



IRIS GP Payroll

Release Notes

April 2025 – 2025.11.4

IRIS. Look forward

Contents

GP Payroll April 2025 Release 2025.11.4	5
NHS Pension Scheme – England/Wales	5
Employee NHS Pension Rates	5
Employer NHS Pension Rate	5
Set contribution rate.....	5
I have not yet performed end-of-year transfer.....	6
I have performed end-of-year transfer, but have not calculated payroll in 2025/2026.....	6
I have performed end-of-year transfer, and have calculated payroll in 2025/2026.....	6
GP Payroll April 2025 Release 2025.10	6
NHS Pension Scheme	6
NHS Pension Scheme – England/Wales	6
Employee NHS Pension Rates	6
Employer NHS Pension Rate	7
NHS Pension Scheme – Scotland	7
Employee NHS Pension Rates	7
Employer NHS Pension Rate	8
NHS Pension Scheme – Northern Ireland.....	8
Employee NHS Pension Rates 2025/2026.....	8
Employer NHS Pension Rate 2025/2026.....	9
Member contributions – reduced pay.....	9
End of Year Transfer	9
Statutory Neonatal Care Pay (SNCP)	9
System Parameters.....	10
Cumulative Figures	10
Payroll Calculations – Wizard for Statutory Payments.....	10
Step 1 - Setup new or edit existing SNCP.....	10
Step 2 – Average Salary for SNCP	11
Step 3 – SNCP Calculations.....	12
Step 4 – SNCP Calculations Actual Payment in Month.....	12

Step 5 – SNCP Calculations Pension Settings	12
Employer’s Payment Record (P32)	12
Reports	13
Import/Export Data	13
Payroll History	13
National Insurance	13
NICs compensation rate on Statutory Payments	13
Workplace Postcode	14
National Insurance for Married Women	14
Employment Allowance	14
Earnings Arrestment (EA Scotland)	14
PAYE Legislation	15
Student Loan Thresholds	15
Tax Codes	15
National Minimum Wage/National Living Wage	15
Tax, NI and Statutory Payment Rates	15
P60s	15
RTI	15
Full Payment Submission (FPS)	15
Employer Payment Submission (EPS)	15
Earlier Year FPS	15
Pensions	15
NHS Pension Rates	15
Automatic Enrolment and Pensions	16

Release Notes

Welcome to your software update for April 2025. This update includes new features and enhancements with any necessary legislative changes, and these notes provide information on all the improvements to the software; for detailed information on legislative changes, click [here](#). If you encounter any difficulties, please visit: www.iris.co.uk/contactus

The minimum system requirements are on our website:

- **GP Payroll**

GP Payroll April 2025 Release 2025.11.4

NHS Pension Scheme – England/Wales

We have implemented changes to the NHS Pension Scheme (England & Wales) as per guidance from the NHS Pension Scheme.

We have made the following software amendments from 1st April 2025:

- Updates to employee Pension tiers

Employee NHS Pension Rates

Tier	Pensionable pay used to determine the contribution rate	Contribution Rate
1	£0.00 to £13259.99	5.20%
2	£13260.00 to £27288.99	6.50%
3	£27289.00 to £33247.99	8.30%
4	£33248.00 to £49913.99	9.80%
5	£49914.00 to £63994.99	10.70%
6	£63995.00 and above	12.50%

To view the NHS Pension Scheme tiers and rates in use, go to **Setup/Options | 12 – Tax/NI Parameters | Pension Parameters | NHS Pension Parameters**

Employer NHS Pension Rate

The Employer NHS Pension Rate remains at 14.38% in 2025/2026.

Set contribution rate

As the changes to NHS Pension Scheme (England & Wales) were announced after the year-end version of IRIS GP Payroll (2025.10) was released this means that if you had already performed year end routines, and transferred employees into tax year 2025/2026 employee pension rates will have been set using the tiers that applied in 2024/2025. Once you have installed the IRIS GP Payroll patch (2025.11.4) the system will re-set the employee pension rate using the correct tiers. How the system applies the pension rates depends on whether you had already transferred employees into the new tax year or not:

I have not yet performed end-of-year transfer

If you have not yet performed the end of year transfer into 2025/2026, the system will automatically apply the pension tiers/rates applicable from 1st April 2025 as part of the year end transfer routine.

