

Relocation Expenses

1. Introduction

The Forestry Commission (FC) aims to have the right people in the right place at the right time. In order to achieve this aim, the FC provides a range of expenses and allowances to support employees who relocate in the interests of the FC and minimise the disruption to them and their families.

The package of financial assistance that the FC provides will be dependent on the circumstances of your relocation. This procedure sets out the types of assistance that may be available to help you to move home or meet additional travel costs.

This procedure is supported by [HR Guidance - Relocation Expenses](#) which provides further details for employees who are relocating. Within the HR Guidance - Relocation Expenses you will find more detailed information, including:

- examples of the items that may be reimbursed under each of the expense types;
- guidance on the claims process;
- the effect of changes of circumstances on entitlements to relocation expenses;
- full details of how allowances are calculated, with worked examples; and
- the expenses that would be payable in specific circumstances, for example for those who live in mobile homes or whose partner also works for the FC or Civil Service.

2. Eligibility Criteria

You will qualify for assistance with the cost of your relocation if your work location changes as a result of a management decision to relocate you or your post. You will also qualify if you are successful in an internal trawl or recruitment competition that requires you to relocate in order to take up the post.

If you request to relocate for personal or compassionate reasons, you will not normally qualify for financial assistance, although this may be considered where your transfer will also benefit the FC.

Relocation expenses will not normally be reimbursed if you are joining the FC or transferring in from an organisation outside the Civil Service, however this may be considered in exceptional circumstances.

3. Establishing Your Entitlements

If you will be taking up a post that will require you to relocate, either permanently or temporarily, you will be asked to complete a [Change of Work Location Form](#) so that your dedicated HR Team can assess your entitlements.

To determine the relocation expenses package that is appropriate to your circumstances, your HR Team will firstly consider whether you:

- are transferring on a permanent or temporary basis;
- already live within reasonable daily travelling distance of your new work location;
- own or rent your current home, if you will be moving home as a result of the transfer.

Your HR Team will contact you to discuss the expenses that you will be able to claim and will confirm this in writing.

Where your partner is also employed by the FC (or wider civil service) and will be relocating with you, only one of you will be reimbursed for the main expenses incurred as a result of your joint relocation. For more information please refer to the [HR Guidance - Relocation Expenses](#).

3.1 Expected Length of Posting

The expenses and allowances that you will be entitled to claim will vary depending on whether you are moving into a permanent or temporary post.

You will normally be eligible to claim 'permanent' relocation expenses if you are relocating as a result of a fair and open recruitment competition or management posting **and** you are expected to remain in your new post for three years or more. The types of expenses that you can claim will depend on whether you can travel daily to your new work location or need to move your home (see [Section 3.2](#)).

You will normally be eligible to claim 'detached duty' expenses if: you are expected to remain in your new post for less than three years; you have been advised that you will return to your substantive role at the end of the detached duty; **or** your relocation is not the result of a fair and open recruitment competition or permanent management posting. Detached duty expenses are claimed in a different way to permanent relocation expenses. For more information, please refer to [HR Procedure – Detached Duty](#).

3.2 Reasonable Daily Travelling Distance

If the journey from your existing home to your new work location will take **one hour or less** then you will normally be expected to travel daily from your current home. The FC

considers journeys of this duration to be within reasonable daily travelling distance. [Section 4](#) provides more information on the expenses that may be provided to those who are transferring permanently and will be travelling daily.

Alternatively, if the journey from your existing home to your new work location will take **more than one hour** then you will normally be advised to move your home.

3.2.1 Choosing to Travel Daily Rather Than Move Home

Where your journey will take more than one hour but you make a request to your manager to travel daily rather than move home, your HR Team will liaise with your manager, and where necessary the local HR Business Partner, to consider your request. The factors that will be considered will include cost comparisons, the length of the journey and any health and safety concerns. If your request is granted then you will be advised of the expenses that you can claim, in line with [Section 4](#).

4. Daily Travel to New Permanent Location

If you will be travelling daily from your home to your new permanent work location, the FC will assist you with any additional travel costs that you incur as a result of your new home to work journey, for a limited period.

4.1 Calculation of Additional Travel Costs

When calculating your additional travel costs, the actual cost of your old home to work journey will be compared with the anticipated cost of your new home to work journey.

If you will be travelling by car, you will receive assistance towards the cost of each additional mile travelled on your new home to work journey. Reimbursement will be at Public Transport Rate of mileage or the appropriate CAPES rate for CAPES car users, as detailed in [Staff Notice – Travel and Expenses Rates and Limits](#).

If you will be travelling by public transport, you will normally be reimbursed for the additional cost of annual or quarterly season tickets (standard/economy class) for your new home to work journey. Where it is not economic for you to purchase season tickets, for example because of the nature of your duties, then the cost of your home to work journey will be based on the cost of daily, weekly or monthly season tickets as appropriate.

4.2 Claiming for Additional Travel Costs

You will normally be entitled to claim for your additional travel costs for:

- **three years**, if you have relocated following a recruitment competition or trawl; or
- **five years**, where you have relocated at the request of the FC, or following an office closure.

