

## Are you ready? Employment law changes coming into force in April 2019

In amongst Brexit-related uncertainty and dodging Spring showers, we round-up the main changes to employment law due to take effect in April 2019 in our 'at-a-glance' table.

NO.	DEVELOPMENT	SUMMARY AND IMPACTS	IMPACT DATE
1.	<b>National minimum wage: rates increase</b>	<p>The national minimum wage hourly rates will be increased as follows:</p> <ul style="list-style-type: none"> <li>• National Living Wage rate (for workers aged 25+): increase from £7.83 to £8.21.</li> <li>• Workers aged 21 – 25: increase from £7.38 to £7.70.</li> <li>• Workers aged 18 – 20: increase from £5.90 to £6.15.</li> <li>• Workers aged 16 – 17: increase from £4.20 to £4.35.</li> <li>• Apprentice rate: increase from £3.70 to £3.90.</li> </ul> <p>In addition, the accommodation offset will increase from £7.00 to £7.55.</p>	<b>1 April 2019</b>
2.	<b>Pensions: auto-enrolment – minimum contributions set to increase</b>	<p>From 6 April 2019 the minimum contribution rates for defined contribution schemes will increase to 3% for employers (previously 2% as of 6 April 2018) and to an overall total of 8% (previously 5% as of 6 April 2018) in respect of jobholders' qualifying earnings.</p> <p>The earnings trigger will remain at £10,000. The qualifying earnings lower limit will be £6,136 and the upper limit will be £50,000.</p>	<b>6 April 2019</b>
3.	<b>Itemised pay statements to be given to all workers</b>	<p>These regulations will require itemised pay statements to:</p> <ul style="list-style-type: none"> <li>• be given to all workers (not just employees); and</li> <li>• contain information regarding the number of hours worked by the worker for which they are being paid. However, this will only apply where the worker's pay varies according to the number of hours worked.</li> </ul> <p>Section 8 of the Employment Rights Act 1996 will be amended by The Employment Rights Act 1996 (Itemised Pay Statement) Order 2018 SI 2018/147 and The Employment Rights Act 1996 (Itemised Pay Statement) (Amendment) (No.2) Order 2018. The Government has published <a href="#">guidance</a> on how the new regime will apply in different scenarios.</p>	<b>6 April 2019</b>

4.	<b>Tribunal compensation limits will increase</b>	<p>Various increased compensation limits for employment tribunal claims will come into force on 6 April 2019. For example, the maximum amount of a week's pay (used for calculating various awards including statutory redundancy payments and unfair dismissal basic awards) will increase to £525 and the maximum unfair dismissal compensatory award will increase to £86,444.</p> <p>The changes will come into effect under the Employment Rights (Increase of Limits) Order 2019.</p>	<b>6 April 2019</b>
5.	<b>National Insurance Contribution limits will increase</b>	<p>The lower earnings limit in respect of primary class 1 contributions will increase from £116 to £118 and the upper earnings limits in respect of primary class 1 contributions will increase from £892 to £962.</p> <p>The changes will come into effect under the draft Social Security (Contributions) (Rates, Limits and Thresholds Amendments and National Insurance Funds Payments) Regulations 2019.</p>	<b>6 April 2019</b>
6.	<b>Financial penalties for aggravated breach of a worker's employment rights will increase from £5,000 to £20,000</b>	<p>The maximum financial penalty available for an aggravated breach of a worker's employment rights will increase from £5,000 to £20,000. The increased penalty will only apply to breaches occurring on or after 6 April 2019.</p> <p>The change will be implemented by the Employment Rights (Miscellaneous Amendments) Regulations 2019 (draft). These regulations will amend the Employment Tribunals Act 1996 (section 12A).</p>	<b>6 April 2019</b>
7.	<b>Increased rates of statutory payments for sick leave (to £94.25 per week) and family leave (to £148.68 per week)</b>	<p>The weekly rates for various statutory payments will be increased as follows:</p> <ul style="list-style-type: none"> <li>• Statutory sick pay (<b>SSP</b>): increase from £92.05 to £94.25.</li> <li>• Statutory maternity pay (<b>SMP</b>), statutory paternity pay (<b>SPP</b>), statutory adoption pay (<b>SAP</b>) and shared parental pay statutory shared parental pay (<b>SSPP</b>): increase from £145.18 to £148.68.</li> <li>• Statutory maternity allowance (<b>SMA</b>): increase from £145.18 to £148.68.</li> </ul> <p>The changes will come into effect under the Social Security Benefits Up-rating Order 2019 (draft).</p>	<p><b>SSP = 6 April 2019</b></p> <p><b>SMP, SPP, SAP and SSPP = 7 April 2019</b></p> <p><b>SMA = 8 April 2019</b></p>