

## Relocation costs are your responsibility when contracting

You've been offered a new contract, and it's a good one, with a good rate and the promise of work in just the skills area you're interested in. There's only one catch: it's located quite far away from where you live. You need to make sure that the rate is sufficient to cover relocation costs, because you cannot expect that the client will pay them.

Clients don't pay relocation costs to contractors in 99% of the cases, because one of the reasons they use contractors is to avoid all sorts of complex accounting. Contractors are a one-cost item, and whatever isn't included in the rate must be paid by the contractors themselves.

The one occasional exception to this rule is if you have skills and experience that are so difficult to obtain that the client is willing to go the limit for you. Good contractors are always in demand, but it's very rare for someone to rate this kind of treatment.

### Can You Commute? Can You Take A Second Place to Live?

You might want to travel each working day to the site. Your travel expenses are deductible according to the [24-month rule](#). But commuting is expensive, and there are costs you can't account for—the extra meals, the time away from your family or partner, etc. If you take this option, make sure there's money enough in your rate to cover the extras.

### Moving Costs 22,000 Pounds

Or you could rent a second home, and move there during the working week. You can [deduct a large part of all the rental expenses](#) involved from your taxes if your contract is shorter than 24 months and you don't expect to work more than 24 months.

The problem is that the tax deductions rarely cover the real cost of moving. Research from [Abbey Mortgages](#) shows that the real cost of moving home in the UK is about £22,000. Even if you're just renting a place to stay near the site there are all kinds of expense that will crop up that don't get included in the usual assessments, extra restaurant meals, little repairs, etc.

### Work Out The Increased Rate

One thing you can't do is to agree to a rate, and then to go back and ask for more money to cover relocation.

Instead, work out relocation costs from the start as best you can. The research at Abbey Mortgages suggests that you think about and cost as much of the move as you can: include time spent in hotels, things you will need at the new property, mileage in going back and forth, and so on.

Once you've arrived at a figure, work it in to your calculation of the rate for the job and then be firm about getting it from the agent. There's no need to fudge: explain that you incur extra costs and that you want them covered. If the agent is difficult, point out that if the client could have found someone local, they would have. As they haven't...it's time to cough up a bit more. After all, you're the one who will be spending the time on the road.

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“  
I moved from Bristol to London,  
simply because there was more  
work in London ”

Keith, Bristol



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“  
The average move in the UK  
costs about 22,000 pounds ”

Abbey Mortgages Research

“  
Think about the move and cost  
as much of it as you can,  
leaving out as little as possible ”

Abbey Mortgages Research