Permanent Transfer Order

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INTRODUCTION
PERMANENT TRANSFER ORDER

INTRODUCTION

This Order sets out the terms and conditions governing reimbursement by the Prison Service of expenses incurred by staff, except Industrials, as a result of permanent compulsory transfers (‘public interest transfers’) within, and into, the Prison Service.

The terms governing transfers within, and into, the main Home Office and other agencies are published separately by the Home Office; those governing transfers into the Fire Service College will be advised as necessary in the notices inviting applications to fill posts there.

This Order represents a comprehensive statement of the rules, terms and conditions governing payment of transfer expenses. It supersedes all relevant paragraphs of the Civil Service Pay and Conditions of Service Code, General Circulars and other Treasury Circulars on the subject, and all previous Home Office Notices and Prison Service Notices to staff on the subject of permanent transfer expenses, except those referred to in the text. It should be referred to both by staff who are transferring and those in personnel offices who are responsible for administrating these rules.

Future amendments, and in particular periodic changes in rates of allowance, the list of average house prices and the mortgage interest factor, will be published in Prison Service Instructions, and in subsequent amendments to this Order.

The Prison Service Trade Union Side, Prison Officers Association and the Prison Governors Association have been consulted about the terms of this Order. The provisions in this Order may be varied in the future, after consultation with the Trade Unions.

Staff are reminded that in completing an expenses claim, they declare that the amounts claimed are in strict accordance with the rules of the Prison Service. Claiming monies to which you are not entitled may, depending on the circumstances, constitute grounds for disciplinary and/or criminal action.

Full details of entitlements are included in this Order, but in general there is an entitlement only where expenditure is necessarily and actually disbursed on official business.

Certifying officers are reminded that, in signing a claim, they confirm that the travelling arrangements were the most efficient and economical, having regard to all the circumstances.

Where there is any doubt over entitlement, staff should consult their Business Link Team or, locally, the Head of Management Services, Head of Group or Service.
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CHAPTER ONE

GENERAL
Chapter One - GENERAL

1.1 General rules and advice

1.1.1 Scope of the public interest transfer

The terms of your transfer are set out in the posting notice or letter which tells you the date of transfer.

1.1.2 The rules and guidance in this order will apply only if you are posted on permanent compulsory transfer terms at public expense (‘a public interest transfer’).

1.1.3 The decision to authorise a public interest transfer rests with the officer responsible for posting you, in consultation with the appropriate line manager/budget manager.

1.1.4 If this also entails a move of home within the provisions of this order (‘a move of home at public expense’), this must be authorised by your Business Link Team.

1.1.5 Before accepting postings, staff should be aware of the limitation of assistance available towards mortgage redemption shortfalls (‘negative equity’). See paragraph 5.9 for details regarding this.

1.1.6 If you accept a posting advertised with restrictive terms (e.g. with payment of excess fares allowance only) then the restriction overrides the general rules and principles in this chapter.

1.1.7 You must not commit yourself to expenditure on a move of home until your Business Link Team has confirmed that these costs will be met from public funds.

1.1.8 Generally, expenses resulting from a public interest transfer will be reimbursed strictly in accordance with the rules in this order.

1.1.9 However, there may be exceptional cases in which rigid application of the rules results in a member of staff being seriously out of pocket. In such cases the Prison Service may exceptionally meet or contribute to additional costs which are actually and necessarily incurred, up to a limit of £5,000. Exceptional payments above this amount will need to be referred to the Treasury by your Business Link Team.

1.1.10 Principle of reimbursement

The general principle underlying these rules is that reasonable expenses necessarily incurred should be reimbursed.

1.1.11 However, you should note that not all expenses qualify for reimbursement; in particular the Prison Service will not reimburse hypothetical expenses, such as compensation to staff who sell their furniture instead of moving it.

1.1.12 No compensation will be made for:

- fluctuations in the house market and any equity loss suffered by a member of staff on the sale of property (except in the circumstances described in paragraph 5.8.2);
- the loss of a spouse’s income.

1.1.13 Long-term detached duty
Occasionally staff may be posted on long-term detached duty terms. Detached duty is considered 'long-term' if, when it begins, it is expected to last for more than one year. The terms and conditions for this will be found in the Travel and Subsistence order.

1.2 Move of home

1.2.1 A public interest transfer does not automatically mean that the Prison Service will pay for you to move home. Before approving a move of home for the purpose of paying allowances and expenses, your Business Link Team, in consultation with your line manager/budget manager must be satisfied that:

- a move of home is necessary; and
- your proposed new home is within reasonable distance and travelling time of your new place of work, so that you will be able to carry out the requirements of your post fully and effectively.

1.2.2 In deciding whether a move of home can be approved, your Business Link Team will first consider whether you already live within reasonable daily travelling time of your new workplace.

1.2.3 If this is within the London pay area, you will normally be expected to travel daily for up to 90 minutes each way between your home and work; outside the London pay area, you will be expected to travel up to about 75 minutes each way.

1.2.4 If the journey between your current home and your new workplace is within these limits, a move of home may still be approved if your Governing Governor/Head of Group or Unit says you need to move for operational reasons. For example, your new post may require you to start work very early or to be on call, so that you need to live closer to it than your present home; or the new journey, even though within the limits described above, may be exceptionally complicated or susceptible to traffic congestion.

1.2.5 If you are applying for a move of home for a shorter distance, the written recommendation of your Governing Governor/Head of Group or Unit will be required.

1.2.6 The Prison Service will expect you to move within a reasonable distance and travelling time of your new workplace.

1.2.7 Where a move of home at public expense has been authorised in a borderline case (that is, per paragraphs 1.2.4 - 1.2.5), where your current home is only just outside reasonable travelling distance of your new workplace, or where an exceptional move of home has been authorised, the location of your new home must be chosen to significantly reduce the time and/or complexity of the journey to and from your place of work.

1.2.8 You should seek approval for the new location from your Business Link Team before you enter into any financial commitment.

1.2.9 If a transferred member of staff has a partner in the Service (including other Government departments and Agencies) who is also granted a public interest transfer, either partner but not both - may claim expenses.

1.2.10 Procedure for approval of a move of home

The decision on whether or not a move of home at public expense is authorised for the purpose of reimbursing costs will be taken by your Business Link Team on the basis of the information you supply on form ACC 11 0, which will be sent to you by the person dealing with your transfer.
1.2.11 You must complete this form without delay and send it to your Business Link Team with a copy of your transfer notice.

1.2.12 ACClIO’s submitted more than three months after date of transfer will not normally qualify for reimbursement of permanent transfer allowances.

1.2.13 Permanent transfer without a move of home

If you are posted on public interest transfer terms but decide not to move home, or if the Prison Service does not approve a move of home (as above), you may still be able to claim Excess Fares Allowance (EFA), for which details are given in Chapter 11; this allowance is taxable and subject to deduction of National Insurance Contributions.

1.2.14 Allowances for a move of home

The allowances payable for a move of home will vary according to your domestic circumstances at your previous place of work (your ‘old station’) at the date of transfer.

1.2.15 They depend on whether you are married or not, and whether you were a householder at the old station. Together these two factors establish your status for the purpose of paying allowances. The definitions of ‘married’ and ‘householder’ are contained in Annex 1 to this order.

1.2.16 The chart in Annex I summarises the allowances and payments to which you may be entitled, depending on your status. You should read carefully the detailed rules about each allowance to understand your entitlement.

1.2.17 Betterment

The Prison Service does not stipulate what kind of home you buy or rent at your new workplace, and there is no objection to you improving your housing standards when you move home. However, betterment may not be obtained at public expense.

1.2.18 In particular, an advance of salary (AOS), see Chapter 5.1.3, may not be used to subsidise an improvement in your standard of housing on transfer. If you apply for an advance of salary, a house comparison will be made by your Business Link Team and you will be required to submit the relevant estate agents’ details in support of your application.

1.2.19 Part of accommodation used for business purposes

If any part of your accommodation either at the old or the new location was or is used for purposes other than as your residence (e.g. as a farm, boarding house or shop), the Prison Service will reimburse only a proportion of the costs relating to the residential element.

1.2.20 Requirements when you move home at public expense

If a move of home is authorised, you must move as soon as possible after you receive authorisation from your Business Link Team.

1.2.21 If you are an owner-occupier and must sell your house before you can buy one at your new workplace, you should put your existing house up for sale immediately on the date of transfer. If you do not, it may affect your entitlement to certain allowances such as Lodging Allowance (paragraph 7.3.3) and Continuing Commitments Allowance (Chapter 9.3).
1.2.22 **You must not seek an unreasonable price for your house**

1.2.23 There are two ways of selling your old house: through the relocation company contracted by the Prison Service (see Chapter 3) or privately.

   The use of the relocation contractor is the method strongly preferred by the Prison Service and takes the burden of marketing the house away from you, but is not obligatory. However expenses such as lodging allowance, bridging loans, continuing commitment allowance and temporary excess fares allowance may be limited to 12 months, please refer to the relevant chapters in this Order. If you choose to market the property privately, you are expected to market at a realistic price supported by estate agents' letters, in order to achieve a quick sale.

1.3 **Taxation**

1.3.1 Transfer expenses paid to staff who transferred on or after 6th April 1993 are liable to Income tax; where staff were committed to a transfer before this date and took up duty in the new post before 1st August 1993, there is no liability.

1.3.2 Income tax on Taxable Housing Costs Allowance (THCA), see Chapter 10 for details, and certain other non-eligible relocation expenses is deductible under PAYE, but the allowance will be grossed up to take account of tax at the basic rate.

1.3.3 Certain other transfer expenses will be eligible for tax relief up to a total limit of £8,000 per move. Payments in excess of this are reported annually by the Prison Service to the Inland Revenue.

1.3.4 The Prison Service will compensate staff for the tax liabilities arising from moves of home. Apart from tax deducted under PA YE, tax bills will be paid by the Prison Service direct to the Inland Revenue, and individual staff need take no action.

1.3.5 The Prison Service will not compensate staff for tax liabilities resulting from Excess Fares Allowance (EFA), except as detailed in paragraph 11.12, or Advances of Salary (AOS).

1.3.6 Procedural guidance for Heads of Management Services/Personnel will be issued each tax year.
CHAPTER TWO

HOW TO CLAIM TRANSFER ALLOWANCES
Chapter Two - HOW TO CLAIM TRANSFER ALLOWANCES

2.1 Where to claim

2.1.1 If you work in:
- a Prison establishment; or
- a Prison Service College establishment; or
- Supply and Transport services or other units located in Crown House, Corby.

you should submit your claims to the local cashier.

2.1.2 Most claims can be paid locally (see Annex 2); those that require outside authorisation should be made on form FCS 031, to be submitted via the local cashier to your Business Link Team.

2.2 Only original claim forms, duly signed and certified, must be sent. In urgent cases, claims may be sent by fax with the original to follow by post or internal mail.

2.3 If you do not work at one of the places in paragraph 2.1.1, you should send all FCS 031 claims directly to your Business Link Team.

2.4 Allowances authorised specifically on form ACC11 (e.g. Lodging allowance, temporary excess fares, etc) must not be varied without reference to your Business Link Team.

2.5 Claims

Unless you are claiming flat rate allowances, your claim should refer to actual expenditure incurred, supported by clear evidence in the form of receipts that the sums claimed have actually been paid.

2.6 You must provide all the documentary evidence requested on the application forms. Failure to do so may delay payment, or the claim may be refused.

2.7 Claims must be signed by you and countersigned by your line manager, unless you are Governing Governor or Head of Unit or above or unless the requirement has otherwise been waived by your Business Link Team. The countersigning officer should be of a higher grade than yourself, and not below HEO grade or equivalent. Exceptionally the certifying officer as Head of Management Services may be an EO.

2.8 If you submit an uncertified claim, it will be sent straight back to you and payment will be delayed.

2.9 Late claims

2.9.1 You should submit claims promptly. Late claims may be difficult to check and will only be accepted if there is good reason for the delay.

2.9.2 Claims should be made within one month of incurring the expenditure; in the case of lump sum payments such as transfer grants, and long-term allowances like continuing commitments allowance, claims should be made within three months from the date when you were first eligible.
2.10  **Advances**

An advance of funds (‘an imprest’) can be issued locally to meet forthcoming approved expenditure. Imprests will not be issued until your Business Link Team have approved either a move or home, or payment of excess fares allowance.

2.11  If you require an imprest, you should apply as follows:-

- if you work in a prison, college, or Supply and Transport branch, apply to the local cashier; in Abell House, the cashier may also be able to advance small amounts:  
- if elsewhere, apply to your Business Link Team on form FCS 030.

2.11.1 You should give four weeks notice where possible, and provide full details, and any copies of written estimates.

2.12  You may not claim and will not be paid an imprest for:

- Transfer grant;  
- Advance of salary for house purchase;  
- Additional Housing Costs Allowance (AHCA);  
- Taxable Housing Cost Allowance (THCA).

2.13  Once you have made payment of the expenses for which the imprest was given, you must submit a certified and receipted claim in order to clear the outstanding amount.

2.13.1 On the claim form you must clearly state the value of the imprest issued to you. If the value of your claim is less than the imprest, a cheque for the balance, made payable to the Prison Service, Accounting Officer, must be attached. You may not keep any balance to set against future expenditure.

2.14  Further applications for imprests may be withheld if an outstanding imprest has not been cleared within three months, and recovery effected from other claims or salary.

2.15  *The Prison Service may demand repayment of the imprest at any time. If you do not pay, it will be stopped from your salary.*

2.16  *An imprest is issued for specified purposes in connection with official business. If you use it for other purposes, you may be guilty of a serious offence and subject to disciplinary action.*
CHAPTER
THREE

SELLING YOUR OLD HOME
AND FUNDING THE PURCHASE
OF YOUR NEW HOME
CHAPTER 3

SELLING YOUR OLD HOME AND
FUNDING THE PURCHASE OF YOUR NEW HOME

3.1 Relocation Company Scheme

3.1.1 Outline of the scheme

The essence of the scheme is that the relocation company offers you a guaranteed price for your property at the old station.

3.1.2 If you accept, the relocation company will advance you the funds necessary to complete the purchase of your property at the new station (up to the guaranteed price); and when you leave the old property the relocation company will take over the maintenance, insurance and marketing of it and its final sale to a third party. The Prison Service pays all the above charges made by the relocation company.

3.1.3 There are additional services offered by the relocation company which staff must pay for if they choose to use them.

3.1.4 The scheme gives staff greater bargaining power as purchasers, as they are effectively cash buyers.

3.2 Eligibility

3.2.1 The service may be used by all staff undertaking a public interest transfer for whom a move of home has been authorised, and who are both selling their home at the old station and intend to purchase a property at the new station.

3.2.2 Staff who are joint owners of the property at the old station may apply provided that the other joint owner is his or her spouse or partner in an established relationship as defined in Annex 1 and will be joining the applicant at the new station.

3.3 How to apply

3.3.1 When your Business Link Team approve a move of home for a public interest transfer, they will send you an application form and details of the scheme.

3.3.2 This form must be completed and returned to your Business Link Team who will pass it on to the relocation company; it must not be sent direct to the company.

3.4 Details of the scheme

3.4.1 Guaranteed price

The guaranteed price is a price based on assessments by two (or in some circumstances, three) independent valuers of the fair market value of your property, that is the price at which it is likely to sell.

3.4.2 This is not the same as, and in many cases will be lower than, the asking price at which the property is put on the market by an estate agent, which allows for bargaining.

3.4.3 The price offered by the relocation company is guaranteed - it will not be bargained down. If you accept the guaranteed price it does not mean that your property must immediately be marketed at that price (see below).
3.4.4 The relocation company is not under obligation to offer a guaranteed price (although it usually does), if for any reason it considers that the property is likely to attract only a narrow range of potential buyers.

3.4.5 If this applies, you should discuss your situation with your Business Link Team. Solutions in these cases will be individual, and it is not possible to give detailed examples.

3.4.6 The valuers

You choose one of the two valuers who carry out the assessments and the relocation company chooses the other.

3.4.7 Both valuers are instructed by the relocation company in identical terms and the valuations are delivered to the relocation company; the Prison Service pays for them. The only stipulations in your choice are that the valuer you choose must be qualified (RICS or ISVA), should be local, and should not be the estate agent currently marketing your property.

3.4.8 The relocation company may, if you ask them to, offer you a list of possible valuers, drawn from the Chartered Surveyors’ Yearbook, but you are not obliged to follow it - the choice is for you to make, subject to the stipulations above.

3.4.9 Basis of the valuations

The valuers provide factual information about the property, draw attention to any aspects of it or its condition which may affect price, and give their opinion as to its open market value based on their knowledge of local property and sales which have been made. In the instructions to the valuers, ‘open market value’ is defined as the best price at which the property might reasonably be expected to have been sold unconditionally at the date of the valuation, assuming:

- a willing seller;
- that a reasonable selling period has been allowed having regard to the type of property and the state of the market, including time for negotiation and completion;
- that the property has been actively marketed during that time;
- that the date of valuation is assumed to be the date of completion of the sale of the property;
- that no account is taken of any additional bid by a prospective purchaser with a special interest.

3.4.10 This is not the same as a forced sale value, which presupposes that the property must be sold within 90 days. The guaranteed price is based only on the open market value.

3.4.11 The valuers will however also be asked to recommend an asking price and to give their opinion on the forced sale value. This information will assist the Prison Service in considering offers received when your property is marketed.