Reimbursement will only be made for days that you actually incur the costs of travel from your home to new work location. You must claim monthly, in arrears, using the [C180 Travel Claim](#) form.

4.2.1 Tax Position - Additional Travel Costs

Any form of assistance towards normal daily journeys between an employee's home and their permanent workplace(s) is considered by HMRC to be a taxable benefit. Claims for your additional travel costs, known as excess fares, are subject to tax and NI contributions which you will be responsible for, and are processed through the FC's payroll system so that tax and National Insurance Contributions can be deducted. You will receive the amount claimed along with your salary at the end of each month.

4.3 Payment of Additional Travel Costs as a Lump Sum

In exceptional circumstances, you may request for the FC to pay some of your additional travel costs (excess fares) up front as a taxable lump sum payment. For example this may be appropriate where it would be unreasonable for you to travel to your new work location by public transport and you need to buy a car to make the journey. Requests should be made to your HR Team. For more information please refer to the [HR Guidance - Relocation Expenses](#).

4.4 Absences While Claiming For Additional Travel Costs

You are not entitled to claim your additional travel costs for days that you do not actually incur the cost of travel to your new work location, for example because of sickness, annual/special leave, or official business to another office. The payment period will not normally be extended, except in cases of maternity, paternity or adoption leave where the payment period will be extended by the amount of time that you were away from work. Reimbursement will not be made during unauthorised absences or career breaks.

4.5 Staying Overnight Rather Than Travelling Daily

If you have chosen to travel daily rather than move your home, you may occasionally wish to stay overnight rather than travelling home and returning the following day. In these circumstances, you should only claim your additional travel costs for the journeys that you have actually made. However you may submit a separate claim for

reimbursement of the actual cost of your overnight accommodation, limited to the amount you would have claimed for your additional travel costs if you had travelled to your home and back. Any claim for overnight accommodation at your permanent workplace will be subject to tax and NI contributions as this is considered by HMRC as a taxable benefit. You will be responsible for paying any tax and NIC due.

4.6 Changing from Daily Travel to a Home Move

If you initially decide to travel daily rather than moving home, you may change your mind within three months of your transfer date. You will be entitled to the expenses associated with permanently moving your home to a new location ([Section 5](#)) and you should contact your HR Team as soon as possible to discuss your specific entitlements. You will not be required to repay the additional travel costs that you have already claimed, unless you have been paid some of your entitlement as a lump sum.

4.7 Daily Travel to New Location Before A Home Move

If you plan to move your home to the new location but have reasons for delaying your move, you may be permitted to travel daily from your existing home and claim your additional travel costs. This reimbursement is not subject to tax and NICs and will stop when you move into temporary or permanent accommodation at the new location.

5. Permanently Moving to a New Location

Where it would be unreasonable for you to travel daily to your new work location, the FC will assist you with the cost of moving your home. You are expected to live within reasonable daily travelling distance of your new work location (see [Section 3.2](#)).

The FC does not specify what kind of home you may buy or rent at the new location and there is no objection to you improving your housing standards when you move home, but this improvement will not be at the FC's expense.

5.1 Employees Who Own a Property

In most cases, if you own a home at the old location you will be expected to sell your existing home and purchase a property at the new location. If you have a property to sell then the FC may assist you with the costs of:

- Special Paid Leave ([Section 6.1](#))
- Preliminary Visit ([Section 6.2](#))
- Partner Support ([Section 6.3](#))
- Initial Travel to Take Up Your New Role ([Section 6.4](#))

- Hotels or Bed & Breakfast Accommodation ([Section 6.5](#))
- Renting a Property ([Section 6.6](#)), where applicable
- Maintenance of Your Unsold Property ([Section 6.7](#))
- Selling Your Home ([Section 6.8](#))
- Buying a New Home ([Section 6.9](#))
- Bridging Loan Costs ([Section 6.10](#))
- Interest Free Loan for House Purchase ([Section 6.11](#))
- Removals ([Section 6.12](#))
- Storage Costs ([Section 6.13](#))
- Replacement and Re-fitting Expenses ([Section 6.14](#))
- Continuing Commitments Allowance ([Section 6.15](#))
- Additional Housing Cost Allowance ([Section 6.16](#))

Your dedicated HR Team will confirm which expenses are appropriate in your circumstances. At the outset, you will be asked if you would like to use the services of the FC's Relocation Company to assist you with selling your property at the old location. For more information on the services available from the Relocation Company, please refer to [Section 6.8.1](#) and the [Relocation Company manual](#).

5.1.1 Purchasing a Second Home

A limited package of relocation support may be available if you have legitimate reasons for not selling your property at the old location and wish to purchase a second property at the new location.

Assistance will only be provided where the FC considers it essential that you take up post at the new location and the purchase of a second home is necessary to prevent domestic hardship, for example marital breakdown. Your family may continue living in the family home at the old location. It is your responsibility to ensure that you can afford both mortgages without assistance, as well as the full cost of furnishing your new property.

