



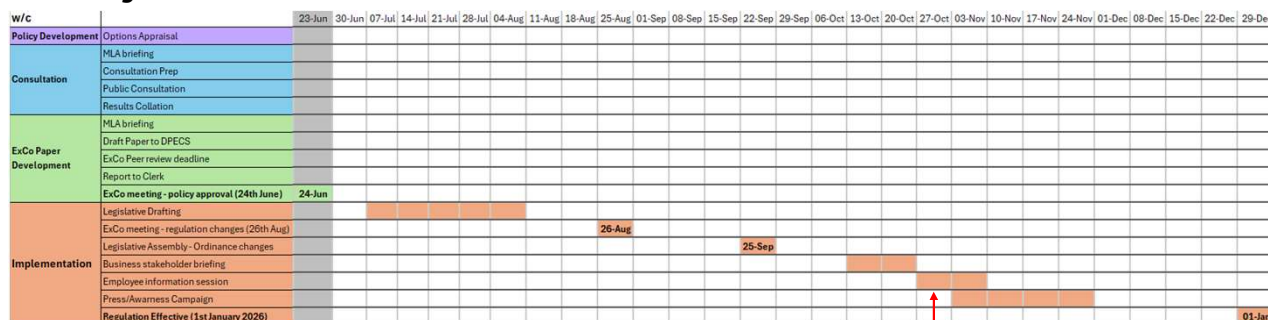
# **Accommodation offset Business Briefing**

Tuesday 28th October 2025

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## Project Timeline



### Legislative and regulatory changes are now in place:

- Policy changes approved at ExCo on 24<sup>th</sup> June
- Legislative and regulation amendments approved at ExCo on 26<sup>th</sup> August.
- Revised Minimum Wage Bill (Amended) 2025 approved on 25<sup>th</sup> September  
Legislative Assembly

Here

Note that this chart shows progress for the 6-month period between June – December 2025. The project has been ongoing since July 2024 with two periods of engagement in October/November 24 and April/May 25 prior to this point.

## Recap: Approved changes

### ACCOMMODATION OFFSET

- Include all employees who rent from their employer or connected company, regardless of how they pay for their accommodation.
- Include employees who receive their accommodation for free.

### ACCOMMODATION OFFSET RATE

- Increase the rate from 50% to 70% for accommodation that is paid for by the employee, either through deductions from gross salary or any other means.
- Introduce a new rate for accommodation and/or board provided to employees for free, allowing businesses to count some of this cost as pay. This would be set at 50% of the cost of providing that accommodation (within the cap).

### ACCOMMODATION OFFSET CAP

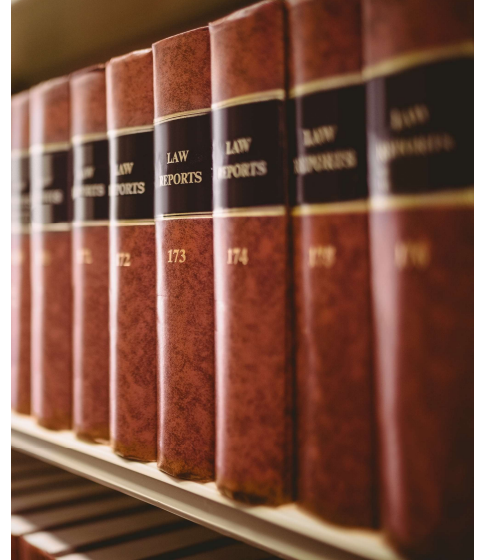
- Increase the cap to £193.20 from £90.60, which would bring it to 50% of the National Minimum Wage at a 40-hour working week. This is in line with the original policy instruction (185-12).
- Link the offset cap to future national minimum wage changes, ensuring it stays at 50% until otherwise altered.

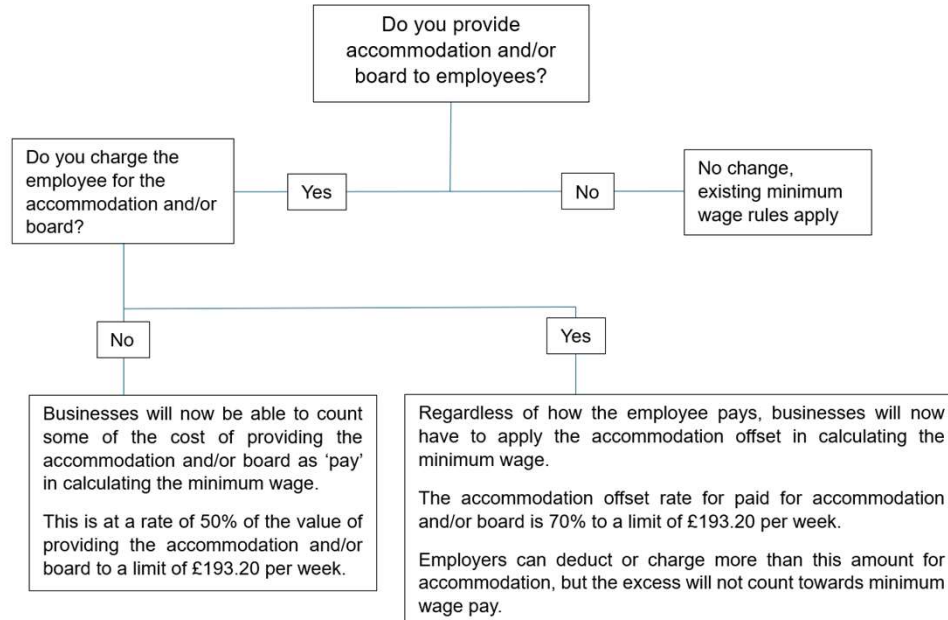
Further detail on the policy principles, issues identified and reasoning for proposed changes can be found in the following ExCo papers:

- 29-25: [29-25P.pdf](#)
- 157-25: [157-25P.pdf](#)

## Recap: What hasn't changed?

- How the minimum wage is calculated, the calculation for a pay reference period remains as  $(N-X)+D+A$ .
- Taxation levels or benefit in kind rules.
- Legal definitions.
- Reporting requirements and appeals process.





## Getting ready for 1<sup>st</sup> January 2026

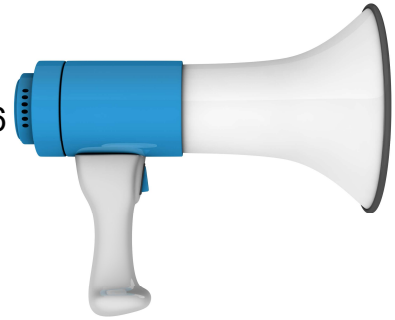
- Read FAQ document and review examples provided – any questions [mdaniel@sec.gov.fk](mailto:mdaniel@sec.gov.fk), here to chat and support the process.
- Review payment and rental agreements with employees – there will be an online calculator live asap.
- Make any required changes to payroll and ensure relevant records are updated.
- Communicate any changes to impacted employees, alongside the public campaign.



## Publicity and engagement materials

**Between now and 1<sup>st</sup> January 2026.**

- Press release and appropriate media.
- FAQ document
- Standard FIGTO minimum wage guidance for 2026 will include Accommodation Offset information.
- Business Briefing
- Online Calculator
- Briefing to GEU and CAB alongside a wider community information (e.g. posters and reminders).



## Next steps

- Deliver agreed engagement programme as set out.
- Change comes into effect 1<sup>st</sup> January 2026.
- Values linked to future MW changes.
- Initial feedback on implementation – what went well, what needs to be strengthened in future?
- Longer term, opportunity for feedback on change in policy and its impact.