

EMPLOYMENT LAW UPDATE - SPRING 2022

CURRENT RATES FROM APRIL 2022

National Minimum and Living Wage

The National Minimum Wage (NMW) and National Living Wage (NLW) provide minimum hourly rates of pay for employees and workers. The NLW applies to employees/workers aged 23+. The NMW applies to employees/workers aged 16-23. The rates for the NMW and the NLW are increased in April of each year. The new rates from **1 April 2022** are:



Age	Apprentices	16 and 17	18 – 20	21 - 22	23+
National Minimum Wage	£4.81	£4.81	£6.83	£9.18	
National Living Wage					£9.50
Previous rate before April 2022	£4.30	£4.62	£6.56	£8.36	£8.91

The rates for 2022 are based on recommendations from the Low Pay Commission, accepted in full, by the Government.

The penalties for failing to pay the NMW and NLW are high and can be up to £20k per employee/worker.

Employment Protection Awards

The maximum limits on employment protection awards are increased in April each year. From **6 April 2022** the rates are as follows and apply to all dismissals on or after this date:

Award	Current Rate Applies to dismissals from 6 April 2022	Previous Rate for dismissals before 6 April 2022	
Unfair dismissal compensatory award (maximum)	£93,878 (maximum or 12 months' pay whichever is lower)	£89,493 (maximum or 12 months' pay whichever is lower)	
One week's pay for statutory redundancy pay and basic award	£571	£544	
Maximum statutory redundancy payment and basic award	£17,130	£16,320	

Awards for discrimination claims have no maximum limit.

Maternity and Paternity Pay

Statutory Maternity Pay and Statutory Adoption Pay are payable for a period of 39 weeks. Statutory Paternity Pay is payable for a period of two weeks following the birth. Under the Shared Parental Leave scheme, it is possible for parents to share up to 37 weeks of the mother's maternity pay. The rates are increased in April each year and from **6 April 2022** are as follows:



Type of Payment	Current Rate from 6 April 2022	Payment Period	Previous Rate from
Statutory Maternity Pay and Statutory Adoption Pay (higher rate) Statutory Maternity Pay (basic rate)	90% of normal weekly earnings £156.66 per	First 6 Weeks Next 33 Weeks	£151.97
Statutory Paternity Pay	£156.66 per	Up to 2 Weeks	£151.97

^{*}or 90% of normal earnings, if lower.

Statutory Sick Pay

Statutory Sick Pay is payable by employers if an employee is incapable of work for 4 or more consecutive days. The entitlement starts from the 4th qualifying day up to a maximum of 28 weeks. From **3 April 2022**, the SSP rate is **£99.35** per week (previous rate - £96.35).



Covid-19 Virus - End of SSP Rebate Scheme

The SSP Rebate Scheme entitles employees suffering from the Covid-19 virus or who are self-isolating or shielding others, to be paid SSP on the first day of absence rather than the fourth day. Small to medium sized employers (less than 250 employees) can be reimbursed by the government for up to two weeks' SSP under the Rebate Scheme.

The SSP Rebate Scheme will end on **17 March 2022**. Employers will have until 24 March 2022 to submit any claims.

After 17 March 2022, the normal SSP rules will apply to any Covid related absence.



Contact details:

For further information or advice, please contact:

Tessa Fry

Head of Employment tessa@solts.co.uk DDI: 020 7317 8698 Disclaimer – This update is intended to provide readers with information on recent legal developments. It should not be construed as legal advice or quidance on a particular matter.

WWW.SOLTS.CO.UK

3 Coach House Yard Hampstead High Street London NW3 1QF Tel 020 7431 1912 Fax 020 7794 7485 DX 144580 Hampstead 2 Solomon Taylor & Shaw, a firm of English solicitors, is regulated by the Solicitors Regulation Authority (SRA No. 0006190)

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