

Commuter Survey Report
Business or personal?
Current trends in managing
commuter assignments



Contents

Executive summary	1
1. Introduction	3
Participant demographics	3
2. Survey findings	5
Defining commuters	5
The current landscape	7
Drivers for commuter assignments	9
Dealing with personal commuters	10
General trends in policy and programme management	12
Policy provisions	14
Challenges in managing commuter assignments	19
3. Recommendations	20

Executive summary

Many companies are seeing an increase in their globally mobile employee population, moving employees between key markets in order to meet business needs and develop future talent. However, with employees now coming from a much wider range of backgrounds with different personal and family circumstances many companies are forced to look at alternative ways of moving people, alongside the traditional assignment approaches, in order to overcome barriers to mobility.

As part of this trend we are witnessing increased interest in the use of commuter assignments, whereby individuals live in one country and work in a different country, travelling between the two on a regular basis. Traditionally, the focus for commuter assignments has been on assignees with work responsibilities in two countries. However, with the increase in barriers to mobility and the push for more flexible working there is a need to understand how commuters are being managed within the market and, in particular, what is being done for employees who make a personal request for a commuter arrangement to accommodate their family situation.

As such, we are pleased to present the results of our first Commuter Survey, summarising the drivers for commuter assignments as well as current practices and challenges in managing this population. The survey was conducted between 7 to 30 August 2013, and with participation from more than 60 companies across a broad range of industries and countries, the survey results provide great insight into current commuter issues and trends.

The survey findings can be summarised into four key themes:

- **Commuter assignments are on the rise** – the majority of companies reported an increase in the number of commuter assignments over the past 5 years.
- **Personal circumstances are driving this trend** – the employee's family not wanting to relocate is the primary driver for commuter assignments amongst those witnessing an increase in this population. Family circumstances, such as dual career couples or dependent children at a critical stage in their education, may be some of the reasons that employees are more likely to request to go on a commuter assignment as opposed to a traditional long or short term assignment. However, those companies with the largest commuter populations are still using the arrangements mainly to meet business requirements, such as roles which span multiple locations.
- **Management of commuters is still largely informal** – despite the trend towards increasing use of commuter assignments, many companies still have no formal policy or practices in place to manage this population, or only have a formalised policy for business driven assignments, dealing with personal requests to commute on an ad-hoc basis.
- **Compliance is key** – tax, social security and immigration compliance and tracking of commuters are the greatest challenges in managing this population, as reported by participating companies. This is likely to be linked to the lack of a formalised and consistent way of managing commuters within many companies.

Survey highlights

- 64% of participants reported an increase in the use of commuter assignments.
- Amongst all respondents, employee's family not wanting to relocate, and geographic proximity between home and host countries were the primary drivers for commuter assignments.
- Only 37% of participants had a formal policy specifically governing commuter assignments for business reasons, and only 21% for commuter assignments for personal reasons.
- 35% of respondents reported tracking and identifying commuters as a key challenge, and 32% reported compliance as a challenge.

Given the trend towards increasing use of commuters, the survey results should act as a “call to arms” to all companies who currently have no formal approach to managing commuters, before their population becomes too unwieldy to manage on an ad-hoc basis and presents ever greater compliance risks to the company.

We hope you find the results of the survey useful. If you have any questions regarding the survey or your commuter programme, please do not hesitate to contact us directly.

Sincerest thanks to the participants and everyone at Deloitte LLP who made this survey possible.

Robert Hodkinson

Partner
Deloitte LLP
rhodkinson@deloitte.co.uk

Andrew Robb

Director
Deloitte LLP
anrobb@deloitte.co.uk

Helen Odell

Manager
Deloitte LLP
hodell@deloitte.co.uk

Given the trend towards increasing use of commuters, the survey results should act as a “call to arms” to all companies who currently have no formal approach to managing commuters, before their population becomes too unwieldy to manage on an ad-hoc basis.

1. Introduction

Participant demographics

During August 2013 a total of 63 companies participated in the survey on commuter assignments to determine differences in practices in the terms and conditions provided to commuters who travel for business or personally driven assignments. The survey participants include a diverse representation across industry subsectors, employee populations and geographies, with the highest participation from companies in sectors such as Energy and Resources (25%) and Financial services (23%) (See figure 1.1). The participants were based in various regions of the world but the majority were from the United Kingdom. (See figure 1.2)

Most of the participants came from medium to large size companies with over 10,000 employees worldwide. (See figure 1.3)

Figure 1.1. What is your industry sector?

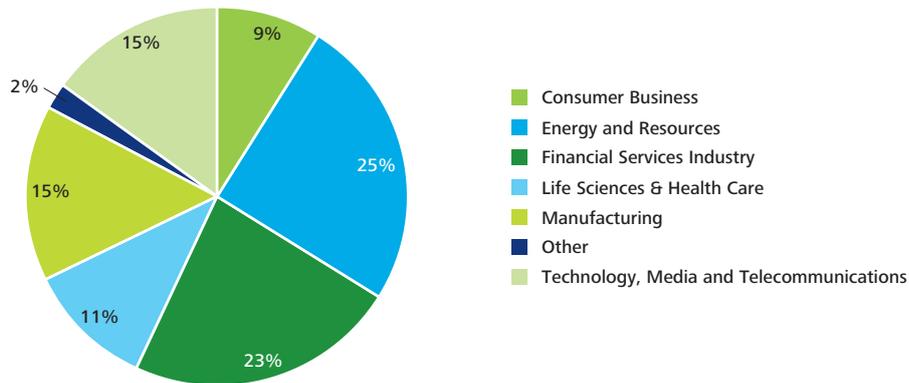


Figure 1.2. What country are you based in?

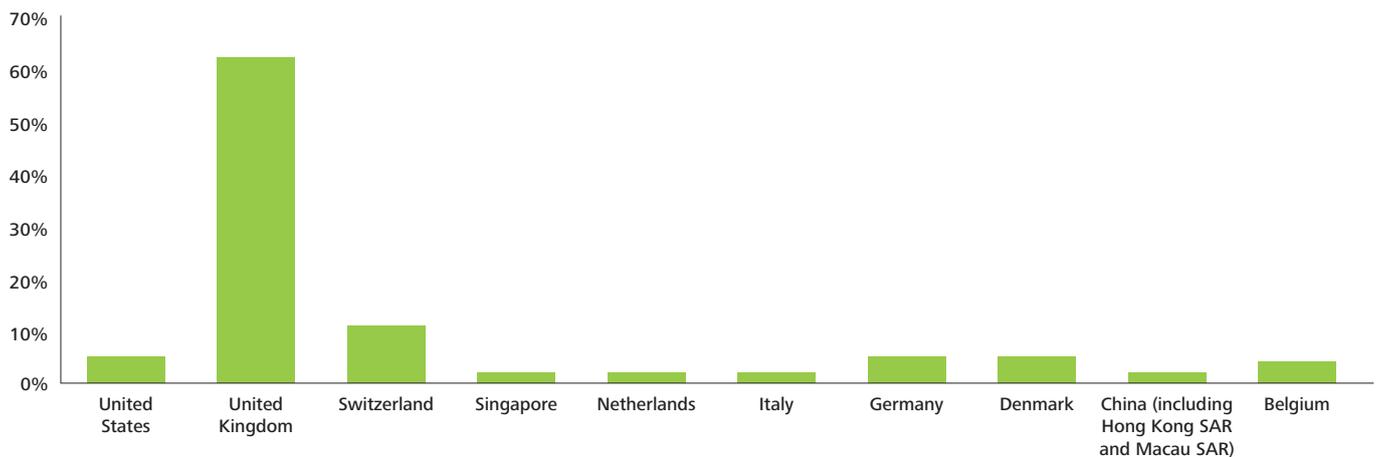
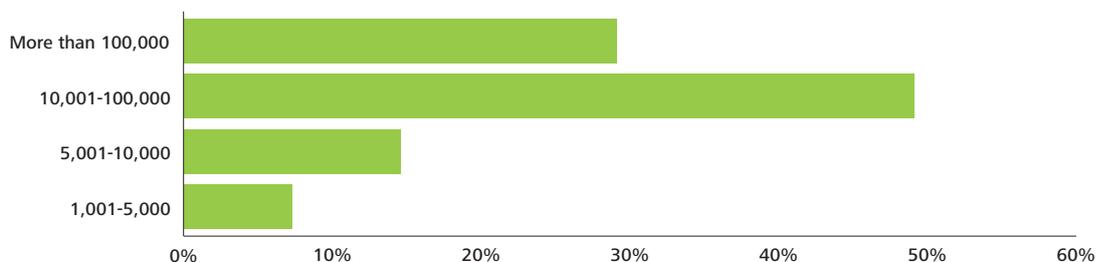


