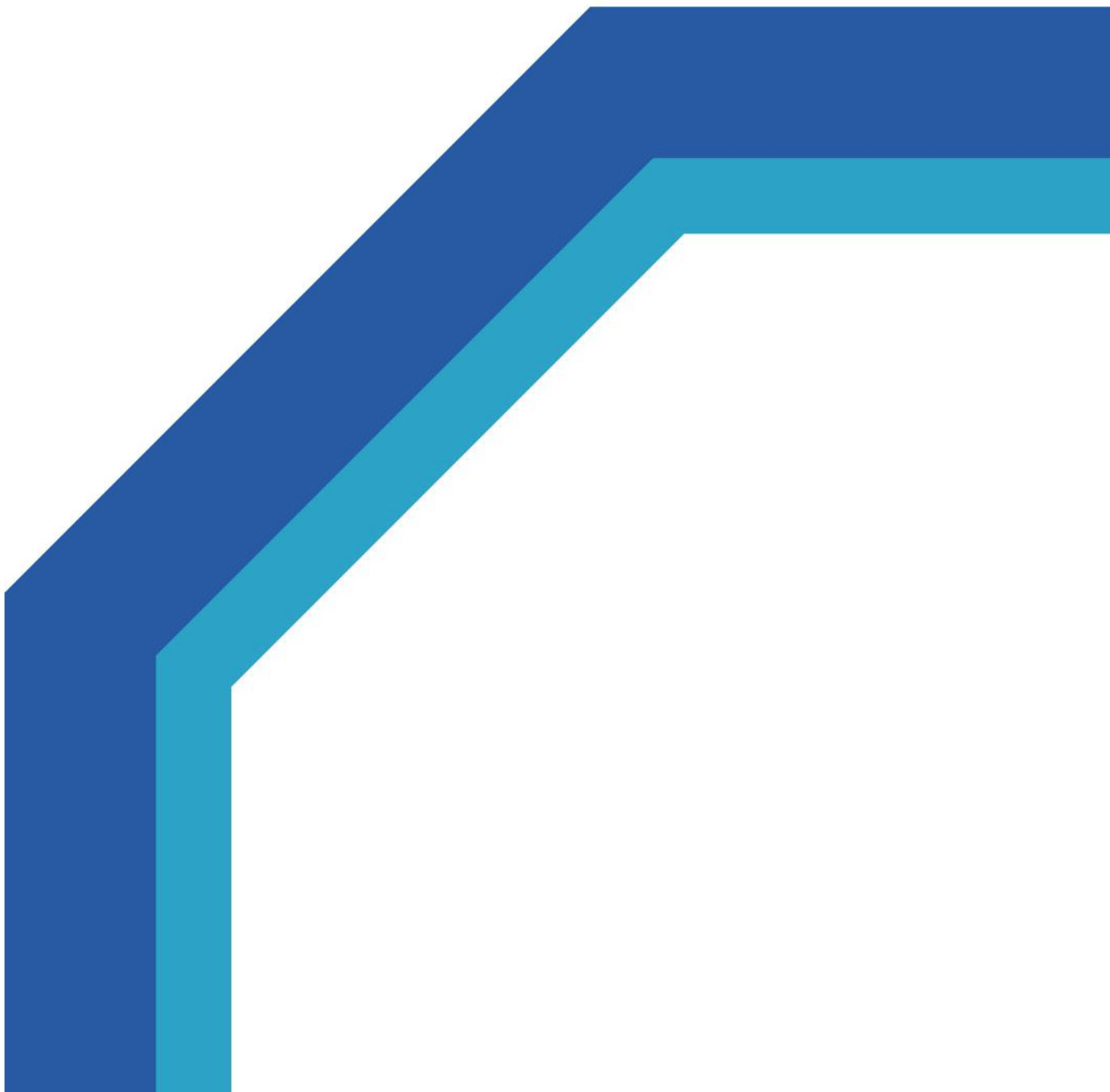


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Payroll & Pensions Bulletin

April 2024



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There are several statutory and regulatory changes, which are being introduced from April 2024, that you will need to be aware of. Should you have any queries, please do not hesitate to contact your EPM Payroll or HR team for more information.