3.4.12 Calculation of the guaranteed price

The guaranteed price is the average of the two open market valuations, provided the figures are within 5% of each other.
3.4.13 If they are not, a third valuation is done - you choose the third valuer - and the guaranteed price will then be the average of the two closest open market valuations. If the valuations are equidistant, the average of all three will be taken.

3.5 The offer

3.5.1 The relocation company will write to you making an offer of a guaranteed price; their letter will quote the open market values provided by the valuers on which the calculation of the guaranteed price is based.

3.5.2 The offer will include all items you wish to sell with your house, such as carpets, curtains, light fittings; it is helpful if you provide the valuers with a list of these items when they visit your home.

3.5.3 Initially, the guaranteed price may be conditional on the results of further tests and the relocation company reserve the right to amend the guaranteed price in the light of these. If there are special conditions, e.g. retention of part of the guaranteed price pending the satisfactory execution of remedial work to the property, these will be clearly stipulated in the offer letter.

3.5.4 If you are dissatisfied with the guaranteed price offered, and you have hard evidence, preferably of sales of property comparable to your own, which does not support the open market value assessed by the valuers, you should write to the relocation company with the details, so that the valuers can be asked to reconsider their valuations in the light of any new facts.

3.5.5 If, after that, you are still in serious dispute about the guaranteed price, you should contact your Business Link Team who will discuss the case with the relocation company and with you. Following this discussion, copies of the valuation reports can be made available to you through your Business Link Team.

3.5.6 Accepting the offer

You should normally decide whether to accept within 14 days of the date of the offer. If for any reason you wish to extend the offer period you should write direct to the relocation company. explaining your reasons and circumstances fully.

3.5.7 If you accept the offer you will receive two documents from the relocation company:

3.5.8 A Sale Agreement, which is the document by which the relocation company will acquire your home; and

3.5.9 A Power of Attorney in favour of the relocation company, which enables the relocation company to take over your home without incurring stamp duty. You will need to sign both these documents, but before doing so you are advised to consult your solicitor. The documents are straightforward, but since they carry legal implications, you should be assured by your solicitor or legal adviser that it is in Order for you to sign.

3.6 Funds for purchase of a new home

Normally, by the time you require funds for the purchase of your new home, your old property will not yet have been sold on to a third party by the relocation company, and so funds will not have been realised from a sale.
3.6.1 Any advances made to you are therefore strictly a loan, the interest on which is paid by the Prison Service.

3.6.2 Funds will be released to you as follows:

- **Deposit on exchange of contracts.** When you have found your new home, you notify the relocation company through your solicitor when you need the deposit. Provided all the legal formalities have been approved, sufficient funds will then be released in time to enable you to exchange contracts. Normally this will be limited to 5% of the purchase price up to a maximum of £5,000 (usually sufficient deposit nowadays).

- **Completion.** When you need to complete the purchase, your solicitor must give 10 days’ notice to the relocation company, who will (within the limit of the guaranteed price) clear your existing mortgagees) and release the funds which, together with your new mortgage, will enable you to complete the purchase of your new home. Thus the limit on funds that can be released at this stage is the lower of:

  (a) the guaranteed price; or
  (b) the sum of the old mortgage outstanding plus the purchase price of the new property, less the new mortgage.

3.6.3 Thus if you take out a bigger mortgage than you need to complete the purchase, this may reduce the funds that can be released to you by the relocation company.

3.6.4 If you are purchasing a property at a lower figure than the guaranteed price, then the relocation company will only release any outstanding difference between the new purchase price and the guaranteed price on completion of the sale of your old home to a third party.

3.6.5 In addition to funds necessary to complete the purchase, you may also need funds to carry out work on your new property. Within the limit of the guaranteed price, the relocation company will advance additional funds to meet the cost of:

- provision, repair or replacement of electricity, gas, water and drainage services;
- essential structural alterations necessary to make the property habitable;
- construction of a garage, if one was available at the old location;
- installing central heating, but only if you had full central heating in your home at the old station.

3.6.6 If you wish the relocation company to advance funds for any of these purposes, you must provide your Business Link Team with documentary evidence in the form of bills or itemised quotations; once approved your Business Link Team will contact the relocation company to authorise the release of funds.

3.6.7 **Maintenance of the old property**

While you are still living in the old home, you remain responsible for all the normal outgoings and expenditure, up to and including the day you move out and sign the power of attorney.

3.6.8 You will be expected to allow prospective buyers to view at all reasonable times, and to keep the home clean, tidy and presentable to enhance the marketability of the property. **All offers must be referred to the relocation company for consideration.**
3.6.9 When you move out of the property, you should hand over all the keys to it to the estate agent handling the sale or to the relocation company representative.

3.6.10 **Under no circumstances** should the keys be released to any other party including prospective purchasers. From the day you move out and sign power of attorney, the relocation company will:

- pay all bills and maintenance costs on behalf of the Prison Service;
- insure the property and any contents included in the guaranteed price;
- arrange garden maintenance;
- put all the utilities in their name (provided you have given them 15 days' notice);
- inspect the property periodically.

3.7 **Marketing the property**

3.7.1 The property will normally go on the market as soon as you accept the guaranteed price, unless there are any special circumstances which make this difficult. The relocation company will advise on a suitable estate agent, who will normally be appointed by agreement with you.

3.7.2 You will decide the asking price, which will apply for the first 30 days. In doing so, you should be guided by (but not necessarily bound to) the asking prices recommended by the valuers.

3.7.3 After the first 30 days, the relocation company will control the asking price in the light of the interest shown by the market and in consultation with the Prison Service.

3.7.4 If a buyer is found before you wish or are able to move out, the relocation company will discuss the matter with you and with the Prison Service; nothing will be decided without your agreement.

3.7.5 While you are still living in the property, all offers are made via you and the relocation company. However, if any funds have been released to you by the relocation company, then the decision whether or not to accept an offer rests entirely with the Prison Service.

3.7.6 **Profit or loss on sale**

If the property sells to a third party for **less than the guaranteed price**, the shortfall will be made up by the Prison Service.

3.7.7 If the property is sold for **more than the guaranteed price**, you will receive the whole of the excess.

3.7.8 **Withdrawing from the scheme**

After applying to join the scheme, you may withdraw at any time before the relocation company has released funds to you, subject to the written approval of your Business Link Team.

3.7.9 If you withdraw after the offer of a guaranteed price, the Prison Service will normally meet any rejection fee that may be charged by the relocation company for administrative costs incurred to date.
3.7.10 However, if you later rejoin the scheme and then withdraw for a second time, you will have to meet the cost of the valuations and administration charged to the Prison Service by the relocation company. If your normal expenses are paid locally, we will notify your local cashier to seek the repayment.

3.7.11 If you withdraw from the scheme after the valuations have been made and the guaranteed price offered, and subsequently apply to your Business Link. Team for reimbursement of bridging loan interest (see Chapter 4.1), approval of a bridging loan will be subject to a maximum limit of 95% of the guaranteed price.

3.7.12 A condition of certain continuing payments, (for example, lodging allowance and continuing commitment allowance) is that the property at the old station is being marketed at a realistic price. These expenses will not normally continue for more than 12 months, please refer to the relevant chapters in this Order.

3.7.13 If you have declined a guaranteed price and apply for such an allowance, or an extension of the period of payment, and the proposed asking price of your house at the old station is more than 5% above the guaranteed price, then your Business Link team will require evidence that the higher price is realistic before it will pay the allowance or grant any extension.

3.7.14 The costs of legal and estate agents' fees on the sale of the property (except the cost of your own solicitor which should be claimed separately), maintenance costs, any charge to council tax, all other outgoings on the property from the date of your move, and interest on funds advanced, will be borne by the relocation company and charged on to the Prison Service. You must not make claims for these items.

3.7.15 The scheme does not affect any allowances such as transfer grant, removal expenses, Taxable Housing Costs Allowance (THCA) or Advance of Salary (AOS), which relate to the actual removal or to costs associated with the new property.
CHAPTER
FOUR

SELLING YOUR OLD HOME
AND FUNDING THE PURCHASE
OF YOUR NEW HOME
CHAPTER 4
SELLING YOUR OLD HOME AND
FUNDING THE PURCHASE OF YOUR NEW HOME

4.1 Bridging loans

4.1.1 General rules
An alternative method of funding the purchase of your new home is to take out a
bridging loan secured on your old home. The loan will in normal circumstances be
cleared when your old home is finally sold.

4.1.2 The Prison Service will in certain circumstances reimburse the arrangement fee and the
net interest on the loan, subject to all the conditions set out below.

4.1.3 However financial assistance with the costs of a bridging loan is not an automatic
entitlement. It is given at the discretion of the Prison Service, who must be satisfied,
among other things, that the need for a bridging loan could not be avoided.

4.1.4 The cost to the Prison Service of assisting staff with bridging loans is generally much
greater than that of the operation of the relocation company service.

4.1.5 The bridging loan method also carries greater financial risks both for you and for the
Prison Service.

4.1.6 Your Business Link Team will therefore need to be satisfied that there are good reasons
for not using the relocation company service, before it will grant assistance with a
bridging loan.

4.1.7 If the Prison Service grants assistance towards the costs of a bridging loan, the period
for which assistance is given will not exceed 12 months except as provided in
paragraph 4.8.4.

4.1.8 If the old property remains unsold at the end of that time, your Business Link Team
will require that it is dealt with under the relocation company scheme.

4.1.9 If you receive assistance from the Prison Service with a bridging loan, you must conduct
all transactions in a prudent, effective manner. In particular, you must:
- ensure that all interest charges are paid to the lender by the due date; the Prison
  Service will not reimburse interest charged on overdue interest payments, unless it
can be shown that the fault was not your own.

4.1.10 In this connection, you may obtain an advance to enable you to make interest payments
on time; paragraph 4.9.6 details the procedure to be followed for this. You must:
- make every effort to conclude the sale of the property at the earliest
  possible date; you will be required to provide evidence periodically that you
  are doing this.

4.1.11 The responsibility for managing the bridging loan rests with you and not with the
Prison Service. If you fail to conduct the account in a proper manner, the Prison
Service will withdraw support.

4.2 Bridging loan shortfalls
4.2.1 If you take out a bridging loan, and the eventual sale of your property does not realise sufficient funds to clear the loan, the Prison Service will not assist you to meet the shortfall.

4.2.2 You must not enter into any financial commitment in relation to a bridging loan before you have written authority from your Business Link Team to do so.

4.2.3 If you do the Prison Service will not reimburse interest charges.

4.3 Eligibility

4.3.1 You may be eligible for assistance with the cost of a bridging loan, if a move of home has been authorised by the Prison Service and you are:
- a married or single householder; and
- an owner-occupier at the old station; and
- actively trying to sell the property at the old station; and
- asking a reasonable price.

4.3.2 You must satisfy the Prison Service that you could not reasonably be expected to avoid the need for a bridging loan by:
- arranging a satisfactory sale of the property at the old station to coincide with purchase at the new station; or
- delaying further the purchase of a house at the new station; or
- raising the capital for house purchase by a reasonable alternative to a bridging loan (e.g. using the relocation company’s services).

4.3.3 The property at the old station must have been on the market for at least three months before the Prison Service will be prepared to start giving assistance with bridging loan charges.

4.4 How to apply

4.4.1 Application to your Business Link Team should be made on form ACC199, making sure that you give all the details and supply all the documentary evidence required; if full details are not given, this may delay your application.

4.5 Authorisation

4.5.1 If your application is approved, you will receive from your Business Link Team an authorisation on form ACC200, stating the amount of bridging loan on which the net interest charges will be reimbursed in respect of the properties to which the application relates (the ‘net’ interest charge is the gross charge less tax relief at the basic rate).

4.5.2 You must sign one copy of this authorisation accepting the terms and return it to your Business Link Team; it now constitutes an agreement.

4.5.3 The authorisation relates to the properties specified in the application; if for any reason the purchase of the new property does not proceed and you need assistance with a loan on another property, you must apply again.

4.6 Limits of reimbursement

4.6.1 The Prison Service will reimburse the ‘net’ interest cost on a single loan of:
- 90% of the market value of the old property as assessed by the District Valuer, who will be instructed by your Business Link Team at the time of application; (or 95% of the 'guaranteed' price in the circumstances described in paragraph 3.7.11 above); or if less:
- the amount needed to redeem the mortgage on the old property plus the sum required (taking account also of any advance of salary by the Prison Service) to add to the new mortgagee(s) to complete the purchase of the new property.

4.6.2 The Prison Service will not reimburse interest charges in the following circumstances:

- you obtain bridging finance without the prior approval of your Business Link Team;
- you obtain bridging finance at an earlier date than required for the purchase of the property at the new station;
- your Business Link Team is not satisfied that all reasonable efforts are being made to dispose of the old property, including setting a realistic asking price under the prevailing market conditions;
- on any sum which is in excess of the authorised amount; - if you let your property;
- if you or family fails to vacate the property.

4.6.3 In cases of proven financial hardship, the Prison Service may exceptionally consider reimbursing gross interest charges, that is without any deduction in respect of tax relief.

4.6.4 If you consider that you would suffer real financial hardship (not mere inconvenience) because of delay in receiving the benefit of tax relief from the Inland Revenue, you should write to your Business Link Team with full supporting evidence of financial hardship asking them to consider reimbursement of gross interest charges.

4.6.5 If that is authorised, you will be required to sign an undertaking to repay the Prison Service immediately you receive the income tax refund, whether it is in the form of an adjustment to your tax coding or a direct payment.

4.7 Arrangement of the loan

4.7.1 The bridging loan should be obtained through one of the major clearing banks or other institutions offering comparable rates of interest.

4.7.2 The loan must be transacted on a separate loan account, so that income tax relief on the interest charges may be claimed from Inland Revenue.

4.7.3 Note: Interest charges on a bank overdraft do not qualify for tax relief

4.7.4 The Prison Service will reimburse the arrangement fee in addition to the net interest charges, but reserves the right to refuse assistance if it considers either or both of the interest rate or arrangement fee to be excessive.

4.8 Period of reimbursement

4.8.1 Reimbursement will normally be for a maximum of three months from the date on which the authorised loan is taken out.

4.8.2 If it is clear that the old property will not be sold by the end of the three month period, you should seek further extensions from your Business Link Team during the first 12 months from the date of transfer.
4.8.3 In all applications for extensions, you must give full details of the efforts made to sell the property, including particulars from the estate agent of any offers received and their outcome, and the agent’s written confirmation that the current asking price is competitive in the prevailing market conditions and comparable with those of similar properties in the area; and details of plans for future marketing of the property.

4.8.4 Extensions beyond three months will only be granted if you can satisfactorily demonstrate that every effort is being made to sell the property and that the asking price is realistic. **Your Business Link Team will only extend the period of reimbursement beyond 12 months from the date on which the authorised loan was taken up if the property is not acceptable to the relocation company for their scheme, or if there are other exceptional reasons for not using the relocation company scheme. In these circumstances you must still show that you are making every effort to dispose of the property at a realistic price.**

4.8.5 Completion of the loan

You must inform your Business Link Team of the completion date of the sale as soon as it becomes known, and you should arrange with your solicitors for the loan account to be closed by bankers draft on the completion date.

4.8.6 **Your Business Link Team will not reimburse interest charges arising after the date of completion of the sale.**

4.9 Income tax relief

4.9.1 It is your responsibility to claim income tax relief in respect of interest on a bridging loan at the end of a financial year and/or when the loan account is closed.

4.9.2 The bank making the loan will, on request, issue a Certificate of Interest Paid which must be sent to the Inland Revenue when claiming tax relief.

4.9.3 You must send to your Business Link Team full details of any income tax relief granted as soon as you have the information.

4.9.4 If full tax relief is not granted by the Inland Revenue, you may apply to your Business Link Team for reimbursement.

4.9.5 Your application must include full details of the loan(s) in question and the tax relief granted; your Inspector of Taxes will issue a statement on request.

4.9.6 How to claim bridging loan interest

Advances for bridging loan interest should be sought as detailed in paragraphs 2.10 and 2.11, supported by an estimate of interest from the lender obtained four weeks prior to payment date.

4.9.7 Once the interest has been charged to the bridging loan account, a claim must be submitted to clear the advance.

4.9.8 Claims for reimbursement (i.e. to clear the advance) must be supported by a bank statement showing:

- the amount borrowed;
- the amount of interest charged and paid and the period covered;
- the outstanding balance.

4.9.9 You will not qualify for the reimbursement of any compounded interest which may arise because of your failure to meet the interest payments on time.

4.9.10 Claims cannot be processed locally, only by your Business Link Team.
CHAPTER FIVE

SELLING YOUR OLD HOME
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CHAPTER 5
SELLING YOUR OLD HOME AND FUNDING THE PURCHASE OF YOUR NEW HOME

5.1 Advance of Salary for House Purchase (AOS)

5.1.1 General rules

An Advance of Salary for House Purchase (AOS) is made only where a member of staff makes an authorised move to a more expensive area and takes advantage of the Taxable Housing Costs Allowance (THCA) arrangements, (see Chapter 10).

5.1.2 In some circumstances an ADS may be given to a member of staff who moves to a less expensive area; ego if he or she has to pay a considerably higher price for a similar property in the new location, even though the average prices in the published list do not support payment of THCA.

5.1.3 An AOS will not be given to contribute to the additional cost of a property which is of an improved standard compared with the old property - that is, has more rooms or extra facilities such as a garage. The AOS cannot be authorised or released as a deposit (see paragraph 6.4).