The FC may assist you with the costs of:

- Special Paid Leave ([Section 6.1](#))
- Preliminary Visit ([Section 6.2](#))
- Initial Travel to Take Up Your New Role ([Section 6.4](#))
- Hotels or Bed & Breakfast Accommodation ([Section 6.5](#))
- Buying a New Home ([Section 6.9](#))
- Interest Free Loan for House Purchase ([Section 6.11](#))
- Removals ([Section 6.12](#))
- Replacement and Re-fitting Expenses ([Section 6.14](#)), although your necessary expenses are expected to be minimal since you are not selling your property at the old location

The exact package of support that will be provided may vary, depending on your circumstances.

5.2 Employees Who Do Not Own a Property

If you do not own a property at the old location then the FC will support you to move into a rented property in the new location. You may choose to buy a property at the new location if you wish, however FC will not provide you with financial assistance to do so.

If you do not have a property to sell then the FC may assist you with the following costs:

- Special Paid Leave ([Section 6.1](#))
- Preliminary Visit ([Section 6.2](#))
- Partner Support ([Section 6.3](#))
- Initial Travel to Take Up Your New Role ([Section 6.4](#))
- Hotels or Bed & Breakfast Accommodation ([Section 6.5](#))
- Renting a Property ([Section 6.6](#)), where applicable
- Removals ([Section 6.12](#))
- Storage Costs ([Section 6.13](#)), if you are moving from an unfurnished rented property
- Replacement and Re-fitting Expenses ([Section 6.14](#)), although your necessary expenses are expected to be minimal since you did not own a property at the old location
- Additional Housing Cost Allowance ([Section 6.16](#))

Your HR Team will confirm which expenses are appropriate in your circumstances.

5.3 Changing From a Home Move to Daily Travel

If you initially decide to move your home but later decide that you would prefer to travel daily, the FC may allow you to change your mind within three months of your transfer date, provided that you have not already bought or sold property. You will be entitled to claim for your additional travel costs ([Section 4](#)) for three or five years from your date of transfer and should contact your dedicated HR Team as soon as possible to discuss your specific entitlements. The FC may seek to recover the difference between the expenses that have been incurred to date and the amount that you would have been entitled to claim for additional travel costs.

6. Expenses for Those Who Move Home

This Section details the financial assistance and support that the FC may provide you with, depending on your individual circumstances. Your dedicated HR Team will advise

you of your entitlements. For more information on how to claim reimbursement for the various expense types, please refer to [Section 7](#).

6.1 Special Paid Leave

You may request up to ten working days special paid leave during the relocation process. Special paid leave will be granted to allow you to undertake Preliminary Visits ([Section 6.2](#)) and to supervise the removal of your furniture and belongings from your old home (see [Section 6.12](#)).

Special paid leave should be authorised by your line manager in advance and recorded on your leave slip.

6.2 Preliminary Visit

Once you have agreed to take up a post in another location, you may make a visit to the local area surrounding your new work location. The purpose of the preliminary visit is to enable you to look for new accommodation, visit local schools or childcare providers, assess job opportunities for your partner and to familiarise yourself with the new area. You may request special paid leave to undertake your Preliminary Visit (see [Section 6.1](#)).

6.2.1 Travel & Accommodation Costs

The FC will reimburse the cost of travel by you and your family on return trips from your existing home to visit the new location. Reimbursement will be limited to the cost of standard class tickets on public transport or Public Transport Rate if you are travelling by car.

The FC will reimburse the actual costs of overnight accommodation and meal expenses for you and your family, within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

If you anticipate that your expenses are necessarily going to exceed these limits, for example as a result of you or a member of your family having a disability, you should make your HR Team aware of this.

6.2.2 Search Mileage

You will be reimbursed for the travel expenses that you (and your family) necessarily incur while searching for a property to rent or buy in the new location.

While you are travelling around the new area looking at properties, the maximum limit for reimbursement is 1000 miles at Public Transport Rate. You should claim for the number of miles travelled by car, or the actual cost of your ticket if you use public

transport, subject to the cost of 1000 miles at Public Transport Rate. If you have a CAPES car you may claim a maximum of 1000 miles at the appropriate CAPES mileage rate. The current mileage rates are set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

6.2.3 Searching For Accommodation After You Start Your New Job

If you do not undertake a Preliminary Visit before you take up your new role, you may still request special paid leave to search for a place to live or for schools after you have taken up your new post.

Where you have moved to the new location and you are staying in a hotel or B&B, you may claim reimbursement for your search mileage ([Section 6.2.2](#)). Alternatively, if you have not yet moved to the new location then you may also claim your travel to the new location and your accommodation costs ([Section 6.2.1](#)), as well as search mileage.

If your partner and children are still living at the old location and accompany you in your search, you may claim reimbursement for the actual costs of their travel to the new location and meal expenses, if they cannot stay with you. Claims must be within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

6.3 Partner Support

If your partner will be relocating with you, the FC can offer information and advice to help them find a job in the new location. This could include assistance with searching for jobs, creating CVs, completing application forms and preparing for interviews and will be provided internally by your HR Team. Please contact your HR Team for more information.

The FC's [Employee Assistance Programme](#) is also available to the partners and families of FC employees. The Employee Assistance Programme is a free, confidential service that offers support, information, expert advice and specialist counselling to employees and their families.

