

# Snapshot of NEM

## (July 2015 Edition - Overseas) The Combined Accommodation Assessment System (CAAS) OVERSEAS Explained

Go to <https://www.gov.uk/new-employment-model> for more information. To be read in conjunction with 2015DIB/17.

Accommodation charges will be determined by three factors: Condition, Scale and Location.

Where the standard is not, or cannot be met the charge is reduced to reflect the deficiency from the target standard. Service Families Accommodation (SFA) will fall into one of three incremental levels.

Level	Condition	Scale	Location
1	Decent Homes Plus (DH+)	Upper	Urban
2	Decent Homes (DH)	Middle	Intermediate
3	Decent Homes Minus (DH-)	Lower	Remote

This leads to 9 possible different charging bands A through to I, although arrangements have been made specifically for overseas occupants to receive a 2 band reduction which would take the CAAS Bands for overseas SFA to Band K which is explained below. ■

### Condition

A Decent Home (DH) is determined by using the Department for Communities and Local Government (DCLG) national UK standard and adapting it for overseas to ensure SFA properties meet the following criteria:

- It meets the statutory minimum standard for housing
- It is in a reasonable state of repair
- It has reasonable modern facilities
- It has a reasonable degree of thermal comfort

Overseas the following factors will also be taken into account:

#### Adjustments in assessment criteria:

- Seismic Protection. Under safety, seismic protection will be considered. Core SFA stock lacking seismic protection will see a reduction in CAAS Band, however, where possible and practical, remedial works will be identified for future programmes.
- Thermal Comfort includes an assessment of energy efficiency, assessed in the UK as part of an Energy Performance Certificate (EPC) in order to classify a property as DH+/DH-/DH-. EPC thresholds overseas will be based on Host Nation metrics;

where an EPC (or equivalent) does not exist, bespoke local assessments will be made.

- DH standard does not specifically reference UK building and fire standards so SFA will be mapped to the UK standard, where constructed to UK standard i.e. the Permanent Joint Operating Bases (PJOB) and the Host Nation Standard where not. Service Personnel (SP) will be notified of any differences between the two, and as long as Host Nation Standard is reached the property can be allocated.
- Where necessary, risks and hazards will be mitigated and compliance with UK Fire Regulations will continue to require assessment and certification to UK acceptable equivalent standards.

Currently, the UK Standard for Condition (SfC) is not applied overseas so ensuring that DH or DH+ is applied will allow an improved comparison of the estates in future. ■



### Scale

The scale element of CAAS is based on two factors: size and features (functional amenity and physical characteristics), benchmarked against DCLG national space standards.

Each property will be assessed as Upper, Middle or Lower scale based on the following criteria:

#### Size

Properties will be assessed based on either one of the following size criteria:

- A measure of the overall size – the Gross Internal Area (GIA) (measured in accordance with Royal Institute of Chartered Surveyors Code of Practice);

or

- A measure of the habitable space – the Effective Floor Area (EFA) (measure in accordance with Royal Institute of Chartered Surveyors Code of Practice); cumulative floor area of the kitchen, sitting, dining, bedrooms and study.

The measure of habitable space (EFA) does not apply if the overall size (GIA) has already been applied.

### Features

- CAAS will provide a discount if the property lacks certain functional amenities.
- The measure of size and features are used to identify properties that are affected by one or more of the scale factors to produce an overall CAAS classification (Upper, Middle or Lower).
- A rental discount will be applied to properties by adjusting the property to a reduced Scale category with the starting level set at Upper (no discount), and the lowest rent level capped at the lower category. ■



### Location

UK methodology (using postcode and existing Government data) cannot be replicated overseas, so a different solution is needed.

As levels of relative disadvantage encountered differ between countries, it is deemed appropriate for in-country staff to conduct a location assessment which will be assured by DIO.

It has been agreed that travel times to the following 8 key amenities will be enhanced as shown below: ■

- Primary School
- Secondary School
- Further Education
- GP
- Hospital
- Employment centre
- Town Centre
- Food Store

Location	UK Travel Time	Overseas Travel Time
URBAN	Less than 20 minutes	Less than 10 minutes
INTERMEDIATE	Between 20 and 40 minutes	Between 10 and 30 minutes
REMOTE	More than 40 minutes	More than 30 Minutes



### Calculating the CAAS Band

Following work in 2014 to enhance the offer when serving overseas, it has been agreed, that from the introduction of CAAS in April 2016, an automatic 2-band abatement will be applied on the CAAS assessed property.

Where some countries already have justified reductions to ensure that there is equality worldwide the previous agreed and somewhat adhoc policy will be removed and replaced with this new abatement.

In addition, Contribution in Lieu of Council Tax (CILOCT) will be waived for all personnel in SFA and SLA in all overseas locations from 1 April 2016. The abatement and removal of CILOCT will not be backdated.

Condition	Location			
	Scale	Urban	Intermediate	Remote
DH+	Upper	A	B	C
	Middle	B	C	D
	Lower	C	D	E
DH	Upper	C	D	E
	Middle	D	E	F
	Lower	E	F	G
DH-	Upper	E	F	G
	Middle	F	G	H
	Lower	G	H	I

The table below left shows how the relationship between the outcomes for each of the three factors (Condition, Scale and Location) combines to produce an overall CAAS Band. As an example, where Condition is deemed to be Decent Homes Standard, Scale is Upper and location is classified as Remote, the resulting CAAS Band is E. When the overseas 2 Band abatement is applied this would then result in a final CAAS Band of G. ■



#### How charges will change on transition to the new system

The accommodation charge for SFA occupants will be 2 bands lower than the assessed CAAS Band for the SFA (see table below with example Type C charges). To enable those in Band H & I to benefit from this enhancement overseas, Band J & K have been created.

