

Expected impact of Employer's NI rates between non-Apprenticeship staff and Apprenticeship staff

2025-26 employment cost comparison

| None Apprentice Employee | 21+ | 20 | 19 | 18 | < 18 |
|------------------------------|---------|---------|---------|---------|---------|
| April 2025 (new rate) | £12.21 | £10.00 | £10.00 | £10.00 | £7.55 |
| Annual Salary (35 Hours p/w) | £22,222 | £18,200 | £18,200 | £18,200 | £13,741 |
| Annual NI Contributions | £2,583 | £0 | £0 | £0 | £0 |
| Annual Total Cost | £24,805 | £18,200 | £18,200 | £18,200 | £13,741 |

| Apprentice Employee | Aged 21 -25 | Aged 20: & completed 1st year | Aged 19 or over: in their 1st year | Aged under 19 | Aged under 18 |
|------------------------------|-------------|-------------------------------|------------------------------------|---------------|---------------|
| From April 2025 | £12.21 | £10.00 | £7.55 | £7.55 | £7.55 |
| Annual Salary (35 Hours p/w) | £22,222 | £18,200 | £13,741 | £13,741 | £13,741 |
| Annual NI Contributions | £0 | £0 | £0 | £0 | £0 |
| Annual Total Cost | £22,222 | £18,200 | £13,741 | £13,741 | £13,741 |

| | | | | | |
|----------------------------|----------|----|--------|--------|----|
| Potential saving (2025-26) | £2,583 | £0 | £4,459 | £4,459 | £0 |
| On expected rates | Per year | | | | |

Employer's NI is not payable for any <21 year old employees

| None Apprentice Employee | 21+ | Saving / year | Aged 21 -25 | Apprentice Employee |
|------------------------------|---------|---------------|-------------|------------------------------|
| April 2025 (new rate) | £12.21 | £0.00 | 12.21 | From April 2025 |
| Annual Salary (35 Hours p/w) | £22,222 | £0 | £22,222 | Annual Salary (35 Hours p/w) |
| Annual NI Contributions | £2,583 | £2,583 | £0 | Annual NI Contributions |
| Annual Total Cost | £24,805 | £2,583 | £22,222 | Annual Total Cost |

Saving is due to no employers' NI being currently payable on employed Apprentices aged 21-25 years old

Equivalent saving / year in 2024-25 is currently £1,618 / year until 31 March 2025 when NI rates will increase

April 2025 - March 2026

| None Apprentice Employee | 18-20 | Saving / year | 18-20 | Apprentice Employee |
|------------------------------|---------|---------------|---------|------------------------------|
| April 2025 (new rate) | £10.00 | £2.45 | £7.55 | From April 2025 |
| Annual Salary (35 Hours p/w) | £18,200 | £4,459 | £13,741 | Annual Salary (35 Hours p/w) |
| Annual NI Contributions | £0 | £0 | £0 | Annual NI Contributions |
| Annual Total Cost | £18,200 | £4,459 | £13,741 | Annual Total Cost |

All figures are indicative. CTS is not a financial advisor. Employers should make independent decisions before deciding whether to employ any employees or Apprentices and are responsible for any PAYE and NI liabilities due