



ARC Update 1 of 2016: Locations

Following HMRC's location announcement last November our employer is pressing ahead with the steps necessary to put those announcements into effect.

ARC are aware that for locations set down for closure in 2016/17 it is anticipated that one-to-one conversations will begin on 22 February, around a month from the date of this update. As part of that process Lines of Business have been asked to provide volunteers to build a cadre of decision makers, and that has been done. The expected timeline for the process is that the initial round of one-to-one discussions will be completed by 11 March in time for early April decisions. Any appeals are to be made and considered shortly thereafter. We know that guidance is being drawn up for managers who are being asked to conduct one-to-ones and for those who will be interviewed, that guidance is expected very soon. We are also aware of the intranet announcement last autumn that new case studies covering Reasonable Daily Travel are being worked up.

We have been given a number of undertakings from the employer that they will work with ARC in the development of their plans and consult on the new guidance. We have been told that there are to be no policy changes through this process, although procedures will be tightened up to improve on what has been done in the past with a consistency check on 10% of decisions. We understand that the guidance will include a message that people should gather the facts they need to make the one-to-one meaningful and that they should carefully consider all of the factors impinging on any decision they may have to make. ARC members will have to conduct the one-to-ones and, in due course, make decisions, so they need clear support through a process which will be new to them; in some instances those members are themselves going to be faced with very difficult decisions. Whilst we are confident that there would be much in guidance drawn up in those terms that we would be able to support, we have reminded HMRC that the announcement to staff in London last November included a statement around Reasonable Daily Travel which was not in line with current guidance at HR59002 and was made without any consultation with ARC. That is not what we would expect of our employer and remains unacceptable. We have urged them not to make the same mistake twice.

Although ARC has been involved in the work being done in many of the Regional Implementation Groups I have to say that the position regarding invitations to meetings has thus far been patchy; that situation is now recovering. However we

are yet to have any centralised discussions around the work of the Design Authority or on what is being done to decide where business streams are likely to be located in future and how soon they intend to move there.

It is very difficult for someone to arrive at a deeply meaningful personal decision on what is a reasonable expectation when the locations of businesses and the physical location of the offices they will be situated in is not yet known. The situation is difficult enough for people who are just outside of what is considered to be Reasonable Daily Travel but it is infinitely more difficult for those who are well outside it. HMRC has to be honest with those people as to what their future holds and must develop its thinking around the opportunities open to it in order to retain highly skilled people in an organisation they have loyally served for many years. That thinking must include access to Home Moves Assistance and the possibility of working at a distance from a Regional Centre.

There is a huge amount of work to be done around this, and ARC and our members are entitled to be consulted. What is most worrying currently is that despite repeated request for early sight of the draft guidance on one-to-ones, the case studies on RDT, the process maps around decision making and the terms of reference put in place to oversee the programme itself, we have yet to see them. Those are the basic documents ARC need to assure our members that we have actively been involved and consulted on in the design of the process and the content of the guidance. We are now hearing that guidance may be issued as early as next week.

ARC have met with a number of senior stakeholders over the course of this last week and have been invited to further discussions early next in an effort to rectify that situation. We cannot in all honesty say that we have been consulted to any meaningful extent in the exercise which will soon get underway. In the continuing absence of the documents that we have requested and in the understanding of the employer's statement that there have been no policy changes to extant guidance you will find attached three worksheets drawn up from HMRC's current internal guidance on:

- Daily Travel Assistance
- Reasonable Daily Travel
- Homes Moves assistance

We once again, invite HMRC to engage with us in the manner which we and our members are entitled to expect without any further delay. It is our intention next week to issue a further update and to survey our members on what their intentions are in relation to one-to-one conversations. We will issue our own help sheet on the one-to-one process in good time before any of our members are required to take part in that process.

We have given an undertaking to our members that we will support you at every stage of the move to the new structure whether that be through the Regional

Implementation Teams, within Lines of Business as they develop their plans, at a national level where your collective views can be advanced or at a personal level through the one-to-one process. We will honour that commitment and will write to you again next week.

ARC Committee
22 January 2016

One to One Guidance Daily Travel Assistance (DTA.)

Any claims for DTA will be linked into the decision made as to whether an employee's new journey to work is within or outside RDT (see separate sheet).