6.4 Initial Travel to Take Up Your New Role

When you make the journey from your old home to take up post at your new location, the FC will reimburse the travel costs incurred by you and those who will be relocating with you, including your partner, children who live with you and any other dependents. If you travel in your own vehicle then you may claim reimbursement for mileage at Public Transport Rate. CAPES car users will be reimbursed at the appropriate CAPES rate. Travel by public transport will be limited to the cost of standard/economy class tickets.

You may also claim reimbursement for the cost of meals and refreshments, where necessary, within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

6.5 Hotels or Bed & Breakfast Accommodation

If you need to stay in a hotel or Bed & Breakfast until you are able to find a new permanent home, you may claim reimbursement towards the cost of your accommodation and your food and refreshments, within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

The FC will reimburse accommodation and meal expenses for two months from the date that you take up your new post. This time limit may be extended if there are nights that you do not stay in the hotel or B&B, for example due to annual leave or official business elsewhere.

If your partner and/or family have not yet joined you at the new location, the FC may reimburse you for the costs of journeys home to visit them at weekends. No commercial accommodation expenses will be reimbursed over the weekend if you are staying in your own home.

The FC may agree to reimburse the reasonable travel costs of your partner and/or family visiting you at the new location instead, but this will usually be limited to the amount that would have been incurred if you had returned home.

6.5.1 Moving To the New Location Before Your Transfer Date

Exceptionally, if you move to the new location before you take up your new post, the FC will reimburse your accommodation costs, provided that you still have responsibility for mortgage or rent payments at the old location. This support will stop when your lease at the old location comes to an end or if you sell your property, thereby ending your dual commitment.

If you have to commute back to the old location to continue working there until your date of transfer, the FC may assist with your additional travel costs. This will be paid at Public Transport Rate or the appropriate CAPES rate if you travel by car or the cost of standard/economy class tickets on public transport.

6.5.2 Alternatives to Hotel or B&B Accommodation

If you prefer to stay with friends or family rather than in commercial accommodation, you may do so and should claim the Non-commercial Accommodation Rate, which is set out in [Staff Notice – Travel and Expenses Rates and Limits](#).

Alternatively, if you wish to rent a property rather than staying in a hotel or Bed & Breakfast, you should discuss your reasons with your HR Team and seek their approval before signing a lease. The FC may assist you with the cost of your actual rent, council tax and water rates for the first two months, as an alternative to commercial accommodation. Reimbursement will be restricted to the Rent Limit, as set out in [Staff Notice – Relocation Expenses Rates and Limits](#). For more information on temporary rented accommodation, please see [Section 6.6.1](#).

6.5.3 Staying in Hotel/B&B/Alternative Accommodation after 2 Months

If you have not moved from a hotel or B&B into a permanent home or a temporary rented property within two months, the FC may continue to reimburse the cost of your accommodation, but not your food and refreshments. Payment will be reviewed periodically and will only continue while you have a temporary dual commitment.

However if you are no longer responsible for paying a mortgage or rent at the old location, reimbursement of your accommodation costs will stop after two months from your date of transfer. Reimbursement will also stop after two months if your dual commitment is permanent, for example because you are transferring permanently but do not intend to sell your property at the old location and/or your family will continue to live at the old location.

6.6 Renting a Property

The FC may temporarily assist you with the costs of renting a property at the new location, for example if:

- you need to temporarily rent a property while you search for a new permanent home ([Section 6.6.1](#)); or
- you are moving from a rented property at the old location to another rented property at the new location and find yourself with a temporary dual commitment ([Section 6.6.2](#)).

6.6.1 Renting Temporarily While Searching for a New Home

You may move into temporary rented accommodation if you have not found a new permanent home in the two months following your transfer. Alternatively, if you moved into rented accommodation immediately after your transfer, you may continue living there while you continue your search.

While you are still responsible for paying mortgage or rent on your property at the old location, the FC will provide assistance towards your additional costs if you rent a property while you search for a property to buy or rent on a permanent basis. The FC will not support you to temporarily rent a property that is larger than your needs

require, unless a smaller property is not available. The FC also will not assist with the cost of your rent on a permanent basis.

If your family have not yet joined you at the new location, the FC will usually reimburse your actual rent payments and council tax for your temporary rented accommodation. Once your family join you, the FC will reimburse the lesser of: your actual rent, council tax and water rates at the new location; and your actual rent, council tax and water rates at the old location (if you are moving from a rented property) or a Continuing Commitments Allowance ([Section 6.15](#)) plus Temporary Additional Housing Cost Allowance ([Section 6.16.3](#)) (if you own a property at the old location).

Any income you receive from sub-letting a property will be deducted from the assistance provided by the FC.

6.6.2 Moving Between Rented Properties

If you are still responsible for paying rent for a property at the old location, the FC may temporarily assist you with the cost of renting a property at the new location.

The FC will usually reimburse the lesser of: your rent, council tax and water rates at the old location; or your rent, council tax and water rates at the new location. Any income you receive from sub-letting a property will be deducted from the assistance provided by the FC.

This support is only expected to continue for a few months, until your dual commitment ends. Where it would cost less to reimburse a penalty fee for terminating your lease at the old location early, the FC may reimburse the fee instead of assisting you with the cost of rent at the new location.

