Objective of policy

This Policy sets out the terms and conditions to apply to all international assignments with a maximum duration of twelve months.

The objectives of this policy are to:

- Enable the short term movement of BBC employees internationally;
- Provide cost effective and consistent management of short term international assignments and
- Ensure the BBC adheres to market-competitive best practice, through the Short Term International Assignment Policy (SIAP).

Introduction

Short-term assignments are defined as those where the individual will generally spend between two months and up to a maximum of twelve months in the host location. These are primarily necessary to cover short term business need or for employee development purposes. Although reference is made throughout the policy to accompanying family, the nature of these short-term assignments means that they are generally unaccompanied assignments and specific authorisation would be required for any accompanying family members.

If there is an extension of duration past the twelve month period, the assignment maybe covered by the longer term assignment policies from the date of the extension, depending on the duration of the extension. Further information should be sought from the International Assignment team.

The assignee will receive an assignment letter summarising the terms and conditions of the assignment. The assignee is expected to abide by the terms and conditions of employment prevailing in the home country. In the event of a dispute, the home country Human Resources policy for handling grievance or disciplinary issues will be invoked.

Although assignments may be offered, whether or not the assignment can (and when it can) proceed, will be dependant on receipt of the appropriate host country visa/work permit documentation.

Exceptions to this policy

It is the BBC’s intention to minimise exceptions to policy wherever possible. Flexibility has been built into the benefit provision wherever practical and possible to assist in meeting the assignees individual circumstances. Any exceptions must be reflected against what is reasonable, consistent, transparent and cost effective for the BBC.

Exceptions to this policy will need prior approval from the Divisional Head of HR (or the appropriate delegate within the BBC division).

1 Assignment letter

The terms and conditions of the assignment will be clearly set out in the assignment letter which is issued centrally by the BBC’s International Assignments team. The letter and the terms of the relevant policy should be used to provide the understanding of the policy applicable. Before any of the assignment terms and conditions become effective, the
assignment letter must be signed and dated by the BBC and the assignee to confirm agreement to the terms. A copy of the assignment letter will be provided to the BBC’s nominated tax return provider, who the assignee must use throughout the assignment for the authorised tax returns.

The assignment letter will state as a minimum the details of the terms and conditions of the assignment. This will include but will not be limited to:

- Home country;
- Host country;
- The assignee’s role and reporting lines during the assignment;
- Confirmation of the assignee’s remuneration and benefits at the start of the assignment;
- The anticipated length of the assignment and the expected start date;
- The notice period (from both sides);
- The relevant contacts at the start of the assignment.

All of the assignment paperwork must be signed and completed prior to the assignment commencing. Payment of any applicable overseas allowances will not be implemented until this is received.

2 Immigration

It is imperative that all required visas and work permits are obtained for both the assignee and all accompanying family members before they take up their assignment. The transfer date will be subject to the issuance of these documents.

The assignee should also ensure that each accompanying family member has a passport (including children) and that each passport has at least six months before expiry at the time of planned entry to the host country. The assignee will be responsible for the administration and cost of passport renewals during the assignment.

Immigration compliance must not be abused as host country authorities can remove broadcasting licences and fine or imprison employees who do not comply with all immigration/work permit requirements. Additionally, some countries may deport the assignee and forbid any subsequent return, thus prematurely ending the assignment. The assignee and the Line Manager therefore have a collective responsibility to ensure that they do not commence the assignment and/or work until all required permissions have been obtained.

It is important to remember that immigration decisions are not within the control of the BBC and there may be times when immigration rules prevent an assignment or cause early termination of an assignment. The BBC will support all immigration applications to try and avoid such events but if it is not possible to obtain the necessary permissions the assignment cannot proceed.

3 Pre assignment medical examination

It is always recommended that a medical examination is organised and undertaken at least one month ahead of the assignment. The purpose of the pre-assignment medical is to ensure that the assignee is fit to travel and work and to offer advice on local conditions in the host country.
For some countries, the assignee may require further medical examinations and the assignee must make sure that all vaccinations are fully up to date ahead of arrival in the host country.

If it is not possible to have a face to face medical examination/consultation (for example where an assignment is to start at short notice or consecutive assignment), the assignee must have a telephone consultation with occupational health and any follow up should be completed overseas. It is the collective responsibility of the assignee and the Line Manager to ensure that the medical examinations are undertaken and that the assignees are fit to travel and work in the host location.

4 Pre assignment consultation

The BBC considers the proper preparation of assignees to be critical to the success of the assignment. The purpose of the consultation is to answer any questions that the assignee may have regarding the assignment. Typical topics covered include:

- An explanation of the policy and to clarify any points arising;
- Remuneration and benefits associated with the assignment;
- Tax compliance and general tax advice, including social security.

5 Accompanying family

The policy will cover the direct family (spouse and siblings) accompanying the expat up to the age of 18 (or, if the child remains in full-time education beyond his/her 18th birthday, until the end of that academic year).

6 Transfer costs

The BBC will provide economy class tickets for the assignee from the home to host country on taking up the assignment and back upon completion. Any airport duties can be reclaimed.

