

# Homeworking Facilities Allowance

## Qualifying Conditions

Where a business requirement for homeworking has been identified, a Homeworking Facilities Allowance (HFA) will be payable to you where you have voluntarily set aside part of your home to be used as an official office. The HFA is intended only to recompense you for the cost of providing space within your home, together with the associated costs of heating, lighting and power. There are two levels of allowance - the amounts payable for each are detailed in Appendix 1.

The upper HFA will be paid where you have no Forestry Commission (FC) office and work only from home.

The lower HFA will be paid where there is a business need for you to regularly work part of your contractual hours from home and part of your contractual hours from a FC office.

The HFA is not payable where you ask to work from home for some of the time, for example to facilitate domestic arrangements or reduce commuting journeys, or where you take work home at weekends or in the evening.

## Permission to Work from Home and Authority for Payment

All cases will be considered on an individual basis, taking full account of the cost and benefits to the FC and you. Further consideration will be given to the suitability of you and your role for homeworking arrangements. Decisions on awarding a HFA will not be taken in isolation and the possibility of using existing accommodation in local offices must be fully explored before homeworking is approved.

The decision to approve working from home and authority for the payment of a HFA lies with the appropriate Senior Staff Group manager.

Once approved, the Senior Staff Group manager should write to the Payroll Team, HR Services to request that payment of the allowance be put in place. The allowance will be

paid via monthly payroll until such time as HR Services are instructed to cease payment. There will be an annual check to ensure that continued payment of the allowance is appropriate.

## Accommodation

Formal standards of office accommodation within an employees' home cannot be laid down centrally. The suitability of accommodation must be decided upon locally, taking full account of all relevant factors, including health and safety and individual circumstances.

Reasonable access for the purposes of inspection must be provided to any FC employee who has responsibility for ensuring that continued payment of the allowance is appropriate and that health and safety requirements are being observed.

## Health and Safety

The FC's policy on the management of the health and safety of employees who work from home is outlined in [HSM2 Health & Safety - Homeworking](#). Managers who have employees currently working from home, or intending to work from home, have specific responsibilities for the health, safety and welfare of these individuals, as well as office based employees, and should make themselves aware of the contents of HSM2.

## Mortgages and Tenancy Agreements

If you are in receipt of a HFA, you must:

- inform anyone with an interest in your property of the homeworking arrangements, including mortgage providers, landlords, etc.; and
- ensure that occupation of your house is not subject to legal burdens, covenants or other terms and conditions which prevent the provision of homeworking facilities. The FC will not be liable for any charges arising out of any such restrictions on your property.

## FC Equipment and Furniture

Equipment and furniture requirements are a matter for you to discuss with your line manager. You are reminded that reasonable care must be taken of any furniture and equipment supplied by the FC and that items provided:

- remain the property of the FC;

- must be used solely for official business; and
- must be returned when the homeworking facility ceases.

If you choose to move home, other than as a consequence of a permanent transfer on public interest terms where it is agreed with your new manager that a homeworking facility will still be necessary, it will be your responsibility to meet the cost of moving any equipment and furniture.

## Security of Information

Proper precautions must be taken with all documents and information held electronically. All papers should be kept in a lockable cabinet or desk and particular care should be taken where documents carry a protective marking or are commercially sensitive.

## Telecommunications

The FC will meet reasonable business telephone costs incurred through your working from home. These include the cost of:

- connecting the phone line, if required;
- line rental; and
- reimbursement of official calls.

Where a fax facility and/or computer network link is necessary, the FC will supply these and meet all costs.

## Insurance

Homeworking may affect your insurance policies in respect of either the building or its contents and you are advised to inform your insurance company of such arrangements. If as a result of this change in circumstances your insurers increase the insurance premium for either the contents or the building, the FC will reimburse the additional cost on receipt of written documentary evidence from the insurance company.

Equipment and furniture belonging to the FC should not be insured. The FC will meet the cost of loss or damage to these items provided it is satisfied that reasonable precautions have been taken to avoid such incidents.

## Council Tax and Business Rates

The HFA includes an element in respect of Council Tax and the FC will not be liable for any additional payment in respect of this.

Generally, individuals who allocate a room in their home as a workplace should not be subject to Business Rates. If you would like more information on liability for Business Rates, you should address your query to your Local Authority. If your Local Authority decides that your homeworking arrangements make you liable for Business Rates, the FC will pay this, but only after the costs and benefits of the homeworking arrangement have been re-assessed by your manager.

## Income Tax

The HFA is paid monthly with your salary and will be subject to Income Tax and National Insurance. The FC will gross up the allowance to take account of the Income Tax and National Insurance rates you pay. In no circumstances can you receive the allowance as cash or via the accounts payable system.

## Capital Gains Tax

HM Revenue and Customs has advised that where just one room, or part of a room, is used exclusively in the course of employment, no Capital Gains Tax liability will arise. If a substantial part of a home is set aside exclusively as an office used in the course of employment, HM Revenue and Customs should be consulted.

## Power, Heating and Lighting

The HFA includes an element in respect of power, heating and lighting and the FC will not be liable for any additional payment in respect of these items.

## Change in Circumstances

You will continue to receive the HFA so long as you are eligible. You must notify your manager of any change in circumstances that may affect your eligibility for the allowance and your line manager must notify those changes to the Payroll Team, HR Services.

## Appendix 1

# Annual Allowance Payable with effect from 1 January 2008

|           | Upper    | Lower   |
|-----------|----------|---------|
| Net Value | £2214.00 | £738.00 |

## Notes

1. The rates of allowance payable will not be varied to reflect any special or unique factors in the house owned or purchased by you and will not be altered to reflect any subsequent movement in the value of your house.
2. The rates of allowance will be reviewed in the future to reflect any general changes in the movement in house prices and/or other elements of the allowance.