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1. Action Checklist

Action	Deadline	Guidance	Completed (Y/N)
Confirm your LGPS employer rate effective from April 2024	25 March 2024	Section 4.3	Complete and submit the Microsoft form to confirm https://forms.office.com/e/w4XdFuaHPC
Review your payroll schedule and confirm your paydays for the year	31 March 2024	Section 1	Complete and submit the Microsoft form to confirm https://forms.office.com/e/3Ct7zF2bJd
Inform staff of the deadline of faster accrual and buy out elections	31 March 2024 for employee applications	Section 4.5	
Confirm any changes to allocation of apprenticeship levy allowance entitlements (per payroll)	31 March 2024	Section 3.12	Notify EPM payroll by email
Register with HMRC for Payrolled Benefits for tax year 2024/25	5 April 2024	Section 5.2.2	Notify EPM payroll by email
Review the new rates and thresholds in readiness for checking April payroll	5 April 2024	All sections	
Complete your Teachers' Pensions End of Year Certificate if required	31 May 2024 (Unaudited) 30 September 2024 (Audited)	Section 4.6	

2. Monthly Schedules for April 2024-March 2025

All schools must carefully check the dates outlined in the Payroll Schedules available on the EPM Portal, paying attention to **ALL Dates published**. Please complete the [Microsoft Form](#) to confirm the paydays and deadlines we have assigned for you are correct. The deadline for submitting is 31 March 2024.

Should any additional payments be required outside of the pay run during the Easter break, or any holiday period, we require confirmation from an authorised signatory. Please ensure that you provide an up-to-date emergency contact number to your designated Payroll Administrator.

3. Rates and Thresholds for Employers: 2024 to 2025

3.1 Tax thresholds rates and codes

England and Northern Ireland

PAYE Tax Rates and Thresholds	2024 to 2025
Employee personal allowance	£242 per week
	£1,048 per month
	£12,570 per year
English and Northern Irish basic tax rate	20% on annual earnings above the PAYE tax threshold and up to £37,700
English and Northern Irish higher tax rate	40% on annual earnings from £37,701 to £125,140
English and Northern Irish additional tax rate	45% on annual earnings above £125,140

Scotland

PAYE Tax Rates and Thresholds	2024 to 2025
Employee personal allowance	£242 per week
	£1,048 per month
	£12,570 per year
Scottish starter tax rate	19% on annual earnings above the PAYE tax threshold and up to £2,306
Scottish basic tax rate	20% on annual earnings from £2,307 to £13,991
Scottish intermediate tax rate	21% on annual earnings from £13,992 to £31,092
Scottish higher tax rate	42% on annual earnings from £31,093 to £62,430
Scottish advanced tax rate	45% on annual earnings from £62,431 to £125,140
Scottish top tax rate	48% above £125,140

Wales

PAYE Tax Rates and Thresholds	2024 to 2025
Employee personal allowance	£242 per week
	£1,048 per month
	£12,570 per year
Welsh basic tax rate	20% on annual earnings above the PAYE tax threshold and up to £37,700
Welsh higher tax rate	40% on annual earnings from £37,701 to £125,140
Welsh additional tax rate	45% on annual earnings above £125,140

HMRC has allocated both the Welsh and Scottish tax code based on the **address details they hold** on their records. On the monthly payroll summary report these are shown with a prefix 'S' for Scottish and 'C' for Welsh.

If address details are incorrect, employees will need to contact HMRC directly to rectify: <https://www.gov.uk/tell-hmrc-change-of-details>

3.2 Tax Codes

The standard tax code for most people who have one job or pension from 6 April 2024 remains at 1257L, which entitles them to the standard tax-free personal allowance for 2024 to 2025 of £12,570.

The personal allowance is relevant to the whole of the UK.