Figure 1.3. How many employees does your company have globally?



The survey participants represent a diverse range of global mobility programme sizes, ranging from less than 50 to over 1,000 long-term assignees (see figure 1.4). However, most programmes had a relatively low number of short-term assignees, with the majority of respondents indicating less than 100 short-term assignees (see figure 1.5).

Figure 1.4. How many long-term assignees does your company have globally?

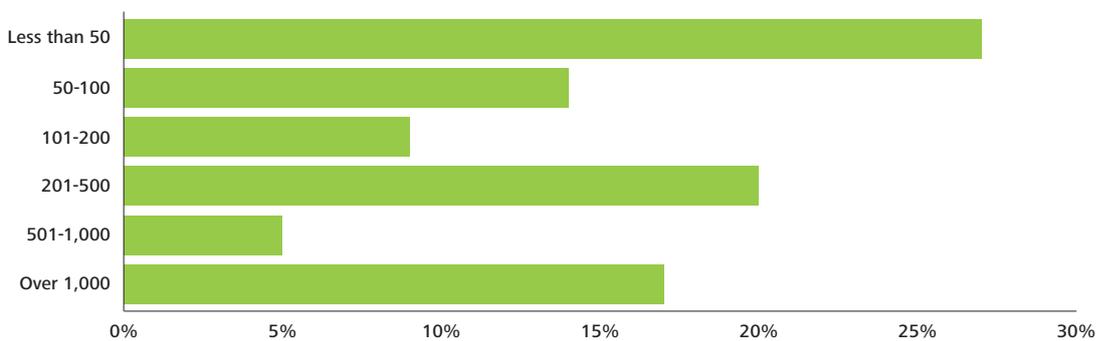
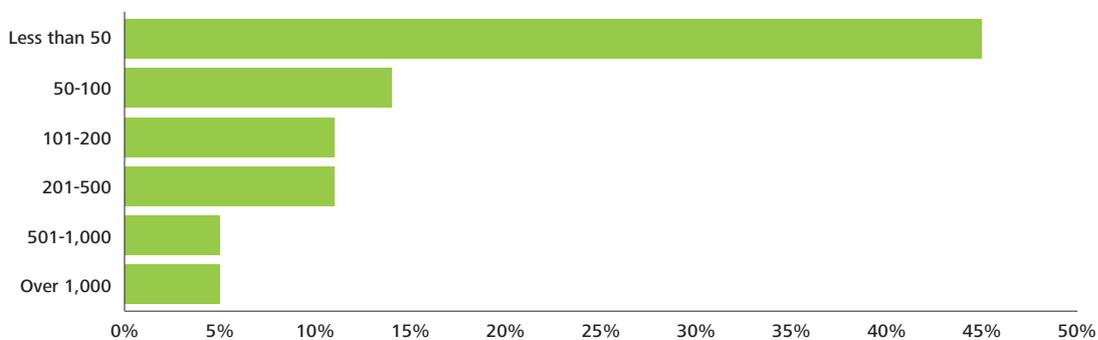


Figure 1.5. How many short-term assignees does your company have globally?

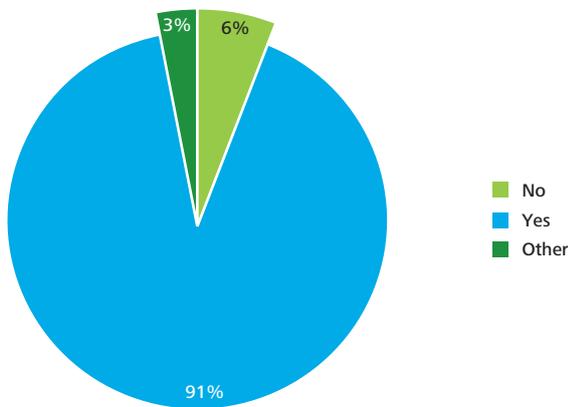


2. Survey findings

Defining commuters

Ninety-one per cent of the companies that participated in the survey agreed with the Deloitte definition of commuters as employees who commute to the host country but return home on a frequent basis and maintain their home country residence. Typically this would mean that the assignee's principal residence would remain in their home country, they are unaccompanied and they return home at frequent intervals (see figure 2.1).

Figure 2.1. Does your company's definition match the typically used commuter definition?



Even though some of the companies had a slightly different definition of a commuting assignment, the general consensus was that a commuting assignment is one where the assignee is working in the host location but returns to their home country frequently.

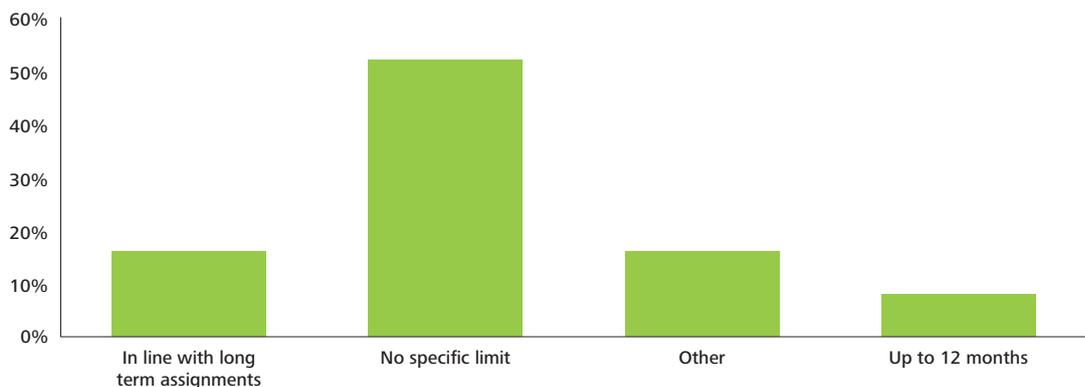
For the companies who did not agree with the definition, a variety of responses were given, including:

- We do not have commuter assignments so we do not have a definition for something that does not exist.
- Commuter assignments are those where the employee works/lives in a country that is not the 'home' country of employment and is not on a formal mobility assignment.
- Commuter assignments apply to employees who work either in home or host country.
- Commuter assignments take you from your Base Country to one Host Country on a repeated weekly basis. Such work patterns are limited to a maximum of a four-hour commute by air. At least three but no more than four days are to be spent in the host location.

