

National Insurance Number:

All employees working in the UK or/and having their main place of work in the UK, have to be registered to the National Insurance and get an individual NI Number. In order to be able to apply for one, the new UK employee will have to call the « **National Insurance number application line** » 0345 600 0643 to get an appointment within two months. The employee will have to provide some documents to prove identity and place of living. Once the NI obtained, get registered at a local GP in case of illness.

P45/Starter checklist forms :

When a new employee joins a UK company, he has to present to his new employer his P45 form obtained from his previous employer, OR if doesn't have one he will have to complete a starter checklist form, available to download on the HMRC's website. These forms are sent to the HMRC in order they can trace the employment and allocate Tax codes & NIC codes to the relevant persons.

Tax Code and PAYE:

Once a year, each UK employee receives from the HMRC, his new tax code, calculated on previous year taxable incomes. This tax code will have to be made available as soon as possible to the employer in order the PAYE deduction on the payroll is calculated accurately. If this code is not available yet or not transmitted to the employer, the emergency tax code & tax rate will apply and regularization will be made only after the end of the UK tax year, being 5th of April each year.

STATUTORY SICK PAY (SSP) 2016

[\(see « Focus On SSP » SEDI's form for more details\)](#)

As an employer, you have to maintain a minimum regulated salary when your employee is on a sick leave. It is highly recommended to secure even a bit more with a complementary Company sick paid and/or income protection for example, than the minimum regulated salary if you wish your employee is able to survive during his sick leave - as the minimum regulated is very low:

The 2016 weekly rate of SSP is £88.45 during the first 28 weeks.

First 3 days being called « waiting days », are paid at the discretion of the employer. The SSP Policy in the company has to be very much disclosed either in the employment contract or in the company handbook when there is one. It will be up to the employer to calculate the « qualifying days » applicable for the SSP calculation.

A sick note is compulsory after 7 days.

MILEAGE PAYMENTS FOR BUSINESS TRAVEL

1 mile = 1.609344 Km

Employee vehicles: Mileage Allowance Payments (MAPs)

Car mileage can be reimbursed 45 pences per mile for the first 10 000 miles, then 25p for each subsequent mile.

Company cars - advisory fuel rates from 1st December 2015

Engine size	Petrol	LPG	Engine size	Diesel
1400cc or smaller	11p/mile	7p	1600cc or smaller	9p/mile
1401cc to 2000cc	13p/mile	9p	1601cc to 2000cc	11p/mile
Over 2000cc	20p/mile	13p	Over 2000cc	13p/mile

SOCIAL CONTRIBUTIONS :

- **Employer NIC** = employer's charges
13,8% of the gross salary
(« contracted out » rebate -3.4%)

Note: The Pensions Act 2014 implements the new State Pension and also abolishes the contracted-out rebate from 6 April 2016.

- **Employee NIC 2015/2016 tax year** =
thresholds & rates per month
< £672 0%
£672 to £3352 12%
> £ 3352 2%
(If « contracted out », rebate : -1.4%)

Contracted out : An employee who is a member of a COSR Pension scheme can benefit from a lower rate of NI contributions.

NATIONAL MINIMUM WAGE

Updated each 1st October

From 1 October 2015 : £ 6.70 hour for employees 21 years old and over.

From April 2016, the national living wage will be **£7.20** an hour for workers aged 25 and older.

**INCOME TAX RATE
2015/2016**

Rate	Taxable Income 2015/2016
Basic rate: 20%	£0 - £31,785
Higher rate: 40%	£31,786 - £150,000
45%	Over 150.000 GBP

UK Tax Year : from 6 April 2015 to 5 April 2016.

STATUTORY PAID LEAVE

Employees are legally entitled to **28 days of paid annual leave**.

2016 Public Holidays

January 1	New Year's Day
March 25	Good Friday
March 28	Easter Monday
May 2	Early May Bank Holiday
May 30	Spring Bank Holiday
August 29	Summer Bank Holiday
December 26	Boxing Day
December 27	Christmas day (substitute day)

Bank or public holidays do not have to be given as paid leave. An employer can choose to include bank holidays as part of a worker's statutory annual leave.

IF YOU NEED ADVICE OR ASSOCIATED SERVICES: PLEASE CONTACT US!**SEDI France SARL**

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