The numbers of a tax code identify how much tax-free income is available for each tax year and the letter refers to certain situations and how they affect the personal allowance, which is why some codes may differ to the 'standard.'

The amount of Income Tax deducted from an employee depends on their tax code and how much of their taxable income is above their Personal Allowance. Please note, there are different rates for workers who HMRC have recorded with addresses based in Scotland or Wales.

More information on tax codes is available from [gov.uk](https://www.gov.uk).

3.3 Class 1 National Insurance Thresholds

National Insurance deductions are calculated on earnings above the Lower Earnings Limit (LEL).

Class 1 National Insurance Thresholds	2024 to 2025
Lower Earnings Limit (LEL)	£533 per month
Primary Threshold (PT)	£1048 per month
Secondary Threshold (ST)	£758 per month
Upper Secondary Threshold (under 21) (UST)	£4,189 per month
Apprentice Upper Secondary Threshold (apprentice under 25) (AUST)	£4,189 per month
Veterans' Upper Secondary Threshold	£4,189 per month
Upper Earnings Limit (UEL)	£4,189 per month
Lower Earnings Limit (LEL)	£533 per month
Primary Threshold (PT)	£1048 per month
Secondary Threshold (ST)	£758 per month

3.4 Class 1 National Insurance Rates - Employee

National Insurance Category Letter	Earnings at or above LEL up to and including PT	Earnings above PT up to and including UEL	Balance of Earnings above UEL
A	0%	8%	2%
B	0%	3.85%	2%
C	0%	0%	0%
H (Apprentice under 25)	0%	8%	2%
J	0%	2%	2%
M (under 21)	0%	8%	2%
V (veteran)	0%	8%	2%
Z (under 21 - deferment)	0%	2%	2%

3.5 Class 1 National Insurance Rates - Employer

National Insurance Category Letter	Earnings at or above LEL up to and including ST	Earnings above ST up to and including UEL/UST/AUST	Balance of Earnings above UEL/UST/AUST
A	0%	13.8%	13.8%
B	0%	13.8%	13.8%
C	0%	13.8%	13.8%
H (Apprentice under 25)	0%	0%	13.8%
J	0%	13.8%	13.8%
M (under 21)	0%	0%	13.8%
V (veteran)	0%	0%	13.8%
Z (under 21 - deferment)	0%	0%	13.8%

3.6 Class 1A National Insurance: Termination Awards

Contributions are due on the amount of termination awards paid to employees which exceed £30,000 and on the amount of sporting testimonial payments paid by independent committees which are over £100,000. You report and pay Class 1A on these types of payments during the tax year as part of your payroll.

National Insurance Class	2024 to 2025
Class 1A	13.8%

3.7 PAYE Settlement Agreements

You pay Class 1B National Insurance if you have a PAYE settlement agreement. This allows you to make one annual payment to cover all the tax and National Insurance due on small or irregular taxable expenses or benefits for your employees.

National Insurance Class	2024 to 2025
Class 1B	13.8%

3.8 National Minimum Wage

The National Minimum Wage (NMW) is the minimum pay per hour workers, who are at least school leaving age, are entitled to by law. From April 2024 the National Living Wage (NLW) has been extended to those aged 21 and over (previously 23).

A 'National Minimum Wage and Living Wage calculator for Employers' is available on gov.uk.

The rates below apply from 1 April 2024, which have been applied to the records that we hold.

Category of Worker	Hourly Rate
Aged 21 and above (national living wage rate)	£11.44
Aged 18 to 20 inclusive	£8.60
Aged under 18 (but above compulsory school leaving age)	£6.40
Apprentices aged under 19	£6.40
Apprentices aged 19 and over, but in the first year of their apprenticeship	£6.40

3.9 Student Loan, Scottish Student Loan and Postgraduate Loan Recovery

Employees start repaying their loan the April after they finish or leave their course, once earnings are above certain thresholds. Employers will be notified to commence deductions by the issue of form SL1, as advised to HMRC by the Student Loan Company.