6.6.3 Tenancy Agreements

You may claim reimbursement for the fees charged by landlords or letting agents for drawing up tenancy agreements and carrying out reference checks. These costs may only be reimbursed once for each transfer.

6.7 Maintenance of Your Unsold Property

If your property has not sold when you move to the new location, the FC will reimburse you for the travel costs and expenses incurred in ensuring the property is kept in good condition. This will not be necessary if you are using the services of the Relocation Company as they will take responsibility for looking after the property.

Where you have removed your furniture, you may stay in a hotel while you are visiting your old property and claim reimbursement for the cost, within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#). If your home insurance premium

increases as a result of your property being unoccupied, the FC will reimburse the additional cost.

You will also be able to claim reimbursement for standing charges for gas, electricity, heating and water, upon production of receipted bills.

6.8 Selling Your Home

6.8.1 Selling Your Property

You are responsible for the sale of your property at the old location. You will be offered the opportunity to use the services provided by the FC's Relocation Company, including help with marketing, estate agents, solicitors, surveyors and rental agents. However you are not obliged to use the services of the Relocation Company and you may sell your property independently if you choose. More information on the assistance that the Relocation Company can provide is available in the [Relocation Company manual](#) or from your HR Team.

6.8.2 Expenses Associated With Selling Your Home

You may be reimbursed for the expenses that you incur as a direct result of the sale process, including solicitors' fees and estate agents' fees. The [HR Guidance - Relocation Expenses](#) provides a list of the types of expenses that you may claim.

6.8.3 Mortgage Redemption Penalties

Your mortgage lender may charge you an early redemption penalty if you want to switch to another lender or redeem your mortgage before the agreed end date. The early redemption penalty could be several months' interest or a percentage of your loan. Where you have to pay a penalty, the FC will reimburse you for this expense. The amount reimbursed will be limited to the equivalent of three months interest on your mortgage.

6.9 Buying a New Home

If you owned a property at the old location and will be purchasing a property at the new location, you may claim reimbursement for the expenses that you incur in purchasing the new property, including legal costs, survey fees and expenses related to your mortgage. The [HR Guidance - Relocation Expenses](#) provides a list of the types of expenses that you may claim.

The FC will not normally assist you to buy a property at the new location if you did not own a property at the old location. However in exceptional circumstances assistance may be provided where it has not been possible to find suitable accommodation to rent

in the new location. Consideration will also be given to assisting those who need to purchase a second home with some of the legal costs associated with the purchase.

If you choose to move home again for personal reasons you will not be eligible for reimbursement of any costs arising from the subsequent move.

6.10 Bridging Loan Costs

If you are selling your old property through the Relocation Company, they will release necessary funds as and when you need them to enable you to purchase a new property.

If you are selling your property independently, you may need to obtain a bridging loan from a bank or other approved lender to enable you to purchase a property at the new location before your old property has sold. This loan will provide you with the funds that you need to buy the new property and can then be repaid once you have the proceeds from the sale of your old home.

The FC will reimburse you for the interest charged by your lender on the loan amount, plus any charges that you incur in arranging the loan. Reimbursement will normally be limited to the interest that would have been charged if you had obtained a bridging loan through the Relocation Company. Reimbursement will only be made where the FC is satisfied that it is necessary for you to take out the loan and the amount you intend to borrow is appropriate to your circumstances.

You will be required to provide your HR Team with certain information about the loan and about your property. Details are included in the [HR Guidance - Relocation Expenses](#). The FC will not usually consider applications for reimbursement of bridging loan costs until your property has been up for sale for at least three months.

6.10.1 Repaying the Bridging Loan

You must repay the bridging loan immediately when you sell your property at the old location. The [HR Guidance - Relocation Expenses](#) provides more information on repaying a bridging loan.

If your property sells for less than the amount of the bridging loan then the FC will still reimburse the interest charged on the full amount of the loan. However it will be your responsibility to repay the outstanding loan to the lender.

Your HR Team will require details of any offers made to purchase your property. This will be used to determine whether you are making every effort to sell at a reasonable price and it is still reasonable for the FC to continue reimbursing the interest charges on your bridging loan.

6.11 Interest Free Loan for House Purchase

You may request an interest free loan from the FC to help you buy a property at the new location. An interest free loan may be available to you if:

- you are purchasing a house at a new location where the average house prices are higher than your old location, or you are a first time buyer; and
- you have a mortgage shortfall at the new location (you have negative equity and find that you do not have sufficient funds to buy a property at the new location).

The interest free loan will not exceed the difference between the purchase price of the new property and the maximum mortgage available to you plus the proceeds from the sale of your old home.

Details of how you should apply for this support are provided in the [HR Guidance - Relocation Expenses](#).

6.11.1 Payment and Repayments

You will be paid the loan as a lump sum ahead of your date of completion on your new home. You are required to repay over a ten year period and repayments will be deducted automatically from your monthly salary.

The maximum loan that you will be given will be the equivalent of 6 months gross salary, based on your salary at the date of transfer. Where reasonable structural repairs are required to make your new property habitable, the FC may also agree to increase the amount of your loan, to cover the repair costs. In exceptional circumstances, for example if you had negative equity on your old property, the FC may permit a loan of up to a maximum of 12 months gross salary.

