

REMOVAL EXPENSES FOR CHIEF OFFICERS

INTRODUCTION

- 1.0. This policy covers removal expenses incurred by police officers appointed by the Police Authority to the rank of Assistant Chief Constable, Deputy Chief Constable or Chief Constable (referred to in the policy as Chief Officers).

GENERAL

- 2.1 An application for purchase of a property may be refused in consultation with the Chief Constable if the intended location presents insufficient flexibility.
- 2.2 Where a transfer necessitates removal, the officer must be prepared to start duty at the appointed station on the date stipulated by the Chief Constable. Officers who joined the Police Service prior to 31 August 1994 and are eligible for housing or transitional rent allowance may be paid a supplementary housing allowance in accordance with Police Regulations.
- 2.3 It is expected that a chief officer will use one of the staff vehicles provided for travel between the officer's residence and normal place of duty and be contactable during the journey time and be available to attend any part of the Force area out of normal duty hours.
- 2.4 For officers eligible to receive the Rent/Housing allowance the amount payable will be in accordance with police regulations.

REMOVALS

- 3.1 Under Police Regulations, the Police Authority shall:
- (a) either reimburse the reasonably incurred cost of removal or carry out the removal;
 - (b) where the officer was the owner of his/her former home, reimburse expenses reasonably incurred by the officer in connection with the disposal thereof;
 - (c) where the officer is the owner of his/her new home, reimburse expenses reasonably incurred in the acquisition thereof;
 - (d) reimburse the officer payments made by him/her to meet relevant liabilities in respect of the **first 12 months** following the move. Specifically such liabilities are defined as:
 - (i) liabilities in respect of mortgage interest or rent payable in connection with the former home; and
 - (ii) any liability to pay council tax for the former home, defined by – 'the amount for which that tax and any council tax he/she is eligible to pay in

respect of his new home exceeds the council tax he would have been liable to pay in his/her former home if he/she had not moved from it'.

- 3.2 The purchase of a new property should normally be completed within 12 months of the date of transfer (but see 3.3 below).
- 3.3 Extensions beyond the 12 months limit above will only be considered upon submission of a report to the Remuneration Committee of the Police Authority.

REIMBURSEMENT OF REMOVAL EXPENSES

- 4.1 Expenses incurred in connection with the disposal or acquisition of any property shall be construed as:
- (a) Estate Agent fees, which will usually be limited to a maximum of 2.0% of the agreed sale price;
 - (b) Solicitor's fees;
 - (c) Stamp Duty, Land Registry, Valuation and search related fees;
 - (d) Reasonable expenses in connection with the redemption, transfer or taking out of a mortgage;
 - (e) Incidental Expenditure.
- 4.2 Reasonable expenses in connection with the redemption of an existing mortgage, as referred to in paragraph 4.1 (d), are deemed to be administrative redemption fees. Redemption penalties will **not** be reimbursed unless the officer can demonstrate he/she has not received the level of benefit determined by the penalty. Where receipt of a reduced benefit can be evidenced, a level of reimbursement may be considered and will take account of:
- (a) the period over which the individual has received the benefit, for example a reduced interest rate (this is irrespective of market conditions and based upon the terms of the original mortgage);
 - (b) whether the officer has retained a mortgage account with the same lender;
 - (c) submission of a detailed report to the Remuneration Committee of the Police Authority.
- 4.3 Any reimbursement subject to paragraph 4.2 which may be agreed, will be limited to the shorter of the period of combined mortgage offer including any retention clauses, or 60 months.
- 4.4 Where the terms of this policy guideline apply, it is expected that officers normally will retain their mortgage account(s) with the same lender, reducing the possibility of mortgage redemption penalties unless they can demonstrate benefits, some other justifiable reason or provided there is no additional cost to the Police Authority.
- 4.5 Reimbursement for 'cashback' redemption penalty charges will not be considered.

- 4.6 Where professional services are required, two original estimates (to include VAT and insurance where appropriate) **must** be obtained by the officer and forwarded to the Clerk to the Police Authority for consideration and subsequent payment arrangements.

Such claims are to include:

- (1) Solicitors costs (including disbursements, stamp duty, land registry, search fees and mortgage related fees).
- (2) Mortgage lender or independent survey fees.
- (3) Estate Agent's fees.
- (4) Removal contractors fees.

- 4.7 A maximum of two removals will be paid for under the removal scheme.

- 4.8 References to expenses incurred in connection with the acquisition of any property shall be construed as also including reasonable expenses in connection with the contemplated acquisition of a property other than that acquired.

- 4.9 All removal expenses paid on behalf of an officer, or reimbursed to an officer will be included in the annual P11(d) advice to the Inland Revenue. Officers are required to familiarise themselves with current Inland Revenue guidelines at the time of their removal and retain documentary evidence under the Inland Revenue self-assessment rules. In general terms a certain level of removal expenses paid on behalf of the officer will attract tax relief. Once this threshold is exceeded, tax will be payable on the identified benefit. (Further information can be obtained from the Central Administration Unit of the Constabulary.)

Incidental Allowance

- 5.1 Where an officer moves from unfurnished to furnished accommodation, incidental allowance is at the discretion of the Police Authority.

- 5.2 In all other circumstances, the amount of the allowance will not exceed £7,500 including any storage fees paid.

- 5.3 The payment of storage fees will be made or reimbursed with prior agreement from the Clerk to the police Authority or in his absence the Chief Constable.

- 5.4 All expenditure on incidental items may be recovered by submission of a full report accompanied by original receipted accounts to the Clerk to the Police Authority. Where possible tax point invoices should be included. Where a tax point VAT invoice is included the VAT element will normally be recoverable and this element of the invoice may be added to the gross allowance amount.

- 5.5 Appointments to Deputy Chief Constable and Chief Constable are made on a fixed term contract. If the officer leaves the Authority before the end of their initial fixed term contract, other than to take up another post within a Home Office Police Force, then the officer may be required to repay the appropriate portion of the incidental expenses

reimbursed. The appropriate proportion will be based on the percentage of their contract which is unexpired at their last day of service with the Authority.