The repayment threshold for student loan Plan 2 and postgraduate loan Plan 3 remains the same. Those with earnings above those thresholds detailed below will have deductions made at the rates shown.

More information on repaying student loans is available from gov.uk.

Category of Worker	Hourly Rate
Employee earnings threshold for Student Loan Plan 1 Applies to those whose loans were taken out pre-September 2012	£24,990 per year £2,082.50 per month
Employee earnings threshold for Student Loan Plan 2 Applies to those whose loans were taken out post-September 2012	£27,295 per year £2,274.58 per month
Employee earnings threshold for Student Loan Plan 4	£27,660 per year

Applies to Scottish students whose loans were taken out post-September 1998	£2616.25 per month
Student Loan deductions	9%
Employee earnings threshold for Postgraduate Loan Plan 3	£21,000 per year £1,750 per month
Postgraduate Loan deductions	6%

3.10 Starter Checklist

For those employees who do not have an in-date form P45, please ask them to complete a starter checklist ensuring that the Student and Postgraduate Loan section are completed so that EPM can accurately update their payroll record and start taking the correct deductions immediately. If they do not know their loan and/or plan type, they can check on gov.uk.

A version of the starter checklist designed to be filled in on-screen and a printable version are available from gov.uk.

Please email any documentation for your new starters to your EPM Payroll Administrator.

3.11 Employment Allowance (EA)

Employment Allowance allows certain employers to reduce their Secondary Class 1 National Insurance contributions. Since 6 April 2020, the allowance has only been available to those who have a Class 1 Secondary NICs liabilities of £100,000 or less in the tax year immediately prior to the claim.

For those who are eligible (have a Class 1 Secondary liability below £100,000) the Employment Allowance remains at £5,000.

3.12 Apprenticeship Levy

Employers with an annual pay bill of more than £3 million are required to pay a 0.5% levy each year. Each employer receives an annual allowance to offset against the levy charge.

- For maintained schools, the local authority is the employer
- For voluntary aided, foundation schools and academies, the Governing Body/Board of Trustees is the employer
- Multi-academy trusts receive a single allowance to allocate across their Trust
- Maintained schools which acquire single academy trust status part way through a tax year will, as a new employer, be entitled to the whole of the £15,000 allowance to offset
- For schools joining an Employer mid tax year who are in receipt of the Apprenticeship Levy Allowance, their allowance set at the start of the year would continue. The new employer must then decide how to allocate for the forthcoming

tax year. **Employers cannot change or redistribute the allocation of the allowance until the start of the next tax year.**

The levy allowance for 2024 to 2025 has not changed and remains at £15,000 per annum.

EPM will continue with the Apprenticeship Levy allowance apportionments as applied up to March 2024. If this is to be changed from April 2024, please advise your Payroll Administrator of the changes to be applied within your April payroll, as the changes must be made at the start of the financial year.

More information on using the Apprenticeship Levy allowance is available from [gov.uk](https://www.gov.uk).

3.13 Statutory Maternity, Paternity, Adoption, Shared Parental and Parental Bereavement Pay

The table below lists the confirmed rates applicable from 7 April 2024 and applicable payment periods.

Please email all applications for family-related and associated evidence (such as MATB1) to your EPM HR and Payroll Administrators.

Type of Payment	2023 to 2024	Period
Statutory Maternity Pay (SMP)	90% of the employee's average weekly earnings	First 6 weeks
	£184.03 or 90% of the employee's average weekly earnings, whichever is lower	Remaining weeks
Statutory Paternity Pay (SPP)	£184.03 or 90% of the employee's average weekly earnings, whichever is lower	Weekly rate
Statutory Adoption Pay (SAP)	90% of employee's average weekly earnings	First 6 weeks
	£184.03 or 90% of the employee's average weekly earnings, whichever is lower	Remaining weeks
Statutory Shared Parental Pay (ShPP)	£184.03 or 90% of the employee's average weekly earnings, whichever is lower	Weekly rate
Statutory Parental Bereavement Pay (SPBP)	£184.03 or 90% of the employee's average weekly earnings, whichever is lower	Weekly rate
SMP, SPP, ShPP, SAP or SPBP – proportion of your payments you can recover from HMRC	92%, if your total Class 1 National Insurance (both employee and employer contributions) is above £45,000 for the previous tax year.	N/A
	103% if your total Class 1 National Insurance for the previous tax year is £45,000 or lower.	