5.1.4 Before granting an AOS, the Prison Service must be satisfied on the following:

- your health and conduct record (i.e. that you can be expected to continue to work until the advance has been recovered);
- that the property being purchased at the new station is for your own occupation;
- that you have made every effort to obtain the maximum mortgage appropriate to your salary and the property in question. The Prison Service may allow you to take less than the maximum mortgage where cost and personal circumstances make it unreasonable to insist on the maximum mortgage;
- that the new property is not of an improved standard (see paragraph 5.1.3).

5.1.5 You will also be required to:

- disclose the net proceeds (for definition, see paragraph 5.3.1) of the sale of your property (if any) occupied as permanent accommodation at the old station;
- agree the terms of repayment;
- formally and in writing acknowledge the conditions of the advance.

5.1.6 The grant of an AOS is at the discretion of the Prison Service and there is no automatic entitlement.

5.1.7 If you need an AOS to complete a purchase, you must not enter into any financial commitment in relation to the purchase before obtaining authority in writing from your Business Link Team.

5.2 Eligibility

5.2.1 You may be eligible for an AOS if you are aged 18 or over and are:

- a married householder or non-householder; or
- a single householder; or
- a single person treated as married for the purposes of transfer allowances (see Annex 1).
5.2.2 The Prison Service may also grant an AOS to a single non-householder to purchase a property for the first time on transfer. In these circumstances, and subject to the overall ceiling of six months’ salary, a single non-householder may have an AOS to cover legal fees as well as to assist with the purchase price.

5.3 Conditions of an advance of salary

5.3.1 The AOS is granted on the understanding that you have contributed to the purchase the maximum funds available from the ‘net proceeds’ of the sale of the property (if any) owned at the old station and commercial mortgage or other house purchase facilities.

5.3.2 For the purposes of these AOS rules, net proceeds means the sum remaining after the expenses of sale and any mortgage outstanding have been met from the sale price; legal expenses and estate agents’ fees reimbursed by the Prison Service should not be deducted from the net proceeds.

5.3.3 The AOS is repayable on demand.

5.3.4 Immediate repayment of any outstanding balance of the AOS will be required if you:

- do not complete the purchase to which the AOS relates;
- cease to be a civil servant (e.g. through premature retirement, resignation, dismissal or death);
- use the advance for any purpose other than for which it was given.

5.3.5 Repayment will be re-assessed if you:

- vacate the property for which the AOS was issued and occupy an official quarter;
- are compulsorily transferred again, but do not purchase a property at the new station;
- are given a voluntary transfer before repayment is completed (but if the transfer is of benefit to the Prison Service, repayment by deduction from pay may be allowed to continue).

5.3.6 If necessary the Prison Service will obtain a County Court Judgement to enforce repayment.

5.3.7 It is essential that you notify your Business Link Team of any change in your circumstances.

5.3.8 Before giving an AOS, the Prison Service must set these terms out in writing to you, and you must give the Service a signed acknowledgement of them.

5.3.9 You must give the Prison Service specific written authority for the deductions from pay to meet repayments, and a signed acknowledgement of the debt and an undertaking to repay on demand.

5.3.10 Procedures for this are set out in paragraphs 5.5.1 to 5.5.12.

5.3.11 Terms of repayment

The period of repayment must not exceed 15 years from the date of transfer.

5.3.12 Repayment may not extend beyond your minimum age of retirement.
5.3.13 You are entitled to choose either to start repaying the advance immediately, or to defer the start of the repayment period for up to four years from the date of transfer.

5.3.14 Recovery is made by deduction from your pay in equal monthly instalments over the period of repayment.

5.4 Amount of advance

The AOS will not exceed the purchase price of the property at the new station less the net proceeds of the sale (as defined in paragraph 5.3.1 above) plus what you can obtain by commercial mortgage or other house purchase facilities.

5.4.1 The purchase price of the new house may include:
- the cost of any essential structural repairs and central heating installation (if the previous property had central heating);
- for single non-householders only, the cost of legal expenses on house purchase.

5.4.2 Any premium payment received if you occupied a co-ownership property at the old station is treated as part of the net proceeds of sale.

5.4.3 The overriding limit on an AOS for a single house purchase is six months’ salary; you may also not have more than twelve months’ total AOS outstanding at any one time for any purposes whatsoever.

5.4.4 The limit is normally based on your rate of pay immediately after the date of transfer. Pay for this purpose includes London weighting and any other regular remuneration including pay supplements, allowances related to attendance and rostered overtime payments.

5.4.5 For transfers into the London pay area, and when 6 months’ gross salary amounts to £9,500 or less, an additional £1,000 may be granted.

5.4.6 The minimum amount of AOS that may be advanced is £1,000.

5.5 How to apply

5.5.1 You should complete Form ACC203. The reverse side of the form should be signed off locally in accordance with Annex 3. It should then be sent to the Business Link Team with documentary evidence to support the following:
- the purchase price of the new property;
- the sale or asking price of the old property;
- the current redemption figure of the mortgage on your old property.

5.5.2 You should attach letters from 3 building societies or similar institutions showing the maximum mortgage available to you; and copies of the usual estate agents’ particulars of the properties at the old and new stations.

5.5.3 You must apply for an AOS within 12 months of the date of transfer. Your Business Link Team will consider late applications if lodging allowance, temporary excess fares allowance or temporary additional housing costs allowance are being paid.
5.5.4 If you have other loans charged on the old property which must be repaid from the proceeds of sale, give full details on the application form and attach documentary evidence.

5.5.5 Authorisation and issue of an advance

When the amount of the AOS has been calculated, you will be sent two copies of a letter (form ACC205P) setting out the conditions of the advance and the sum that may be advanced.

5.5.6 Sign the original and copy of the form acknowledging the debt and authorising deductions from pay to recover the advance, and send the copy to your Business Link Team; keep the second copy for your records.

5.5.7 When contracts for the purchase of the new property have been exchanged, send evidence of this to your Business Link Team by fax at least ten working days before you need the money. The evidence must be in the form of a letter from your solicitor confirming that contracts have been exchanged and giving a completion date - you may send the copy of the ACC205P at the same time.

5.5.8 The AOS will then be sent to you by payable order or by BACS to your bank or to your solicitors' bank on receipt of written permission from you. For a BACS transfer, you must include your bank address, sort code, account number and the name and type of the account (e.g. 'Mr & Mrs JR Smith - Current NC').

5.5.9 \textbf{Note: Advance of Salary cannot be paid locally unless authorised exceptionally by your Business Link Team.}

5.5.10 At the same time you will be sent under separate cover two copies of form ACC207P setting out the arrangements for recovery of the advance.

5.5.11 \textbf{When you have received the payable order}, complete and sign both copies of the ACC207P and return the copy to your Business Link Team.

5.5.12 The AOS will not be issued until contracts for the purchase of the new property have been exchanged.

5.6 Subsequent moves of home

5.6.1 If you move home again for personal reasons while remaining at the same station, you will not be eligible for a second AOS. You may be allowed to continue repaying the existing AOS by instalments, \textbf{but not if you sell the original property for which the AOS was given and do not purchase another.}

5.6.2 If equity is released by the sale of the property for which the AOS was granted, then the AOS or part of it must be repaid.

5.6.3 If you subsequently move home again as a consequence of a permanent compulsory transfer, you may continue to repay the ADS by instalments unless you realise all or some of the equity from the property which you do not use towards your new home.

5.6.4 If you are permanently transferred overseas, you may continue to repay by instalments if you are retaining possession of the property because you intend to resume occupation when you return to the UK.
5.7 Further advances

If you are transferred again on permanent compulsory terms before you have repaid the AOS and you fulfill all the necessary conditions, you may be given a new AOS for the new move of home, but the following extra conditions apply:

- the old AOS ceases and the balance outstanding is cleared by the new AOS;
- the new AOS may not exceed the limits set out in paragraph 5.4.3. above.

5.8 Income tax

5.8.1 Tax implications and enquiries about tax on beneficial loans should be addressed to your tax office.

5.9 Concessionary advances of salary to assist with mortgage redemption shortfalls (‘negative equity’).

5.9.1 If the market value of your house is insufficient to redeem the mortgage owing on it and provide a sufficient minimum deposit on a new property, you may apply for a concessionary advance of salary for this purpose.

5.9.2 In these circumstances you may apply for an advance of up to 12 months’ salary with repayment to be completed within fifteen years from the date of issue. You may opt to defer the start of repayments for up to four years.

5.9.3 The application procedure, other conditions and tax implications set out in the previous section apply.

5.9.4 The maximum total sum of advances which can be owing at any time is twelve months’ salary.

5.9.5 This advance of salary is the only help which can normally be given with negative equity. Special payments are not normally available for this purpose.

5.9.6 Concessionary AOS is not confined to people intending to purchase.

5.9.7 You may be entitled to both AOS for purchase and concessionary for mortgage shortfall. This will be subject to the overriding maximum of twelve months’ salary.
CHAPTER SIX

SELLING YOUR OLD HOME AND FUNDING THE PURCHASE OF YOUR NEW HOME
CHAPTER 6

SELLING YOUR OLD HOME AND FUNDING THE PURCHASE OF YOUR NEW HOME

6.1 Estate agents’ fees and legal costs

6.1.1 You are eligible for assistance with legal and other expenses for house purchase and sale if:
- you are a married or single householder at the old station; and
- you have to move as a result of a public interest transfer (and a move of home has been authorised); and
- you purchase a property at the new station and/or sell a property which you occupied at the old station immediately before the date of transfer.

6.1.2 If you lived in unfurnished rented accommodation at the old station, fees for the transfer of tenancies may also be paid. See paragraph 6.5 for details of legal fees.

6.1.3 You are not eligible for assistance if you subsequently purchase again at the new station for reasons unconnected with the transfer.

6.1.4 You are not eligible for assistance with expenses connected with the sale if you let your property at the old station at the time of transfer but subsequently sell the property.

6.1.5 However, if you let your property on being posted overseas, the Prison Service may reimburse:
- actual reasonable legal expenses incurred in drawing up a tenancy agreement to comply with the condition covering repossession required by the Rent Act 1974; and
- the cost of any premium paid by a building society for an indemnity insurance against a mortgagor’s default in the mortgage repayments in the event of failure to gain repossession of your property.

6.1.6 If you set out to buy or sell a property as a result of your transfer and the sale or purchase falls through, you may be reimbursed the expenses that result unless a third party is liable for them, and provided that your Business Link Team is satisfied that the breakdown is no fault of yours and that you acted reasonably in withdrawing. Documentary evidence will be required.

6.2 Sale expenses

6.2.1 If you are using the services of the relocation company, the sale expenses, except your own solicitor’s fees, must not be claimed as they will be reimbursed through the relocation scheme.

6.2.2 Apart from this, you may be reimbursed all reasonable legal and other expenses of sale, including advertising costs if you do not employ an estate agent or auctioneer.

6.2.3 You should make it clear in all cases to your estate agent that no advertising should be undertaken at your expense without your prior agreement, and before giving such agreement you should get approval from your Business Link Team on a budget for advertising.

6.2.4 All your claims for sale expenses must be supported by receipted bills.
6.3 Purchase expenses

6.3.1 You may be reimbursed reasonable legal and other expenses as follows provided that your claim is supported by receipted bills:

- solicitors’ fees (see paragraph 6.5); stamp duty (if any);
- land registration fees;
- incidental expenses charged by solicitors;
- expenses connected with mortgage or loan, including mortgage guarantee and survey fees but excluding interest;
- mortgage redemption penalties, providing the penalty was unavoidable, with a maximum reimbursement up to a maximum of three months’ interest;
- cost of a private survey;
- cost of electrical wiring tests and drains tests;
- Value Added Tax;
- National House Building Council inspection fees, certificate charge and top-up premium cover against inflation;
- mortgage indemnity insurance premium.

6.3.2 We will not reimburse unemployment protection insurance, negative equity insurance etc.

6.3.3 All claims for estate agents, legal and other professional fees listed in paragraph 6.3.1 may be paid locally in establishment. Prison Service Colleges and Supply and Transport services on production of receipts.

6.3.4 Mobile staff should note that some low-start and other special rate mortgages attract substantial penalties for early redemption. You are advised to check this when taking out a new mortgage, as the Prison Service will not reimburse redemption penalties on such loans.

6.4 Interest on a loan for a deposit

6.4.1 If you take out a commercial loan to meet the deposit payable on the purchase of a house, you may be reimbursed the interest (net of tax) charged on the minimum necessary loan for a period not exceeding one month.

6.4.2 ‘Deposit’ in the previous paragraph means the deposit that is held, normally by the solicitor, between the exchange of contracts and completion of purchase. It does not mean any initial deposit that may be paid to the estate agent or other person as stakeholder; and the previous paragraph does not authorise reimbursement of any interest charged in respect of money still owed after the date of completion.

6.5 Legal fees

6.5.1 The Prison Service has a panel of solicitors who will carry out your conveyancing for a fixed fee. The panel solicitors will send their bills direct to your Business Link Team.

6.5.2 As with any legal adviser, the panel solicitors’ function is to protect the interests of the individual who instructs them, not the Prison Service or the relocation company. The use of the panel solicitors is open to anyone moving home at public expense, whether or not they use the relocation company.
6.5.3 If you are dissatisfied with the services of the panel solicitor, you must pursue any complaint yourself through the usual channels. Please inform your Business Link Team.

6.5.4 You are not compelled to use a panel solicitor and you may instruct any solicitor you wish. However, for moves of home authorised on or after 1st April 1995, the level of legal fees which will be reimbursed will be limited to the panel solicitors fees.

6.5.5 It is expected that most solicitors will match this level if the position is explained to them, and you are advised to negotiate the level of fee with the solicitor at the outset.

6.5.6 If the solicitor suggests that the fee will need to be higher because the conveyance is unusually complex, you should consult your Business Link Team before committing yourself.

6.5.7 The names and addresses of the panel solicitors and details of their fees are shown in Annex 4.
CHAPTER
SEVEN

ALLOWANCES PAYABLE
BEFORE MOVING HOME
CHAPTER 7

ALLOWANCES PAYABLE BEFORE MOVING HOME

7.1 Expenses to visit the new station and search for a new home

7.1.1 Leave

You may be allowed special leave with pay to undertake reconnaissance and/or preliminary visits (see Chapter 13 of the Staff Handbook for details).

7.1.2 Reconnaissance visit

You may be allowed to claim expenses for a ‘reconnaissance visit’ prior to accepting the posting, but you should first confirm that the receiving establishment is prepared to meet this cost.

7.1.3 You may claim reimbursement of the cost of one return journey. See Annex 5 for current mileage rates. Detailed guidance on travel may be found in the Prison Service Travel and Subsistence Order.

7.1.4 You may claim one night’s subsistence. See Annex 5 for current subsistence rates. Detailed guidance on subsistence can be found in the Prison Service Travel and Subsistence Order.

7.1.5 Preliminary visit

In respect of the preliminary visit, you are entitled to reimbursement of the cost of one return journey between your home and the new station for the following:

- yourself but not if the visit takes place after the date of transfer, and not if you are on detached duty at the new station (see paragraph 7.1.12);
- your spouse or partner, children and any dependents who intend to join you at the new station; they are entitled to travel at the class appropriate to your grade.

7.1.6 You may also be reimbursed the travel expenses incurred in searching for a new home at the new station while on your preliminary visit.

7.1.7 Reimbursement is limited to a sum equivalent to 1,000 miles at the public transport rate of motor mileage allowance. You may claim, within the limit, either the actual expenses of public transport or mileage allowance at the public transport rate. Passenger supplements are not paid for search mileage.

7.1.8 When making your claim you must provide a detailed breakdown of the mileage. See Annex 5 for current mileage rates.

7.1.9 You are entitled to subsistence payments for up to four nights spent at the new station and for the journey to and from the new station for yourself and your family as follows

- reimbursement of total actual bed and breakfast costs within a ceiling made up of:
- 1 x the ceiling for the officer concerned;
- plus two-thirds x the ceiling for the spouse/partner and any children or other family members aged 12 years or over;
- plus one-half x the ceiling for children aged under 12 years;
- the additional expenses element of night subsistence in full for everyone aged 12
7.1.10 Where day subsistence is also payable, this is paid in full for those aged 12 years and over, and at half rate for children under 12. See Annex 5 for current rates and an example of how the allowance is calculated.

7.1.11 You and your family may make visits on separate days, but the total costs must not exceed what you would have claimed if you had made the visit in one go.

7.1.12 Visits after the date of transfer

If you did not make a preliminary visit before the date of transfer, but you are given special leave after the date of transfer to look for a new home, you may claim the following entitlements.

- **for yourself**: the cost of search travel as in paragraph 7.1.6 to 7.1.8, **but no other traveling or subsistence allowances**;
- **for your spouse or partner and dependents**: travel and subsistence costs as in paragraph 7.1.5 and 7.1.9 – 7.1.10 respectively, except that your spouse may claim full rate.

7.2 Other allowances payable before the date of transfer

7.2.1 Move before transfer

**If you are married**, or entitled to allowances as if married, and move with your family or household to the new station (or join them there after they have moved) before the date of transfer, you may claim the excess cost of the fare from the new home to the old station over that from the old home to the station.

7.2.2 The amount paid will not exceed the rate of lodging allowance for your grade, and is known as ‘Temporary Excess Fares Allowance’ (TEFA), for which the Prison Service will account for any tax due. It will not be paid after the date of your transfer or for longer than 3 months.

7.2.3 **If you are married**, or entitled to allowances as if married, as defined in Annex 1, and move your family or household to the new station in advance of the date of transfer but you remain at the old station, you may claim lodging allowance until you join your family. It will not be paid after the date of your transfer or for longer than 3 months.

