



## **REPORT of DIRECTOR OF STRATEGY AND RESOURCES**

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**to  
STRATEGY AND RESOURCES COMMITTEE  
25 JULY 2024**

### **HR POLICY UPDATE**

#### **1. PURPOSE OF THE REPORT**

- 1.1 To provide an oversight of the changes made to the Council's employee Relocation Expenses Policy and seek its approval.

#### **2. RECOMMENDATIONS**

- (i) That the Relocation Expenses Policy be approved with amendments made as set out in section 3.7 below.

To the Council:

- (ii) That delegated authority be granted to the Head of Paid Service, in consultation with the Chairperson of the Strategy and Resources Committee, to approve statutory and procedural updates to Human Resources Policies and Procedures and the Council's Scheme of Delegation be updated accordingly.

#### **3. SUMMARY OF KEY ISSUES**

##### **3.1 Relocation Expenses Policy Amendments**

- 3.1.1 The Relocation Expenses Policy (**APPENDX 1**) was previously drafted and agreed in 2006 and last reviewed in 2014. It is designed to support new employees to relocate within a 25-mile radius of the Council offices, where they met certain criteria and is agreed during an offer of employment.
- 3.1.2 Whilst the Council continues to work in the hybrid approach, a request to relocate is not common. However, the role of the Chief Executive has been identified as a key role for regular attendance at Princes Road and therefore a review was considered necessary by the Lead HR Specialist to ensure the Policy remained fit for purpose and current to today's environment.
- 3.1.3 A relocation package allows the Council to source some of the best candidates from outside of the district to increase its talent pool and it is a tool to help attract those skills.
- 3.1.4 The maximum amount for costs in line with the current HMRC (HM Revenue and Customs) tax and national insurance exemption limit for the purposes of relocation, remains unchanged and capped at £8,000. These are called 'qualifying' costs and include the costs of buying or selling a home, move costs and buying certain things

for a new home. For qualifying costs over £8,000 these must be reported using a P111D form. It is not intended to increase the Council's offerings above the current, unreportable limit of £8,000.

3.1.5 To be eligible for a relocation package, you must first meet certain criteria provided by HMRC. These rules have been carried across into the Relocation Expenses Policy provided at **APPENDIX 1**.

3.1.6 Several changes are proposed by way of updating the policy to be more clearly defined for ease of use for both employees and the HR team in its application. This includes moving the previous Microsoft Word forms onto the internal Freshservice system to administer.

3.1.7 The key changes for consideration are;

3.1.7.1 Reimbursement was previously on a sliding scale of 1/36<sup>th</sup> where an employee exits the organisation within 36 months of joining. It is suggested that given the value is limited at £8,000, the sliding scale of reimbursement is reduced to 24 months.

3.1.7.2 That repayment will not be necessary in the event where employment ends through no fault of the employee such as redundancy, ill health, injury or disability;

3.1.7.3 In the event an employee does not relocate, all monies must be repaid in full; and

3.1.7.4 That approval for any relocation package to be offered must be agreeable by both the Head of Paid Service and Section 151 Officer, in consultation with the recruiting manager.

3.1.7.5 Relocation package is available to those being recruited into the role of Tier 1, 2 or 3 and must work in the office at least 40% of their working week (i.e., two days of five if full time).

3.1.8 It is unknown when the last time an employee sought relocation reimbursement through any offer of employment there is no knowledge of one being administered by existing staff or systems. It is very infrequently used.

### 3.2 **Delegated authority**

3.2.1 It has come to light the existing Member Constitution does not allow for any delegated authority to approve employee Policies and Procedures under the remit of Human Resources and staff.

3.2.2 As a direct impact of this, all Policies and Procedures must be brought before the Strategy and Resources Committee for approval.

3.2.3 To avoid the need for Members to see changes brought about through employment legislation and statutory updates which occur, this report seeks approval for amendments to Human Resources Policies and Procedures to be approved by the Head of Paid Service and that the Constitution to be amended to reflect this change.

3.2.4 The Committee will continue to see and approve Policies and Procedures which have any financial or staffing impact that are outside of statutory legislation, as it does now.

## 4. CONCLUSION

- 4.1 The Council supports a Relocation Expenses Policy that defines the boundaries of its application to support the employment offer to suited candidates when necessary.
- 4.2 Delegated authority is sought for the Head of Paid Service to approve amendments to Human Resources Policies and Procedures for statutory and procedural amendments.

## 5. IMPACT ON PRIORITIES AS SET OUT IN THE CORPORATE PLAN 2023 - 2027

### 5.1 Supporting our communities

- 5.1.1 To provide packages to influence and engage with a wider pool of skills and diverse backgrounds to the benefit of the Council.

### 5.2 Helping the economy to thrive

- 5.2.1 Promoting movement within a 25-mile radius of the Council supports the development of the local area.

### 5.3 Smarter finances

- 5.3.1 Relocation Expenses is capped at £8,000 and reimbursed provided evidence is first given.
- 5.3.2 Ensuring a defined reimbursement plan and reasons for reimbursement to ensure the monies can be recycled into the Council.

### 5.4 A greener future

- 5.4.1 Encouraging the workforce to relocation closer to the Council offices reducing travel needs.

### 5.5 Provide good quality services

- 5.5.1 As per paragraph 5.1.1 above.

## 6. IMPLICATIONS

- (i) **Impact on Customers** – Promoting the Maldon District as a location to live and work.
- (ii) **Impact on Equalities** – Providing more opportunity to a wider pool of candidates by supporting the costs of relocating, allowing for greater opportunity to diverse candidates.
- (iii) **Impact on Risk (including Fraud implications)** – None.
- (iv) **Impact on Resources (financial)** – A clearer process to allow the Resources team to function within clearer and defined parameters.
- (v) **Impact on Resources (human)** – A clearer process to allow the Resources team to function within clearer and defined parameters.

Background Papers: None.

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