



CHANGE OF BASE POLICY

Policy eLibrary Ref No:		Date of Issue: August 2017	
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Lead Review: Cathie Walker		Version: 4	
Ratified by: Highland Partnership Forum		Date Ratified: 21 st July 2017	
EQIA: Yes		Date: EQIA: 1 st June 2017	
Distribution:			
Method:	CD Rom	e-Mail	Paper
Intranet			
For Official Use:			

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1. INTRODUCTION

Policy for the Current Procedure to Compensate Staff for Increased Expenditure on Change of Base.

This policy outlines a process of reimbursement of additional expense incurred by employees on a change in base as a result of organisational change and is in accordance with Agenda for Change Terms and Conditions of Service (paragraphs 17.17 and 17.25 refer).

This policy seeks to streamline this process by detailing the formula whereby an average monthly reimbursement figure can be calculated and authorised for payment for the full term of eligibility (max 4 years). This formula will only apply for staff who continue to permanently work at the new base. Staff who opt to work flexibly should submit their claim for displacement allowance for the days they travel to the new base via an e-expenses claim form.

This would take the form of a Displacement Allowance and would cover all eligible staff; however Lease Car users whom wish to claim this allowance have to be mindful that they would incur an additional Income Tax burden. This is as per HMRC Regulations and results in the application of a Scale Fuel Charge on the employee resulting in an overall increase cost to both Employee and Employer. Employees should take recognition of this prior to any decision to claim for Displacement Allowance. (See point 4. Notes)

The variable factors in each individual employee's circumstances would be:

- A.
 - 1. Return Daily excess mileage **or**
 - 2. Additional Daily Public Transport costs

- B. Number of days attendance at work location per week

- C. Annual Leave and Public Holiday entitlement in weeks

- D.

Rate per mile	Other car user	28p per mile
	Motorbike up to 125cc	28p per mile
	Motorbike over 125cc	28p per mile
	Bicycle	20p per mile

or as altered by NHS Staff Council and advised by Scottish Government Health Department (SGHD).

The calculation of Displacement Allowance would be as follows:

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Cost * working days * weeks of work / 12 for monthly paid staff

Cost * working days * weeks of work / 52 for weekly paid staff

This would translate to the following:

$((A1 * D) \text{ or } A2) * B * (52 - C)$ divided by payment frequency (weekly = 52, monthly = 12)

2. WORKED EXAMPLE

A worked example would be:

Employee travels an additional 12 miles per day, works 5 days per week and has a total leave entitlement of 6 weeks.

The Displacement Allowance would be:

*$12 \text{ miles} * £0.28 * 5 * (52-6) / 12 = £64.40 \text{ per month.}$*

This methodology will only require calculation of these factors at the outset and appropriate authorisation. Submission on a monthly basis for excess travel expenses would not be required.

The Displacement Allowance would be payable for a maximum of four years, subject to the following:

Notification of subsequent change of base

Relocation of abode

Change in working days

Change in post – voluntarily.

Any periods of extended sick leave and or unpaid leave will also result in suspension of payment of the Displacement Allowance. It is recommended that the trigger point would be four weeks and would require notification from the manager to suspend payment.

Re-instatement would occur on return to work, again subject to notification from the manager.

These suspensions of payment will not extend the Displacement Allowance period of four years.

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3. CLAIMING DISPLACEMENT ALLOWANCE

Displacement allowance, as calculated above can be claimed via the completion of a Displacement Allowance claim form (an Example at Appendix 1 refers) to allow permanent set up of the weekly / monthly amount due effective from the date of change for a period of four years.

Staff who opt to work flexibly should submit their claim for displacement allowance via an e-expenses claim form.

Displacement Allowance Claim Form can be found on the NHSH Intranet under FORMS LIBRARY / TRAVEL & ACCOMMODATION.

4. NOTES:

- Displacement allowance will only be paid to staff who are required to take public transport to work as a consequence of a change of base whereby they previously walked or cycled but are now no longer able to do as a result of the change that has taken place.
- Displacement Allowance will still attract deduction of Income Tax and National Insurance as appropriate. It does not seek to negate this, only to reduce the administrative burden attached to such claims.
- Lease car users, where not submitting a claim due to the additional Income Tax Burden, can record the additional miles incurred on an actual basis on a separate periodic claim form from normal business mileage to ensure that for the duration of the four year period this mileage is correctly attributed to business mileage under the terms of the lease. Subsequent to the end of the four-year period, these miles would become attributable to the individuals private mileage for lease car contract purposes and any renewal should recognise this and should no longer be claimed.
- This procedure should be reviewed as to its effectiveness on an ongoing basis. Any variation to this procedure will be subject to the agreement of the Highland Partnership Forum. This procedure will require review following any future Scottish Government Health and Social Care Directorate Guidance.

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NHS Highland

Claim for Displacement Allowance

Please Do Not Complete if You Work Flexibly

Employee Name	_____	Staff Pay No.	_____
Home Address at Date of Change	_____	Old Base / Workplace	_____
	_____	New Base / Workplace	_____
	_____	Distance from Old Base to New Base	_____

Home Address to Old Base / Workplace

<u>Private Vehicle:</u>	No. of miles per day	_____	<u>Public Transport:</u>	Cost per Day / Week / Month*	_____
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Home Address to New Base / Workplace

<u>Private Vehicle:</u>	No. of miles per day	_____	<u>Public Transport:</u>	Cost per Day / Week / Month*	_____
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** Delete as necessary*

Effective Date of Change	_____	No. of days per week at new base / workplace	_____
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Annual Leave & Public Holiday Entitlement (Weeks): _____

Employees Signature	_____	Authorising Officers Signature	_____
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Date	_____	Print Name	_____
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Date	_____
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