Commuter assignments can be of varying lengths; 39% of the participating companies cited that they had specified lengths for how long a typical commuter assignment could be (see figure 2.2). However, the remaining participants did not have a clearly defined length for their assignments. Additional analysis of the results found that where commuter assignments were 'in line with long term assignments', the duration tended to be 3 years but where the response was 'other' the majority of respondents indicated a maximum of 2 years.

91% of the companies that participated in the survey agreed with the Deloitte definition of commuters as employees who commute to the host country but return home on a frequent basis and maintain their home country residence.

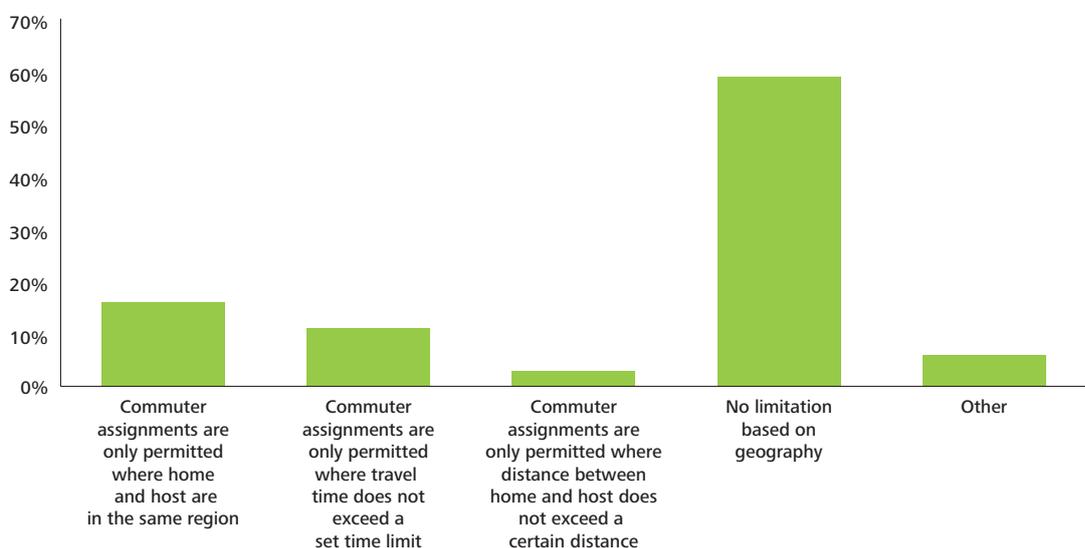
Figure 2.2. Is there a limit on the length of time that a commuter arrangement can continue?



62% of the participants cited that they have no limitations in place based on geography.

Although some participants stated that their decision to send an assignee on a commuter assignment would be contingent on whether the home or host countries are in the same region or whether travel time would enable a commuter assignment, 62% of the participants cited that they have no limitations in place based on geography (see figure 2.3).

Figure 2.3. What limitations are put on commuter arrangements from a geographical perspective?

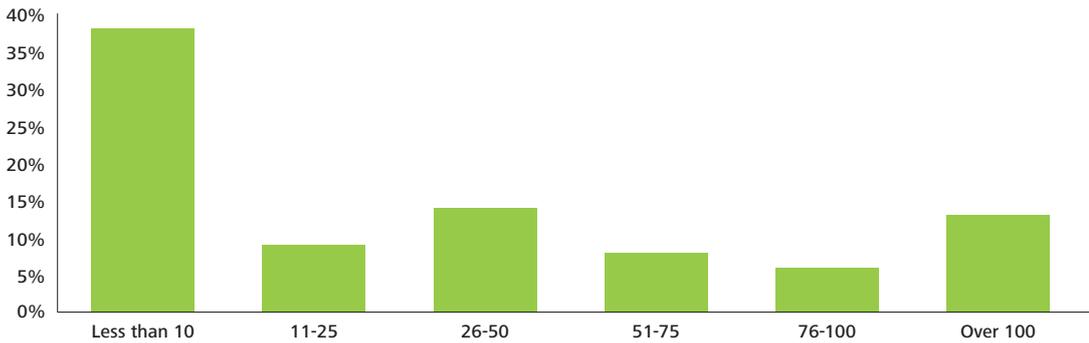


Of those 37 companies who impose no limitation based on geography, additional analysis showed that only 13 of them have a formal policy in place governing commuter assignments for business reasons, and only 5 covering commuter assignments for personal reasons. The ad-hoc management of commuters in general may therefore explain why formal restrictions are not imposed.

However, when setting up commuter assignments companies need to be aware of some of the challenges a commuter assignment can bring for the individual employee, including potential strain on family relationships due to extended time away from home, and burn-out due to long hours spent travelling and working, and constant adjustment between time zones. By having no formal limitations in place, companies may risk the business allowing individuals to commute over longer distances (e.g. inter-continental commutes), which may exacerbate these problems.

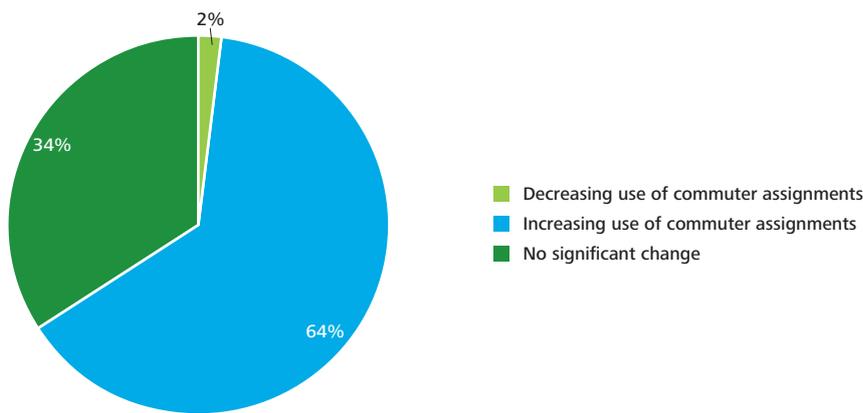
The current landscape

Figure 2.4. How many commuter assignees does your company have globally?



Just less than two thirds of participants indicated that the number of commuter assignments has been on the rise over the last five years (see figure 2.5); yet these types of assignments still only account for a small proportion of a company’s entire international assignee population. This was evident from the fact that of all the companies that participated in the survey, 22% of companies had over 500 long term assignees, and 32% had more than 100 short-term assignees, compared to only 13% of companies having more than 100 commuter assignees (see figure 2.4). However, anecdotal evidence suggests that in many companies commuter assignments are agreed by the business and there is no central oversight by either HR or Global Mobility teams, and this may partly account for the relatively low numbers reported.

Figure 2.5. Have you seen any significant shift in the number of commuter assignments undertaken in the last 5 years?

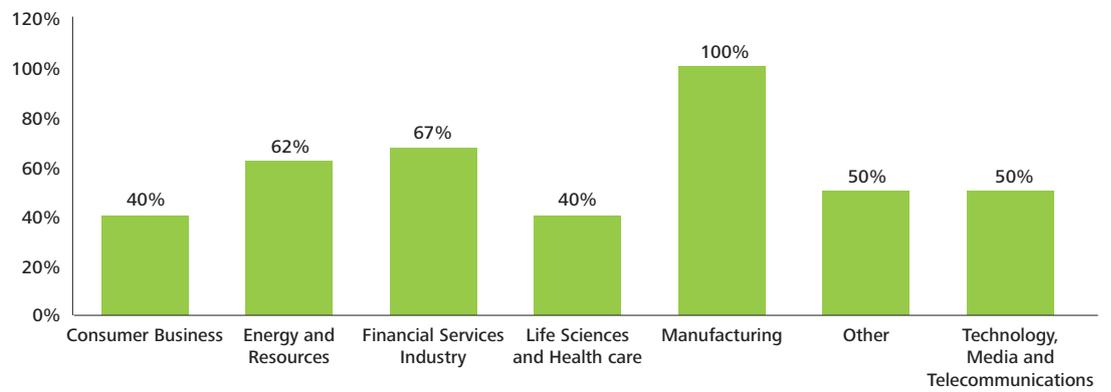


Just less than two thirds of participants indicated that the number of commuter assignments has been on the rise over the last five years.

