

Ealing School Supply Staff Service – NI Changes
Statutory Charge – Employers National Insurance Increase

On 6th April 2022, National Insurance Contributions (NICs) will increase by 1.25% for both employers and employees with the increase directed by government into the NHS and Social Care. A second change will take place in April 2023, with Employers NI reverting to 2021/22 levels and a new 'Health and Social Care Levy' (H&SCL) being introduced at a rate of 1.25%. This change will also capture a broader set of workers as the H&SCL will apply to workers above state pension age, who are currently exempt from NICs.

What will be changing?

Standard NICs due on both employed and self-employed workers will rise by **1.25% from 6 April 2022**. The increase is applicable to payments made to workers on/after 6th April 2022.

To remain compliant with the changing legislation and contractual requirements, we will ensure that our payroll systems and related NICs calculations for all PAYE and Umbrella workers are updated accordingly in April.

For timesheets resulting in payments on/after 6th April 2022, we will be applying the statutory increase in national insurance payments and charges, to all current and future PAYE temporary assignments.

As a customer who has procured our service through Crown Commercial Service (CCS), the framework provider has acknowledged the statutory increase. However, CSS are still seeking guidance from NHSE&I as to the application of the increase – further details will be shared in due course.

Other elements of the charge rate will not be affected, and this does not affect Limited Company Contractors (PSCs) outside of IR35.

We would like to take this opportunity to thank you for your continued business and support. If you have any queries about how this affects any contracts that you have with Reed, please feel free to contact your Account Manager or Reed Consultant.

If you would like to have more information about the legislation then you can also visit [Health and Social Care Levy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/health-and-social-care-levy)

Kind regards

Ben Holtom

Education MSP Director