If a property was undergraded under the 4TG system, the charge will rise gradually over a number of years until it reaches the correct level. Note that these are today's prices, not the exact figures that will apply in 2016. ■

CAAS Bands	Actual CAAS Band Charged Overseas
A £298	C £238
B £268	D £208
C £238	E £179
D £208	F £149
E £179	G £119
F £149	H £89
G £119	I £59
H £89	J £29
I £59	K £0

### Assessment Process

SFA will be assessed by a combination of surveys and extrapolation of survey results. Surveys will be carried out from August 15 (you will be advised in writing if your SFA has been selected for survey).

The survey will be targeted on example houses that are the same in age and design and the survey programme has been influenced by your POCs in country.

The assessments are all subject to an assurance process to ensure a greater transparency and accuracy than provided under the 4TG system.

As CAAS policy developed it became apparent that differences needed to be applied to the CAAS criteria overseas to ensure a fair assessment for those serving overseas.

As such the timeline to delivery is different to that in the UK and you will see, somewhat condensed. This delay will ensure that the overseas estate is more appropriately assessed.

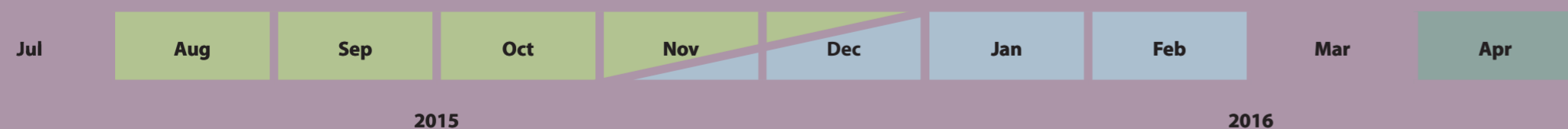
What this does mean is that unlike UK SFA occupants, you will not receive an estimated charge for your property ahead of confirmed charges being received (NLT Feb 16).

The appeals process for all (UK and Overseas) will be in place once a confirmed Band for Charge is received. ■

- Aug 15 – Dec 15 Overseas Survey Programme
- Nov 15 – Feb 16 Confirmation of CAAS Bandings issued on a rolling basis
- Apr 16 – New charging rates come into effect

#### The roadmap to fairer charges

- Survey of properties (Aug 15 - Dec 15)
- Final Confirmation of CAAS Bandings issued (Nov 15 - Feb 16)
- New charging rates come into effect (Apr 16)



### Hirings

The majority of overseas hirings will move to a CAAS Band in Apr 16 which is based on already known data, having conducted a level of previous physical surveys. This data ensures confidence in the extrapolation of results for other hirings. Within the European Joint Support Unit area a number of physical surveys will take place and you will be notified directly by DIO if your SFA has been selected.

Overseas Rent Allowance (ORA) IAW JSP 752 Those properties self sourced by Service Personnel will be assessed as CAAS Band D and with the measures being taken to enhance overseas offer being applied, the CAAS Band charged will be CAAS Band F from 1 Apr 16. ■

### British Forces Germany

Due to the drawdown it has been decided that CAAS will not be implemented for those remaining in Germany. Those SP will remain on the 4TG system currently in place.

A similar abatement referred to above will be applied and SP will have their Grade for Charge reduced by one level. Those SP in Germany in SFA and SLA will cease the payment of CILOCT from 1 April 2016. ■

#### What happens if you are moving back to UK SFA or to another overseas location?

If you are moving to another overseas location and the SFA you have been

allocated has received a confirmed Band for Charge letter and transition plan then it will be passed to you to enable you to plan for the changes that will come into effect on 1 Apr 16.

If you are moving back to the UK and the SFA you have been allocated has received an estimated Band for Charge letter then this will be passed to you to enable you to plan for the changes.

If you move back to the UK between Sep 15 and Feb 16, you will receive a confirmed CAAS Band for Charge letter and a transition plan for the property. On 1 Apr 16 you will start paying the CAAS band as outlined in your confirmed CAAS Band for Charge letter.

If you move after Apr 16, you will receive notification of the CAAS Band for Charge and the transition plan that has been decided on

that property when you are allocated your SFA. You join the property on its transition.

Personnel are to note that in UK only SFC 1 and 2 are currently allocated. A move from overseas, where it is possible to be in SFC 3 and 4, could mean an increase in charges.

This remains the same under CAAS and will be more noticeable when the abatement is applied – SP must plan for this. ■



## When can I expect to see more and where?



**Jul 15**  
Overseas DIB 2015DIB/17 will be issued and information on how and when CAAS will affect you.



**Aug 15 – Dec 15**  
Overseas Survey Programme takes place.



**Nov 15 - Feb 16**  
Occupants receive confirmed CAAS Band and transition plan for your SFA.  
  
Appeals may be submitted at this time.



**Apr 16**  
New CAAS charges for SFA comes into effect.