3.14 Statutory Sick Pay

From 6 April 2024, the weekly rate for SSP for those who qualify will be £116.75. The daily rate is dependent on the number of qualifying days worked each week, which in

education settings is usually 7 which is equal to the unrounded amount £16.6785 per day.

It is the employers' responsibility to issue the SSP1 form if the employee is not eligible for SSP. EPM will provide supporting information to assist with the completion of the form.

For more information, please see [Statutory Sick Pay \(SSP\): employer guide](#).

4. Pension Thresholds and Rates

4.1 Auto-enrolment Contribution Rates

The Pensions Act 2008 requires every employer in the UK to put certain staff into a workplace pension scheme and contribute towards it. You must automatically enroll any eligible jobholder who is not already an active member of the Teachers' Pension Scheme or Local Government Pension Scheme, either from the automatic enrolment date, or from the end of the postponement period.

The minimum auto-enrolment contribution rates remain unchanged and are detailed below:

Date	Employer Minimum Contribution	Staff Contribution	Total Minimum Contribution
2024/2025	3%	5%	8%

Every three years, certain staff who have left the pension scheme must be re-enrolled and a re-declaration of compliance must be completed by the employer and submitted to The Pension Regulator (TPR). EPM Payroll customers should confirm their re-enrolment date by sending details to autoenrolment@epm.co.uk to ensure support is given accordingly.

Detailed guidance with regards to auto-enrolment can be found on [The Pension Regulator's](#) website.

4.2 Earnings Thresholds for 2024 to 2025

The Department for Work and Pensions (DWP) has confirmed earnings thresholds remain.

2024-2025	Annual Threshold	Monthly Threshold
Lower level of qualifying earnings	£6,240	£520

Earnings trigger for automatic enrolment	£10,000	£833
Upper level of qualifying earnings	£50,270	£4,189

4.3 Local Government Pension Scheme (LGPS) Contribution Rates and Pay Bands

There is no change to employee contribution rates from 1 April 2024. However, the salary contribution bands will increase.

Contribution Table 2024 to 2025

Pensionable pay:	Contribution rate:	
	Main section	50/50 section
Up to £17,600	5.50%	2.75%
£17,601 to £27,600	5.80%	2.90%
£27,601 to £44,900	6.50%	3.25%
£44,901 to £56,800	6.80%	3.40%
£56,801 to £79,700	8.50%	4.25%
£79,701 to £112,900	9.90%	4.95%
£112,901 to £133,100	10.50%	5.25%
£133,101 to £199,700	11.40%	5.70%
£199,701 or more	12.50%	6.25%

For LGPS employer rates, please ensure you confirm your 2024/25 employer rate to EPM by 25 March 2024 at the very latest through completing our [survey](#).

4.4 Teachers' Pension Scheme (TPS) Contribution Rates and Pay Bands

With effect from 1 April 2024, the employer contribution rate increases to 28.68%. There is no change to the employee contribution rates from 1 April 2024. However, the salary bands for employee contribution rates will increase by 6.7%.

From 1 April 2023	Employee Contribution Rate
Up to £34,289.99	7.4%

£34,290.00 to £46,158.99	8.6%
£46,159.00 to £54,729.99	9.6%
£54,730.00 to £72,534.99	10.2%
£72,535.00 to £98,908.99	11.3%
£98,909.00 above	11.7%

4.5 Teachers' Pension – Faster Accrual and Buy Out Elections

We would like to remind you to check the Employer Portal for Faster Accrual elections sent in by your employees. You'll need to complete your part of the form before the election is finally submitted to us. The deadline for us to receive fully completed elections is **31 March 2024**.

