



WORKSHEET · EMPLOYER NI

Employer NI *impact worksheet*

One job: work out what the employer NI changes announced for April 2025 will cost you each year – with a pen.

ACCURATE AS AT 10 DECEMBER 2024 2024/25 TAX YEAR VERSION 1.0

i

HOW TO USE IT

Print it, put your payroll summary beside it and work down the boxes in order. The rates used are on page 3. Superseded edition, kept for reference. Do not use for current decisions.

01 Your headcount

Employees on your payroll paid more than £5,000 a year.

A

There is no employer NI on earnings up to £50,270 for under-21s, apprentices under 25 and veterans in their first civilian year: leave them out for a closer estimate. New staff at Freeport or Investment Zone sites get relief only on earnings up to £25,000.

02 Your annual payroll

Total gross annual pay for the employees in box A. Only have an average? Multiply it by box A.

B

03 Employer NI from April 2025

Pay above the threshold: box B – (box A × £5,000). Below zero? Write 0.

C

Employer NI before the allowance: box C × 0.15.

D

04 Employment Allowance from April 2025

£10,500 if you will be able to claim it, otherwise 0.

E

As announced, from April 2025 most employers will be able to claim, with no £100,000 limit. You cannot if your only employee paid above the secondary threshold is a sole director, or if you are a public body or do more than half your work in the public sector (charities excepted).

05 Your employer NI bill from April 2025

Box D – box E. Below zero? Write 0.

F

06 The same payroll today (2024/25)

Current rules: 13.8% above £9,100. Same people, same pay.

Pay above the old threshold: box B – (box A × £9,100). If anyone in box A earns less than £9,100, first take their pay out of box B and their number out of box A, for this line only. Below zero? Write 0.

G

Employer NI at 13.8%: box G × 0.138.

H

Employment Allowance now: £5,000 only if you can claim it and your employer NI bill for the previous year was under £100,000. Box H £100,000 or more? Write 0.

I

Your employer NI bill today: box H – box I. Below zero? Write 0.

J

07 The April 2025 change – what it will cost you each year

Box F – box J. The extra employer NI you will pay each year on the same payroll, before any offset.

K

Divide box K by box A for the cost per employee. Take box K to part two.

PART TWO

What salary sacrifice *recovers*

Employer NI is charged on the reduced salary, so a compliant sacrifice saves employer NI on the pay given up, as long as pay stays above the threshold: 13.8% now, 15% from April 2025. This applies only to schemes outside the optional remuneration rules – pension, cycle to work, workplace nursery – and to bought annual leave. For EV (cars of 75g/km or less), deduct the employer's Class 1A NI on the car's BIK value. Tech, phone and gym schemes save the employee NI but not the employer. Net-pay benefits such as grocery, fuel and retail discounts save through the discount, not NI.

08 Employees eligible for at least one qualifying scheme. **L**

09 Average annual sacrifice per participant. **M**

10 Expected participation rate, as a percentage of box L. **N**

11 Expected participants: box L × box N ÷ 100. **O**

12 Total annual sacrifice: box O × box M. **P**

13 Employer NI saving from April 2025: box P × 0.15. If box Q is more than box F, write box F. **Q**

14 Annual scheme administration cost. **R**

15 Net annual employer NI saving: box Q – box R. **S**

16 Share of the April 2025 increase recovered: box S ÷ box K × 100 (skip if box K is zero or less). **T**

Worked example – a 100-person employer

ILLUSTRATIVE ONLY

THE COST

A	Headcount paid above £5,000	100
B	Annual payroll (avg £35,000)	£3,500,000
C	£3,500,000 – (100 × £5,000)	£3,000,000
D	£3,000,000 × 15%	£450,000
E	Employment Allowance	£10,500
F	Bill from April 2025	£439,500
G	£3,500,000 – (100 × £9,100)	£2,590,000
H	£2,590,000 × 13.8%	£357,420
I	Allowance now (H over £100,000)	£0
J	Bill today (2024/25)	£357,420
K	Yearly cost of the change	£82,080

THE OFFSET

L	Eligible employees	100
M	Average annual sacrifice	£4,000
N	Participation assumed	40%
O	Participants	40
P	Total sacrificed	£160,000
Q	Employer NI saving at 15%	£24,000
R	Scheme admin cost	£2,500
S	Net annual saving	£21,500
T	£21,500 ÷ £82,080	26%



WATCH THIS

6 April 2025: the new rate, threshold and allowance are due to take effect, subject to the Bill now before Parliament. If the £100,000 limit stops you claiming the allowance now, check whether you can claim it from 2025/26.



WHAT THIS TELLS YOU

- Box K is the cost; box S is what you can recover without cutting headcount or pay rates.
- At 15% from April 2025, doubling take-up doubles the gross saving. If box S is small, check whether staff understand the schemes before adding new ones. If box R is close to box Q, the scheme is not paying for itself.

RATES USED

Now (2024/25)	Employer (secondary) Class 1 NI 13.8% above £9,100 a year · Employment Allowance £5,000, only where the previous year's employer NI bill was under £100,000
From 6 April 2025, as announced	15% above £5,000 a year · Employment Allowance £10,500, with the £100,000 limit removed. Announced at the Autumn Budget on 30 October 2024; Bill before Parliament.

NEXT STEP

Model it on *your own payroll*

Want this run against your payroll file, scheme by scheme? Book a walkthrough and ask Perky for a modelled version.

perkybenefits.co.uk/book-a-demo

Sources: GOV.UK Rates and thresholds for employers 2024 to 2025; HMRC policy paper on the April 2025 changes, 13 November 2024; GOV.UK Employment Allowance.

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