7.2.4 Accommodation taken at the new station before transfer

If you are a single or married member of staff who has been formally notified of a transfer and if you incur expenditure on accommodation taken at the new station before the date of transfer **while you remain at the old station**, you may in some circumstances be entitled to a rent allowance for a maximum of three months prior to your date of transfer. You should obtain prior authority for this from your Business Link Team.

7.3 Travel and subsistence allowances payable after the date of transfer

7.3.1 Lodging at the new station

The conditions in paragraphs 7.3.2 to 7.3.9 apply if you are lodging at the new station (for example, in a hotel boarding house) while you look for permanent accommodation.
The travel and subsistence rules and definitions apply.

7.3.2 Night subsistence allowance

You may claim night subsistence allowance at the rate appropriate to your grade for up to 30 nights, subject to the following conditions:

- it is not payable if you have found permanent accommodation;
- if you are married, or treated as such for the purpose of transfer allowances, it is payable only if your family remains at the old station as a separate household;
- the usual rules about breaks in the 30 night period apply (Annex 6 refers);
- it is not payable if you are already on detached duty at the new station.

7.3.3 Lodging allowance

For detailed guidance on lodging allowance, see the Prison Service Travel and Subsistence Order

7.3.4 When your entitlement to night subsistence allowance is exhausted, you may claim lodging allowance at the rate appropriate to your grade, if you meet the following conditions:

- you are married. or treated as such for the purpose of transfer allowances; or you are a single householder who is a homeowner who is still paying a mortgage at the old station;
- you have not yet found permanent accommodation;
- where applicable, your family has not joined you;
- you are making every reasonable effort to find permanent accommodation.

| 3.6.57.3.5 | Payment of lodging allowance will not continue for more than 12 months, unless there are exceptional reasons why you have not completed your move to permanent accommodation. You will be required to put your old house into the relocation company scheme and complete your move. If there are particular personal or domestic reasons why your move needs to be delayed, you must write to your Business Link Team as early as possible. Do not wait until the 12 months is up

7.3.6 Reviews must be carried out locally, by your Head of Management/ Personnel and HQ/CS Business Link Team, every three months during the first 12 months from the transfer date.

7.3.7 You are not eligible for lodging allowance when you:

- Opt not to travel home at weekends/rest days, but remain in your lodgings. Expenses are limited to the cost of one return journey plus retention of rooms allowance or lodging allowance, whichever is less. In these cases receipts/evidence must be supplied for the lodging costs.

7.3.8 You will be required to provide clear documentary evidence of your efforts to find permanent accommodation; for example, evidence that you are on estate agents’ mailing lists; and after longer periods you may be asked for a more detailed account of your efforts. Payment of lodging allowance will cease at any time if your Business Link Team is not satisfied that you have made sufficient effort to find permanent accommodation. If you are letting out your old house you must inform your Business Link Team. The rent received will be offset against lodging allowance.
7.3.9 During the period in which lodging allowance is being paid, you may claim retention of rooms allowance subject to the usual conditions (see Annexes 5 and 6).

7.3.10 If you are married and move your family to a location which is neither at the old station nor the new, lodging allowance may be paid, subject to the conditions above provided that you satisfy your Business Link Team that:

- you cannot find a suitable home (furnished or unfurnished) at the new station;
- your family has been separated from you by the transfer;
- you are maintaining your family as a separate household (even if, for example, they are staying with relatives) - see paragraphs 7.3.12 to 7.3.14;
- you will continue to look for a home at the new station (you will be required to certify this in writing).

7.3.11 You will not qualify for lodging allowance as well as continuing commitment allowance (CCA), even if you are maintaining a property at the old station.

7.3.12 If your family moves in with friends or relations, your lodging allowance will reduce to two-thirds.

7.3.13 If your family moves into separate temporary rented accommodation, your lodging allowance is reduced by any savings in rent (ie. outgoings at old station, less the annual rent of family).

7.3.14 If your family join you at the new station, lodging allowance ceases, but you may be entitled to claim continuing commitments allowance (paragraph 9.3) and temporary additional housing costs allowance (paragraph 10.10). Refer to paragraph 8.1.23 for storage cost entitlement.

7.3.15 Concessionary travel

If you are married or a single householder, and receiving night subsistence or lodging allowances, you may claim reimbursement of the cost of weekend/rest day journeys home, subject to a limit of the standard class rail return fare or the public transport mileage rate, whichever is the lower. You must take advantage of any special cheap weekend fares that may be available.

7.3.16 If you are a single non-householder, who has not yet moved into permanent accommodation, you are eligible for reimbursement of the costs of up to 6 return journeys to your home at the old station after your period of night subsistence has ceased. These must be taken within the first year after the date of transfer at intervals of not less than a month.

7.3.17 Daily travel to the new station

The following conditions in paragraphs 7.3.18 and 7.3.21 apply to the payment of Temporary Excess Fares Allowance for which you may become eligible if, while seeking permanent accommodation at the new station, you travel to and from the new station daily instead of lodging there.

7.3.18 If you are married (or treated as such for the purpose of transfer allowances) or a single householder, you may be reimbursed the excess travelling costs of the new journey, subject to a limit of the amount of lodging allowance appropriate to your grade.

7.3.19 Eligibility will be subject to the same conditions as those which apply to lodging allowance (paragraph 7.3.3 onwards) except that if you are married and transferring within 3 years of your minimum retirement age, or a single householder and transferring...
within 12 months of your minimum retirement age, you will not be required to satisfy the
Prison Service of your intention to move to the new station; however if you do not intend
to move to the new station the allowance is taxable.

7.3.20 Local reviews will be carried out, by your Head of Management/ Personnel and HQ/CS
Business Link Team every three months during the first 12 months from the date of
transfer. During this time you will have to provide clear documentary evidence of your
efforts to find permanent accommodation. Payment of temporary excess travel costs will
cease at any time if your Business Link Team is not satisfied with your efforts.

7.3.21 Payment of the excess travel costs will either cease when you find permanent
accommodation, or after 12 months when it will become permanent Excess Fares
Allowance (EFA). Payment of temporary excess fares will not continue for more than 12
months, unless there are exceptional reasons why you have not completed your move to
permanent accommodation. You will be required to put your old house into the relocation
company scheme and complete your move. If there are particular personal or domestic
reasons why your move needs to be delayed, you must write to your Business Link Team as early as possible. Do not wait until the 12 months is up.

7.3.22 **Circumstances where both partners being transferred are civil servants** If
you and your spouse or partner are both civil servants and are both transferred to the
same location, but at different times, then:

- the person first transferred is entitled to subsistence for a single person until joined
  by the other. See Annex 5 and 6 for current rates.
- when you are both in temporary accommodation at the new station, your combined
  entitlement is one-and-two-thirds of the rate of subsistence, plus the full daily element
  each.
- you both cease to be entitled to subsistence allowance once you occupy permanent
  accommodation or, if sooner, after 30 nights from the time that the first person was at
  the new station.
- you are not entitled to lodging allowance, but you will be able to claim CCA, see
  Chapter 9.3 in respect of any unavoidable commitments at the old station (eg. if your
  home there has not yet been sold), and TAHCA if the cost of rent exceeds the
  commitments at the old station (paragraph 10.10 refers).

7.4 **Other allowances payable after date of transfer but before final move of home**

7.4.1 Temporary Additional Housing Costs Allowance (TAHCA)

See paragraph 10.10 for details of the rules concerning TAHCA.

7.4.2 Overlapping rent allowance.

You may be eligible for assistance by way of rent allowance, if you have taken up duty
at the new station and continue to incur expenditure on accommodation because:

- you are a householder who has a rent liability for unfurnished accommodation at the
  new station which you cannot occupy (eg. you cannot occupy the house because of
  unavoidable delay in removal of furniture), and you still have a commitment at the old
  station; or

- you are a householder and have obtained permanent accommodation but cannot
  terminate a rent liability for temporary accommodation at the new station.

7.4.3 For the purpose of this allowance “rent” may include Council tax and Water rates if
applicable.
7.4.4 Maintenance visits

If you still own a property at your old station which you are attempting to sell (other than through the relocation company), you will qualify for reimbursement of ‘formal maintenance charges’ and travel expenses for maintenance visits to the old station.

A ‘formal maintenance charge’ is a legal contractual charge which is a condition of ownership of the old property. Individuals claiming reimbursement for such charges must provide documentary proof of the legal commitment.4.5 You are expected to maintain your property in a marketable condition; for example, keeping the grass cut, the grounds tidy, removing junk mail and generally ensuring the property is presentable.

7.4.6 You may be reimbursed the cost of visits for this purpose as follows: a maximum of two visits per month during the period April to September inclusive, and one per month for the rest of the year, at the public transport rate, or standard class rail fare.

7.4.7 If you prefer to pay a contractor or agent to look after the property for you, you may be reimbursed receipted costs instead, provided these do not exceed the cost of visiting the property yourself.

7.4.8 If you are using the relocation company, they will take responsibility for maintenance when you have moved out and sign power of attorney
CHAPTER EIGHT

ALLOWANCES FOR THE COSTS OF REMOVAL
CHAPTER 8

ALLOWANCES FOR THE COSTS OF REMOVAL

8.1 Costs of removal and storage

8.1.1 Eligibility

If you are compulsorily transferred at public expense and a move of home has been approved, you are eligible for assistance with the costs of removing and storing your furniture and effects, in accordance with the following conditions. However, storage charges are not automatically payable (see paragraphs 8.1.23 to 8.1.25).

8.1.2 Removal expenses

8.1.3 The Prison Service will pay the reasonable costs of moving your furniture and effects to the new station.

8.1.4 The removal may be:

- from your old home to your new home; or;
- from your old home to store at the old or new station and later to your new home; you will normally be expected to choose the most economical storage arrangements.

8.1.5 While staff will normally wish to make use of a removal contractor, the Prison Service will reimburse the reasonable receipted costs of hiring a self drive vehicle if preferred.

8.1.6 The move may take place up to 3 months in advance of the date of transfer.

8.1.7 You may claim reimbursement of the cost of moving the following items, provided that they belong to you or to a member of your household who has to join you at the new station:

- household furniture and effects;
- normal garden equipment;
- pedal cycles, autocycles or motor-assisted bicycles (there are separate rules for cars and motorcycles). See paragraphs 8.1.16 to 8.1.22.

8.1.8 You may also claim for the extra cost of insurance of furniture in transit, or the full cost of any insurance surcharge.

8.1.9 The Prison Service will not pay for:

- any extra cost charged for moving an article of a special character (for example, a concert piano);
- the cost of moving livestock and animals other than normal domestic pets.

8.1.10 Obtaining tenders for the removal

If you are claiming reimbursement of removal expenses you must obtain three written competitive quotations with the required information set out below in paragraph 8.1.11; if you are moving effects into storage, all elements of the removal must be included.
8.3.11 The quotations must be seen to be independent of each other, and therefore must be requested personally by you to each of the contractors. If you are using the relocation company, you may ask them to obtain the necessary quotations from your chosen contractors. Any costs incurred for using the service are met by the individual, not by the Prison Service.

8.3.12 The quotations must include:

- any insurance surcharge which is included for furniture in transit or store;
- a certificate by the contractor that no cash or other inducements have been or will be offered to you by the contractor under The Provision or The Prevention of Corruption Act (1889-1916).

8.3.13 They must not include special services, such as taking down or putting up fixtures and re-laying or fitting floor coverings.

8.3.14 You may accept whichever of the tenders you wish but the Prison Service will only pay the costs of the lowest.

8.3.15 You must submit copies of the three tenders with your claim for removal expenses (which can be paid locally, see Annex 2) or with your application for an imprest.

8.3.16 Moving motor vehicles to the new station

Motor cycles and cars should normally be driven to the new station by he shortest reasonable route. You may claim the public transport rate of motor mileage allowance in respect of the vehicle, plus the supplementary passenger allowance for each passenger whose fare the Prison Service would otherwise have paid.

8.3.17 If you and your spouse or partner each own a car, jointly or separately, the Prison Service will pay the public transport rate of motor mileage allowance in respect of each car up to a maximum of two plus supplementary passenger allowances as in paragraph 8.1.16 above.

8.3.18 You are not entitled to mileage allowance for a vehicle which belongs to any other member of the household.

8.3.19 Please refer to Annex 5 for mileage rates.

8.3.20 If you drive your vehicle to the new station and claim as in paragraphs 8.1.16 and 8.1.17, you are not entitled to claim for the cost of travelling by any other means.

8.3.21 In exceptional cases the Prison Service may, at its discretion, meet the cost of transportation of one vehicle (but no more) by a third party, if it is satisfied that it would be unreasonable to expect you to drive the vehicle to the new station.

8.1.22 The Prison Service will meet the cost of sea travel within the UK (for example, from the Isle of Wight to the mainland) for no more than two vehicles.

8.1.23 Storage costs

If you are a householder, the costs of storing your furniture will be reimbursed as follows:

- if your outgoings by way of rent at the new station are more than the corresponding
outgoings at the old station, storage costs will be paid in full;
- if your outgoings at the new station are less than those at the old station, payment towards storage costs will be calculated as: storage charges plus rent at the new station, less rent at the old station;
- if your family is being maintained as a separate household in either rented accommodation, or with friends/relatives, storage costs are paid in full. See also paragraphs 7.3.12 to 7.3.14.

8.1.24 Storage charges for these cases will include any insurance surcharge.

8.1.25 Storage charges must be authorised by, and claimed from your Business Link Teams.

8.1.26 Payment will be made only for so long as you can satisfy your Business Link Team that you are making every effort to find suitable accommodation at the new station. It will cease when:
- temporary accommodation which you occupy at the new station is designated as permanent; or
- you move into unfurnished accommodation.

8.1.27 Move to temporary accommodation

If you are a householder, and move to temporary unfurnished accommodation at the new station, you may claim the cost of moving furniture and effects partly to the temporary home and partly to store.

8.1.28 If you move to temporary furnished accommodation, the Prison Service will pay the full cost if you move in stages on the same basis as paragraph 8.1.27.

8.1.29 Permanent transfer when on detached duty

If you are posted on detached duty and told that you will not be returning to your old permanent station, and you therefore store your furniture and effects at the detached duty station, you may claim reimbursement of the cost of moving from the old permanent station to the detached duty station and from the detached duty station to the new permanent station.

8.1.30 Requirement to live in official quarters

This paragraph does not apply if you are provided with official quarters as part of the conditions of service of your grade.

8.1.31 If you are a member of a grade for which provision of official quarters is not a condition of service, but you have been required to occupy an official residence or quarter when appointed to a particular post and are subsequently required to vacate it on retirement, you may claim:
- the cost of removal of furniture and effects to store or other accommodation within 10 miles of the official quarter; or
- the estimated cost of removal for 10 miles if the actual removal is to a place more than 10 miles from the quarter.

8.1.32 The Prison Service will meet the same costs if quarters have to be vacated in the event of your death.
8.2 Travel and subsistence

8.2.1 Travel and subsistence for the journey by staff and family to new station.

If you are married (or treated as such for the purpose of transfer allowances), or are a single householder, you may claim reimbursement of your travel costs when moving to the new station.

8.2.2 Relatives of single staff with greater responsibilities (as defined in paragraph 2.3 of Annex 1) are regarded as dependents if they move within one year of the date of transfer.

8.2.3 You are entitled to reimbursement of the cost of travel at the rate appropriate to your grade for:

- yourself;
- your spouse or partner, children and other dependents who normally live with you;
- any child under the age of 21 who, though not a dependant, moves to the new station as a result of your transfer.

8.2.4 See Annex 5 for rates payable.

8.2.5 You must state on your claim the ages of the children and your relationship with each person for whom a claim is made.

8.2.6 If the journey qualifies for subsistence allowance under the normal rules, you may claim subsistence as in paragraph 7.1.9. See Annex 5 or rates payable.

8.2.7 When immediate occupation of your new home is not practicable, or furniture is in transit, and you are also a householder, you may claim night subsistence at the rates as in paragraph 7.1.9 for up to 3 nights when the family stays in a hotel, or the actual cost of temporary furnished accommodation within the limit of the night subsistence entitlements.

8.2.8 The Prison Service may meet actual costs for a further period within night subsistence limits if there is further delay of furniture in transit.

8.2.9 The Prison Service may pay day subsistence allowances for the journey to the new station if the time taken is reasonable having regard to the vehicle, its passengers and the distance travelled.

8.2.10 Supervising a removal after transfer

If you are married or a single householder, you may claim assistance if you return from the new station to the old to supervise removal of furniture and effects.

8.2.11 Your spouse or partner may travel instead of you on the same terms as you are entitled to.

8.2.12 You may claim night subsistence for your spouse or partner on the same terms as for preliminary visits, when he or she accompanies you (see paragraph 7.1.9).

8.2.13 Night subsistence is not payable if you use, or could use, accommodation which you formerly occupied at the old station, or if you stay with relatives, although the additional element of the allowance may be paid.
8.3 Transfer grants

8.3.1 Principle and eligibility

The transfer grant is a flat rate payment to cover all expenses which arise in connection with a move of home on transfer and which are not covered by other allowances.

8.3.2 Amount payable

The amounts of transfer grant payable are set out in Annex 8.

8.3.3 Amount payable

You are advised to retain all receipts and other evidence as the Inland Revenue may ask you to account for how the money has been spent.

8.3.4 Timing of payment

All staff on public interest transfer may claim the single non householder’s transfer grant at the date of transfer.