It is your responsibility to ensure that you can repay both the mortgage and the interest free loan. Before accepting the loan, you are advised to assess the likely impact of repayments on your personal finances and to seek independent financial advice if necessary.

The FC will require immediate repayment of the loan if you leave the FC and may also require repayment if there are other changes to your circumstances. It is therefore important that you inform your HR Team of any changes to your circumstances. For more information please refer to the [HR Guidance - Relocation Expenses](#).

6.11.2 Tax Position of Interest Free Loans for House Purchase

You are not required to pay interest on the loan, but are responsible for paying tax on the notional amount of interest, as HM Revenue and Customs regards this as a beneficial loan for tax purposes. You will not be required to pay tax if the total combined balance

outstanding on all your beneficial loans, including any loans under [HR Procedure – Pay](#), remains less than £10,000.

The FC maintains a list of all interest free loans for house purchase. Following the end of each tax year, the FC will notify HM Revenue and Customs of the outstanding balance that is still to be repaid. HMRC will normally adjust your PAYE code in order to collect the necessary tax from your earnings.

6.12 Removals

The FC will reimburse the cost of moving your furniture and belongings from your old home to your new home or to temporary storage and later to your new home.

You may request special paid leave to supervise the removal of your furniture and belongings, please see [Section 6.1](#) for details.

6.12.1 Eligible Items for Removal

While most of your furniture and belongings will be eligible for removal at the FC's expense, certain items will incur an additional removal cost and the FC will not reimburse you for this. For a list of the eligible and ineligible items, please refer to the [HR Guidance - Relocation Expenses](#).

6.12.2 Selecting a Removal Company

You are encouraged to arrange your removals through the Relocation Company, who have access to a panel of removal firms offering discounted rates. You can use the firms on the panel even if you have decided not to use the other services of the Relocation Company.

If you choose not to use a removal company on the panel, reimbursement will be restricted to the cost of using a company from the panel. You will be required to obtain competitive tenders from potential relocation companies, please refer to the [HR Guidance - Relocation Expenses](#) for more information on the process to follow.

Where you do not require a removal company and can transport your belongings yourself, the FC will reimburse you for the cost of hiring a self-drive van, plus fuel.

6.12.3 Travel and Expenses

You will be reimbursed for your travel, food and refreshments, and overnight accommodation while you are supervising removals, if you are unable to stay in your old or new home. Where your partner and family accompany you to your old home to supervise removals, or attend on your behalf, reimbursement can also be claimed for their travel and expenses.

Reimbursement will be within the limits set out in [Staff Notice – Travel and Expenses Rates and Limits](#). Where travel is by car, this will be reimbursed at Public Transport Rate for private cars or at the appropriate CAPES rate for CAPES car users. Where public transport is used, reimbursement will be limited to the cost of standard/economy class tickets.

If you cannot immediately move into your new home because your furniture is in transit then you can claim the actual costs of your overnight accommodation and meals for up to three nights.

6.12.4 Dependent Relatives

If you have dependent relatives, for example in a nursing home or residential care, and you are moving them to accommodation that is closer to your new work location, the FC will reimburse the cost of removal and any necessary temporary storage of their furniture and personal effects.

6.13 Storage Costs

Where it is necessary to temporarily store your belongings, the FC will reimburse the cost of storage. The amount reimbursed will be the amount by which your rent payments and storage costs at the new location (including insurance for belongings kept in storage) exceed your outgoings at the old location. If your new outgoings are less than your outgoings at the old location then storage costs will not be reimbursed. The FC will only reimburse storage costs until you move into permanent accommodation.

Storage costs may be reimbursed directly or as part of a temporary Additional Housing Cost Allowance, where applicable (see [Section 6.16.3](#)). Your HR Team will advise you of how reimbursement will be made.

6.14 Replacement and Re-fitting Expenses

The FC will also reimburse the actual costs of miscellaneous expenses that you incur as a direct result of your relocation. This may include replacing, altering or re-fitting domestic items which could not be transported from your old home and used again in your new home.

The total amount that the FC will reimburse for your various Replacement and Re-fitting Expenses will be restricted to a maximum limit, which is set out in [Staff Notice – Relocation Expenses Rates and Limits](#).

As with all expenses claims, the FC will only reimburse you for expenditure that is reasonable and necessary. You must submit your receipts with your claims. The intention is to help you replicate the items that you had in your old home and the FC will

not provide financial assistance to enable you purchase new and improved fixtures and fittings for your new home.

The FC will not reimburse you for the replacement and refitting of any item that is included in the sale of your old home.

For a list of the types of Replacement and Re-fitting Expenses that the FC will reimburse, please refer to the [HR Guidance - Relocation Expenses](#).

6.14.1 Eligibility for Reimbursement

You will be reimbursed for Replacement and Re-fitting Expenses if you are permanently relocating your home. If you are not selling your property at the old location, or you are moving between furnished rented properties, you may exceptionally be eligible to claim reimbursement for certain Replacement and Re-fitting Expenses, but your necessary expenditure is expected to be very minimal.