Analysis of the survey findings also shows that the size of a commuter population does not necessarily correlate with overall programme size: of the 12 companies with a large commuter population (76-100 or >100 commuters), only 6 of the respondents were from companies with a large overall programme size (>500 long-term assignees globally). The remainder were from companies with a small to medium size programme of 50-100 or 201-500 long-term assignees globally. Amongst the companies with the largest commuter populations, on-going dual responsibilities in both home and host countries was cited most commonly as a reason for using commuter assignments. This shows that those companies who reported to be most actively using commuter arrangements as an alternative to traditional assignment types are doing so mainly because of the requirements of the role.

Further, amongst the participating companies, those in the Manufacturing sector were most likely to be seeing an increase in the number of commuter assignees (100% of these companies) (see figure 2.6), with Financial Services (67%) and Energy and Resources (62%) next most likely to be witnessing an increase. Within Manufacturing the primary drivers for commuter assignments were also on-going dual responsibilities and geographic proximity of home and host countries.

Figure 2.6. Percentage of companies in each industry experiencing an increase in the number of commuter assignments

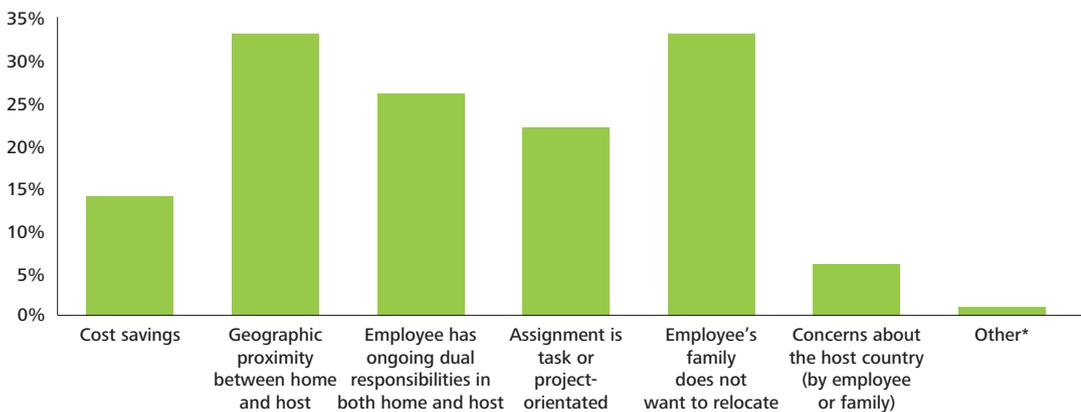


Drivers for commuter assignments

Overall, geographic proximity to the host location and the employee’s family not wanting to relocate were the most often cited reasons for companies to send employees on commuter assignments (33% for each). The third most common reason for a commuter assignment was because assignees had on-going dual responsibilities in both the home and host location (26%) (See figure 2.7).

Of the participants who indicated that their company had witnessed an increase in the number of their commuters in recent years, the results were even more pronounced: 62% cited that the reason for the commuter assignment was due to the employee’s family not wanting to relocate, and 59% cited that it was due to geographic proximity of the home and host locations.

Figure 2.7. What are the main reasons for commuter assignments?



However, amongst the individual companies with large commuter populations, on-going dual responsibilities, a task or project-oriented assignment, and geographic proximity between home and host countries were the reported to be the primary drivers, rather than personal concerns.

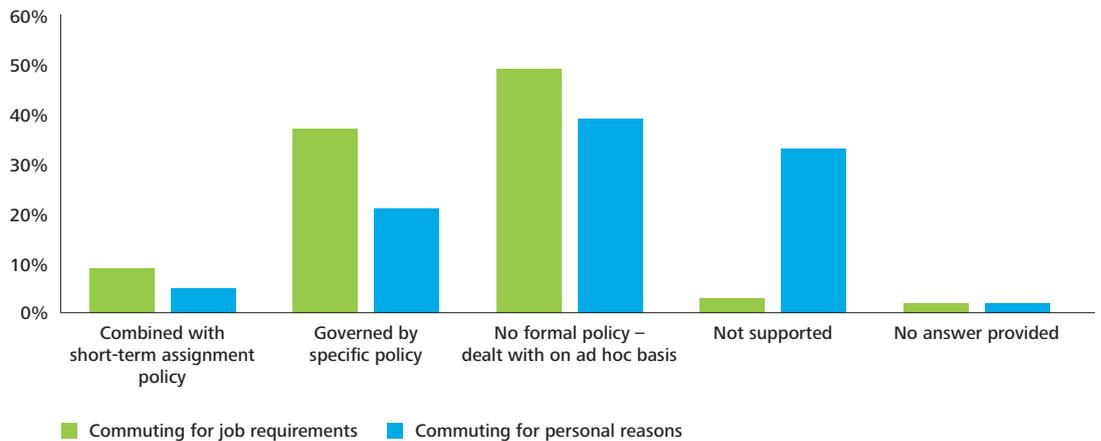
These findings show that the reason for using commuter assignments is not consistent between all of the participating companies, and suggests that whilst some companies are still using commuter assignments for their ‘traditional’ purpose, to meet role and business requirements, there are a growing number of companies for which personal and practical concerns are taking over as the primary drivers for commuter assignments. This may be because companies and their employees are increasingly required to accommodate dual career couples and a variety of family circumstances which make traditional long-term assignments, where the whole family is expected to relocate, less appropriate.

Companies and their employees are increasingly required to accommodate dual career couples and a variety of family circumstances which make traditional long-term assignments, where the whole family is expected to relocate, less appropriate.

Dealing with personal commuters

Despite the increase in commuter assignments witnessed by a number of participating companies, most companies stated that they do not have a formal commuter policy in place, irrespective of whether the employee commutes for personal reasons or to fulfil job requirements. However, where companies do have a specific policy in place this is more likely to be for commuters for business requirements than for commuters for personal reasons. Twenty seven per cent of the participants also cited that they would not support commuter assignments that were mainly driven for personal reasons (see figure 2.8)

Figure 2.8. Do you have a specific policy for commuters?

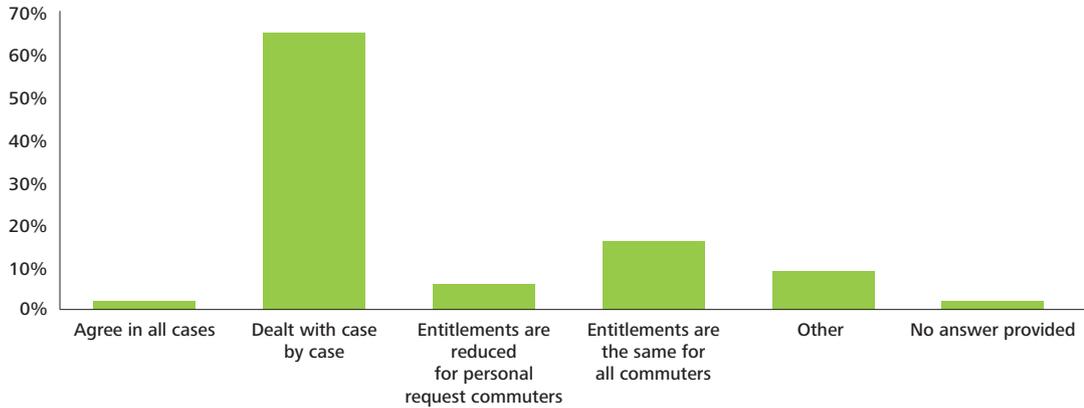


When asked for additional information on how personal commuter requests were dealt with, the large majority of companies indicated that they were handled on a case by case basis, which is consistent with the fact that most companies do not have any specific policy for these types of commuters.