8.3.5 Married staff are entitled to receive the balance of the married staff’s transfer grant when joined by their family at the new station.

8.3.6 If a Prison Service employee has a partner in the service (including other Government departments and Agencies) who is also granted a public interest transfer, they must jointly claim no more than the equivalent of the married officer’s transfer grant.

8.3.7 Single householders are entitled to receive the balance of the single officer’s transfer grant when the move into permanent accommodation at the new station has been completed.

8.3.8 You will not receive all advance for the transfer grant.

8.3.9 The Prison Service will require you to undertake to refund the transfer grant if, within 12 months of qualifying for a payment, you resign or are transferred on voluntary terms. Please contact your Business Link team for further information.
CHAPTER NINE

OTHER ALLOWANCES
OTHER ALLOWANCES

Note: The allowances described in this chapter may be paid locally, but you must have prior authority from your Business Link Team

9.1 Charges for renting and letting accommodation

9.1.1 Tenancy agreement and estate agents’ fees

9.1.2 If you incur legitimate expenses on renting accommodation at the new station by way of a tenancy agreement and/or estate agents’ fees, they will be reimbursed. But they will be reimbursed only on one occasion in connection with each transfer.

9.1.3 Mortgage indemnity insurance

In certain circumstances, your building society may require an indemnity insurance. This will include high percentage mortgages; older staff; and staff posted overseas who are letting out their house in the UK.

9.1.4 The Prison Service will reimburse the cost of this if it is charged to you.

9.2 Children at school

9.2.1 Eligibility

You may claim reimbursement of the cost of moving the following items, provided that they belong to you or to a member of your household who has to join you at the new station:

- the child has entered, or is about to enter, a course of study leading to an important examination; and
- the timing of the transfer is such that you have no option but to allow the child to commence studies at the old station; and
- the child is not already boarding at school.

9.2.2 You will not be given assistance with lodging costs at the old station if you are in a position to choose whether the child starts the course of study at the old or the new station.

9.2.3 However, help may be given with lodging costs at the new station if the child has to lodge there to attend school until joined by the family.

9.2.4 You will be required to obtain a certificate from the head teacher confirming that:

- the child has entered the two-year period of study leading up to the examination; and
- a change of school at the time of the family move would be prejudicial to the child’s chances in the examination; and

- a similar course of study is not available locally (a letter from the Education authority at the new station to confirm this will be required).
9.2.5 Amount

The Prison Service will reimburse half the vouched board and lodging costs incurred in maintaining the child, up to the limit set out in Annex 5.

9.2.6 However, the amount reimbursed will also take into account any assistance which the local education authority may offer with board and lodging or school boarding costs.

9.2.7 The Prison Service will also reimburse, within the limit of standard rail fare, reasonable travelling expenses incurred by the child between school and home at the beginning and end of each term, and the cost of one return journey between school and home during each term.

9.2.8 School fees

You may be reimbursed the cost of day school fees if:

- fees have already been paid at the old station at the time of the move to cover the rest of the term and;
- fees for the same term have had to be paid at the new station.

9.2.9 The Prison Service will reimburse school fees demanded in lieu of notice and fines imposed for not proceeding with the child’s education at the old school, provided you can show that you have done your best to reduce such liability.

9.3 Continuing Commitment Allowance (CCA)

9.3.1 Eligibility

You are eligible for Continuing Commitment Allowance (CCA) if you are a homeowner and have obtained accommodation at the new station but have a continuing monetary commitment in respect of accommodation at the old station. CCA is only payable if:

- you have a double housing commitment; and
- the property at the old station is up for sale; and
- the property is vacant; and
- your double costs are not otherwise covered by the Prison Service, for example by lodging allowance.

9.3.2 It is only paid if you meet all four conditions.

9.3.3 If you are renting out your old property, you must inform your Business Link Team, as any income from rent will be offset against allowances paid.

9.3.4 If you are using the relocation company (see Chapter 3), you may be eligible for CCA up to the time that power of attorney is signed.
9.3.5 Period of payment

The allowance is normally payable for three months, but the Prison Service may extend that period if you cannot terminate your liability within that period on satisfactory terms; if you need an extension you will have to provide documentary evidence in support of your claim.

9.3.6 Extensions may be granted locally during the first twelve months from date of transfer provided;

- you are a homeowner who is still paying a mortgage at the old station;
- you are making every reasonable effort to find permanent accommodation.

Payment of CCA will not continue for more than 12 months, unless there are exceptional reasons why you have not completed your move to permanent accommodation. You will be required to put your old house into the relocation company scheme and complete your move. If there are particular personal or domestic reasons why your move needs to be delayed, you must write to your Business Link Team as early as possible. Do not wait until the 12 months is up.

9.3.7 You must give full details of the efforts made to sell the property, including particulars from the estate agent of any offers received and their outcome and the agent's written confirmation that the current asking price is competitive in the prevailing market conditions and comparable with those of similar properties in the area, and details of plans for future marketing of the property.

9.3.8 CCA is paid in arrears. The rate will be notified by your Business Link Team, and it may then be paid locally.

9.3.9 Calculation of the allowance

The allowance is calculated as a daily figure. The amount of the allowance is based on the annual amounts payable in respect of accommodation at the old station for:

- council tax;
- water rates;
- building insurance;
- actual mortgage outstanding up to £30,000 multiplied by the mortgage Interest Factor (see paragraph 10.2.19);
- actual mortgage outstanding over £30,000 multiplied by the average mortgage Interest rate (see paragraph 10.2.22);
- ground rent and/or maintenance charges;
- if rent is paid rather than mortgage at the old station, the annual rent.

The total annual sum of those elements is then divided by 363 to arrive at a daily figure.

9.3.10 In calculating the reimbursable elements above, you should note that:

- the mortgage interest element is calculated on the actual mortgage excluding endowments, and not on the estimated selling price of the property at the old station;
- the mortgage interest element is excluded if you are being reimbursed the interest charges on a bridging loan;
- any rent you receive from sub-letting the property at the old station is deducted from the allowance;
- the amount of CCA is limited to the rate of lodging allowance appropriate to your grade.
9.3.11 How to claim CCA

If you wish to claim CCA, you should ask your Business Link Team for an application form. Note that it must be supported by full documentary evidence applicable to the period under review.

9.3.12 CCA will normally only be recalculated if there is a significant change in your commitment. You should bring any changes to the attention of your Business Link Team when you apply for your quarterly review.

9.4 Other payments

9.4.1 If you transfer a tenancy in order to terminate your liability for accommodation at the old station, the Prison Service will reimburse the reasonable costs involved.

9.4.2 If you are a tenant of a co-ownership property at the old station and you pay outstanding rent in order to rescind your tenancy agreement, the Prison Service will reimburse the cost of doing so provided that:

- the tenancy agreement specifies that the property must be occupied for a minimum period during which the tenant will be liable for the rent for the whole of that period if the tenant moves; and
- you are paying the outstanding rent to avoid a double commitment; and
- you have acted reasonably.
CHAPTER TEN

ADDITIONAL HOUSING COSTS
CHAPTER 10

ADDITIONAL HOUSING COSTS

10.1 Scope this chapter

10.1.1 The Prison Service may pay an allowance towards additional housing costs, if you qualify for removal expenses and outgoings on the accommodation at the new station exceed those on the accommodation at the old station.

10.1.2 The type of allowance paid depends on the tax position. Income tax is not payable on additional housing cost allowance which relate to:

- transfers completed before 6th April 1993; or
- transfers which attract transitional relief because the person transferred was committed to the transfer before 6th April 1993 and took up duty at the new station before 1st August 1993.

10.1.3 This chapter does not cover such transfers. In these cases you must refer to your Business Link Team.

10.1.4 The provisions below relate only to additional housing costs for:

- permanent accommodation arising from transfers which took place on or after 6th April 1993, and which therefore do not attract transitional relief from income tax;
- temporary accommodation.

10.2 Taxable Housing Cost Allowance (THCA):

General conditions

10.2.1 Eligibility

You may be eligible for THCA when you move home in the public interest, and outgoings for your accommodation at the new station exceed those incurred at your accommodation at the old station.

10.2.2 ‘Outgoings’ are mortgage or rent, ground rates, water rates, council tax and Standard buildings insurance.

10.2.3 Limit to mortgage or rent

There is a limit on the amount of mortgage or rent that may be taken into account in determining THCA.

10.2.4 This limit is based on a list of average property prices which is produced every 6 months and published in Notices to Staff.

10.2.5 The average price in the area of your old home for the type of property you occupied before transfer is compared with the average price for a similar type of property in the area in which your new home will be located; the difference between the two is the limit.

10.2.6 “Type” in this context means a general category of property, eg terraced, semi-detached, flat, bungalow etc; the types are defined on the list of average prices, which are based on council tax area.

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10.2.7 When applying, you must submit evidence of the council tax areas for both the old and new properties. Except where expressly provided otherwise in this chapter, the list is the only basis for determining average price differentials for the purposes of THCA.

10.2.8 Where the average price at the new location is the same as or lower than the average price at the old location, no THCA will be payable in respect of additional mortgage or rent. However THCA may be payable in respect of any increase in other outgoings.

10.2.9 Where the average price at the new location is higher than that at the old location, the maximum additional mortgage or rent that may be taken into account when calculating THCA is the difference between the average prices.

10.2.10 If the additional mortgage taken out is less than the differential indicated on the average property prices, any entitlement to THCA will be limited to the additional mortgage necessary to complete the purchase.

10.2.11 A special formula is used:

- If the average price for a similar type of property is higher at the new location,
- and the actual prices of the old and new homes are both more than 25% above or more than 25% below the listed average price for a comparable property in each location, then the maximum additional mortgage allowable is calculated as follows:

  1) The normal price differential is calculated as in paragraph 10.2.5
  2) The result is then adjusted by adding or subtracting (as appropriate) a factor derived from the following formula:

    Where:  
    \[ A = \text{selling price of old property} \]  
    \[ B = \text{average price for that property type in old area} \]  
    \[ C = \text{average price for that property type in new area} \]  
    \[ \frac{A - (B + 0.25\%)}{B} \times (C - B) \]  

10.2.12 Part of accommodation used for business purposes

If any part of the accommodation either at the old or the new location was or is used for purposes other than residential (eg. as a farm, boarding house or shop), an appropriate exclusion is made in respect of the non-residential element.

10.2.13 If the property at the old station is let or sub-let

If you let or sub-let your property at the old station, the rent received is offset against the additional outgoings on mortgage or rent at the new station.

10.2.14 If the property at the new station is let or sub-let

Payment of THCA will be suspended during any period when your property at the new station is rented to someone else.

10.2.15 At the end of the letting period payment of THCA may resume, but at the point it would have reached if it had not been suspended during letting.

The total period of payment for the allowance (see 10.5.4) cannot be exceeded.
10.2.16 Circumstances regarding divorce or separation on transfer

Transfer expenses must not be used to cushion staff against the consequences of events unrelated to the permanent transfer.

10.2.17 If you are a joint householder and the other party is not joining you at the new station, THCA will be based on your share of the sale price and mortgage or rent of the property at the old station.

10.2.18 Mortgage Interest Factor (MIF)

The Mortgage Interest Factor ("MIF") is referred to in this chapter and elsewhere. It is a percentage factor based on prevailing building society mortgage interest rates, less an amount for income tax relief; it varies from time to time and changes are published in Notices to Staff.

10.2.19 The operation of the MIF means that **THCA payments are related to average interest rates, not the rate you are paying.**

10.2.20 See paragraph 10.5.13 and Annex 9 for examples of how THCA is calculated.

10.2.21 Mortgage rate

If your current mortgage is greater than £30,000, your THCA will be calculated using the mortgage rate. This is the average of the standard rate being charged by the top ten building societies and may therefore differ slightly from the rate you are actually paying.

10.3 How to apply for THCA

You apply for THCA by completing form ACC214P and sending it to your Business Link Team, with full supporting documentation as laid out on the form.

No imprest can be given for THCA claims.

10.4 Taxation

THCA is liable to income tax. The calculation of THCA includes grossing up to take account of income tax at the basic rate. THCA is included with pay and tax is deducted under PAYE. No additional compensation will be given to higher taxpayers.

10.4.1 The grossing-up element of THCA is subject to National Insurance Contributions (NIC) which are also deducted; it is not possible to gross up for NICs.

10.5 THCA for householders

This section covers THCA for householders occupying permanent accommodation.

10.5.1 The rules governing additional housing cost allowance for temporary accommodation are in paragraph 10.10
10.5.2 Eligibility

If you occupy permanent accommodation (other than hotels, hostels or guest houses) at the new station and the outgoings on that accommodation by way of mortgage or rent, water rates, council tax and buildings insurance are more than the corresponding total outgoings on the accommodation you occupied at the old station, you may be eligible for THCA.

10.5.3 THCA may be payable whether you are an owner-occupier or rent accommodation.

10.5.4 Period of payment

THCA is payable to qualifying householders over a total period not exceeding nine years.

The allowance is paid in full for the first five years; on the fifth and each succeeding anniversary it is reduced by one-fifth.

10.5.5 The nine year period starts from whichever is the earlier of the date on which you occupy the permanent accommodation, and the first anniversary of the date of transfer.

10.5.6 If you do not occupy permanent accommodation until after the first anniversary of the date of your transfer, you will not qualify for the full nine year period. eg if you do not occupy new permanent accommodation until 3 years after date of transfer, you will receive only 3 years at the higher rate and 4 years at the reducing rate.

You must notify your Business Link Team immediately if you move from the house for which THCA was given

10.5.7 If you are married, and have been paid a rent allowance for permanent accommodation taken at the new station before your transfer while you and your family still live at the old station (see paragraph 7.2.4), then the date on which the rent allowance became payable is regarded as the start of the nine year period.

10.5.8 If any lodging allowance, temporary excess fares allowance or temporary additional housing costs allowance (TAHCA) is paid to you beyond the first anniversary of your date of transfer, it will count against payment of THCA and will determine your point of entry into the nine year period.

10.5.9 Payment of THCA ceases during periods of unpaid leave.

On return to duty, payment of THCA will re-start at the point which would have been reached if payment had been continuous

10.5.10 Payment of THCA ceases during any period of unpaid maternity leave.

It re-starts on return to work, and continues for the balance of the nine year period; in other words, the nine year period is extended by the total length of any periods of unpaid maternity leave.

This rule applies only to unpaid maternity leave and to 110 other form of special unpaid leave.

10.5.11 In the event of you leaving the Prison Service, for example through resignation or retirement, all entitlement to THCA will cease.
10.5.12 In the event of the death of a married householder who is receiving THCA, the Prison Service may continue payment if the surviving partner continues to live in the accommodation for which the allowance was paid. Payment will not normally continue for more than 13 weeks after the death of the member of staff.

10.5.13 Calculation of THCA

THCA for owner-occupied, freehold and leasehold property is based on additional outgoings at the new station, taking account of the following:

- the amount of necessary additional mortgage taken out to purchase the property at the new station, multiplied by the MIF. If your mortgage exceeds £30,000, that part over £30,000 will be multiplied by the mortgage rate;
- The amount taken into account will not exceed the limit in paragraphs 10.2.3 to 10.2.11;
- the annual ground rent at the date of removal or occupation (leasehold and similar properties only);
- any annual buildings insurance premium applicable at the date of removal/occupation;
- water rates;
- council tax.

10.5.14 The amount calculated is then grossed up to take account of income tax at the basic rate.

10.5.15 You are expected to use the equity from your old property to fund the purchase of the new, and account will be taken only of the additional mortgage you necessarily require.

10.5.16 The Prison Service may take into account a larger mortgage if you have had to take one out in order to reserve part of your equity to pay for essential repairs to the new property. Each case will be decided on its merits by your Business Link Team.

10.5.17 Once calculated, the allowance is only revised when changes are made in the MIF, mortgage rate or in the basic rate of income tax.

10.5.18 Once the allowance reaches the sixth year of payment, it is unaffected by any changes in the MIF or mortgage rate.

10.5.19 Examples of calculations are given in Annex 9.

10.5.20 THCA for householders moving from rented unfurnished to rented unfurnished accommodation.

If you occupy rented unfurnished accommodation at the old station and at the new, you may be eligible for THCA. This will be based on a comparison between the actual rents in both cases, and also includes council tax and water rates but excludes charges for heating, lighting and services.

10.5.21 Your Business Link Team will need to be satisfied that the accommodation at the new station is similar to that at the old station. The restrictions based on property price differentials (paragraphs 10.2.3 to 10.2.11) and betterment will apply.

10.5.22 If your accommodation at the new station is also more expensive because it is larger or better in some other way, then the THCA paid will be based instead on what you would have had to pay at the new station for accommodation similar to that at the old.
10.5.23 You will need to obtain examples of similar properties from letting agencies at the new station in support of your claim and submit it to your Business Link Team.

10.5.24 This allowance is **not** affected by changes in the MIF or mortgage rate. There is however a ceiling which is calculated as follows:

- £30,000 multiplied by the MIF, plus
- £10,000 multiplied by mortgage rate

10.5.25 **THCA for householders moving from owner-occupied to rented accommodation**

If you move from owner-occupied to rented accommodation, there is **no entitlement** to THCA.

10.5.26 **Your Business Link Team may pay it on a discretionary basis.** However, if you have invested the capital from the sale of your property, the benefits that you receive from any interest accruing will be taken into account.

10.5.27 If THCA is paid, it will be based on the rent plus other outgoings at the new station, less the mortgage multiplied by the MIF plus other reckonable items at the old station.