DTA is a financial contribution paid by the employer to assist the jobholder in meeting additional travel costs and is paid in each of the following circumstances -

- The employee is permanently transferred to a new office at HMRC expense
- They do not qualify for HMA (Home moves assistance) or qualify but choose not to move
- The new journey from home to office costs more than the previous journey.

DTA is paid for either a maximum of 3 years (or 5 years if the individual agrees to travel outside of Reasonable Daily Travel). In most circumstances the money received is taxable.

To calculate the payments a comparison is made of the costs of the new journey compared to the cost of the old one **by the same means of transport**. In most cases this will be by public transport.

Usually this is calculated in relation to the cost of an annual season ticket for the old and new journey, the difference being divided into 12 to generate a monthly payment. However, if an annual season ticket is not available for either journey, calculation can be considered by reference to other rates (say a monthly, weekly or daily pass).

There will always be some variants here. The default position is however public transport cost. It does not really matter if the mode of public transport changes (for example if a bus journey is replaced by a train journey) as there will still be a season ticket cost as a base for calculation, but there may be issues where the new journey is by car.

While HMRC employees are encouraged to travel by public transport (and many do, simply because many buildings have little or no parking facilities), there are circumstances when a claim for DTA can be based around the costs of travel to the new office by car and based on basic rate mileage allowance. For this to be in play, the following **must** apply.

- Public Transport is not available, or
- The journey by public transport extends beyond RDT, or
- You need to use your car for official business for at least 60% of your working day, and
- You meet the ownership requirements for mileage claims, and
- Your vehicle is roadworthy has appropriate tax, MOT etc and is insured for business use.

This is quite a high bar to get over. If you meet the criteria for car use and the new journey involves paying for car parking, these costs can be included in any claim but the claim may be restricted to the most cost effective parking available.

DTA claims can also be made if you cycle to work. In such cases the cost is calculated on the current pedal cycle rate.

Some of you will already be in receipt of DTA from a previous move. If that is the case, once the new move takes place any new claim will kick in and the previous claims will stop.

We would hope that the calculation of DTA should be a relatively straightforward issue, but we do know of some instances where claims have either been discouraged or refused. Even if the costs seem small the employer has an obligation to meet these additional costs and we would expect them to do so.

When members are considering DTA claims you must be both accurate and realistic as fraudulent claims could lead to dismissal.

As DTA is paid for a number of years, the costs are reviewed annually and the amounts of DTA adjusted if fares increase. This is however done based on average increases and may not reflect the actual increase in any travel costs.

ARC has for some time argued that DTA costs should be grossed up for tax purposes, but the employer has so far declined to do so.

One to One Guidance Reasonable daily Travel (RDT)

The concept of Reasonable daily Travel (RDT) is a key factor in deciding both if it is possible for a jobholder to move to a new location and the level of financial support jobholders can expect from the employer for doing so.

The key test is one of 'reasonableness,' which is by its nature a subjective test. What is reasonable for one person may not be for the next. As a rule of thumb, the following factors will always be considered:-

- Personal circumstances
- The amount of time it takes for someone to travel to the proposed new location

The definition of RDT is set out in HR59002 - Mobility and Transfers and is worth setting out verbatim

Reasonable daily travelling time is normally about 1 hour each way. However

- *for London the travelling time can be longer*
- *in cases where personal circumstances affect the ability to travel, the reasonable period could be less than 1 hour*
- *Where the travel is already more than an hour it could still be increased if this was proportionate and reasonable in the circumstances. This would particularly apply in London and in cases where the individual has chosen to live a long distance from the office.*

How the time is measured will depend on what is reasonable having regard to your circumstances and the Department's business needs. In some cases, this may be by public transport but, if you normally travel to work by car, it may be reasonable to work out your new travelling time on that basis. All cases will be dealt with on their merits and personal circumstances taken into account in the way described above.

The briefing notes for the recent announcements set RDT in London at around 90 minutes. This is a position set by the employer without any supported guidance and is not accepted by either ARC or PCS. The position is as set out above.

We are of course aware that a significant proportion of our members will travel for longer than the notional one hour already. This is not necessarily out of choice, because as the department has continued to shut smaller offices our members have been forced to endure longer journeys for years. In those circumstances it does not necessarily follow, that any further extension of travelling time is 'reasonable.'