The cost of excess baggage (for the outbound and assignment completion flight only) will be refunded up to a maximum 40kg in excess of the airline allowance per person.

The cost of transportation from your home to the airport on taking up the assignment and back upon completion can be reclaimed via the normal BBC expense procedure.

7 Accommodation

Wherever possible, the BBC will provide furnished accommodation for the assignee. In exceptional circumstances, where furnished accommodation is not available, any furniture or goods purchased must be pre-authorised by the Line Manager.

The BBC will bear the cost of any required deposit. The assignee will be expected to check and sign an inventory if requested to do so, both at the start and end of the rental period.
If this is not possible, or it is known from the outset that the assignment will exceed 6 months, a set housing allowance will be determined. The allowance is based on external statistical data on housing costs in the locality and is determined by family size. Should the assignee choose to rent accommodation in excess of the set allowance, the excess will be for the assignee to fund and the BBC will collect this, usually via a payroll deduction with a fixed/agreed exchange rate being applied. In the event that the assignee takes accommodation that costs less than the housing allowance, the BBC will fund the actual cost. No cash allowance will be paid for the differential between the maximum allowance available and the actual cost.

The BBC will make no contribution towards any additional continuing costs arising from or associated with the living accommodation. Such continuing costs include: rates, utilities, cleaning, maintenance, decoration, contents & personal effects insurance etc. The BBC will not meet any costs arising from employment of domestic staff.

Assignees are required to ensure that décor and fittings in the property, as well as the surrounding grounds of the property do not deteriorate over and above fair wear and tear and that the standards remain high. The BBC will regard any damage caused through deliberate, avoidable or inappropriate behaviour by the assignee, member of the family or other guests to be a cost to be met by the assignee.

The BBC will expect reimbursement from the assignee if any deduction is made against the deposit. In anticipation of any final liability associated with the property, the BBC may at its discretion withhold the final expense claim until the property has been assessed by the landlord and the deposit returned to the BBC.

### 8 Healthcare

For assignments that are 3 months or less, the BBC self-insures the risk and any emergency medical requirements for the assignee or accompanying family members need to be referred to CEGA.

For assignments in excess of three months, the BBC provides accident, illness and medical expense insurance for the assignee. Details of the plan, processes and contact details will be provided to the assignee prior to commencement of the assignment. The assignee is responsible for ensuring they read and understand the clauses within the insurance policy and follow the insurance company’s requirements.

Pre-authorisation with the provider for all medical assistance is always recommended.

### 9 Annual leave and public holidays

For a full time, one year assignment, the assignee would usually be entitled to their home country annual leave entitlement plus the additional number of days to cover home country public holidays. Full details will be confirmed in the assignment letter, including the pro-rata entitlement for assignments that are for less than one year. Agreement should be sought from the host country Line Manager as to when leave days can be taken. The assignment leave entitlement will be confirmed in the assignment letter.

Leave prior to commencement of assignment:
a. All accrued leave must be taken prior to the beginning of the assignment and not carried into the assignment period

Leave during the assignment:

b. Leave in the assignment location cannot be tagged onto the end of the assignment as this can often cause adverse income tax consequences. Therefore the accrued leave during the assignment period must be taken during the assignment if possible.

Should the assignee terminate their employment with the BBC either during the assignment or during the holiday year in which the assignment ends, the entitlement specified above will be prorated to determine the actual entitlement up to the last day of employment with the BBC for that holiday year.

10 Home leave

The BBC will not fund the cost of travel home during an assignment of nine months or less. If the assignment is expected to exceed nine months, one economy return flight will be provided.

11 Rest and recuperation

In certain host locations, assignees may be eligible for additional paid travel and time off to rest and recuperate. These provisions will be determined locally in response to onsite conditions. If applicable, details will be provided in the assignment letter.

12 Car

Cars are only provided for work purposes in locations where security needs dictate. This should be discussed with the Line Manager in advance of any commitment being made. If a car is provided, it is the assignee’s responsibility to make sure that they have the relevant driving licence and documentation legally required in the host country and any uninsured damage to the vehicle will be the responsibility of the employee to meet. Mileage logs must be used to identify private use and failure to comply with this requirement by the end of the relevant tax year will result in the BBC not picking up the tax cost associated with the benefit provided.

13 Remuneration

13.1 Salary

Salary will continue to be paid from the home country payroll. Any arrangements to transfer money abroad must be made by the assignee. The BBC will not pick up the costs for the transfer of money or provide protection against exchange rate movements.
Unless immigration rules dictate, the salary will continue at the level in the home country and will be built-up for any cost of living adjustments that are deemed necessary. In the event that this is insufficient to meet salary levels required for immigration clearance, consideration will be given to the salary being set at the required minimum level for these purposes. Full details will be confirmed in the assignment letter.

Upon completion of the assignment, assignment benefits will cease and salary will return to the level in place in the home country prior to the assignment.

13.2 Pension

During the assignment, assignees will continue their membership of the employer provided home country pension scheme (if applicable and where the rules of the scheme permit).