10.5.28 THCA for householders moving from rented to owner-occupied accommodation

You do not normally qualify for THCA if you move from rented accommodation to purchased accommodation as this would be betterment. If you have no alternative but to purchase you should put your case to your Business Link Team.

10.6 **THCA for non-householders moving from rented furnished to other rented accommodation**

If you are a non-householder and move from rented furnished to other rented accommodation, either furnished or unfurnished, you may be eligible for THCA.

10.6.1 This will be based on a comparison between the actual rents in both cases, and also includes council tax and water rates but excludes charges for heating, lighting and services. The restrictions based on property price differentials (paragraphs 10.2.3 to 10.2.11) and betterment apply.

10.6.2 This allowance is limited to 3 years. See Annex 9 example G.

10.7 **THCA for non-householders moving from rented furnished to owner occupied accommodation**

There is no entitlement to THCA.

10.8 **Receipt of allowances for additional housing costs from a previous transfer**

If THCA or non-taxable AHCA, Housing Cost Supplement (HCS), or Excess Rent Allowance (ERA) was payable at the old location at the date the accommodation there was given up, paragraphs 10.8.1 to 10.8.5 apply.

10.8.1 Owner-occupied accommodation at old station

Your entitlement to THCA is calculated in the normal way. If an entitlement arises, it will be paid as if no previous move had taken place.
10.8.2 Payment of the old rate of THCA, AHCA, HCS or ERA continues in parallel as if the fresh move had not taken place, but is not paid beyond the date it would otherwise have ceased.

10.8.3 If no fresh entitlement arises and the second move is to a lower price area, the old rate is subject to abatement by an amount based on the average property price differential for the relevant type of property in locations involved in the current move. The maximum abatement is equivalent to the differential multiplied by the MIF. If THCA is being abated, the amount is the differential multiplied by the MIF, grossed up to take account of tax.

Any revised entitlement is not payable beyond the date on which payment was due to cease.

10.8.4 The allowances will also be abated if you reduce your mortgage, even though the average property prices are higher in the new area.

10.8.5 Rented accommodation at the old location

The same rules as in paragraphs 10.8.1 to 10.8.4 apply, except that if no fresh entitlement arises and the second move is to a lower price area, the abatement is calculated on the amount of any reduction in outgoings for roughly equivalent accommodation at the new location.

10.9 Subsequent voluntary moves of home

If you are receiving THCA and move while at the same duty station, payment of the allowance will continue. It will however be reassessed as if the new accommodation had been the original permanent accommodation occupied, but if the recalculation produces a higher figure, no adjustment will be made to the allowance; if it produces a lower figure, the THCA is abated accordingly with effect from the date you occupied the new accommodation. The original 9-year payment period still applies.

10.9.1 If you move from permanent accommodation for which no THCA is payable, to new accommodation at the same station, no allowance is payable.

10.9.2 If you voluntarily transfer to a new permanent duty station while remaining at the same home, the Prison Service will continue paying the allowance in these circumstances.

10.9.3 If you voluntarily transfer to a new permanent duty station and move your home at your own expense, you must notify your Business Link Team immediately.

You must notify your Business Link Team of any change of address if you are receiving housing cost allowance.

10.10 Additional Housing Costs for Temporary Accommodation (TAHCA)

10.10.1 Eligibility

You may be eligible for Temporary Additional Housing Cost Allowance (TAHCA) where all of the following conditions are met:

14. you occupy temporary accommodation at the new station;
15. you are a married householder and you have been joined by your family, or a single homeowner who has sold his/her property;
16. your outgoings on that accommodation by way of rent and insurance payable exceed those outgoings in the accommodation occupied at the old station.
10.10.2 You will be required to satisfy your Business Link Team that there are good reasons for regarding the accommodation as temporary, and that it is not possible to obtain suitable permanent accommodation.

10.10.3 The need for continued payment of the allowance will be reviewed locally quarterly when you should provide clear documentary evidence of your efforts to find permanent accommodation.

10.10.4 TAHCA will normally only continue for 12 months. Thereafter the property will be deemed as permanent.

10.10.5 If by that time you have not sold your property at the old station, the allowance may exceptionally continue provided you put this property into the relocation scheme and complete your move.

10.11 Calculation of TAHCA

TAHCA is restricted to the rate of lodging allowance appropriate to your grade.

10.11.1 The allowance is calculated on:

- Total costs at the new station for rent, and (if you pay them) water rates, council tax and standard building insurance; minus
- Total costs at the old station for rent (or mortgage, first £30K x MIF, balance x mortgage rate) plus water rates, council tax and standard buildings insurance.

10.11.2 If you are married and occupy hotel accommodation or lodgings with your family after your entitlement to night subsistence allowance has ceased, only half the combined charges for food and accommodation will be regarded as rent in assessing any TAHCA payable.

10.11.3 If your home at the old station has been sold in advance of purchasing a new property, your Business Link Team will take into account interest accruing on sale capital and adjust the TAHCA accordingly.

10.11.4 Period of payment

As already stated, the maximum period during which TAHCA may be paid is 12 months. If a rent allowance has been paid for accommodation acquired before transfer (see paragraph 7.2.4 onwards) and you go on to receive TAHCA, the date on which the rent allowance became payable is regarded as the start of the 12 month period of eligibility for TAHCA.

10.11.5 How to apply

To apply for TAHCA, complete form ACC172P and send it to your Business Link Team with full documentation.
CHAPTER ELEVEN

EXCESS FARES ALLOWANCE
CHAPTER 11

EXCESS FARES ALLOWANCE

11.1 Eligibility

You may be entitled to Excess Fares Allowance (EFA) on a public interest transfer in the following circumstances:

- you do not qualify for removal expenses (i.e. a move of home at public expense is not authorised); or
- you qualify for removal expenses but choose not to move home.

11.1.2 If you choose to receive EFA instead of removal expenses, you may change your mind no later than 12 months from the date of transfer, provided that you give advance written authority that the Service may recover, by deduction from salary or from removal expenses claims, any EFA already paid. It will not be possible to compensate you for tax and national insurance liability in such cases.

11.1.3 If you choose to receive removal expenses and not EFA, you may change your mind no later than 12 months from the date of transfer. EFA will then be payable from the time that the change is agreed until the time that it would have ceased had you chosen EFA in the first place. Any other removal expenses which have been paid will be recovered by deduction from salary or from EFA.

11.1.4 Your manager must confirm that it is operationally acceptable to travel a long distance.

11.2 Period of payment

For transfers where staff do not qualify for removal expenses. EFA is payable for 3 years.

11.3 If you qualify for removal expenses under the normal rules but choose not to move home, EFA may be paid for up to 5 years, provided the cost of EFA to the Prison Service is no more than the costs of removal. The period of payment of EFA in these cases is decided according to the tables set out in Annex 7.

11.3.1 If you qualify for removal expenses and transfer into the London pay area, your entitlement is automatically 5 years regardless of cost.

11.3.2 An extension of excess fares beyond three years will not be granted as an alternative to an exceptional move of home on operational grounds (see paragraph 1.2.4).

11.4 Calculation of EFA

EFA is based on the extra cost of the most effective and reasonable means of travel to the new station over the actual cost of the journey to the old station.
11.4.1 For this purpose, the cost of the old journey is taken to be the cost of travelling from your home to your old permanent station each working day, even if you did not actually attend there each day but worked elsewhere instead.

11.5 The excess is calculated on the basis of bus or standard rail fares at annual season ticket rates.

11.5.1 Exceptionally, if annual rates are not available or are not economic because of the nature of your duties, the excess may be calculated on the basis of daily, weekly, monthly or quarterly rates. You may also include any parking costs.

11.6 If using a private motor vehicle would be the most cost effective means of making either or both journeys, the Prison Service will base the cost of that journey on the public transport rate of motor mileage allowance (PTR). Standard rate is not payable on public interest transfers. Parking costs and bridge/tunnel tolls may also be included.

11.7 However, if a journey could be made most cost effectively by public transport, then the public transport costs will be used to calculate EFA, even if the journey is actually made by car.

11.7.1 If in your old journey, you travelled with a colleague or ran a car share with colleagues, the full mileage will be used to give a notional cost for the old journey.

11.8 If the PTR is used in the calculation, the rate of EFA will be adjusted whenever there is a change in the rate of PTR. See Annex 5 for current rates.

- The amount of EFA is re-assessed as part of a general revision;
- If you move home for domestic reasons it will be re-assessed but will not be increased;
- If you move your home as a result of a further public interest transfer the allowance stops;
- If you experience an exceptionally large increase in public transport fares compared to most travellers, you may apply to your Business Link Team for your EFA to be reviewed.

11.8.1 You must notify your Business Link Team immediately if you move home whilst in receipt of EFA.

11.9 Subsequent transfer

If you are receiving EFA, and are transferred again before the end of the period of payment, your allowance will be recalculated on the basis of the new fares over the original fares for the remainder of the payment period.

11.9.1 At the end of that period, the EFA will be recalculated on the basis of the fares current at the date of transfer between home and the first new station and home to the permanent station on the second transfer. This will be paid for the balance of the payment period which starts from the date of the second transfer.
11.9.2 Example

<table>
<thead>
<tr>
<th>Journey</th>
<th>Home to original permanent station</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journey A</td>
<td>Home to first new permanent station</td>
</tr>
<tr>
<td>Journey B</td>
<td>Home to second permanent station</td>
</tr>
</tbody>
</table>

On transfer to first permanent station EFA is B-A for 3 to 5 years. If transfer to second permanent station occurs within say the 3 to 5 year limit, then EFA is C-A for the balance of the original 3 to 5 year EFA and C-B for the remainder of the new 3 to 5 year period.

11.10 Accommodation costs

If you have chosen to receive EFA rather than move home, but following transfer have opted to spend a few nights a week in accommodation at the new station instead of travelling daily, the Prison Service will reimburse the actual costs of such accommodation *within the limit of EFA which would otherwise be payable and not exceeding the rate of lodging allowance appropriate to your grade. This is subject to tax, not reimbursable by the Prison Service.*

11.10.1 You will need to provide full documentary evidence in the form of receipted bills etc for any claim.

11.11 Additional commuting costs

If you move home at public expense, you are not also entitled to EFA. However, in very exceptional cases, the Prison Service may be prepared to offer some assistance with increased commuting costs, *within the limits of the EFA scheme* in the following circumstances:

- you face a substantial increase in outgoings on the property at your new station; and
- your commuting costs at the new station are substantially and necessarily greater than at the old; and
- you would suffer real financial hardship if no assistance were given; and
- or there is a management or financial benefit to the Service in your choice of new location, e.g., savings in TAHCA.

11.12 Seriously out of pocket allowance

11.12.1 Staff who have to purchase an annual season ticket for a new journey may sometimes be seriously out of pocket due to the deduction of tax and ERNIC.

11.12.2 A seriously out of pocket allowance will be granted if the figure for the EFA portion relating to the season ticket is £1,500 per annum or more. The payment will be 32% of this excess. *This in turn must not exceed £5,000 for the full term of EFA.* A copy of the annual season ticket will be required with the first claim.

11.12.3 Examples of the way in which this allowance is calculated are at Annex 7.

11.12.4 The out of pocket expense should be paid in the same proportion as claims

11.12.5 The out of pocket expense should not be included in the notification to Pay Services for taxation. However, all out of pocket expenditure should be recorded for notification to the Inland Revenue at the end of each financial year.
11.12.6 If a request is made for an out of pocket expense where a shorter term ticket has been necessarily purchased, then the out of pocket expense may only be paid retrospectively to ensure that the £1,500 annual limit has been reached.

11.13 EFA as a commuted lump sum

11.13.1 Eligibility

You may apply for part of your excess fares to be paid as a commuted lump sum if:

- you need to purchase a vehicle in order to undertake the new journey, and
- the most effective and reasonable means of getting to your new station is by private vehicle.

11.13.2 You may claim up to 2 years EFA, based on the daily excess mileage at public transport rates, multiplied by 213 (average working days per annum), multiplied by 2, or £10,000 whichever is the lower.

For example:

a) If your daily excess is £22, you may apply for up to £9,372 in a lump sum.
b) If your daily excess is £32, then you may apply for up to £10,000 in a lump sum.

11.13.3 At no time will you qualify for more than £10,000 in commuted EFA

11.13.4 Conditions

- the lump sum is subject to tax and ERNIC deductions. Income tax of the lump sum will be recovered from your salary at the time of payment. In the event of a change in your circumstances, the tax paid will not be reimbursed by the Prison Service. No compensation can be given in the event that this pushes you into the higher tax bracket.
- any increase in mileage rates will not be implemented for the period covered by the lump sum.
- the lump sum is calculated on a 213 day working year. If your actual working year is more than 213 days you may claim for these additional days separately. If your actual working year is less than 213 days, you will be required to either repay the balance owing or offset this sum against any EFA due.
- if you move home either at own expense, or as a result of a public interest transfer, during the period covered by the lump sum, you will be required to repay the outstanding balance of the gross lump sum immediately.
- if you are transferred again at public expense and qualify for a fresh excess fare allowance, you will not be required to repay the lump sum, but the balance of your EFA will be recalculated and may reduce. Within 3 months of receiving the lump sum, you must provide your HOMS (or Business Link Team for HQ/CS staff) with documentary evidence that you have used the lump sum for the purpose for which it was granted. You will be required to confirm that you have purchased a vehicle, including tax and insurance at no less than the net value of the lump sum, after deduction of income tax.
- the normal daily EFA may be claimed once the period covered by the lump sum has been reached.
- repayment of any outstanding balance of the gross lump sum will also be required immediately if you cease to be a Prison Service employee for any reason.
11.14 **Claiming EFA**

EFA is authorised by your Business Link Team on form ACC111A. You then claim locally in arrears, but you may obtain an advance to cover the first quarter.

11.14.1 If you purchase a season ticket for home to office travel, you may ask the Prison Service for an advance of salary. The limits and conditions are set out in the Prison Service Travel and Subsistence Order.

11.14.2 EFA is normally authorised at a daily rate payable only for the days you attend your permanent station. However, if you are travelling by public transport, you will normally be reimbursed at season ticket annual rate, which should be claimed in arrears for all periods covered by season tickets.

11.14.3 If you are away on annual or sick leave, or in connection with your other duties, and do not hold a season ticket for that period, you must not claim EFA.

11.14.4 If you go away unexpectedly, for example on sick leave, and hold a season ticket, you may claim, but you should surrender the season ticket for a refund if it is cost effective to do so, and deduct the refund from your next claim.

11.15 **EFA and detached duty travel**

11.15.1 Travel costs on daily detached duty should be claimed for the journey from home to the detached duty station, less any saving made for your normal home to permanent office journey.

11.15.2 The home to permanent office mileage, or daily travel costs, should be deducted from any home to detached duty travel, except where a season ticket is used and committed expenses have already been incurred.

11.15.3 Each should be claimed separately for the days attended at the permanent transfer station, and for those days on detached duty where the EFA element has been deducted.

11.15.4 Notification of the amount to be taxed is sent to Pay Service, either by your Business Link Team or locally after payment of the EFA has been made.

11.16 **Taxation**

11.16.1 EFA and accommodation costs (paragraph 11.10) are subject to Income Tax and National Insurance contributions, which are deductible under PAYE. EFA is not grossed up to compensate for tax or NIC.

11.16.2 Notification of the amount to be taxed is sent to the Pay Service, either by your Business Link Team or locally after payment of the EFA has been made.

11.17 **Congestion charges for travel into London by car**

11.17.1 If your Excess Fares have been calculated using Public Transport Rate Mileage, and your home to office journey entails entering London’s Congestion Charge zone by car, you may claim the Congestion Charge appropriate to the time you enter the zone and in relation to the time you were required to be on duty.
11.17.2 Reimbursement can also be made where Excess Fare allowances are based on part public transport and part travel by car, where the latter requires you to enter the Congestion Charge zone by car to reach your local station.

11.17.3 Congestion charges are not payable where Excess Fares are based purely on public transport costs, regardless of whether you choose to travel by car.

11.17.4 Additional charges will not be met if you leave and re-enter the charge zone in the same day, unless on official duty, in which case any subsequent charge should be claimed as regular travel and subsistence, subject to the rules as detailed in PSO 8650.

11.17.5 This provision is open to new and existing recipients of Excess Fares, subject to the above rules.

11.17.6 All claims for congestion charges must be supported by a receipt.

11.17.7 It will be the responsibility of all staff to check where the congestion boundary lies, what notice is required and to pay any penalty levied for late or non payment.
NEW RECRUITS: ASSISTANCE WITH RELOCATION
NEW RECRUITS: 
ASSISTANCE WITH RELOCATION

12.1 Circumstances in which assistance may be given

The Prison Service will assist with the payment of certain relocation costs incurred by new recruits on taking up appointment, if and only if:

- the particular recruitment scheme or exercise has been designated in advance as one for a post or posts for which there is an acute shortage of suitable applicants; and
- the vacancy statement and any advertisements have clearly stated that assistance with relocation expenses will be available.

12.2 Extent of assistance

12.2.1 Assistance will be limited to the reimbursement of reasonable actual, receipted expenses necessarily incurred on the following items, up to a limit of £5,000 or as otherwise indicated on the advertisement:

- Solicitors’ fees for house sale and/or purchase;
- Structural survey;
- Estate agents’ fees for house sale;
- Stamp duty on house purchase;
- Assistance with temporary accommodation costs while seeking permanent accommodation, and fares home at weekends while in temporary accommodation, subject to a maximum total of £1,200;
- Removal of household furniture and effects from the old house to the new (including shipment from overseas where appropriate);
- Travel costs to take up appointment;
- VAT associated with these items.