The one to one meeting is the key opportunity for an individual to discuss travel issues and preparation for the meeting is vital. However, as with any discussions taking place prior to an event, you will need to make certain assumptions. Firstly the default position for any moves is that the individual moves with the work. So you should know where your job is going to be moved to. You will then be able to

look at travel options to the new location (see help sheet on Daily Travel assistance for guidance on different modes of transport). You will then know firstly if you can get to the new location (at all), and if you can how long it will take by various modes of transport.

Use this information at the one to one meeting as this will be where the evidence will be gathered upon which a decision will be made. That decision will be that your new journey will either be within RDT or outside RDT.

In all of this there will always be debates in certain areas. Firstly, what is 'reasonable?' It is difficult to offer guidance on this as it is a very individual thing. What we can say is that with any test dependent on personal circumstances you will be in a far stronger position if you disclose everything as part of the decision making process. We know this can be uncomfortable for some members particularly if they have a disability or health issue that is not obvious or apparent. But the employer cannot take into account any issue they do not know about.

The fact that you already travel in excess of RDT does not as some assume 'reset the clock' on travel. If for example your current journey is 80 mins, another 10 minutes may not be reasonable it depends on the circumstances. The additional journey may be more difficult, involving a different mode of transport or more changes (of train) etc.

Equally we would ask members to be realistic in their expectations because if you are in a mobile grade the employer can move you, within reason, to a new location. This may involve using a different mode of transport to the one you use now (particularly if you drive to work). This change may not make the new journey unreasonable in itself (but there may be other factors that make using public transport impossible).

Many of you will have gone through this process before but that does not make things any easier. These are moves on a scale without precedent in HMRC. Use the one to one process to state your case. But remember that the one to one process is a snapshot in time. It is built on assumptions based on the circumstances as they stand at the date of the meeting. If those circumstances change for reasons out of your control (and before any moves take place) then the one to one process can be revisited

At the end of the process you should be in a position where it is agreed that you are either within RDT of the new office or outside it. We will look at what this means in other notes.

One to One Guidance Home Moves Assistance (HMA)

Whilst it is not going to be something suitable for everyone, HMA remains a valuable tool as a potential way of avoiding redundancy and to facilitate staff moves into Regional Centres.

HMA can come into play where

- A jobholder transfers on permanent compulsory terms to another office,
- The move arises because they are outside of reasonable daily travel to the new location.

The term HMA actually covers a range of different expenses

- Travel and Subsistence
- Temporary Accommodation and Travelling Costs
- A Transfer Grant
- Actual Costs of moving home
- Additional Housing Cost Allowance (If the new home is in a more expensive area,)
- Advance of Salary for house purchase (AHP - an interest free advance of salary,)
- Assistance with children's education

The guidance is in HR 43401. The decision to move house is obviously a key decision for anyone, the policy is complex and covers a variety of costs. If any member is considering the option they need to read the policy in detail with specific reference to their own circumstances. We cannot cover every single variant here but if members have questions we suggest they are fed up via centre officials.

As well as HMA there is also a 'middle way,' to help staff who want to take up a new role yet retain their old home (HMA is based on a premise that you will be selling one property and buying another. This is known as The Flexible Option

It will only apply if the individual qualifies for HMA. If a jobholder wishes to take up a new (permanent) job in a new location but does not wish to move house (say because they have dependants who cannot move,) they can suggest any reasonable alternative measures that would enable them to take up the new post. These arrangements have to satisfy the needs of the business and be approved by the individual's manager.

Under this arrangement the department will meet reasonable travel and living expenses. These could include

- Travel and subsistence costs when looking for temporary accommodation
- Costs of rent and utilities at temporary accommodation
- Costs of setting up a rental agreement

- Costs of weekend travel between home and temporary accommodation.

These are only examples and are not an exhaustive list. It is difficult to give examples of different types of alternatives here but weekending (staying in rental accommodation) during the week, would be one.

Payments under the Flexible option are capped (current totals are £36,000 in London and £24,200 outside). And if you take up the flexible option then later decide to move house, you would not be entitled to further assistance.

HMA will not be suitable for everyone but if you think it is an option for you, it should be something you should consider and if you think it might help you to move to a new location it should be discussed at one to one meetings.

As we said at the outset, although it is not much used it remains available within guidance and may be something to consider.

ARC is there to help so if you have any issues then please feed them up to us via your centre officials.