However, given the trends for increasing numbers of commuter assignments this is a relatively surprising result and suggests that many companies may not be effectively managing commuters in a fair and consistent manner (see figure 2.9).

Many companies may not be effectively managing commuters in a fair and consistent manner.

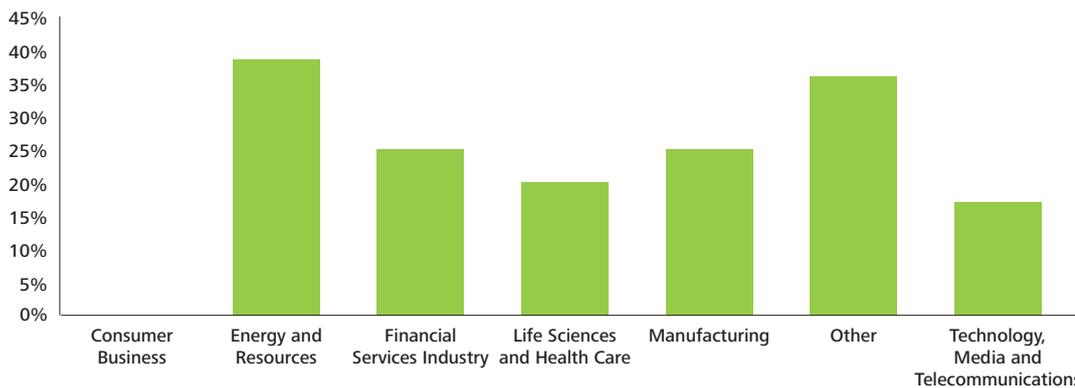
Figure 2.9. Please provide additional data on how your company deals with requests to commute for personal reasons



Looking in more detail at those companies who responded that personal requests for commuter assignments are not supported, this was most common amongst companies from the Energy and Resources sector. Amongst Energy and Resources companies the main driver for commuter assignments was again dual responsibilities in home and host countries, further underlining the discrepancy in the usage of commuter assignments and suggesting that in companies where commuter assignments are still used for their 'traditional' purpose (i.e. to meet job requirements), there may be a reluctance to offer the same support to individuals who want to commute merely because it suits their personal lifestyle choices.

There is a reluctance to offer the same support to individuals who want to commute merely because it suits their personal lifestyle choices.

Figure 2.10. Percentage of companies in industry not supporting personal commuters



General trends in policy and programme management

More than half of the surveyed companies stated the decision to allow a commuter assignment lies with the business unit/line manager, followed by HR and the Global Mobility function, and this is consistent with the approach typically seen in the market for approving other assignment types (see figure 2.11)

Management and administration of commuters is currently split, with most companies reporting that they are managed either by the Global Mobility team or by HR (see figure 2.12).

Figure 2.11. Decision making party on commuter assignments

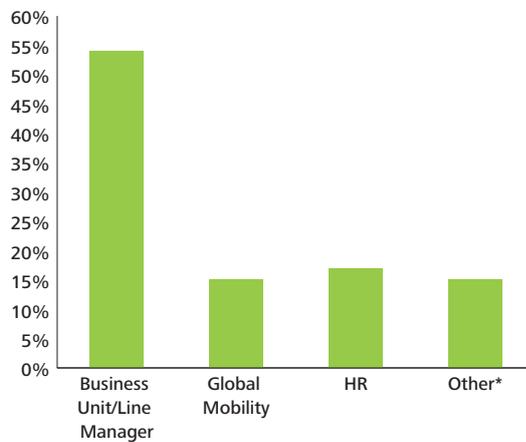
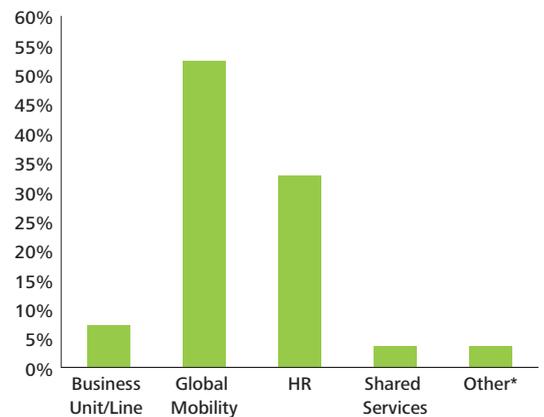


Figure 2.12. Department responsible for the management and administration of commuter arrangements



As per figure 2.8, 45% of participating companies do not have a formal policy in place to govern their business commuter assignments. However, companies that have a commuter population of 100 or more were more likely to have formal policies in place for their business commuter population. In addition companies where commuter assignees are managed by the Global Mobility function were more likely to have a formal policy in place for their business commuter population (see figures 2.13 & 2.14).

More than half of the surveyed companies stated the decision to allow a commuter assignment lies with the business unit/line manager, followed by HR and the Global Mobility function.

Whether the existence of a formal policy is a cause or as a result of commuter assignments being managed by the Global Mobility team is not clear. However, Global Mobility teams are often better positioned to manage commuter assignments as they are more likely to have the necessary knowledge and skills, and are used to dealing with arrangements which can often be complex from a tax and social security compliance perspective, for example due to dual withholding requirements.

Figure 2.13. Are companies with higher numbers of commuters more likely to have a policy in place? (Based on results for business commuters)

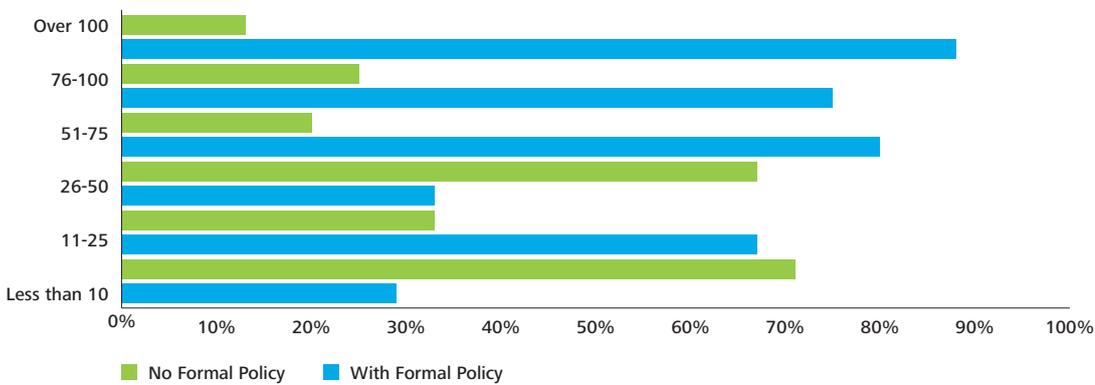
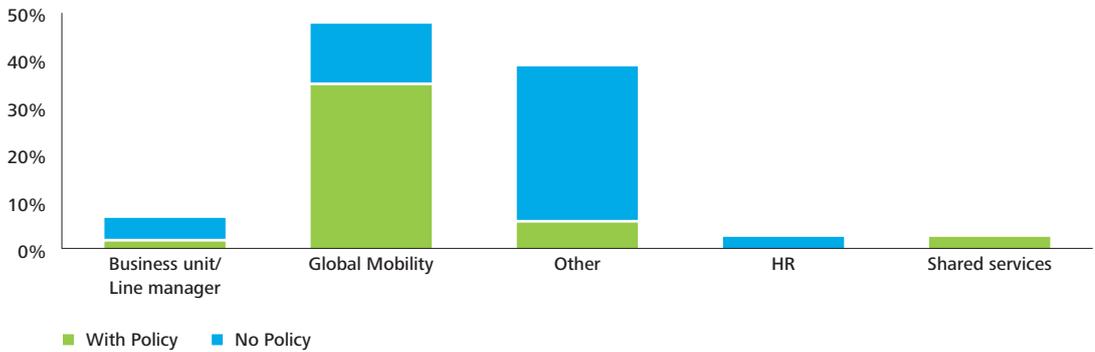