You may not be permitted to claim reimbursement for Replacement and Re-fitting Expenses if:

- you choose not to remove items from your old property which could reasonably have been used in your new property;
- you purchase items for your new property that you did not own in your old property (or did not own an equivalent item);
- you choose to make home improvements to your new property, for example if you decorate it to suit your tastes; or
- you are able to move into a property that you already own, for example if you transfer back to a previous work location where you kept a property.

6.15 Continuing Commitments Allowance

You may be entitled to a Continuing Commitments Allowance if you and your family have moved to the new location and your property at the old location is up for sale. This temporary allowance is designed to help you with your ongoing commitment for expenses for your property at the old location, such as mortgage, council tax and water rates.

Payment of Continuing Commitments Allowance will continue until your property at the old location is sold and your dual commitment ends. This is provided that the FC is satisfied that you are making every effort to sell your property at a reasonable price. If you are using the services of the Relocation Company, Continuing Commitments Allowance will also stop when you purchase a new property.

The allowance will be calculated based on the amount of mortgage to be redeemed on your property at your old location, multiplied by a Mortgage Interest Factor, rather than your actual monthly mortgage payments. The current Mortgage Interest Factor is detailed in [Staff Notice – Relocation Expenses Rates and Limits](#).

For full details of how Continuing Commitments Allowance is calculated, please refer to the [HR Guidance - Relocation Expenses](#).

Where the cost of your temporary rented accommodation is higher than the cost of your outgoings at the old location, you may also be entitled to a temporary Additional Housing Cost Allowance (see [Section 6.16.3](#)). The amount that you will receive in Continuing Commitments Allowance and temporary Additional Housing Cost Allowance together should approximately match your additional outgoings.

If any part of your property is sub-let, the amount of rent that you receive will be deducted from the Continuing Commitments Allowance payable.

6.15.1 Tax position of Continuing Commitments Allowance

Continuing Commitments Allowance is not taxable and you should claim the appropriate daily rate in the Relocation Expenses Management System. For more information on how to claim, please refer to [Section 7](#).

6.16 Additional Housing Cost Allowance (AHCA)

You may be eligible to receive an Additional Housing Cost Allowance if:

- you move to an area where average property prices are greater than those at the old location; and
- your outgoings at the new location, including mortgage or rent plus other living costs such as council tax, water rates and buildings insurance, are higher than at your old location.

The FC uses average property prices determined by Cartus to objectively assess whether the area that you are moving to is considered more expensive than your previous location.

You will not normally be eligible for an Additional Housing Cost Allowance if you are moving into a rented property where you previously owned your own home, or if you purchase a property where you previously lived in a rented property. However in exceptional circumstances an Additional Housing Cost Allowance may be appropriate. For more information please refer to the [HR Guidance - Relocation Expenses](#).

6.16.1 Calculating AHCA

The maximum limit for annual AHCA is calculated on the basis of the difference in average prices for a similar type of property in the old and new locations, multiplied by the Mortgage Interest Factor. Details of the current Mortgage Interest Factor are available in [Staff Notice – Relocation Expenses Rates and Limits](#).

The Additional Housing Cost Allowance that you will actually receive will reflect your additional outgoings at the new location, including rent, mortgage interest, council tax, water rates and insurance.

The [HR Guidance - Relocation Expenses](#) details the calculations that your HR Team will carry out where the average price of a property in the new area is higher than in the old area. The FC recognises that the actual prices of your old property and the property that you intend to buy may be higher or lower than the average prices for the area, due to local factors. Your HR Team can provide an estimate of the AHCA that you may be entitled to, prior to you purchasing a property.

Where the average prices of similar properties in the new area is either the same or lower than properties in the old area, an Additional Housing Cost Allowance may be payable on other outgoings, such as buildings insurance, council tax and water rates. For further details of how AHCA is calculated, please refer to the [HR Guidance - Relocation Expenses](#).

6.16.2 Payment of AHCA

Additional Housing Cost Allowance is a taxable allowance which will be paid as a fixed monthly amount along with your salary. Payment will begin when you buy your permanent home at the new location. Payment of Additional Housing Cost Allowance will continue for seven years.

The amount of AHCA will only be revised to take account of changes in the Mortgage Interest Factor, but will not be recalculated if there are changes in average property prices.

6.16.3 AHCA for Temporary Rented Accommodation

You may be entitled to a temporary Additional Housing Cost Allowance if you and your family have to move into temporary rented accommodation at your new work location and your actual outgoings are higher than they were at the old location. Once calculated, the AHCA will not be revised to take account of any changes in the amount of rent that you actually pay.

Temporary Additional Housing Cost Allowance will not normally be paid for more than one year, although this may be extended in certain circumstances. Temporary AHCA will be paid from the date that you move into the temporary property at the new location.

AHCA will be limited to the average property price differential between the old and new areas, multiplied by the Mortgage Interest Factor. The allowance that will be paid is based on the difference between the rent or mortgage and other outgoings at the old and new locations multiplied by the Mortgage Interest Factor. Council tax and water rates will be included, but charges for heating, lighting and services will not.

