West Mercia Police and Crime Commissioner Relocation Policy June 2022



Executive Summary

To facilitate the recruitment of high quality people a relocation policy is available to successful candidates upon appointment. Eligibility for the relocation package will be agreed at the interview stage and confirmed in writing in the letter of appointment.

This policy sets out the maximum amount that the PCC will fund as a relocation package so that the appointed person can fulfil their new role. This policy sets out the financial package available to cover reasonable relocation costs incurred. It also seeks to demonstrate value for money to the public of West Mercia that the appointee serves. The appointee should consider that the costs are being met from taxpayers when making a claim for reimbursement in respect of this policy.

Chief Constable Relocation Policy

The Police Reform and Social Responsibility Act 2011 sets out the Police & Crime Commissioner's (PCC) responsibility for the Chief Constable's (CC) appointment and terms and conditions. The PCC will reimburse reasonable costs for the relocation of an appointed officer to the post of Chief Constable, and ensure that they are not disadvantaged financially by the cost of moving employment.

Purchase of a property

The expectation is that the appointee will live in the West Mercia Region and be moving more than 50 miles from their current home at time of employment being offered. If the CC chooses to live outside of the region then it must be agreed with the PCC and is subject to the same conditions below.

The PCC will reimburse the following costs (subject to conditions set out below):

- Solicitors fees in respect of the sale of their former owned property
- Estate Agent/Professional Fees for the sale of the former owned property
- Solicitors fees for the purchase of the new property
- Stamp Duty on the purchase of the new property
- Removal costs from former owned property to the new property
- Incidental expenses in relation to land registry, survey costs, utility costs for connection of services, travel costs for preliminary visits and other direct fees associated with the relocation.

The PCC will not cover the following costs:

Costs associated with decoration or furnishing of the new property

Conditions

i) This policy has determined that a reasonable cost should be benchmarked against an appropriate provision of accommodation. The PCC has determined that they we will pay a maximum contribution to Stamp Duty, based on the average value of a Detached House for the 3 county areas covered by West Mercia according to the UK House Price index from the HM Land Registry website (based on the most recent available monthly data prior to the appointment date).

- ii) Where the cost is based on quotes then the service should be based on the lowest quote received. Any request to use a different quote must be negotiated with OPCC Treasurer and demonstrate Value for Money)
- iii) Estates agent/professional fees must not exceed 1.5% of sale value of property
- iv) The PCC will cover the cost of the removal from previous owned house to the new house including a full house packing service
- *v)* This policy applies to the sale of one owned property which is the CC's main residence associated with their previous appointment.
- vi) Incidental expenses limited to £2,000

Rental of a property

In addition the PCC will cover the following costs if the new property is not available at commencement of employment:

- The PCC will identify whether suitable police estate accommodation can be provided during this period. If none is available then the PCC will pay the rental cost for a maximum of 26 weeks from date of appointment
- Removal costs to move to the rented accommodation and then into the new house purchase will be covered
- Storage fees associated with not having sufficient space when moving into a rented property having sold previous property
- Commuting expenses on the basis that it is more cost effective than providing rented accommodation, and does not impact on ability of the appointee to undertake the role (consideration given to the length of working day including the travel time)

The PCC will not cover the following costs:

- The PCC will not pay for any costs of mortgage payments associated with the former property whilst paying for rental accommodation in the West Mercia region.
- Costs associated with decoration or furnishing the rented property
- Deposit for the rented property (as expectation that it will be returned to lessee at end of the tenancy)

Conditions

- i) The CC in agreement with the PCC will identify their reasonable rental requirements for this short term period.
- ii) Where the cost is based on quotes then the service should be based on the lowest quote received.

Personal Tax position:

The first £8,000 of the Relocation Expenses shall be paid without deduction of income tax and National Insurance contributions to the extent that the Relocation Expenses qualify for the exemption set out in Chapter 7 of Part 4 of the Income Tax (Earnings and Pensions) Act 2003 and Part 8 of Schedule 3 of the Social Security (Contribution) Regulations 2001 (SI 2001/1004) respectively. For the avoidance of doubt, income tax and National Insurance contributions shall be deducted from the remainder of the Relocation Expenses (if any) in the usual way.

Home Office circular 010/2012 'Amendments to the determinations under the Police Regulations 2003' states that all tax liabilities incurred as a consequence of payments made shall be

reimbursed. The PCC will reimburse the P11D liability associated with the direct cost of the relocation and the additional P11D personal tax liability that is then generated through this payment. The appointee should take their own independent tax advice before signing their contract of employment or entering into agreement to sell or purchase a property.

Home and personal security

The CC will discuss with the PCC their home and personal security concerns and needs. If necessary a security review will be undertaken. The PCC will agree with the CC reasonable expenditure to make their home secure.

Security changes should not result in enhancement to the property other than for the explicit reason of security. Additional costs on the basis of décor will not be covered by the PCC. Additional costs associated with listed status compliance will also not be covered.

Conditions

i) payment will be made on the basis of the lowest of 3 quotes and no betterment

Personal tax position

There is no personal tax liability on the basis that the works are undertaken due to a security threat based on the person's appointment

Claiming relocation expenses

All invoices should initially be paid in the name of the appointee and submitted to the OPCC Treasurer for approval and payment. All costs must be submitted within 3 months of the costs being incurred.

Recovery of Expenses on Termination of employment

The CC shall repay the PCC as follows:

- If the Chief Constable terminates their employment within the period of 2 years of the date of commencing employment then 75% of the relocation expenses shall be repaid.
- If the Chief Constable terminates their employment more than 2 years but no more than 4 years of the date of commencing employment then 50% of the relocation expenses shall be repaid.
- If the Chief Constable's employment is terminated by the PCC within 4 years of the date of commencing employment due to misconduct then 100% of the relocation expenses shall be repaid.

Thereafter, no repayment shall be required.

The PCC reserves the right to revise the terms of the policy from time to time on the basis of demonstrating value for money in providing additional financial support for a relocation agreement.

Relocation for OPCC Appointments

The policy is that the PCC does not pay relocation expenses for appointment to the OPCC. All roles are offered into an open competitive employment market and applications are expected on the basis of a being a benefit to the individual, as well as the PCC.

In exceptional circumstances consideration will be given where the appointee can demonstrate hardship caused to them through having to relocate. In such cases a maximum of 10% of the offered salary will be made available.

Financial assistance is restricted to following expenses:-

- Solicitors costs for the sale of formed owned property
- Estate agent/professional fees for the sale of the formed owned property (maximum of 1.5% of sale value of property)
- Solicitors costs for the purchase of a property
- Stamp Duty on the purchase of a new property
- Removal costs from purchased property to new property (will cover the cost of removal only)

Conditions

- i) the appointee does not live within 50 miles of the principal West Mercia PCC Office base
- ii) Payment will be based on the lowest of 3 quotes with the lowest quote being excepted.

All invoices should be paid in the name of the appointee and submitted to the OPCC Treasurer for approval and payment. All costs must be submitted within 3 months of the costs being incurred

If the appointee terminates there employment within 2 years of the date of commencing employment then 75% of the relocation costs paid will be repaid to the PCC. If employee terminates the employment within 2 - 4 years then 50% of the relocation costs will be required to be repaid to the PCC. If the employment is terminated by the PCC within 4 years of date of appointment due to misconduct then 100% of the costs will be required to be repaid.