

12 Taxation (continued)

b) Factors affecting the tax charge in the year (continued)

On 3 March 2021, the UK Government announced the introduction of a capital allowance 'super deduction' which gave an in-year capital allowance of 130% on the cost of plant and machinery qualifying for the relief between 1 April 2021 and 31 March 2023 and an acceleration of capital allowances on the cost of assets qualifying for special rate allowances. The introduction of these changes meant the Group was eligible to claim more capital allowances in the last two years to the extent that the Group was not liable to pay corporation tax for those years.

Certain of the Group's property, plant and equipment assets are not eligible for capital allowances under current legislation. Therefore there is no tax deduction that corresponds to the depreciation charged on these assets and deferred tax is not recognised in respect of this permanent difference.

The 30% allowance in excess of the cost of assets qualifying for the super deduction will never be charged as depreciation in the financial statements and therefore this represents a permanent difference between profits recognised in the income statement and taxable profits.

Other permanent differences comprise expenditure that is not deductible for tax purposes or income that is not taxable.

Other temporary differences comprise items other than depreciation of property, plant and equipment where the amount is included in the tax computation in a different period from when it is recognised in the income statement. Deferred tax is provided on these items.

The amounts included for tax assets in the financial statements include estimates and judgments relating to uncertain tax positions. If the computations subsequently submitted to HMRC include different amounts then these differences are reflected as an adjustment in respect of prior years in the subsequent financial statements.

Deferred tax is provided at 25%, the rate that is expected to apply when the asset or liability is expected to be settled. Further details are provided in note 26.

c) Tax (credited)/charged directly to other comprehensive income or equity

No current tax has been charged or credited to other comprehensive income or equity. The following amounts of deferred tax have been (credited)/charged to other comprehensive income or equity:

	2023 £m	2022 £m
Deferred tax on:		
Actuarial losses/gains	(63.0)	47.1
Cash flow hedges	(0.6)	13.0
Share based payments	(0.1)	(4.9)
Transfers to the income statement	0.1	1.7
Effect of change in tax rate	–	(8.4)
Total deferred tax (credited)/charged to other comprehensive income or equity	(62.6)	48.5

13 Dividends

Amounts recognised as distributions to owners of the Company in the year:

	2023		2022	
	Pence per share	£m	Pence per share	£m
Final dividend for the year ended 31 March 2022 (2021)	61.28	153.9	60.95	152.2
Interim dividend for the year ended 31 March 2023 (2022)	42.73	107.4	40.86	102.3
Total dividends paid	104.01	261.3	101.81	254.5
Proposed final dividend for the year ended 31 March 2023	64.09	163.1		

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.