Payment of this allowance will be reviewed regularly to ensure that you have been trying to find a permanent place to live and ensure that continued payment is justified.

If you move into a permanent home then your entitlement to temporary AHCA will cease and will be recalculated as a full AHCA. You will receive the allowance at the recalculated rate for seven years from the date that you move into your permanent home.

In exceptional circumstances, if you are still living in a temporary rented property three years after your date of transfer, the temporary property will be regarded as permanent. AHCA will continue for no more than seven years from the date that payment of AHCA began.

6.16.4 Tax Position of AHCA

AHCA is not included in the HMRC list of expenses that are eligible for tax relief. The allowance is therefore fully taxable. However the FC recognises that the nature of the allowance is to assist you with the financial burden at your new location and will therefore 'gross up' the allowance that you receive so that the FC pays the tax due on your behalf.

7. Claiming Reimbursement

You should only claim reimbursement for costs that you have actually and necessarily incurred. Relocation expenses claims should normally be submitted via the [Relocation Expenses Management System](#), although in some instances you may be required to submit your claims on a [C180 Travel Claim](#) form or in the [Employee Expenses Management System](#). Your HR Team will advise you if this is the case.

When submitting your claims, you must also send copies of your receipts to your dedicated HR Team. Claims submitted via the Relocation Expenses Management System or on a C180 form will be approved by your HR Team before reimbursement will be made.

You do not have to submit a claim where your HR Team has arranged for a particular allowance to be paid monthly through the payroll system. Payment will be made automatically.

Alternatively, if you have a Government Procurement Card then you may use this to pay for your relocation expenses, provided that you ensure expenses are charged to the appropriate cost centre. You must send a copy of your reconciled GPC statement and copies of your receipts to your HR Team at the end of each month.

For more information on the claims process, please refer to the [HR Guidance - Relocation Expenses](#).

7.1 Time Limits for Submitting Claims

You must submit your claims as soon as possible after you incur the expenditure. Claims for one-off expenses should be made within one month of the expenditure. Claims for additional travel costs should be submitted monthly, one month in arrears. Due to difficulties in checking, claims received more than three months after the period that they refer to may not be processed.

HM Revenue and Customs require that all claims for permanent relocation are submitted and reimbursed by the end of the tax year that follows the year in which you take up your new post in order for eligible expenses to be tax free. Therefore, you must ensure that your claims are submitted within this timescale. Claims submitted after this time will be subject to tax and NIC including eligible expenses that would have fallen within the tax free limit had you submitted your claim in time. This will be paid on your behalf by the FC, thus creating unnecessary costs to the FC.

7.2 Advances

If you do not have the money available to cover your anticipated expenses then your HR Team may be able to provide you with an advance so that you can purchase the goods or services. Alternatively, if you have a Government Procurement Card (GPC) then you can use this to make the purchase. For more information on requesting an advance or using your GPC to pay for items relating to your relocation, please refer to the [HR Guidance - Relocation Expenses](#).

7.3 False Claims

Fraudulent claims will be regarded as gross misconduct, for which the penalty could include dismissal. If you accept a payment or allowance that you know you are not entitled to this is also fraud.

8. Paying Tax on Relocation Expenses

Under HM Revenue and Customs tax rules, the FC can reimburse each employee for up to £8,000 of 'eligible expenses' relating to a single relocation, without the employee having to pay income tax on the amount reimbursed.

However tax does have to be paid on:

- expenses or allowances that are paid to you after your total relocation costs have exceeded £8,000;
- certain expenses that are not eligible for any tax relief; and
- expenses or allowances that are paid to you after the HMRC time limit for reimbursement of relocation costs (the financial year following the financial year when your transfer took place).

In most cases, the FC will pay HMRC the required tax on the relocation expenses that are provided to you. Exceptionally you may be required to personally pay the tax and where this is the case you will be advised by your HR Team.

9. Changes in Personal Circumstances

If your circumstances change after you have relocated, your entitlement to certain allowances or repayment terms may also change. It is therefore important that you inform your dedicated HR Team. For more information on the types of change that could affect your entitlements, please refer to the [HR Guidance - Relocation Expenses](#).

10. Repayment of Allowances

You will be required to repay all or a proportion of the relocation costs if you resign, retire voluntarily, or are dismissed by the FC on grounds of misconduct within 24 months of the date you relocate.

Before receiving any relocation expenses or associated allowances, you will be required to sign a relocation repayment agreement confirming that you accept the potential obligation to repay all or part of the amount made to you, and that the FC is entitled to deduct sums from any salary due to you if you leave within the specified period. If your salary is insufficient to repay the full amount due to the FC, you will still be required to repay the balance due. The amount payable is reduced proportionately as follows:

| Period of service (from date of relocation) | Amount to be repaid (as a % total expenses) |
|--|--|
| Leaving within the first 12 months | 100% |

| | |
|----------------------------------|-----|
| Leaving between 13 and 18 months | 50% |
| Leaving between 19 and 24 months | 25% |

The Chief Executive/Country Head/Director, Central Services have the discretion to waive or reduce the scale of the repayment taking into consideration the circumstances surrounding your resignation, retirement, or dismissal.