Figure 2.14. Are companies more likely to have set policies if their commuter populations are managed by the Global Mobility function?



91% of the participants preferred to keep the employment contract for a commuter in the home country.

Policy provisions

Employment contract, terms and conditions

In general, most commuters are retained in their home country employment contract and governed by home company terms and conditions. Ninety one per cent of the participants preferred to keep the employment contract for a commuter in the home country, of which 75% cited that the assignee would be covered by the home country's terms and conditions for the duration of the assignment. This is consistent with the traditional approach taken for many long and short term assignments and reflects the intended temporary nature of a commuter assignment (see figure 2.15).

However, a small portion of companies (9%) reported that commuters have a host country employment contract and are governed by host company terms and conditions. One company also reported that all commuter contracts are under a 3rd country entity, such as a Global Employment Company (see figure 2.16).

The fact that different employment approaches are being used suggests that commuter assignments may be being used for quite distinct purposes: as an alternative to a short or long term assignment, as an alternative to a transfer to the host location or as a way of managing 'global' employee populations.

Figure 2.15. Where is the commuter's employment contract held?

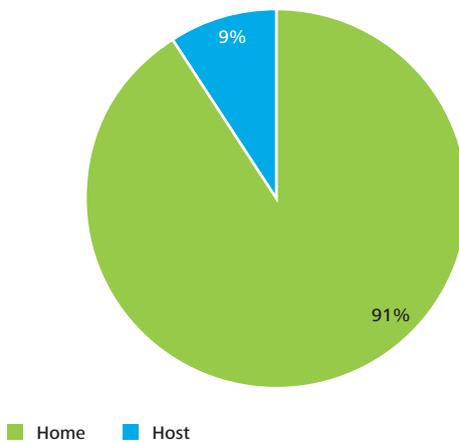
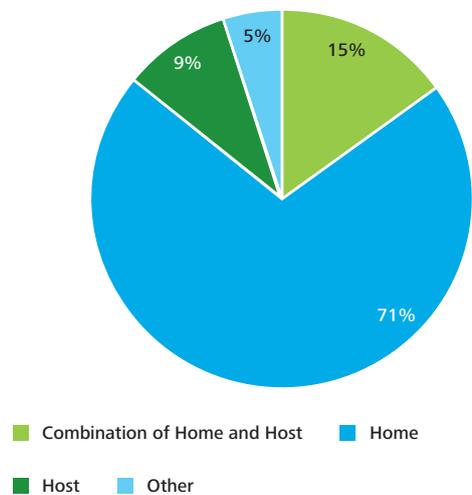


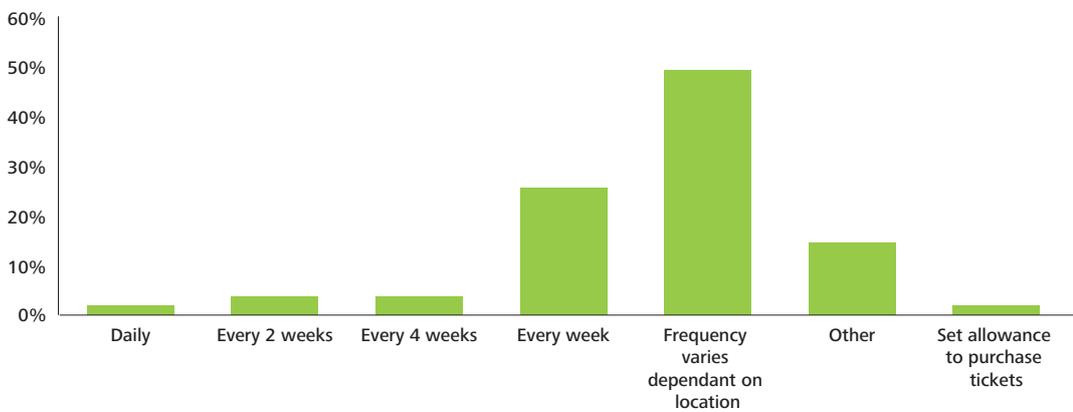
Figure 2.16. Which country's terms & conditions will the commuter be covered by while on assignment?



Frequency of return to the home location

Twenty seven per cent of companies cited that the frequency at which an assignee returned home at the company's expense was not fixed and tended to vary depending on the location of their host country (see figure 2.17). Further analysis also found that companies that had set policies in place were more likely to have set criteria as to how frequently assignees were entitled to return home.

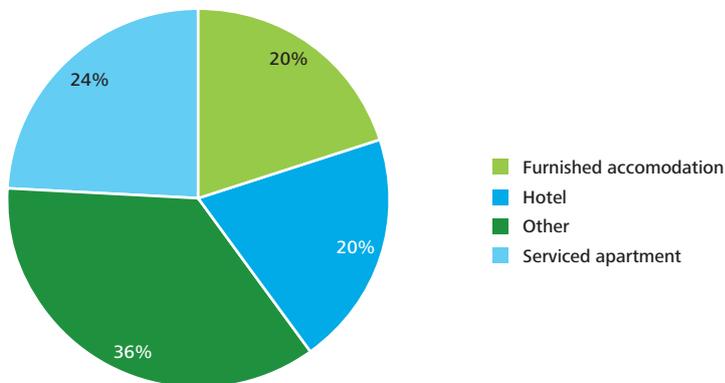
Figure 2.17. How regularly are commuters entitled to return to the home location at company expense?



Housing

In terms of accommodation, companies provide a range of different types of accommodation to commuter assignees. Twenty four per cent provide a serviced apartment in the host location while 20% prefer to provide their assignees with furnished accommodation or hotels. Amongst the "other" responses, provision tended to be either a hotel or serviced apartment, depending on factors such as location, availability of suitable accommodation, frequency of travel, duration of the assignment and cost (see figure 2.18).

Figure 2.18. What type of housing is provided to commuters in the host country?



In order to assist assignees with their tax compliance most of the companies surveyed provided some form of tax support, with 65% of companies tax equalising their assignees and 15% providing tax protection.

Tax approach and tax support

Given the nature of a commuter assignment, an assignee’s tax affairs could become complex on the basis that most individuals would have dual liabilities in both the home and host locations. In order to assist assignees with their tax compliance most of the companies surveyed provided some form of tax support, with 65% of companies tax equalising their assignees and 15% providing tax protection (see figure 2.19). Ninety seven per cent of the participants also cited that in the case of business commuters they would provide tax return preparation assistance to their assignees to assist with both the company’s and the individual’s tax compliance (see table overleaf). Of the companies that offered tax assistance to their assignees, 25% of them had formal policies in place to govern their commuter assignees.

