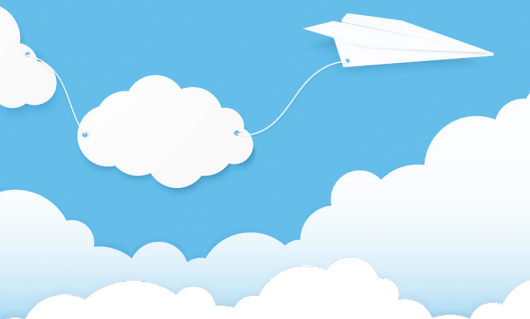


**THOMAS
DUNTON**
SOLICITORS



Pocket Employment Guide

2023/24

Information correct as at 6 April 2023

Compensation Limits

The maximum amounts which might be payable for dismissal from 6 April 2023.

Redundancy

Maximum Statutory Redundancy Payment	£643 per week
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Unfair Dismissal

Maximum Basic Award	£19,290
Maximum Compensatory Award	£105,707

Discrimination

Race / Sex / Disability	No limits
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Income Tax Reliefs 2023/24

Personal Allowance	£12,570
Basic Rate Limit	£37,700
Higher Rate Limit	£125,140
Blind Person's Allowance	£2,870

Annex A: rates and allowances - GOV.UK - www.gov.uk

PAYE Tax Rates and Thresholds 2023/24

Employee Personal Allowance	£242 per week £1048 per month, £12,570 per year
UK Basic Tax Rate	20% ¹
UK Higher Tax Rate	40% ²
UK Additional Tax Rate	45% ³

1. On annual earnings between £12,571 and £37,700 is subject to tax

2. On annual earnings from £37,701-£125,140.

3. On annual earnings above £125,141+.

The amount of Income Tax you deduct from your employees depends on their tax code and how much of their taxable income is above their **Personal Allowance**.

Class 1 National Insurance Rates

Employee (Primary) Contribution Rates

Deduct primary contributions (employee's National Insurance) from your employees' pay through PAYE.

NI Letter	Up to Primary ¹	Above Primary up to Upper ²	Above Upper ³
A	0%	12%	2%
B	0%	5.85%	2%
C	nil	nil	nil
H ⁴	0%	12%	2%
J	0%	2%	2%
M ⁵	0%	12%	2%
Z ⁶	0%	2%	2%

1. Earnings at or above lower earnings limit up to and including primary threshold
2. Earnings above the primary threshold up to and including upper earnings limit
3. Balance of earnings above upper earnings limit
4. Apprentice under 25
5. Under 21
6. Under 21 - deferment

Class 1 National Insurance Thresholds

Lower Earnings Limit	£123 per week £533 per month £6,396 per annum
Primary Threshold	£242 per week £1,048 per month £12,570 per annum
Secondary Threshold	£175 per week £758 per month £9,100 per annum
Upper Secondary Threshold (under 21)	£967 per week £4,189 per month £50,270 per annum

Apprentice Upper Secondary Threshold (<i>apprentice under 25</i>)	£967 per week £4,189 per month £50,270 per annum
Upper Earnings Limit	£967 per week £4,189 per month £50,270 per annum

Employment Allowance

Eligible employers can reduce their National Insurance liability by up to £5,000. To be eligible your business (or charity's) employer's Class 1 National Insurance liabilities must be less than £100,000 in the previous tax year.

Rates are for guidance only and are liable to change regularly. Individual advice should always be taken. Please feel free to contact us for an update or for specialist advice tailored to your needs.

Parental Entitlements

There are a variety of parental entitlements, some of which are subject to sufficient continuous service, and/or notice, by the employee.

Shared Parental Leave (SPL)

From 2 April 2023

Employees may be entitled to Shared Parental Leave (SPL) and Statutory Shared Parental Pay (ShPP) if they've had a baby or adopted a child. The weekly Statutory Adoption Pay (SAP) and Statutory Shared Parental Pay is £172.48 or 90% of average weekly earnings (whichever is lower).

Employees can start SPL if they're eligible and they, or their partner, end their maternity or adoption leave or pay early. The remaining leave will be available as SPL. The remaining pay may be available as ShPP under certain circumstances.

