

April 2025

New rates – National Minimum Wage

National Minimum Wage (NMW) and National Living Wage (NLW) are the lowest rates of pay per hour that most workers must be paid by law. It does not matter how many workers you employ, you must pay at least NMW or NLW.

Rates increase on 1 April each year.

Current rates – April 2025

These rates are for the National Living Wage (for those aged 21 and over) and the National Minimum Wage (for those of at least school leaving age). The rates change on 1 April every year.

	21 and over	18 to 20	Under 18	Apprentice
April 2025	£12.21	£10.00	£7.55	£7.55

Student Loan Threshold, Rates and Loan Start Notices

Student loans thresholds, rates and loan start notices

The new student loan plan and postgraduate loan thresholds and rates from 6 April 2025 are as follows:

- plan 1: £26,065
- plan 2: £28,470
- plan 4: £32,745
- postgraduate loan: £21,000

Deductions for:

- plans 1, 2 and 4 remain at 9% for any earnings above the respective thresholds
- postgraduate loan remains at 6% for any earnings above the respective threshold

Employment Allowance

Employment Allowance changes

The Employment Allowance (EA) reduces eligible employers' National Insurance contributions liability.

From 6 April 2025, the £100,000 threshold was removed. The EA was previously restricted to employers with National Insurance contributions bills of less than £100,000 in the previous tax year.

The maximum amount of EA also increased from £5,000 to £10,500, which means more eligible businesses will be able to claim, and at an increased amount. There have been no other changes to the EA eligibility criteria.

Most businesses or charities can apply for EA. However, they cannot do so if they are a public body or a business whose activities wholly or mainly involve the performance of functions which are of a public nature. Whether these functions are publicly funded can indicate functions of a public nature, but funding alone is not the deciding factor.

Payrolling Benefit – Lease Cars

From April 2024 we payroll benefits via the payroll, this means that there is no requirement for a P11d for employees, as the taxable benefit will be taxed at source via the payroll

However, each employee will receive a Benefit Statement which was send out to employee's home address in April, we encourage employees to check the data on the benefit statement is correct as this is what we hold in the payroll system and will be sent to HMRC. Incorrect information could result in an under or overpayment of tax

Employers still have to pay Class 1A National Insurance contributions on the benefit which is due to be paid by 19th July. Payroll will calculate the value of NI due and inform relevant parties.

Employers NI

The employers NI increased on 6th April 2025 from 13.80% to 15.00%

Statutory increases from April 2025

Statutory Maternity pay = £187.18 per week (paid up to 39 weeks)

Statutory Adoption pay = £187.18 per week

Shared Parental leave = £187.18 per week

Statutory Sick Pay = £118.75 per week (paid for up to 28 weeks)