



army families federation

the voice of army families

Briefing

October 2013

The impact of the cost of final moves on Service personnel transitioning to civilian life

Transition to civilian life is challenging for Service personnel. The majority of Armed Forces personnel leaving the Army are responsible for funding their move from Service Families Accommodation (SFA) or Single Living Accommodation (SLA) to civilian life. Moving house is expensive and can create huge financial pressure for families trying to achieve a successful transition to civilian life.

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Background

AFF has received a number of queries from Service Personnel (SP) and their families who are extremely concerned about the cost of moving out of SFA and into their civilian home. The circumstances of the soldiers vary and include early Service leavers, normal end of Service leavers and those being made redundant. The majority of these Service leavers are not eligible for Final Tour of Duty (FTOD)¹ and are therefore responsible for paying for removals and associated costs². Moreover, for those SP who wish to move in advance of their discharge date to settle their families, such as those applying for redundancy, there is currently no financial help for removals prior to their discharge date³.

Case Study

'My husband has taken voluntarily redundancy and we are in the process of trying to move myself and our two children out of our Army accommodation in Catterick Garrison and into private rented accommodation back home in Weymouth. We have found a place to move to and have put the deposit down and have also had to pay for reference fees. We are due to move in November but have no more money left to pay for our things to be moved as well as the first month's rent.

We are finding it really difficult to find anyone that will help. My husband is not due his redundancy money until late December and it would be really helpful if we could get some of it early so we can get ourselves set up in a new place and our stuff moved. If we don't find anyone who can help we will lose our deposit and the reference fees and we will be forced to stay in SFA until December/January when he gets his redundancy money. This also means we will be living on the redundancy money which might not be the case if we are able to move, as myself and my husband could go straight into a new job'

Achieving a successful transition

The Forces in Mind Trust recently published 'The Transition Mapping Study'⁴, which studies the transition process for SP returning to civilian life. It identified that a SP's ability to secure their own home, prior to leaving the service, is instrumental to a successful transition.

¹ Anyone who is due to complete their Service and receive an immediate pension (eg completed 22 years for soldiers and Non-Commissioned Officers or 16 years reckonable service for Officers), and has completed and submitted a JPA Form F024 to their Career Manager, may be eligible for Final Tour of Duty (FTOD). Critically, if Career Managers are unable to meet the needs of the SP (i.e. by posting them within 50 miles or 90 minutes travel time of the requested area) then they may be entitled to Disturbance Allowance and RPE for their final move.

² Information on final moves can be found in the Tranche 3 DIN and JSP 752 Chapter 7 Section 4. AFF notes that these documents are extremely lengthy and complex and it is understandable that some SP may not have read or understood them.

³ Applicants with less than six months to serve are not eligible for the Long Service Advance of Pay (LSAP) and therefore do not have this option to help towards house buying and associated costs. Under current policy, personnel who have applied for, or who have been given notice of, redundancy may still apply for LSAP to assist them with their initial house purchase costs, providing they still have six months left to serve and meet all other qualifying criteria. JSP 752 paragraph 02.0409c(5) refers.

⁴ The Forces in Mind Trust commissioned The Futures Company to research and make recommendations about the current transition process. The report was published in August 2013. Chapter 7, p.71, fig 6.1.

The obstacles

Many soldiers are unable to explore this avenue because the money that would help them achieve this, such as the payment of redundancy compensation and pension benefits, may take up to 35 working days to be processed into their bank account after their discharge date⁵.

The costs

Removal costs vary depending on the distance, the volume and the packing service required. An example cost of a move for a private soldier from a three bedroom house in St Athan to Manchester (where his family wishes to live after discharge) is £1,371 with a packing service or £939 without a packing service. This estimated cost does not include all the other miscellaneous costs associated with moving house. This estimate has been taken from the Money Advice Service website's removals calculator⁶. Please see Annex A to this brief for more information on removal costs supplied by Agility Logistics Limited (Agility), the MOD's approved service provider for removals.

In addition to the cost of the actual removals are all the associated miscellaneous costs of moving which, during the SPs career, would have been covered by Disturbance Allowance (DA). DA covers a whole host of associated removals expenses including additional furnishing costs, costs associated with the preparation of current accommodation for march out/sale/letting (eg cost of paint for making good, commercial cleaning, window cleaning, dry cleaning, laundry), telephone reconnection/installation etc. In addition, for families with children, DA provides a Child Element to cover the expenses of new school uniforms, shoes, sports kit and books.

As from April 2013, the DA Rates for families in SFA/SSFA is £1,016 with the Child Element being £79.

Vulnerability of soldiers being made redundant

AFF is especially concerned about SP who have been made compulsorily redundant. Had they not been made redundant, the SP might have stayed in the Army long enough to plan ahead and fund their final move. Unit Welfare Officers (UWO) have joined individual soldiers in expressing their concerns over final move costs for those made redundant. AFF received a letter from one UWO who was so frustrated by the lack of financial support for soldiers not qualifying for removals that he stated, *'I would be happy to give my removal costs to the young families who didn't want to leave the Army and are now panicking about having to pay for their removals. It is so unfair.'*

AFF VIEW: The transition from military to civilian life could be made much more positive for the soldier if the final moves problem was addressed. This could be in the form of a Transition Advance of Pay loan (TAP) or by a grant mechanism. In addition financial planning for the soldier is essential but this requires investment in education as well as the provision of time. ⁷

⁵ 2013DIN01-004, paragraph 39. Armed Forces Redundancy Schemes Benefits.

⁶ <https://www.moneyadvice.service.org.uk/en/tools/smart-mover-calculator>. The British Association of Removers provides more comprehensive information on the cost of removals: www.bar.co.uk.

⁷ MoneyForce could aid this process.

Annex A

Agility has provided AFF with an approximate breakdown of a typical move to help us understand the associated costs. This is based on a “no-frills” move, such as limited choice of move dates, rather than the full corporate service offered to the MOD.

Three bedroom house, moving from Tidworth to Bolton, easy access to property

Type of service	Cost (before VAT)
Removals including basic packing service (no unpacking)	£1530
Removals including basic packing & unpacking service	£1665
Removals with no packing service	£1185
Removals using movers boxes but packing yourself	£1325

Although not having a packing service saves money, this does impact on insurance. There are other elements that can add further costs to a move:

Additional cost	Cost (before VAT)
Poor access to the property requiring shuttle runs	£180
Delays in getting keys	£54 per hour for each hour of delay
Parking permit required	£45 per parking pay (average 2 bays used)

It should be noted that these prices are before 20 percent VAT is added. If the mover is to ensure the personal effects, an additional 10 percent would be added to the above rates.