Teachers' Pensions has a [dedicated webpage](#) for Faster Accrual which has information to help you with member queries, including an example of the Accrual Rate of pension that can be earned by a member, and a factsheet [Faster Accrual \(teacherspensions.co.uk\)](#) which you can share with them.

4.6 Teachers' Pension End of Year Certificate (EOYC)

The End of Year Certificate process is completed on an annual basis by all employers and provides assurance that all contributions due have been correctly paid over to the Teachers' Pension Scheme (TPS).

To ensure you receive the correct information, please check that Teachers' Pension have the correct contact details for your establishment.

Following receipt of your March contributions in April, Teachers' Pension will provide you with the figure of total contributions received within the financial year and the EOYC template will be made available via the Employer Portal. The template can be accessed by selecting 'Templates' from the options menu.

For EPM Payroll customers, reports are available to download from the EPM Portal in the 'Download reports, Archived and other' section and demonstrate the contributions, which should have been paid within the financial year, calculated against the salaries you have paid to the members.

All employers are required to upload a completed **unaudited** EOYC by the **last working day in May**.

Once submitted, you will need to print off a hard copy, sign the declaration and arrange to have it audited. The audited return should be issued directly to Teachers' Pension from your auditor by the last working day in September for non-local authority establishments and by the last working day in November for local authorities.

Key Dates	Activity
Week ending 26 April 2024	The contribution cash figure will be sent to your establishment's Employer Portal Data Centre Mailbox (Not by email)
Friday 28 June 2024	Unaudited EOYC to be returned to TPS
Monday 30 September 2024	Non-LA audited EOYC to be returned to TPS
Friday 29 November	LA's audited EOYC to be returned to TPS

For more detailed guidance on how to complete your EOYC, please read the Teacher's Pension [guide](#) for completing the EOYC.

If you do not have access to the Employer Portal, please contact tpregistrations@teacherspensions.co.uk.

For further information please refer to the Teachers' Pensions [website](#).

5. HMRC End of Year Reporting

5.1 P60s

P60s are now available directly through the ePayslips Portal for all registered ePayslip users. They will also be published on the EPM Portal to allow School Portal users to access and print off directly for any employees that are yet to register.

P60s are produced for any employees with taxable earnings during the period up to 31 March 2024, where no P45 has been issued.

5.2 Expenses and Benefits

5.2.1 P11D Reporting 2023 to 2024

HMRC requires a P11D to be completed for any employee who may be deemed to have received benefits or expenses payments from the school throughout the year.

After the Easter holidays we will issue further instructions on how to send EPM your benefits to be declared for P11Ds for 2023/24.

5.2.2 Payrolling expenses and benefits

Since April 2016, employers have been able to choose to payroll certain expenses and benefits to collect tax on a real-time basis and remove the requirement to submit P11Ds in the July after the tax year end. The benefit is a reduction in administration, the only requirement remaining the return of form P11D(b) which details the Class 1A National Insurance due. Employee's benefit because their tax is collected in real-time, reducing potential underpayments.

All expenses and benefits can be payrolled, except for employer provided living accommodation and interest-free and low interest (beneficial) loans. HMRC has announced that **from April 2026** all benefits will be processed through the payroll and not via P11D submission.

To register for payrolling benefits from April 2024, you must register them using the 'payrolling employee's taxable benefits and expenses' online service. **You must register by 5 April 2024 to be able to payroll benefits for 2024/2025 payroll.**

You will need your employer PAYE reference and accounts office reference which can be obtained from the payroll homepage of the EPM portal, or by logging into your Employer Government Gateway Account. Further information can be found on [gov.uk](https://www.gov.uk).

For more information on P11D reporting and Payrolled Benefits in Kind (PBiK) please see our helpful **P11D EPM guide**. If you do register for payrolled benefits, please alert your EPM team with the necessary details for setup to be completed to update payroll.



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