

# Accommodation Benefit provided by the Higher & Further Education Sector Employers

## Who is likely to be affected?

Higher & Further Education (H&FE) employers who provide employees with living accommodation claimed under the exemption '[Customary and Better Performance](#)'.

For full guidance please see [EIM11346](#) et seq.

## Customary test

In general, to meet the '*Customary*' test, the employer needs to demonstrate it is the norm in a particular type of employment for employers (nationally) to provide living accommodation for people in that role and that they have been doing so for a number of years.

It is not enough to show that a custom exists in a particular employment with a particular employer – See [EIM11347](#).

The decision in [Vertigan v Brady](#) (60TC624) is also relevant.

**It is possible that some employees will still qualify under another existing exemption.**

## Higher & Further Education

It has been established that less than half of the employees in the H&FE sector are provided with such living accommodation.

Therefore, from the **6 April 2019**, HMRC will no longer accept that the 'customary' exemption is appropriate to accommodation provided by employers within the H& FE Sector.

HMRC will **not** seek to take any retrospective action for previous years except in the case of error. Please confirm that you have amended your internal guidance; made the necessary changes to your procedures; or that you are not impacted by this guidance update as accommodation is not provided.

It must be remembered that HMRC reserves the right to review past periods to ensure previous legislation, guidance or policy was applied correctly.

## Confirmation

Confirmation, entitled '**Accommodation Benefit**' should be submitted by email to the sector mailbox - [hfesector.wmbc@hmrc.qsi.gov.uk](mailto:hfesector.wmbc@hmrc.qsi.gov.uk) by close of business on **30 April 2019**.

Any questions etc should be submitted to the aforementioned mailbox on the Technical Query Template.