13.3 Tax and social security

The Tax Equalisation policy aims to eliminate the impact on net employment income. Assignees will remain in the same net employment income as if they had remained in the home country.

The assignee will continue to pay home country levels of tax and social security contributions, subject to the requirements of any double tax/social security treaty that may exist between the host and home countries, should this impact the assignment.

It may be the case that tax is due in both the home and the host country, on the same income. In this case the BBC will pick up the host country liability on any assignment related income. If a tax refund is then generated in the home country due to double tax relief, this refund will be due back to the BBC as the BBC has suffered the host country taxes. The assignee must pay any such refund over to the BBC immediately after it is received.

International assignees must observe the tax rules and regulations of the home and host country and are required to declare any taxable income to the relevant authorities, which may necessitate filing a tax return in the host and/or home country.

In principle, the home country social security arrangements will be continued by requesting the relevant coverage/certificates. The International Assignment team will advise on the approach taken and assist with the completion of any necessary paperwork. In the event that an exemption from the host country social security system is not possible and a host country social security liability arises, the BBC will pick up the additional costs in so far as the costs relate to employment income for the assignment.

The Tax Equalisation policy only applies to assignment related employment income and does not cover other employment income which relates to the assignees’ employment with the BBC such as redundancy payment. The assignment policy assumes the assignee will repatriate to the home country at the end of the assignment. In the event that an assignee’s employment with BBC is terminated whilst on assignment, the assignee will be fully liable to tax and social security due in any country on any income received in connection with the termination (such as redundancy payment).

The assignee will remain fully liable for any host or home country taxes due on personal income/spousal income.
13.4 **Tax Return assistance**

If there is a requirement for Tax Returns to be filed (because of the need to report the assignee's employment income or to make a foreign tax credit claim), the BBC’s tax advisor will prepare any Tax Returns in the home and host countries. It is the responsibility of the assignee to comply with all requests for information and to provide all relevant details in a timely manner. In addition, it is also the responsibility of the assignee to file returns as soon as received and to provide the BBC with any repayments received that are due back to the BBC.

Income tax allowances and relief’s arising from the assignment shall belong to the BBC, including personal allowances. This means that in calculating the BBC’s share of the assignee’s tax liabilities, personal income (and spousal remuneration) shall be treated as the top portion of the assignee’s income when considering the tax rates to be applied (i.e. the highest rates of tax applicable in the individual’s circumstances are applied to personal/spousal income, not BBC income).

The assignee is responsible within the year end timetable to:

- Provide the tax service provider with complete information to enable the completion of the tax return. This will change by location but typically covers details of all personal income, travel calendars where required;
- Check the tax returns carefully to ensure that they are complete and accurate before signing and filing on a timely basis;
- Repay all tax refunds received from the tax authorities in the home or host location, which relate to BBC source income;
- Open a bank account in the host country to enable any tax payments to be made if necessary.

The assignee must forward all tax notices or statements received from the host tax authority to the tax service provider and co-operate fully with the service provider throughout any dealings with the relevant tax authority.

13.5 **Cost of Living Allowance (COLA) (for assignments of 3 months or more)**

Where there is a difference in the cost of living between the home and host location, a cost of living allowance will be paid to protect the assignee’s daily purchasing power on items such as food, clothes, social activities etc. in the host country. It should however, be noted that the methodology cannot, and is not intended to, allow for individual spending patterns.

The cost of living differentials are based on an international index which is calculated by an independent specialist data provider who is contracted by the BBC. A representative basket of goods is priced in each country and compared. The specialist third party provider then applies certain weights to the results, reflecting the significance of each item. The difference between the cost of the basket in the home and host countries is then reflected as an index. If the index is positive (i.e. reflecting the fact that the costs are higher in the host country) a COLA will be due to the assignee. Conversely, a negative index would indicate that the costs of living are lower in the host country. It is currently the BBC’s policy not to apply negative cost of living allowances.

The COLA allowances are reviewed every June and December and assignees will be notified if there is a change to the allowance.
The BBC will bear the cost of any taxes and social security due on the COLA.

13.6 Work duties outside of host country/work in the home country during assignment

All assignees are expected to maintain a record of their international travel and work duties wherever performed to facilitate analysis by the BBC / BBC’s nominated tax advisor of exposure to income tax in the home, host and additional countries where domestic rules may determine an exposure to tax. The BBC’s tax advisor will provide a travel tracker facility to enable this to be recorded electronically using a secure site.

14 Education Assistance

The BBC will not fund education assistance during a short term assignment for the assignee or dependents.

15 Costs not covered by the BBC Short Term International Assignment Policy

The BBC will not cover the following expenses for short term assignments:

- Shipping of goods to host location
- Storage or insurance cost relating to personal possessions
- Mail redirection costs
- Car selling services
- Car for private use
- Home to work travel (e.g. taxi to and from the office)
- Private phone calls
- Food or other personal living costs such as laundry, gym memberships etc.
- Home/host country personal expenditure

Please note that this list is not exhaustive. If you have any queries, you should contact the International Assignment team.