Maternity Leave

Totalling 52 weeks

26 weeks 'Ordinary Maternity Leave' and the last 26 weeks as 'Additional Maternity Leave'.

Statutory Maternity Pay (SMP)

SMP for eligible employees can be paid for up to 39 weeks, usually as follows:

- the first 6 weeks - **90%** of their average weekly earnings before tax;
- the remaining 33 weeks - **£172.48** or **90%** of average weekly earnings (whichever is lower).

Tax and National Insurance need to be deducted.

Note: If the Employee is not entitled to Statutory Maternity Pay, then she may be entitled to Maternity Allowance. An application will need to be made by the Employee to the Jobcentre Plus.

Statutory Adoption Leave and Pay

Employees can take up to 52 weeks'

Statutory Adoption Leave, the first 26 weeks as 'Ordinary Adoption Leave' and the last 26 weeks as 'Additional Adoption Leave'.

Statutory Adoption Pay (SAP) is calculated the same as Statutory Maternity Pay.

Paternity Leave

Statutory Paternity Pay (SPP): for eligible employees is either **£172.48** a week or **90%** of their average weekly earnings (whichever is lower). Tax and National Insurance must be deducted.

Employees may be **eligible** for **Statutory Paternity Leave and Pay** if they and their partner are having a baby, adopting a child or having a baby through a surrogacy arrangement. Leave must finish within 56 days of the birth (or due date if the baby is early). Start and end dates are different if employee adopting.

Employees can choose to take one week or two consecutive weeks' leave.

Parental Leave

Parental leave is unpaid. Employees are entitled to 18 weeks' leave for each child and adopted child, up to their 18th birthday.

Statutory Parental Bereavement Leave (SPBP)

Employees are entitled to take up to two weeks' paid leave owing to the death of a child aged up to 18, or who suffer a still life after 24 weeks. This leave can be taken within 56 weeks of the child's death, taken in a two-week block, or two one-week blocks.

The statutory rate is £172.48 a week, or 90% of employee's weekly earnings if this is lower. Tax and National Insurance needs to be deducted.

Flexible Working

Flexible working is a way of working that suits an employee's needs, e.g. having flexible start and finish times, or working from home.

Employees must have worked for the same employer for at least 26 weeks to be eligible.

Annual Leave Entitlement

Amounts are pro-rata for those that work less than 5 days a week.

Full-time worker

From 2 April 2023 5.6 weeks (28 days)

An employer can include bank holidays as part of statutory annual leave. The reference period for calculating holiday entitlement is now 52 weeks.

National Minimum Wage Hourly Rate

The rates below apply from 1 April 2023.

National Living Wage Hourly Rate

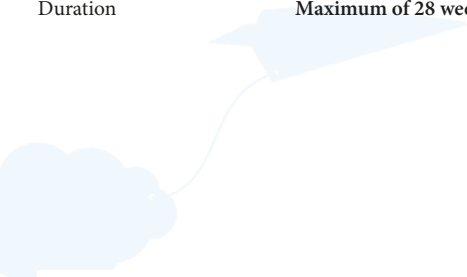
Category of Worker	Hourly Rate
Workers aged 23 and above	£10.42
Workers aged 21-22 inclusive	£10.18
Workers aged 18-20 inclusive	£7.49
Young workers (16-17 year old rate)	£5.28
Apprentice rate	£5.28

Sickness Pay

In order to be eligible for Statutory Sick Payments (SSP), employees must have been sick for at least 4 days in a row (including weekends and Bank Holidays). You start paying SSP from the fourth qualifying day.

Employees must also work for their employer under a Contract of Service.

Current SSP	£109.40 per week
Duration	Maximum of 28 weeks



Rates are for guidance only and are liable to change regularly. Individual advice should always be taken. Please feel free to contact us for an update or for specialist advice tailored to your needs.

For a wealth of information on a wide range of
business related issues, please visit our website
at thomasdunton.co.uk



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217-219 High Street, Orpington, Kent BR6 0NZ



01689 822554



www.thomasdunton.co.uk

employment@thomasdunton.co.uk

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