The results of the survey showed that companies were also more likely to provide tax support to assignments that were business driven when compared to those that were due to personal circumstances (see figure 2.20).

Figure 2.19. What tax approach is adopted for commuters?

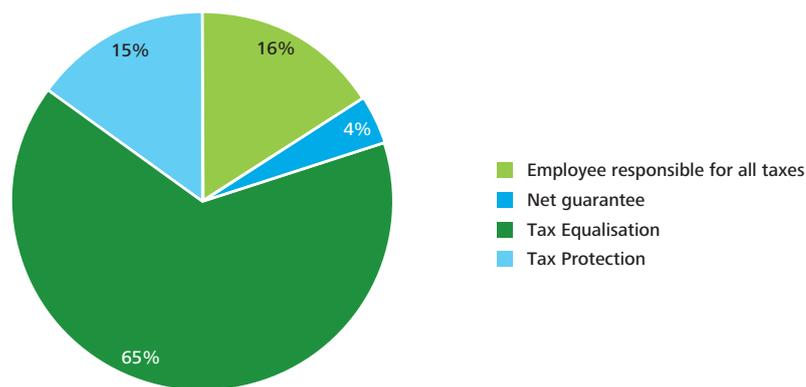
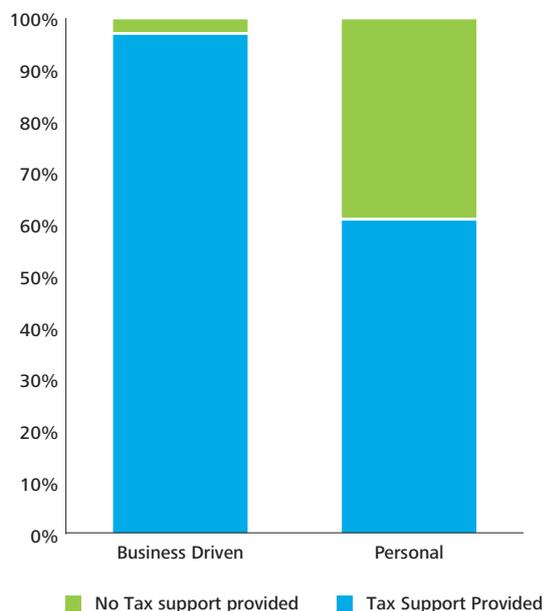


Figure 2.20. Are assignees on business driven assignments more likely to receive tax support?



Other benefits

The survey results showed a vast variety in the benefits that are being provided to commuters by different companies.

Benefit	% of participants stating this answer		
	Always provided	Business need cases only	Never provided
Tax return preparation assistance	61%	36%	3%
Housing	96%	2%	2%
Shipment	11%	25%	64%
Hardship allowance/ QUOLA	16%	22%	62%
Relocation allowance	11%	24%	65%
Mobility premium	17%	18%	65%
Per diem	20%	36%	44%
Utilities	39%	26%	35%
Host country transport	20%	46%	34%

Housing and tax return preparation assistance are the most typically provided benefits, to both business and personal commuters. Utilities, host country transport and per diem allowance are the next most common, although these appear to be more dependent on whether the commute is for personal or business reasons, suggesting that companies are trying to limit the costs of non-business related commuter arrangements where the cost is not absolutely required to cover immediate compliance or subsistence needs. Over one third of respondents do not provide these benefits at all.

Sixty five per cent of participants in total cited that they provide utilities to their commuter or business commuter assignees. The preferred way of paying was by including the amount for utilities within the accommodation allowance, as stated by 33% of the companies. Almost 13% of companies fully reimburse utility costs and 5% partially reimburse them. Other companies cited that they pay an allowance to cover utilities

Per Diems were provided by 56% of the participating companies in total to their commuter or business commuter assignees. Of these, 52% used an external provider to calculate the per diem allowance and approximately 42% used internal travel business per diems. Companies that did not use either of these options had more specific methods of calculating the per diems, including one participant stating that they used a collective agreement to set their per diem amount.

Host country transportation was provided by 66% of companies in total to their commuter or business commuter assignees. Of these 46% suggested that they would only provide this in the instance of business driven assignments. Nineteen per cent of companies provided host country transportation to their assignees by providing them either with a company car or a hired or lease car respectively. Other ways of providing host country transportation were either by paying a transportation allowance, including the amount within the per diem or following host country practice, as cited by 40% of the respondents.

Just under two thirds of participants stated that they do not provide shipment of household goods, hardship allowance, relocation allowance or a mobility premium. Where shipment is provided it tends to be air shipment or excess baggage only.

Per Diems were provided by 56% of the participating companies in total to their commuter or business commuter assignees.

Overall, these results show that assignees that take up commuter assignments for business reasons are more likely to receive assignment related allowances when compared to their counterparts who are commuting for personal reasons. However, in both cases the benefits and allowances are significantly pared down compared to traditional assignment types and focus more on the practical aspects, such as daily subsistence and compliance, rather than providing any additional incentives or enablers to the assignees.

The variance in what is being provided by different companies may be due to the fact that most companies that participated in the survey had no formal policy in place to govern their commuters, and tend to determine the compensation package of an assignee on a more ad-hoc basis. This lack of any formal policy means both that it is harder for companies to benchmark against others in their industry or country, and also that benefits may be subject to significant negotiation between the company and the employee, resulting in different packages being provided to individuals within the same company.

Figure 2.21. Do companies with no formal policy end up giving more support to their assignees compared to those with formal policies in place?

