



## ACCOMMODATION ALLOWANCE

### Introduction

NAECI 9.2 details the requirements and entitlements of the payment of accommodation allowance where it is agreed by an employer that the employee will live away from home.

### Radius Allowance

The over 35 miles bracket for radius allowance is the final payment bracket and has been since the inception of the NAECI over 30 years ago. Regardless of the distance travelled over 35 miles, this is the maximum radius allowance payable.

### Eligibility for Accommodation Allowance

The NAECI states:

“An employee who, by agreement with his/her employer, lives away from home shall be entitled to an accommodation allowance as in NAECI A.5, subject to satisfactory completion of the approved application form which may be found on the NJC website ([www.njceci.org.uk](http://www.njceci.org.uk)). In circumstances approved by HM Revenue & Customs, as set out in the application form, this is paid tax free.

*Note: Employers shall not unreasonably withhold their agreement, as required above. In particular, they shall have regard to the fact that accommodation allowance is intended to apply to employees who have been required by their employer to work at a place outside normal daily travelling distance from their permanent home, such that employees must in fact reside in temporary accommodation away from their permanent home address (see further Application for Accommodation Allowance - Notes for Applicants, reproduced in full on the NJC website ([www.njceci.org.uk](http://www.njceci.org.uk))).*”

### Guidance

When considering an application for accommodation allowance, the employer should take into account the individual's personal circumstances including the arduousness of the daily return journey, especially in winter months and any potential impact this may have on the individual's general well-being and ability to work safely and productively.

Where such requests are refused following the appropriate consideration, employers should ensure that a clear explanation of the reasoning for the refusal is given to the employee to ensure that there is a full understanding of the position. There is a right of appeal through NAECI procedures.

Employers should have regard to the NJC Guide to Taxation Treatment of NAECI Allowances October 2016, in particular where the initial recruitment takes place.

### Reference

NAECI 9.2, [NJC Application for Accommodation Allowance Form](#),