

Employment Law Changes Coming in April 2025

April 2025 heralds some of the most important changes to employment law in several decades, with the [Government's Employment Rights Bill](#) beginning implementation, as well as the obligatory National Minimum Wage increase.

With employer National Insurance contributions set to also increase, there is plenty for employers to take stock of (and ensure compliance with) in the coming weeks.

Croner can help you navigate the April changes and help prepare your business for the further changes to employment legislation, as laid out in the [Employment Rights Bill](#).

Get award-winning advice from a professional [Employment Law](#) expert. Call today on [0844 561 8133](#) and quote your membership number.



What are the employment law changes for April 2025?

- National Minimum Wage - effective from 1st April.
- [Neonatal Care Leave and Pay](#) - effective from 6th April.
- [Statutory Sick Pay](#) - effective from 6th April.
- [Statutory Maternity Pay](#) - effective from 6th April.
- [Unfair Dismissal](#) compensation - effective from 6th April.
- [Redundancy Pay](#) - effective from 6th April.

What are the changes to the National Minimum Wage & the National Living Wage?

The changes to the National Minimum Wage (NMW) and the National Living Wage (NLW) are set to be implemented on the 1st of April and are as follows:

- NLW - £12.21 per hour (rising from £11.44).
- NWM for 18 to 21-year-olds £10 per hour (rising from £8.60).
- NMW for 16 to 17-year-olds £7.55 per hour (rising from £6.40).
- NMW apprentice rate £7.55 per hour (rising from £6.40).

Increases to Employers' National Insurance contributions

Alongside the increases to the National Minimum and Living Wage, there will be marked increase in Employers' National Insurance Contributions (NICs) from April 6th will increase to 15% (currently at 13.5%). This means there will be an additional 1.5% on applicable earnings.

The payment threshold for employers to pay NICs for employees is also set to be lowered on April 6th, from £9,100 to £5,000.

This will mean that employers will need to take into account their [payroll](#) costs, especially in larger organisations, employing more staff.

The employment allowance will also be raised from £5,000 to £10,500; this means that smaller employers particularly will gain some relief.

Raised lower-earnings limit and increase in Statutory Sick Pay

April yields an increase in Statutory [Sick Pay](#) from £116.75 to £118.75 per week. Similarly, the lower earnings threshold is raised to £125.00 per week. This is in line with other statutory and family-related payments.

The government is currently planning to remove the obligatory 3 day waiting period that an employee must undergo before they can claim SSP. Also, there are plans to increase the amount payable to those under the lower-earnings limit, to 80% of their pay.

Increases in statutory awards and payments

The Employment Rights (Increase of Limits) Order 2025 outlines the increase of the statutory limits and award payments, like statutory redundancy pay, compensatory awards for [employment tribunals](#) and statutory guarantee pay. As of the 6th of April, the following will come into play.

- Statutory redundancy pay cap for calculating a week's pay will be increased to £719.
- Compensatory awards for unfair dismissal maximum limit increased to £118,223.
- Statutory guarantee pay, increased to £39 per day.

Family leave changes

The [Neonatal Care](#) (Leave and Pay) Act 2023 comes into play on April 6th meaning that parents whose child requires specialist neonatal care will be entitled to 12 weeks statutory neonatal care leave with a payment maximum of £187.18 per week.

Additionally, there will also be an increase in the payment for statutory family related leave such as Maternity, [Paternity](#), [Shared Parental](#) and [Adoption Leave](#). This will also include Statutory Parental [Bereavement](#) Pay, which will see an increase from £184.03 to £187.18.

Contact the Employment Law experts at Croner today

The Government's Employment Rights Bill is set to be the biggest change to employment law in several decades and will have an impact on how every organisation conducts business. Ensure compliance with the changes to legislation in April and further upcoming changes by talking to one of our qualified [employment law advisors](#) today.

An accredited legal-500 company, Croner has been helping businesses navigate the ever-changing world of employment legislation for over 80 years. Call today on [0844 561 8133](#) and quote your membership number.

