations have been instructed not to commence any Oxford University moves until the applicant's contract and the amount of the relocation allowance have been verified by the Relocation Officer.

Full details of the relocation scheme and the appropriate forms are available on the Finance Division's website: <http://www.admin.ox.ac.uk/finance/expenses/relocationscheme/>

Ms A Cross

Copy for notice boards: yes

Website: <http://www.admin.ox.ac.uk/ps/managers/circular/>

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