12.2.2 The Prison Service will only reimburse expenses if it is satisfied that:

- it is necessary for the recruit to move house in order to live within reasonable travelling distance of the new workplace;
- the recruit understands the limitations of the assistance available, and has sought the approval of the Prison Service before committing expenditure;
- the costs claimed are reasonable;
- the recruit has signed a written undertaking that he or she will make a pro rata repayment following resignation within two years’ service.

12.2.3 No payments will be made until the recruit has taken up duty.

12.2.4 Bills and/or claims must be presented within 12 months of appointment

12.2.5 Relocation expenses on first appointment for disabled people

Where it is necessary for a disabled person, as a consequence of his or her disability, to move home on first appointment, assistance within the limits described above will be offered by the Prison Service, whether or not a shortage grade or post is involved.
CHAPTER
THIRTEEN

BULK MOVES
BULK MOVES

13.1 A bulk move is one which involves the transfer of work, as distinct from individual staff, from one location to another. Additional or enhanced terms may apply to particular moves.
CHAPTER FOURTEEN

SECURITY MOVES
CHAPTER 14

14. SECURITY MOVES

14.1 Eligibility

14.1.1 In exceptional cases, a move of home may be authorised due to security reasons, where there is a reasonable risk to your family if you were to stay in your current accommodation. If you have a reasonable case to apply for assistance with a move of home, for example, your address has been disclosed in court when you have appeared as a witness following an intelligence operation, then an application may be made in writing to your Governor/Head of Group or Unit. Your application must state exactly why there is a need to move and any other relevant information. Your application will be passed to the Area Manager/Head of Group.

14.2 Approval

14.2.1 Area Managers/ Heads of Group are responsible for determining whether a house move is essential and a proportionate response to the security risk. They are responsible for authorising an appropriate level of relocation expenses. This may involve moving a member of staff away from their home as well as their working station.

14.3 Payment

14.3.1 Once authorised staff must submit an ACC110 and a copy of the letter from the Area Manager/ Head of Group to the Expenses team. All normal permanent transfer rules will apply with the exception of the house move criteria regarding distance travelled, paragraph 1.2.3, as this is not relevant to security moves. All expenses are reimbursed within the rules of this Order and are liable for tax and NIC, borne by the Service. The funding for security moves will come from the sending area, unless other arrangements have been agreed by the Deputy Director General/ relevant Director. All applications for security moves will be monitored by the Expenses team.
ANNEX ONE

DETAILED GENERAL INFORMATION FOR PUBLIC INTEREST TRANSFERS
ANNEX 1

DETAILED GENERAL INFORMATION FOR PUBLIC INTEREST TRANSFERS

1. General conditions

1.1 Superannuation

Any payments made do not count as emoluments for the purpose of calculating superannuation benefits.

1.2 Death, resignation, retirement or dismissal

Unless explicit provision is made to the contrary in this Order, entitlement to reimbursement of permanent transfer expenses ceases when a member of staff dies, retires, resigns or is dismissed.

1.3 Absence from duty

Entitlements also cease for the duration of any period of unpaid leave, unauthorised absence, and absence which results from being sent home without pay.

2. Definition of terms

2.1 Householder

Staff are regarded as householders if at the old permanent station they were:

- owner-occupiers at the old permanent station; or
- occupy rented unfurnished (see paragraph 3.14 of this Annex); or
- joint owners or co-owners with a housing association etc. (see paragraph 3.13 of this Annex).

2.2 Non-householder

Staff are regarded as non-householders if they do not meet the conditions of paragraph 2.1 of this Annex, or if they occupy single person accommodation in prison quarters.

2.3 Married staff

Staff are regarded as married if, at the date of transfer, they are:

- living with their family at the permanent station or at a detached duty station;

or

- separated from their family as a result of a previous transfer in the interests of the Prison Service and their family intend to join them at the new station.

For the purpose of this paragraph, ‘family’ means spouse or dependent children, or both. Paragraphs 3.1 and 3.2 of this Annex explain the circumstances in which staff who are not married may receive allowances as if they were married.

2.4 Single staff

Staff are regarded as single if, at the date of transfer, they are:

Updated Version

Issue date 22/08/06
- unmarried; or
- married and living apart from the family (other than as a result of a previous transfer in the interests of the Prison Service or a period of detached duty); or
- married but their family are not intending to join them at new station; or
- widowed.

3. Other considerations

3.1 Single staff in established relationships

The Prison Service will consider paying to a single member of staff the allowances appropriate to married staff if he or she is part of an established relationship (including same gender partnerships), the continuation of which requires the other person or persons to accompany the member of staff on transfer to the new location.

3.2 An ‘established relationship’ is one where the member of staff and the other person or persons have been permanent members of the same household for a period of at least 6 months, immediately preceding the date of transfer.

3.3 The 6 months’ requirement may be waived only where the other person is a child or other dependent relative, for whom a parent has recently become responsible.

3.4 To benefit from this concession, you must apply in writing to your Business Link Team, preferably at the time of completing form ACC 11 0 (see Chapter 1 paragraphs 1.2.10 to 1.2.12).

3.5 Where the relationship is commercial, for example where the other person is a lodger or tenant, single staff will not qualify for married allowances.

3.6.1.1 Your application must be supported by documentary evidence of the relationship in question. Examples of this would be: formal documents such as a joint bank or building society account, joint mortgage or tenancy agreement, or an insurance policy which names the other person as beneficiary. Any other relevant evidence would also be considered.

3.7 Evidence should confirm that there has been a shared household during the 6 months preceding the date of transfer (except where this requirement may be waived (see paragraph 3.1 above)). You must also confirm in writing that the household will be reunited in permanent accommodation at the new location; and before the married officer’s transfer grant can be paid, you will have to certify in writing that this has happened.
3.8 Single staff with greater responsibilities

Single staff who occupied unfurnished accommodation at the old station, even if it was rented, owned or furnished by the person for whom he or she has responsibilities, may be treated as a single householder provided that he or she intends to continue living with that person at the new station.

3.9 Accommodation in joint names where married status is not granted

Where single staff move from property held in joint names and do not qualify as eligible to receive the married allowances, the Prison Service will reimburse only the proportion of the sale expenses equivalent to the member of staff’s interest in the property. This will apply to purchase expenses where staff purchase jointly but do not qualify for married allowances.

3.10 Mobile homes, caravans or houseboats

Staff who live in mobile homes, caravans or houseboats are normally regarded as occupying furnished accommodation and treated as non-householders.

3.11 The Business Link team may exceptionally allow householder status after considering the value of the property, the ownership of the site, mooring, the difficulties of moving the unit without causing serious damage to it, and whether the member of staff intends to sell the home and buy similar accommodation at the new station.

3.12 When the home can be moved to the new station, the Prison Service will pay only:

- night subsistence and lodging allowance for up to 3 months while the member of staff is looking for a site at the new station;
- reimbursement of the cost of transporting the mobile home to the new station, and any unavoidable continuing commitment for site rent at the old station once the home is removed;
- transfer grant.

3.13 Co-ownership property

A member of staff occupying a co-ownership property will be treated as a tenant of unfurnished accommodation.

3.14 Unfurnished accommodation

‘Unfurnished accommodation’ is accommodation described as unfurnished in the tenancy agreement. However, even if accommodation is described as ‘furnished’ in the tenancy agreement, it may nevertheless be regarded as unfurnished if only major household appliances such as cookers have been provided.
quick reference guide only
you must consult the relevant chapter
for full details of each allowance

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Note 1: only single householders who are homeowners may receive lodging allowance
ANNEX TWO

LOCAL PAYMENT OF CLAIMS
ANNEX 2

LOCAL PAYMENT OF CLAIMS

1. General conditions

1.1 The following public interest transfer expenses may be paid locally at prison establishments, Prison Service Colleges and Supply & Transport services, once authority for a move of home has been given by the Business Link team.

- Excess Fares Allowance (EFA)
- Reconnaissance visits
- Preliminary visit expenses (or equivalent visits by family after the date of transfer)
- Night subsistence
- Home/maintenance visits and formal maintenance charges
- Lodging allowance and retention of rooms allowance (*, see note below)
- Temporary excess fares (*, see note below)
- Legal fees on sale and purchase (except those from panel solicitors who send their bills direct to the Business Link team)
- Estate agents’ fees on sale
- Mortgage indemnity premium on new mortgage
- Removal costs (see paragraph 3 of this Annex)
- Transfer grants

* these items may be paid locally after initial authorisation from the Business Link Team. During the first 12 months after the date of transfer, reviews should be carried out locally every quarter, when the employee must demonstrate that he/she is making every reasonable effort to obtain permanent accommodation at the new station. This may include providing documentary evidence from estate agents or letting agents. If after 12 months the employee has still not obtained permanent accommodation, his/her case must be referred to the Business Link Team for further consideration.

1.2 In addition, local advances may be made as follows:

- for all expenses except advance of salary, transfer grants and housing costs allowances.
- advances for excess fares allowance and continuing commitment allowance are limited to three months at a time.
- bridging loan interest charges, but claims to clear the advance must be sent to the Business Link team.

2. Receipts

Where expenses are paid on production of a receipt (“vouched”), an acceptable receipt must.

- bear the name, address and telephone number of the person or company to whom the payment was made;
- state clearly the amount of money received and the goods or services supplied, including dates in the case of accommodation;
- bear the name of the person to whom the goods or service were supplied.
3. **Local payments**

Local payments are:

- **Removal expenses:** may be reimbursed locally on production of a receipted account and three competitive quotations. The amount reimbursed must not exceed the lowest quotation.

- **Removal of vehicles:** may be paid locally at public transport rate for up to two vehicles belonging to the officer and their spouse/partner. Claims for transportation of vehicles should be referred to the Business Link Team.

- **Storage charges:** should be referred to the Business Link Team.

- **Travel/subsistence:** if in the course of the removal, may also be paid locally.
ANNEX
THREE

ADVANCES OF SALARY
FOR HOUSE PURCHASE
ANNEX 3

ADVANCES OF SALARY FOR HOUSE PURCHASE

1. Advances may not be made by establishments, nor may local advances be paid for this purpose unless expressly authorised by the Business Link Teams in exceptionally urgent cases.

1.1 A claim for an advance of salary should be made by the claimant on form ACC203. The applicant’s date of birth, date of commencement of service, marital status and health and conduct should then be entered from the personnel (DPS) file or local record of service.

1.2 Health and conduct should be described as “satisfactory” unless there is evidence of unsatisfactory sick leave or conduct or of irregularity in the applicant’s financial affairs. When there is any doubt regarding an applicant’s conduct, the Business Link Team should be consulted. For all applications, accurate details of current salary and allowances should be obtained from Pay Service at Bootle.

1.3 Finally, the form should be signed and dated, with a copy placed on the applicant’s personal file or local record of service.

1.4 If the applicant should resign or retire before the advance has been repaid, the Business Link Team will be informed by Pay Service of the amount outstanding and will arrange for its recovery.

1.4 However, for staff based at establishments, the local personnel office should also inform the Business Link Team once a member of their staff is within 6 weeks of retirement, or as soon as possible, if a member of staff resigns. The personnel officer should also draw the attention of the member of staff concerned to the fact that the AOS must be repaid, and request their written proposal for repayment before they leave. These should be forwarded to the Business Link Team as soon as possible.
ANNEX
FOUR

PRISON SERVICE
PANEL OF SOLICITORS
PRISON SERVICE PANEL OF SOLICITORS

1. FEES: £700 plus VAT and disbursements for sale and purchase, £400 plus VAT and disbursements for purchase only, £300 plus VAT and disbursements for sale only.

2. PANEL OF SOLICITORS:

Mr M Wills
Pictons Solicitors
30/32 Bromham Road
BEDFORD
MK40 2QD
Tel.: 01234-273273

Mr T Price
Evershed Wells & Hind
10 Newhall Street
BIRMINGHAM
B3 3LX
Tel.: 0121-2332001

Mr S Smailes
Lyons Davidson
Bridge House
48-52 Baldwin Street
BRISTOL
BS1 1QD
Tel.: 0117-9297151

Mr D Sabberton
Hewitson Becke & Shaw
Shakespeare House
42 Newmarket Road
CAMBRIDGE
CB5 8EP
Tel.: 01223-461155

Mrs C King
Hugh James Jones & Jenkins
Arlebe House
Greyfriars Road
CARDIFF
CF1 4Q8
Telephone: 01222-224871

Mrs A Gill
Campbell Hooper
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LONDON
SW1H 9ID
Tel.: 0171-222 9070

Mrs J Harwood
Thomson Snell & Passmore
Invicta House
Pudding Lane
MAIDSTONE
ME14 1PU
Tel.: 01622-757455

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Tel.: 0117-9297151

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Eversheds Alexander Thatham
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MANCHESTER
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Tel.: 0161-8326666

Mr D Wright
Evershed Ingledew Wright
Permanent House
91 Albert Road
MIDDLESBOROUGH
TS1 2PA
Tel.: 01642-247456

Mr J Darbyshire
Robinson Jarvis & Rolfe
19-21 Quay Street
NEWPORT
P030 5BA
Tel.: 01983-526924
Mr I Jones
Attey Bover & Jones
82 Cleveland Street
DONCASTER
DN1 3DR
Tel.: 01302-340400

Mr F Clarke
Tozers
North Door Broadwalk House Southernhay
West
EXETER
EX1 1UA
Tel.: 01392-340400

Ms J Jackson
Wansbroughs Willey Hargrave
7 Park Square East
LEEDS
LS1 2LW
Tel.: 0113-244 1151

Mr PA Todd
Lawson - West
142 Evington Road
LEICESTER
LE1 1HL
Tel.: 0116-273 3091

Miss R McGurk
Eversheds Daynes Hill & Perks
Paston House/Princess Street
NORWICH
NR3 1 BD
Tel.: 01603-272727

Mr N Terrel
Pictons Solicitors
Ashton House
409 Silbury Boulevard
MILTON KEYNES
MK9 2 LJ
Tel.: 01908-663511

Mr J Donovan
Browne Jacobson
44 Castle Gate
NOTTINGHAM
NG1 7BJA
Tel: 0115-950 0055

Mrs H Smith
Ingham Clegg & Crowther
Guild Chambers
4 Winckley Square
PRESTON
PR1 3JJ
Tel.: 01772-250931
ANNEX FIVE

TRAVEL ALLOWANCES AND SUBSISTENCE RATES
TRAVEL ALLOWANCES AND SUBSISTENCE RATES

1. **Public transport rate**  
   (Effective date 1 June 2004)

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<th>Rate per mile</th>
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<tr>
<td>Motor Cars</td>
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<tr>
<td>Motor Cycles</td>
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</tr>
<tr>
<td>Up to 125cc</td>
<td>24p.</td>
</tr>
<tr>
<td>Over 125cc</td>
<td>24p.</td>
</tr>
</tbody>
</table>

2. **Passenger supplement**  
   First passenger carried: 2 p per mile, plus  
   Each additional passenger: 1 p per mile

3. **Pedal cycle allowance**  
   (Effective date 1 June 2004)

   20p. per mile

4. **Day subsistence allowance**  
   (Effective date 1st August 1994)

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<th>Period of Absence</th>
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<td>More than 5 hours</td>
<td>All classes</td>
<td>£4.25</td>
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<tr>
<td>More than 10 hours</td>
<td>All classes</td>
<td>£ 9.30</td>
</tr>
<tr>
<td>More than 12 hours</td>
<td>All classes</td>
<td>£ 13.55</td>
</tr>
</tbody>
</table>

5. **Night subsistence allowance**  
   (Effective date 1st August 1997)  
   Even though the rate tables for both nights subsistence and lodging allowance show an Inner London Rate, while on permanent transfer we can only reimburse temporary lodging costs at the elsewhere rate.

   NSA actual vouched costs can be claimed up to the figure shown plus £26.00

<table>
<thead>
<tr>
<th>Limits per night</th>
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<tbody>
<tr>
<td>Inner London</td>
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<tr>
<td>Elsewhere</td>
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<tr>
<td>£ 70.00</td>
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<td>£ 52.00</td>
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</table>
Example of payment of night subsistence to staff on a preliminary visit.

Member of staff (subsistence class 3) with a spouse and two children, one aged under 12 years and one over 12 years, may claim reimbursement of total actual bed and breakfast costs within a ceiling of £113.32.

E.g.  
1 x £40.00 = £40.00  
2 x £26.66 = £53.32  
1 x £20.00 = £20.00  
£113.32

plus additional expenses element of £85.75 per night

E.g.  
3 x £24.50 = £73.50  
1 x £12.25 = £12.25  
£85.75

6. Lodging allowance  
(Effective date 1 August 1997)

<table>
<thead>
<tr>
<th>Limits per night</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner London</td>
<td>£36.75</td>
</tr>
<tr>
<td>Elsewhere</td>
<td>£33.20</td>
</tr>
</tbody>
</table>

7. Retention of rooms allowance  
(Effective date 1 June 2004)

Limit per night: £7.00

8. Child Lodging Allowance  
(Effective date 1 June 2004)

1/2 vouched board and lodging costs limited to £50.00 per week.
ANNEX SIX

PERIOD OF PAYMENT OF NIGHT SUBSISTENCE ALLOWANCE, LODGING ALLOWANCE AND RETENTION OF ROOMS ALLOWANCE
PERIOD OF PAYMENT OF
NIGHT SUBSISTENCE ALLOWANCE, LODGING ALLOWANCE
AND RETENTION OF ROOMS ALLOWANCE

The rules governing the payment of these allowances will be found in the Travel and Subsistence Order.