I have performed end-of year transfer, but have not calculated payroll in 2025/2026

If you have already performed the end of year transfer into 2025/2026, but have not yet calculated payroll for April 2025, the system will automatically apply the pension tiers/rates applicable from 1st April 2025 during the payroll calculation process.

I have performed end-of-year transfer, and have calculated payroll in 2025/2026

If you have already performed the end of year transfer into 2025/2026, and have also calculated payroll for April 2025, then you will need to re-calculate the period to enable the system to apply the pension tiers/rates applicable from 1st April 2025.

GP Payroll April 2025 Release 2025.10

NHS Pension Scheme

We have updated the pension tiers for the NHS Pension Scheme for 2025/2026 in accordance with guidance received from the relevant NHS Pension Scheme agencies. Changes apply from 1st April 2025.

To view the NHS Pension Scheme tiers and rates in use, go to **Setup/ Options | 12 – Tax/NI Parameters | Pension Parameters | NHS Pension Parameters** and choose the relevant date from the **NHS Pension Scheme parameters effective** drop-down menu.

NHS Pension Scheme – England/Wales

At the time of writing, NHS Pension Scheme England and Wales had not announced any changes to contribution rates and tiers for members from 1st April 2025, and therefore the same rates/tiers used from 1st April 2024 will apply in IRIS GP Payroll from 1st April 2025.

In the event that NHS Pension Scheme announce late changes to the contribution rates and tiers to apply from 1st April 2025, we will provide a further update to notify you of the changes.

Employee NHS Pension Rates

Note: Values below are the same as those in use for 2024/2025.

Tier	Pensionable pay used to determine the contribution rate	Contribution Rate
1	£0.00 to £13259.99	5.20%
2	£13260.00 to £26831.99	6.50%
3	£26832.00 to £32691.99	8.30%
4	£32692.00 to £49078.99	9.80%
5	£49079.00 to £62924.99	10.70%
6	£62925.00 and above	12.50%

Employer NHS Pension Rate

The Employer NHS Pension Rate remains at 14.38% in 2025/2026.

NHS Pension Scheme – Scotland

We have implemented changes to the NHS Pension Scheme Scotland as per guidance from SPPA (Scottish Public Pension Agency).

We have made the following software amendments from 1st April 2025:

- Updates to employee Pension tiers and rates

Employee NHS Pension Rates

The below values apply to Tables 1 and 2 from 1st April 2025:

Tier	Pensionable pay used to determine the contribution rate	Contribution Rate
1	£0.00 to £13330.00	5.70%
2	£13331.00 to £26762.00	6.40%
3	£26763.00 to £31669.00	7.00%
4	£31670.00 to £39734.00	8.70%
5	£39735.00 to £41669.00	9.80%
6	£41670.00 to £50650.00	10.50%

7	£50651.00 to £54811.00	11.20%
8	£54812.00 to £76652.00	11.60%
9	£76653.00 and above	12.70%

Note: IRIS GP Payroll includes two tables of NHS Pension rates and tiers. Table 1 is used to set the employee rate for the new year as part of the year end transfer process. Table 2 is used when setting the rate for a new employee or for an existing employee who's pay changes during the year.

Employer NHS Pension Rate

The Employer NHS Pension Rate remains at 22.5% in 2025/2026.

NHS Pension Scheme – Northern Ireland

We have implemented changes to the NHS Pension Scheme Scotland as per guidance from HSC Pension Scheme.

We have made the following software amendments from 1st April 2025:

- Updates to employee Pension tiers and rates

Employee NHS Pension Rates 2025/2026

We have made the following amendments to tiers and rates, from 1st April 2025

Tier	Pensionable pay used to determine the contribution rate	Contribution Rate
1	£0.00 to £13259.00	5.20%
2	£13260.00 to £26831.00	6.70%
3	£26832.00 to £32691.00	8.50%
4	£32692.00 to £49078.00	10.00%
5	£49079.00 to £62924.00	10.90%
6	£62925.00 and above	12.70%

Employer NHS Pension Rate 2025/2026

The Employer NHS Pension Rate remains at 23.2% in 2025/2026.

Member contributions – reduced pay

All NHS regions have recently undergone consultation to consider how member contributions should be calculated where members receive less than full pay, for example, due to maternity leave or sickness absence. It is the intention that members who are in receipt of reduced pay will have their member contribution rate calculated on their actual annual pay, rather than what they would have been earning had they continued to receive full pay.