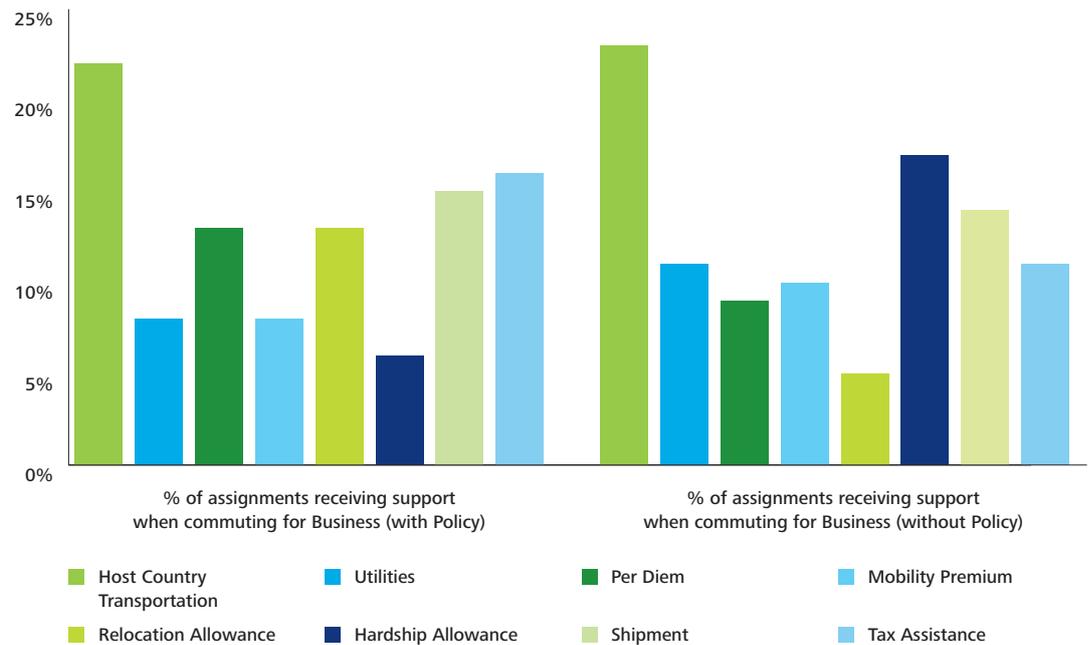


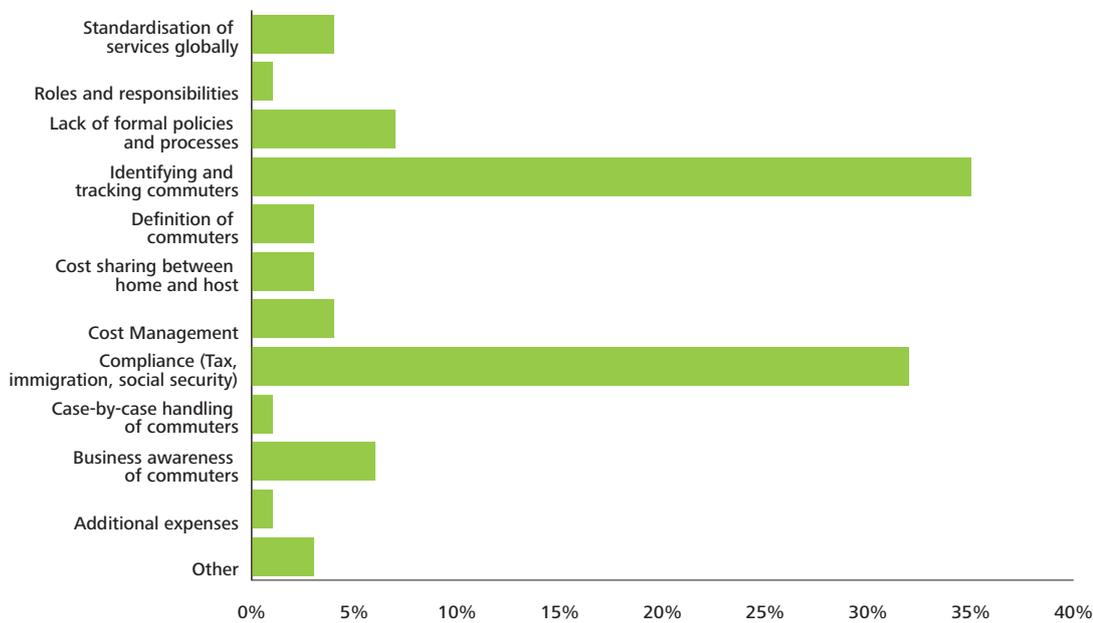
Figure 2.21 shows the comparison of how companies with a formal assignment policy in place for their business driven commuters pay their allowances when compared to those with no policy in place. The results show that those with a formal policy are more likely to provide traditional allowances such as a mobility premium (13% vs. 5%) and a hardship allowance (13% vs. 9%). However, other allowances such as tax assistance, shipment and relocation allowances are more often paid where there is no formal policy in place, suggesting that companies that have a more ad hoc way of authorising commuter assignees may end up paying more for their assignees.

Challenges in managing commuter assignments

Compliance with tax, social security and immigration regulations, and identification and tracking of assignees were two of the key challenges faced by participating companies, (32% and 35% respectively) (see figure 2.22). These key challenges are likely to stem from the fact that there is usually no formal policy in place that governs these assignments (see figure 2.8) and within many companies commuter assignments are not managed by a central Global Mobility team (see 2.12). This ad hoc approach and the lack of centralisation can then lead to challenges in tracking commuters, and leaves companies exposed to various compliance risks.

Compliance with tax, social security and immigration regulations, and identification and tracking of assignees were two of the key challenges faced by participating companies.

Figure 2.22. What are the key challenges experienced by your company in managing commuters?



Another key challenge that companies face with respect to commuter assignments is the risk of establishing a Permanent Establishment (PE) in the host location to which the assignee is commuting. Approaches to managing PE risk given by participating companies include:

- Avoidance of commuter assignments unless no other option.
- Use of contracts/intra-company secondment agreements between home and host companies.
- Re-charging of all costs to the host company.
- Tracking of days spent in home and host countries and reallocation of work duties/responsibilities where necessary to avoid creating a PE.

In the majority of cases guidance is sought from the internal corporate tax and finance teams, or from an external tax provider. Whilst this is a good first step, the challenges cited above in tracking and identifying commuters may mean that not all commuter assignments are undergoing such a review prior to set-up and therefore the company may still be unwittingly exposing itself to corporate tax risks by some of the arrangements.

3. Recommendations

Whilst commuter assignments appear to be on the increase, the survey results show that many companies are still dealing with them in an ad-hoc manner and have no formal policies or centralised management of these types of assignment in place. This lack of formalised management structures is likely to be one of the causes for the tracking and compliance challenges faced by many companies. As such, there are a number of steps that companies should take to help them to manage this population effectively:

- 1) **Establish a framework for managing your commuter population** – a formal policy may not be appropriate for all organisations, especially where commuter assignments are managed locally by HR and there are likely to be differences in the destination support provided. However, by putting a basic framework in place this can help to establish any minimum compliance requirements for the management of commuters, and document who is responsible for managing each stage of the assignment process. Any framework should make sure to cover assignments driven by business need as well as personal requests to commute.
- 2) **Agree who should be covered under the framework** – the overall increased use of commuter assignments for personal reasons appears to be masking two distinct arrangements – use of commuters instead of traditional assignment arrangements, and use of commuters instead of permanent transfer or international local hire arrangements. The way in which the different groups are treated in terms of their employment contract, terms and conditions, tax approach and level of company support may differ greatly and should be clearly documented to avoid any inconsistency in the arrangements being approved by different business divisions.
- 3) **Be clear on what support should be provided, in what way** – dealing with commuter assignments in an ad-hoc manner can often mean that the assignment expenses are reimbursed through the business travel and expense system, leading to a lack of oversight around what is being provided and hiding the true costs of the assignment. Within any framework companies should make clear the type of support that should be provided and whether this is done via expense reimbursement, provision of allowances, or direct payment by the company. This will also help to ensure the correct reporting of any benefits for tax and social security purposes.
- 4) **Educate key stakeholders** – a framework can also be useful for educating stakeholders on the compliance risks and requirements of a commuter assignment, and ensure that assignments are set-up in the correct way in order to avoid corporate tax and Permanent Establishment issues. Companies should aim to be in a position whereby no commuter assignment is agreed without first going through some level of risk assessment from a corporate and personal tax perspective.
- 5) **Allocate responsibility for commuter assignment governance** – whilst commuter assignments may not seem like ‘proper’ assignments as the assignee can still live at home, from a tax and compliance risk perspective they can be some of the most complex arrangements due to the assignee’s regular presence, both working and living, in more than one jurisdiction. Where oversight for commuters is not handled centrally through a Global Mobility team or similar, it may be appropriate for an internal tax or corporate HR team to take on this role.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Deloitte LLP is the United Kingdom member firm of DTTL.

This publication has been written in general terms and therefore cannot be relied on to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this publication. Deloitte LLP would be pleased to advise readers on how to apply the principles set out in this publication to their specific circumstances. Deloitte LLP accepts no duty of care or liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

© 2013 Deloitte LLP. All rights reserved.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Designed and produced by The Creative Studio at Deloitte, London. 31345A