1. Period for which night subsistence allowance is payable

- Entitlement to night subsistence allowance expires after 30 nights.
- The table below shows how absences from the new station during the subsistence period affect the calculation of the 30 nights:

<table>
<thead>
<tr>
<th>Absence</th>
<th>Calculations</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Absence on official business. 10 nights or less (based on working days, excluding weekends)</td>
<td>The nights of absence do not count in calculating the 30 nights. Nights before and after the absence are accumulated in calculating the 30 nights.</td>
</tr>
<tr>
<td>b. Absence on official business. More than 10 nights (based on working days as above)</td>
<td>A return to the new station thereafter is treated as a new visit giving a fresh 3D-night cycle.</td>
</tr>
<tr>
<td>c. Weekend visits home at official expense</td>
<td>Nights of absence count towards the 30 nights but do not disturb the 24-hour subsistence allowance cycle.</td>
</tr>
<tr>
<td>d. Other absences for private reasons (including annual and other leave) for a non-specified period</td>
<td>Nights before and after the absence are accumulated towards the 30 nights. No entitlement to a fresh start.</td>
</tr>
</tbody>
</table>

- A break of more than 10 working days entitles you to a fresh start. Once the entitlement of 30 nights has been exhausted, you are not entitled to a fresh start unless you have an absence of 3 months or more. Annual leave and sick leave do not count during the three month break.

2. Period during which lodging allowance is payable

2.1 You may be paid lodging allowance from the date following exhaustion of night subsistence entitlement for so long as you fulfil the requirements in Chapter 7, paragraphs 7.3.3 to 7.3.8.

2.2 Lodging allowance is only payable for nights of absence from the new duty station in the circumstances described below (otherwise see retention of rooms allowance).
2.3 Payment of lodging allowance may continue during absences of 3 nights or less during the working week. This applies whether you are on leave, or on duty, including temporary recall to the old station.

2.4 It does not apply when the absence immediately precedes or follows a weekend visit home. In these circumstances, retention of rooms allowance is payable for the whole period of absence (subject to the production of receipts).

2.5 Lodging allowance is not payable when a public holiday falls at the beginning or in the middle of a period of annual leave unless, of course, you are working on that day. It may be paid when a public holiday falls at the end of a period of leave and immediately precedes a return to the new station (for example, a Bank Holiday Monday preceding a return to work on Tuesday).

3. When lodging allowance is payable in conjunction with retention of rooms allowance

Lodging allowance may be paid in conjunction with retention of rooms allowance in respect of the following absences:

- five nights for private reasons at Easter or spring holiday;
- four nights for private reasons at August Bank Holiday; New Year when New Year’s Day falls on a Friday or a Monday; or other Bank Holiday apart from Christmas;
- four or six nights for private reasons at Christmas according to the day on which Christmas falls.

3.1 The allowances which may be paid are:

- vouched retention of rooms allowance for up to 3 nights for the weekend absence to staff who are entitled to return home at the weekend;
- lodging allowance for the balance of 1, 2 or 3 nights of absence as appropriate;
- claims for these allowances must be fully vouched.

3.2 You may prefer to remain in your temporary accommodation at weekends, for example while seeking permanent accommodation. In this case you may claim the lesser of either lodging allowance or the notional cost of one journey home plus room retention allowance.
ANNEX
SEVEN

RATES AND PERIODS
OF EXCESS FARES
ALLOWANCE
ANNEX 7

RATES AND PAYMENT PERIOD
OF EXCESS FAES ALLOWANCE

1. For permanent compulsory transfers taking effect on or after 1st June 1994, the following table will apply:

<table>
<thead>
<tr>
<th>Daily rate of EFA</th>
<th>Period of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to £24.00</td>
<td>5 years</td>
</tr>
<tr>
<td>£24.01 to £27.00</td>
<td>4 ½ Years</td>
</tr>
<tr>
<td>£27.01 to £30.00</td>
<td>4 years</td>
</tr>
<tr>
<td>£30.01 to £34.00</td>
<td>3 ½ years</td>
</tr>
<tr>
<td>£34.01 and over</td>
<td>3 years</td>
</tr>
</tbody>
</table>

2. With effect from 1st August 1997, PTR mileage is 24.3p per mile.

3. With effect from 1st August 1997, EFA entitlements based on public transport costs increased by 2%.

4. **Seriously out of pocket allowance**

   EXAMPLES (based on current mileage rates - (see Annex 5) - and average number of working days per annum of 213)

   **Eg.1**

<table>
<thead>
<tr>
<th>Old journey</th>
<th>3 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>New journey</td>
<td>£2,000 per annum</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>EFA = £2,000 - (3 x 2 x 24.3p x 213)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>= £1,689.45 for three years</td>
</tr>
</tbody>
</table>

   Therefore there will be an entitlement to a seriously out of pocket expense because the EFA for the season ticket exceeds £1,500. This will be calculated as £1,689.45 x 32% = £540.62 per annum. As this is a three year allowance the total out of pocket expense will not exceed £5,000.
Eg.2

<table>
<thead>
<tr>
<th>Old journey</th>
<th>3 miles</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Journey</td>
<td>6 miles and £2,000 per annum</td>
</tr>
</tbody>
</table>

EFA = \((2,000 + 6 \times 2 \times 24.3p \times 213) - (3 \times 2 \times 24.3p \times 213)\) = £2,310.56 for three years

Therefore although the EFA is £2,310.56 per annum, only £2,000 refers to the season ticket element. The out of pocket expense will be £2,000 \times 32\% = £640 per annum.

NEW EXCESS FARE RATE FROM 1ST JUNE 2004  4\%
ANNEX
EIGHT

TRANSFER GRANTS
### TRANSFER GRANTS

(Effective date 1 June 2004)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married staff with one or more children</td>
<td>£2,855</td>
</tr>
<tr>
<td>between the ages of 4 to 16 (inclusive) in full-time education</td>
<td></td>
</tr>
<tr>
<td>Other married staff</td>
<td>£2,400</td>
</tr>
<tr>
<td>Single householder</td>
<td>£1,715</td>
</tr>
<tr>
<td>Single non-householder</td>
<td>£665</td>
</tr>
<tr>
<td>Quarter to quarter move at the same</td>
<td>£1,715</td>
</tr>
<tr>
<td>establishment</td>
<td></td>
</tr>
</tbody>
</table>

All grants may be paid locally as follows:

- at date of transfer, £665 in all cases;
- any balance on moving into permanent accommodation or, if sooner, on being joined by the family.
ANNEX NINE

EXAMPLES OF TAXABLE HOUSING COST ALLOWANCE
EXAMPLES OF TAXABLE HOUSING COST ALLOWANCE

*Note: All the examples assume a mortgage rate (MR) of 7.1% and a Mortgage Interest Factor (MIF) of 6% and basic rate income tax at 23%

EXAMPLE A - Owner occupier - average property price higher at new location

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average property price</td>
<td>£60,000</td>
<td>£85,000</td>
</tr>
<tr>
<td>Sale/Purchase price</td>
<td>£58,000</td>
<td>£87,000</td>
</tr>
<tr>
<td>Mortgage Outstanding</td>
<td>£38,000</td>
<td>£55,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£140</td>
<td>£160</td>
</tr>
<tr>
<td>Insurance</td>
<td>£120</td>
<td>£140</td>
</tr>
<tr>
<td>Council tax</td>
<td>£300</td>
<td>£350</td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£560</td>
<td>£650</td>
</tr>
</tbody>
</table>

Calculation of mortgage interest element

(a) Difference in average property price
(B-A) = £85,000 - £60,000 = £25,000
XMR(7.1%) = £1,775

(b) Additional mortgage obtained
(B-A) = £55,000 - £38,000 = £17,000
XMR(7.1%) = £1,207

** Note that the mortgage interest element is based on the lower of 1(a) and 1(b).

2. Calculation of THCA entitlement

(a) Mortgage interest element = £1,207
(b) Increase in annual outgoings
(B-A) = £90
Total = £1,297

3. Gross up for tax

£1,297 x 100 = £1,684.41 amount payable
4. **THCA Payable**

The above will be paid for the first five years subject to MIF/MR and base rate changes. Thereafter, as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 6</td>
<td>£1,347.52</td>
</tr>
<tr>
<td>Year 7</td>
<td>£1,010.64</td>
</tr>
<tr>
<td>Year 8</td>
<td>£673.76</td>
</tr>
<tr>
<td>Year 9</td>
<td>£336.88</td>
</tr>
</tbody>
</table>

**EXAMPLE B - Owner occupier - average property price lower at new location**

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average property price</td>
<td>£100,000</td>
<td>£85,000</td>
</tr>
<tr>
<td>Sale/Purchase price</td>
<td>£102,000</td>
<td>£87,000</td>
</tr>
<tr>
<td>Mortgage Outstanding</td>
<td>£40,000</td>
<td>£20,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£140</td>
<td>£140</td>
</tr>
<tr>
<td>Insurance</td>
<td>£100</td>
<td>£120</td>
</tr>
<tr>
<td>Council tax</td>
<td>£400</td>
<td>£400</td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£640</td>
<td>£660</td>
</tr>
</tbody>
</table>

**1. Calculation of mortgage interest element**

(a) Difference in average property prices

\[
\text{(B-A)} = £100,000 - £85,000 = \text{minus } £15,000
\]

\[
\times \text{MR (7.1%)} = \text{minus } £1,065
\]

(b) Additional mortgage obtained

\[
\text{(B-A)} = £40,000 - £20,000 = \text{minus } £20,000
\]

\[
\times \text{MR (7.1%)} = \text{minus } £1,420
\]

**2. Calculation of THCA entitlement**

(a) Mortgage interest element = \text{minus } £1,420

(b) Increase in annual outgoings

\[
\text{(B-A)} = £20
\]

Total = \text{minus (1,400)}

The negative sign is taken into account for the calculation, and the THCA entitlement is therefore **NIL**. This reflects the fact that housing costs are cheaper in the new area.
EXAMPLE C - Owner occupier - sale and purchase prices are more than 25% above the average property prices for both locations.

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average property price</td>
<td>£33,000</td>
<td>£48,000</td>
</tr>
<tr>
<td>Sale/Purchase price</td>
<td>£42,000</td>
<td>£62,000</td>
</tr>
<tr>
<td>Mortgage Outstanding</td>
<td>£31,000</td>
<td>£51,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£220</td>
<td>£190</td>
</tr>
<tr>
<td>Insurance</td>
<td>£80</td>
<td>£120</td>
</tr>
<tr>
<td>Council tax</td>
<td>£320</td>
<td>£400</td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£620</td>
<td>£710</td>
</tr>
</tbody>
</table>

Because sale and purchase prices are more than 25% above average property prices for properties of the same type, the formula in paragraph 10.2.11 is applied

1. Calculation of mortgage interest element

   (a) The maximum additional mortgage to be taken into account is based on the average property price differential, as this is less than the mortgage differential.

   The difference between average property prices

   \[ \text{Difference} = 48,000 - 33,000 = 15,000 \]

   plus the result of the following calculation:

   \[ A = \text{selling price of old property} \]
   \[ B = \text{average property price at the old station} \]
   \[ C = \text{average property price at the new station} \]

   \[ A - (B / (1 + 25\%)) \times (C - B) B \]

   \[ £42,000 - (£33,000 \times 25\%) \times (£48,000 - £33,000) \]

   \[ = \frac{£33,000}{£33,000} \]

   \[ = £340.91 \]

   \[ £15,000 + £340.91 = £15,340.91 \times \text{MR (7.1\%)} \]

   \[ = £1,089.20 \]

   (b) Additional mortgage obtained

   \[ £51,000 - £31,000 = £20,000 \times \text{MR (7.1\%)} \]

   \[ = £1,420 \]
2. Calculation of THCA entitlement
   
   (a) Mortgage interest element = £1,089.20
   (b) Increase in annual outgoings
       \[ (B - A) = £90 \]
       \[ \text{Total} = £1,179.20 \]

3. Gross up for tax
   
   \[ \frac{£1,179.20 \times 100}{77} = £1,531.42 \text{ amount payable} \]

4. THCA payable
   
   The above will be paid for the first five years subject to MIF/MR and base rate changes. Thereafter, as follows:
   
   Year 6  £1,225.12
   Year 7  £918.84
   Year 8  £612.56
   Year 9  £306.28

EXAMPLE D - Owner occupier - average property price higher at new station, and the mortgage outstanding is below £30,000

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average property price</td>
<td>£20,000</td>
<td>£41,000</td>
</tr>
<tr>
<td>Sale/Purchase price</td>
<td>£26,500</td>
<td>£46,500</td>
</tr>
<tr>
<td>Mortgage Outstanding</td>
<td>£18,000</td>
<td>£38,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£140</td>
<td>£160</td>
</tr>
<tr>
<td>Insurance</td>
<td>£120</td>
<td>£140</td>
</tr>
<tr>
<td>Council tax</td>
<td>£300</td>
<td>£350</td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£560</td>
<td>£650</td>
</tr>
</tbody>
</table>

1. Calculation of mortgage interest element
   
   (a) Difference in average property prices
       \[ (B-A) = 41,000 - 20,000 = £21,000 \]
   
   (b) Additional mortgage obtained
       \[ (B-A) = £38,000 - £18,000 = £20,000 \]
As the old mortgage is less than £30,000, the difference between the old mortgage and £30,000 (limited to the mortgage interest element) is multiplied by the MIF, and any balance, by the MR.

Mortgage interest element is £20,000

\[
\begin{align*}
\text{£12,000 x MIF (6\%)} & = \text{£720} \\
\text{£8,000 x MR (7.1 \%)} & = \text{£568} \\
& = \text{£1,288}
\end{align*}
\]

2. Calculation of THCA entitlement

(a) Mortgage interest element = £1,288
(b) Increase in annual outgoings = £90
   total = £1,378

3. Gross up for tax

\[
\frac{1.378 \times 100}{77} = \text{£1,789.61 amount payable}
\]

4. THCA Payable

The above will be paid for the first five years subject to MIF/MR and basic rate changes. Thereafter as follows:

Year 6  1,431.68
Year 7  1,073.76
Year 8  715.84
Year 9  357.92

EXAMPLE E - Where an officer moves from an owner occupied accommodation to rented

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale price</td>
<td>£36,000</td>
<td></td>
</tr>
<tr>
<td>Mortgage Outstanding</td>
<td>£31,000</td>
<td></td>
</tr>
<tr>
<td>Water Rates</td>
<td>£140</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>£120</td>
<td></td>
</tr>
<tr>
<td>Council tax</td>
<td>£300</td>
<td></td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£560</td>
<td>Rent £2,000</td>
</tr>
</tbody>
</table>

1. Calculation

\[
(\text{Mortgage X MIF or MR}) + \text{outgoings minus rent and any interest on capital}
\]

\[
= (\text{£30,000 X MIF (6\%)}) + (\text{£1,000 X MR (7.1\%)}) + \text{£560} - \text{£2,000}
\]

\[
= \text{£431}
\]
2. **Gross up for tax**

\[ \frac{431 \times 100}{77} = £559.74 \text{ amount payable} \]

3. **THCA payable**

The above will be paid for the first five years, unaltered by any charges in the MIF/MR and basic rates. Thereafter as follows:

- **Year 6**: £447.76
- **Year 7**: £335.84
- **Year 8**: £223.89
- **Year 9**: £111.94

**EXAMPLE F** - Where an officer moves from and to rented unfurnished accommodation

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>£1,000</td>
<td>£2,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£200</td>
<td>£250</td>
</tr>
<tr>
<td>Council tax</td>
<td>£300</td>
<td>£350</td>
</tr>
<tr>
<td><strong>Total Annual Outgoings</strong></td>
<td>£1,500</td>
<td>£2,600</td>
</tr>
</tbody>
</table>

1. **Calculation**

The difference between the total outgoings at new station less total outgoings at old station

\[ £2,600 - £1,500 = £1100 \]

2. **Gross up for tax**

\[ \frac{1.100 \times 100}{77} = £1,428.57 \text{ amount payable} \]

3. **THCA payable**

The above will be paid for the first five years. Thereafter as follows:

- **Year 6**: £1,142.85
- **Year 7**: £857.14
- **Year 8**: £571.42
- **Year 9**: £285.71

**Note**: This allowance is unaffected by any changes in the MIF/MIR
EXAMPLE G - Where a non-householder moves from rented furnished to other rented accommodation

<table>
<thead>
<tr>
<th>COSTS</th>
<th>Old Station A</th>
<th>New Station B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td>£1,000</td>
<td>£2,000</td>
</tr>
<tr>
<td>Water Rates</td>
<td>£200</td>
<td>£250</td>
</tr>
<tr>
<td>Council tax</td>
<td>£300</td>
<td>£350</td>
</tr>
<tr>
<td>Total Annual Outgoings</td>
<td>£1,500</td>
<td>£2,600</td>
</tr>
</tbody>
</table>

1. Calculation

The difference between the total outgoings at new station less total outgoings at old station

\[ £2,600 - £1,500 = £1100 \]

2. Gross up for tax

\[ \frac{1,100 \times 100}{77} = £1,428.57 \text{ amount payable} \]

The allowance is only payable for three years. It is reduced by one third each year.

- Year 6  £1,428.57
- Year 7  £952.38
- Year 8  £476.19
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