Currently, members continue to pay the same contribution rate when pay is reduced based on what they would have earned had they continued to receive full pay. The NHS Pension Scheme proposes to change this calculation, and the member will pay the contribution rate based on their actual annual pay, and will therefore include the reduced pay to determine the contribution rate to use.

Since IRIS GP Payroll currently does not assess a members contribution rate during payroll calculation, the rate will not automatically change when pay is reduced. You will therefore need to assess the contribution rate for employees on reduced pay and adjust the rate accordingly. Please refer to scheme guidance for further information.

End of Year Transfer

During the End of Year Transfer from 2024/2025 to 2025/2026, the software will:

- Apply NHS pension rates and tiers for the tax year 2025/2026

Statutory Neonatal Care Pay (SNCP)

Following the introduction of the Neonatal Care (Leave and Pay) Act 2023, employees with a parental or other personal relationship with a baby who is receiving neonatal care can take up to 12 weeks of paid leave which, subject to meeting the relevant criteria, will be paid at the statutory rate. This new act comes into effect from 6th April 2025 (tax year 2025/2026).

This includes a minimum entitlement of one week, in addition to other leave entitlements such as maternity, paternity, adoption and shared parental leave. SNCP applies to employees in England, Scotland and Wales, but not currently Northern Ireland.

Key factors of Statutory Neonatal care include:

- 26 weeks continuous service required
- Rate is the same as other statutory parental pay, for 2025/2026 this is £187.18 or 90% of average weekly earnings, whichever is lower

- The employee must take leave within the first 68 weeks of their baby's birth to qualify for SNCP
- Statutory neonatal Care Pay can be taken in two tiers:

Tier One

- Applies to employees who take their leave while their child is in neonatal care or within the 1st week following their discharge. This tier can be taken flexibly in weekly periods that do not need to be consecutive

Tier Two

- Applies after the Tier One period ends and until the end of the 68-week period following the child's birth date. Any Tier Two leave must be taken in one continuous block

Following the new SNCP legislation, we have made the following software adjustments:

System Parameters

The system parameters have been updated to include the new Statutory Neonatal Care Pay rate. To view statutory rates, go to **Setup/Options | Tax/NI Parameters**

Cumulative Figures

To cater for Statutory Neonatal Care Pay, on the **Employee Details | Cumulative Figures - Statutory Payments** screen, we have added a new **Total SNCP to-date** field.

Payroll Calculations – Wizard for Statutory Payments

On the **Payroll Calculations | Statutory Pay | Wizard for Statutory Payments** screen, a new option has been added, **Allocate Statutory Neonatal Care Pay (SNCP)**

Step 1 - Setup new or edit existing SNCP

Select the radio button **Allocate Statutory Neonatal Care Pay** and click **Next** to open the new Step 1 – Setup new or edit existing SNCP record screen. From this screen you can setup or edit/view an existing SNCP record.

When an employee has an existing SNCP record, the grid in the screen will be populated. The grid displays information as follows:

- **Date** – this column displays the **Date of Child's Neonatal Care**
- **Status** column will be populated with:
 - **Not Started** – Nothing has been paid/processed yet
 - **Ongoing** – Less than 12 weeks have been paid/processed
 - **Complete** – 12 weeks have been paid/processed

Delete Record

Click **Delete Record** to delete the highlighted entry. Please Note: you are required to keep SNCP records for at least 3 years. If the **Date** field is 3 years ago or older a prompt will be displayed asking you to confirm you want to delete the record, click **Yes** to proceed.

Please Note: Most commonly, an employee will be entitled to SNCP along with another statutory payment, e.g. SMP. An employee cannot receive SNCP where the leave dates overlap with another statutory payment; they must be paid consecutively. For example, an employee can only receive SNCP once their SMP entitlement is complete

Step 2 – Average Salary for SNCP

To establish the employee's average monthly salary enter the following dates:

- **Date of Child's Birth**
- **Date of Child's Neonatal Care**
- **Date of relevant week:** This date is only required if the employee is entitled to another statutory payment in relation to the same child, and you have already entered details for the other statutory payment into the **Wizard for Statutory Payments**.
 - If the employee is entitled to **Statutory Maternity Pay (SMP)** or **Statutory Paternity Pay (Birth) (SPP(B))** enter the **Date Baby Due**
 - If the employee is entitled to **Statutory Adoption Pay (SAP)** enter the **Matching Date**
 - If the employee is entitled to **Statutory Paternity Pay (Adoption) (SPP(A))** enter the **Placement Date**
 - If the employee is entitled to **Statutory Parental Bereavement Date (SPBP)**, enter the **Date of Child's Death**
 - If the employee is entitled to **Shared Parental Pay (ShPP)** or is not entitled to another statutory parental pay) leave the field blank

The system will match the date you have entered with the other statutory pay record you have created and will use its relevant period to calculate the **Average Monthly Salary for SNCP**. If the field is left blank, the system will calculate the relevant period and **Average Monthly Salary for SNCP** using SNCP rules.

- **Average Monthly Salary for SNCP**

If the software cannot detect earnings in the relevant period, perhaps because you were not using IRIS GP Payroll in the months required for the calculation of average earnings, you can manually calculate the value and enter it into the **Average Monthly Salary for SNCP** field.

Step 3 – SNCP Calculations

This screen will allow you to enter the number of SNCP weeks due to be paid in the month for Tier 1 and/or Tier 2. Once the number of weeks have been entered the system will automatically calculate the amount of SNCP to be paid in the month.

From this screen, if applicable, you can select **Examine weeks SNCP allocated in previous months**. This will display the number of weeks SNCP paid in previous months.

Step 4 – SNCP Calculations Actual Payment in Month

In this screen, you can make adjustments to any other payments the employee is due for the month whilst receiving SNCP. Choose from:

- **Pay only SNCP this month**
- **Pay FULL salary this month (including SNCP)**
- **Pay half salary PLUS SNCP**
- **Pay some other amount this month (including SNCP)**
- **Add a payment for the non-SNCP period in the month**

The **Actual Payment in Month** section displays the **Payment this month (including SNCP)**

Step 5 – SNCP Calculations Pension Settings

From the **SNCP Calculations Pension Settings** screen, you can view and/or amend the pensionable pay whilst receiving SNCP.

The **Employee Pensionable Pay** field will be populated with the payment this month value. The **Employer Pensionable Pay** field will be populated with the employee's basic pay value.

Clicking **Next** in this screen will close the **Wizard for Statutory Neonatal Care Pay** and return to the **Temporary Adjustments** screen.

The SNCP value will appear in the **Temporary Adjustments** screen, as with other statutory payments.

Employer's Payment Record (P32)

New columns have been added to the **Print Output | Monthly Summary and P32 | Employer's payment summary (P32)** and **View Output | Employer's Payment Record (P32)** to include SNCP Recovery and SNCP Compensation.

The new columns are as follows:

- **SNCP recovered**
- **NIC compen on SNCP**

Reports

Statutory Parental Bereavement Pay has been added to all relevant reports, including:

- Payslips
- Summary of Payroll Calculations
- Year to Date Summary
- Payroll Variance Report
- P11
- Annual Budget Summary
- Monthly Budget Summary
- Analysis of Staff Costs

Any references to **SMP/SAP/SPP/ShPP/SPBP** have been changed to **SMP/SAP/SPP/ShPP/SPBP/SNCP**.

Import/Export Data

We have added a **Total SNCP to date** field to Data Import and Export fields.

Payroll History

The **View Output | Payroll History | Payments/Deductions** drop-down list includes a new option of **Statutory Neonatal Care Pay**.

National Insurance

On 30th October 2024, the Government announced changes affecting National Insurance contributions Secondary Threshold and Secondary Class 1 rate, to apply from 6th April 2025. From this date, the NICs Secondary Threshold decreases from £9,100 to £5,000, and the main rate of Secondary (Employers) Class 1 NICs increases from 13.8% to 15%. We have updated the system with the new threshold and rate.

NICs compensation rate on Statutory Payments

Employers can currently reclaim 92% of employees' Statutory Maternity, Paternity, Adoption, Parental Bereavement and Shared Parental Pay or, if a business has paid £45,000 or less in Class 1 National Insurance (ignoring any reductions like Employment Allowance) in the last complete tax year they can qualify for Small Employers Relief, and reclaim 100% of the Statutory Payment, plus an additional 3% compensation.

From 6th April 2025, the rate of compensation increases from 3% to 8.5%. We have updated the system with the new rate.

