

EMPLOYMENT

Rates and limits update for April 2022

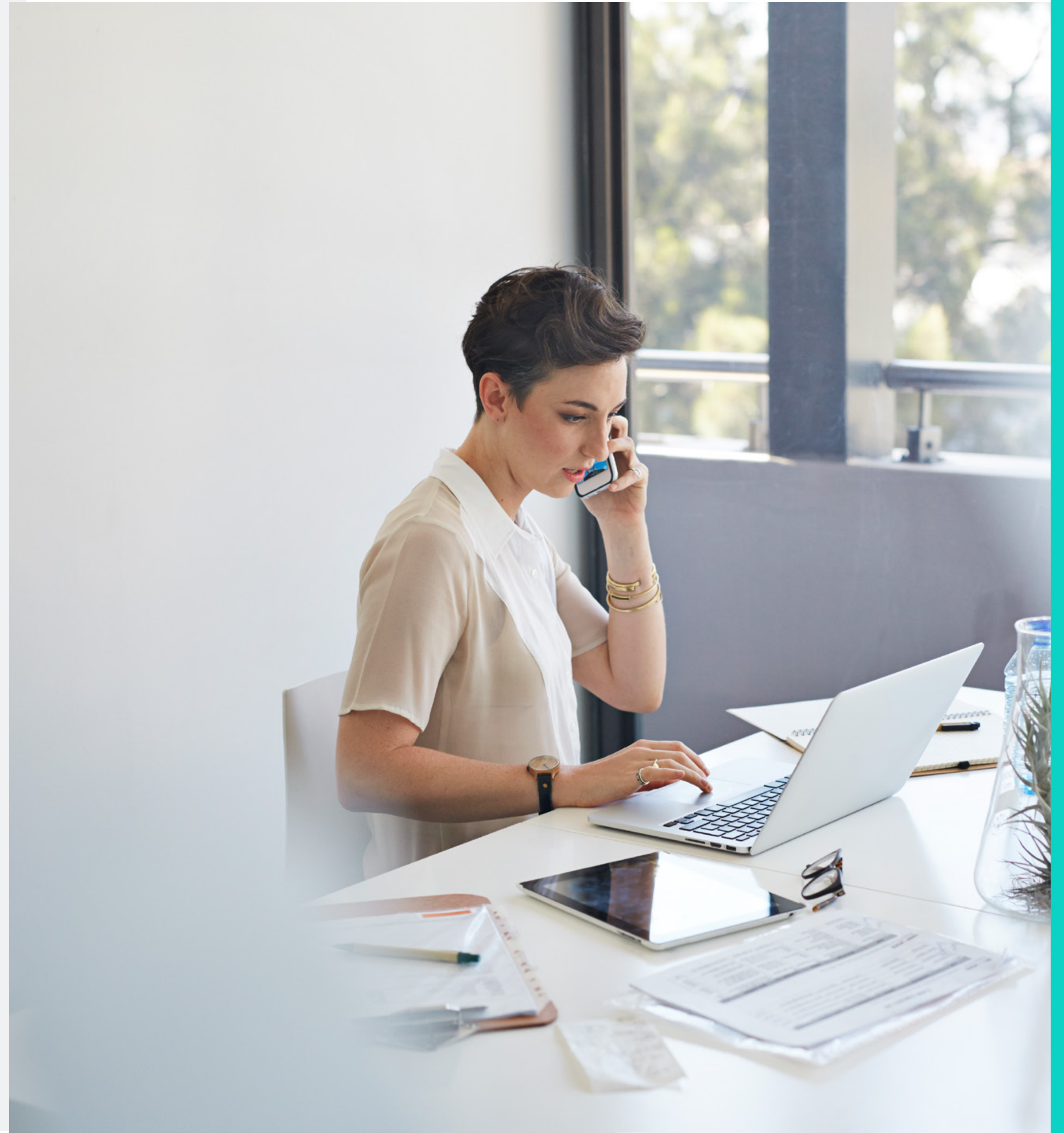
April heralds a number of key changes in rates and limits in Northern Ireland. Minimum wage, Tribunal limits and Vento bands will all increase from April 2022.

In our latest update we outline the key changes in more detail.

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Summary

- April is traditionally the month when we see increases in the national minimum wage and in tribunal award limits. This year an uplift to the Vento bands has also been announced.
- New national minimum wage rates, effective from 1 April 2022, now range from £4.81 per hour for apprentices to a new national living wage rate of £9.50 per hour.
- From 6 April 2022, legislation in Northern Ireland and England and Wales has increased the potential awards in tribunal claims with the maximum compensatory award for unfair dismissal in NI now £94,063.
- New Presidential Guidance has adjusted the Vento bands for injury to feelings awards, effective for cases presented on or after 6 April 2022. The Vento bands now range from £990 for lower range discrimination to £49,300 for high band discrimination.



New National Minimum Wage

From 1 April 2022, the national living wage has increased from £8.91 to £9.50 per hour (for those aged twenty-three and over). The new rate bands for the national minimum wage are as follows:Your organisation will also have to consider the specific method for documenting hybrid working. It may wish to draft a stand-alone hybrid working policy that would set out the specific workings of the blend of home and office work along with key areas that will be impacted by the hybrid arrangement. Alternatively, it may prefer to have a more informal hybrid working guidance document that cross-refers to existing employment policies.

Some of the key employment areas that will need to be considered in the context of hybrid working are:

Rate Band	New Rate	Old Rate
National Living Wage	£9.50	£8.91
21-22 Year Old Rate	£9.18	£8.36
18-20 Year Old Rate	£6.83	£6.56
16-17 Year Old Rate	£4.81	£4.62
Apprentice Rate	£4.81	£4.30



New Tribunal Limits

From 6 April 2022, the Employment Rights (Increase of Limits) Order (Northern Ireland) 2022 increases the limits applying to calculations for certain tribunal awards. The Employment Rights (Increase of Limits) Order 2022 implements similar changes in England and Wales:

	Northern Ireland		England and Wales	
Unfair Dismissal	From 6 April 2021	From 6 April 2021	From 6 April 2021	From 6 April 2021
Maximum amount of 'a week's pay' for the purpose of calculating basic unfair dismissal awards	£566	£594	£544	£571
Maximum basic award for unfair dismissal (30 weeks' pay, subject to the limit on a week's pay)	£16,980	£17,820	£16,320	£17,130
Limit on amount of compensatory award for unfair dismissal	£89,669	£94,063	£89,493 (or 52 weeks' pay whatever figure is lower)	£93,878 (or 52 weeks' pay whatever figure is lower)





Updated Vento Bands

Compensation for discrimination can include an award for injury to feelings. A claimant does not need to prove medical injury and the Tribunal will assess whether the claimant’s feelings have been injured and attribute a financial value to that injury.

A scale for injury to feelings awards was first introduced in the landmark Vento case in 2003. Since then, the scale has been updated and the latest increase under Presidential Guidance from the Employment Tribunals (England & Wales) and the Employment Tribunals (Scotland), applies to claims presented **on or after 6 April 2022** as follows:

Band	Award
Lower band	£990 to £9,900 (2021 - £900 to £9,100)
Middle band	£9,900 to £29,600 (2021 - £9,100 to £27,400)
Upper band	£29,600 to £49,300 (2021 - £27,400 to £45,600)

Key contacts

If you have any questions or need advice following this latest update, please do not hesitate to contact Gareth Walls, Partner or Aisling Byrne, Partner.



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