Workplace Postcode

From April 2025, HMRC intends to reject an FPS if a Freeport or Investment Zone NIC category letter is reported for an employment but does not contain the workplace postcode for any qualifying employee.

In **Employee Details** we have added a new **Workplace Details** screen, which is accessed when you click the **Workplace Details** button. This screen contains the existing **Working in Investment Zone** indicator and new **Workplace Postcode** field. The **Workplace Postcode** field is required for any qualifying employee located within a designated special tax site, and is enabled for employees whose NI Code is F, I, L, S, N, E, D or K.

National Insurance for Married Women

Following a new rule introduced by HMRC, where the FPS will be rejected when a reduced rate NICs category letter (B, E or I) is supplied but does not qualify based on the date of birth supplied, a date validation warning message now appears in **Employee Details** and **Temporary Adjustments** screens. This occurs if a female employee's NI code is set to B, E or I and their date of birth is after 05/04/1961.

Employment Allowance

The government announced that from 6th April 2025, Employment Allowance would increase from £5,000 to £10,500.

The restriction that previously applied, where employers who have incurred a secondary Class 1 NICs liability of more than £100,000 in the previous year are unable to claim Employment Allowance, has been removed from 6th April 2025.

We have made the following software changes, applicable from 2025/2026:

- Increased the maximum Employment Allowance value to £10,500 in relevant screens and reports
- Change the current indicator text from 'Continue to claim Employment Allowance. My Employer's NI bill for <previous tax year> was below £100,000' to 'Continue to claim Employment Allowance
- On all Employment Allowance screen and messages, we have removed 'de minimis state aid' and replaced it with 'state aid'

Earnings Arrestment (EA Scotland)

Scottish Earnings Arrestment Deduction tables have been updated from April 2025. We have updated the system with these rates.

PAYE Legislation

Student Loan Thresholds

Student and postgraduate loan thresholds for the 2025/2026 tax year. We have updated the system with these figures.

Tax Codes

Personal allowance tax code rates for the 2025/2026 tax year. We have updated the system with these rates.

National Minimum Wage/National Living Wage

National Minimum Wage and National Living Wage rates for the 2025/2026 tax year. We have updated the system with these rates.

Tax, NI and Statutory Payment Rates

Tax, NI, and statutory payment rates for the 2025/2026 tax year. We have modified the system with these rates.

P60s

We have updated the P60s for year-end 2024/2025.

RTI

Full Payment Submission (FPS)

The **FPS** schema has been updated for the tax year 2025/2026 in line with government legislation.

Employer Payment Submission (EPS)

We have updated the **EPS** schema for submissions relating to the tax year 2025/2026.

Earlier Year FPS

We have updated the **Earlier Year FPS** schema for submissions relating to the tax year 2024/2025.

Pensions

NHS Pension Rates

The Pension tiers and rates for NHS England/Wales, Scotland, and Northern Ireland are up to date with legislation for 2025/2026.

Automatic Enrolment and Pensions

Automatic enrolment and pensions figures remain the same for the 2025/2026 tax year.

Useful numbers

HMRC online service helpdesk	HMRC employer helpline
Tel: 0300 200 3600	Tel: 0300 200 3200
Fax: 0300 052 3030	Tel: 0300 200 3211 (new business)
Email: helpdesk@ir-efile.gov.uk	

Contact Sales (including stationery sales)

For IRIS Payrolls	For Earnie Payrolls	For IRIS Payroll Professional
Tel: 0344 815 5656	Tel: 0344 815 5676	Tel: 0345 057 3708
Email: sales@iris.co.uk	Email: earniesales@iris.co.uk	Email: payrollsales@iris.co.uk

Contact Support

Your Product	Phone	Email
IRIS PAYE-Master	0344 815 5555	payroll@iris.co.uk
IRIS Payroll Business	0344 815 5555	ipsupport@iris.co.uk
IRIS Bureau Payroll	0344 815 5555	ipsupport@iris.co.uk
IRIS GP Payroll	0344 815 5555	gpsupport@iris.co.uk
IRIS GP Accounts	0344 815 5555	gpaccsupport@iris.co.uk
Earnie or Earnie IQ	0344 815 5555	earniesupport@iris.co.uk
IRIS Payroll Professional (formerly Star)	0344 815 5555	payroll-support@iris.co.uk

IRIS is a trademark.

© IRIS Software Group Ltd 11/2020.

All rights reserved.