Draft Regulations laid before Parliament under section 51(5) of the National Minimum Wage Act 1998, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

## 2011 No. 0000

# **TERMS AND CONDITIONS OF EMPLOYMENT**

The National Minimum Wage (Amendment) (No.2) Regulations 2011

 Made
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 Coming into force
 1st October 2011

A draft of these Regulations was laid before Parliament in accordance with section 51(5) of the National Minimum Wage Act 1998(a) and approved by a resolution of each House of Parliament.

The Secretary of State, in exercise of the powers conferred by sections 2 and 51 of the National Minimum Wage Act 1998, makes the following Regulations.

#### Citation, commencement and interpretation

**1.**—(1) These Regulations may be cited as the National Minimum Wage (Amendment) (No.2) Regulations 2011.

(2) In these Regulations "the Principal Regulations" means the National Minimum Wage Regulations 1999(b).

### Amendments to the Principal Regulations

2. In regulation 2(1) of the Principal Regulations (general interpretative provisions)—

(a) after the definition of "allowance" add-

""compulsory school age" has the meaning given to it by section 8 of the Education Act 1996(c);";

(b) after the definition of "employer" add-

""further education course" means-

- (a) in England, a course of education that is suitable to the requirements of persons who are over compulsory school age and that—
  - (i) is funded by the Young People's Learning Agency for England,
  - (ii) is funded by the Chief Executive of Skills Funding,

<sup>(</sup>a) 1998 c.39; sections 51(6) and 51(7) were amended by the Employment Act 2008 (c.23), sections 9(3) and 20 and the Schedule, Part 2.

<sup>(</sup>b) S.I. 1999/584; relevant amending instruments are S.I. 2000/1989, S.I. 2001/2673, S.I. 2002/1999, S.I. 2003/1923, S.I. 2004/1930, S.I. 2005/2019, S.I. 2006/2001, S.I. 2007/2318, S.I. 2008/1894, S.I. 2009/1902, S.I. 2010/1901 and S.I. 2011/.

<sup>(</sup>c) 1996 c.56; section 8(2) and (4) was substituted by the Education Act 1997 (c.44), section 52(2) and (3).

- (iii) is funded by a local authority,
- (iv) leads to a qualification to which Part 7 of the Apprenticeships, Skills, Children and Learning Act 2009(a) applies which is awarded or authenticated by a body which is recognised by the Office of Qualifications and Examinations Regulation under section 132 of that Act in respect of the qualification, or
- (v) leads to a qualification that is approved pursuant to section 98 of the Learning and Skills Act 2000(b),

except that it does not include a higher education course;

- (b) in Wales, a course of education that is suitable to the requirements of persons who are over compulsory school age and that—
  - (i) is funded by the Welsh Ministers,
  - (ii) is funded by a local authority,
  - (iii) leads to a qualification that is accredited by the Welsh Ministers pursuant to section 30 of the Education Act 1997(c), or
  - (iv) leads to a qualification that is approved pursuant to section 99 of the Learning and Skills Act 2000(d),

except that it does not include a higher education course;

- (c) in Scotland, a course of "fundable further education" as defined in section 5(1) and
  (2) of the Further and Higher Education (Scotland) Act 2005(e);
- (d) in Northern Ireland, a course of education or training as defined in article 3(1) and (2) of the Further Education (Northern Ireland) Order 1997(f);

"Further Education Institution" refers to an institution within the further education sector as defined by section 91(3) of the Further and Higher Education Act 1992(g);

"higher education course" means-

- (a) in England and Wales, a course of a description referred to in Schedule 6 to the Education Reform Act 1988(h);
- (b) in Scotland, a course of "fundable higher education" as defined in section 5(3), (4) and (5) of the Further and Higher Education (Scotland) Act 2005;
- (c) in Northern Ireland, a course of a description referred to in Schedule 1 to the Further Education (Northern Ireland) Order 1997;

"Higher Education Institution" refers to an institution within the higher education sector as defined by section 91(5) of the Further and Higher Education Act 1992;".

3. In regulation 12 of the Principal Regulations omit paragraphs (9), (9B) and (9C).

**4.** In regulation 31 of the Principal Regulations (reductions from payments to be taken into account), after paragraph (5) add—

"(6) Any payment made to or deduction by a Higher Education Institution or Further Education Institution in respect of the provision of living accommodation shall be exempted

<sup>(</sup>a) 2009 c.22.

<sup>(</sup>b) 2000 c.21; section 98 was amended by the Education and Skills Act 2008 (c.25), sections 159, 169 and Schedule 2; and the Apprenticeships, Skills, Children and Learning Act 2009 (c.22), sections 123(2), 174, 192, 266 and Schedules 6 and 12.

<sup>(</sup>c) 1997 c.44; section 30 was amended by the Learning and Skills Act 2000 (c.21), sections 103, 153 and Schedule 11; the Education and Skills Act 2008 (c.25), section 162; the Apprenticeships, Skills, Children and Learning Act 2009 (c.22), sections 174, 192, 266 and Schedules 12 and 16; and S.I. 2005/3239.

 <sup>(</sup>d) 2000 c.21; section 99 was amended by the Education and Skills Act 2008 (c.25), sections 160, 169 and Schedule 2; the Apprenticeships, Skills, Children and Learning Act 2009, sections 123, 266 and Schedules 6 and 16; and SI 2005/3239.
 (e) 2005 asp.6;

<sup>(</sup>f) 1997 No. 1772 (N.I. 15).

<sup>(</sup>g) 1992 c.13; section 91(3) was amended by the Apprenticeships, Skills, Children and Learning Act 2009, section 125 and Schedule 8.

<sup>(</sup>h) 1988 c.40.

from the operation of sub-paragraph (i) of paragraph (1) where the living accommodation is provided to a worker who is enrolled on a full-time higher education course or a full-time further education course at that Higher Education Institution or Further Education Institution."

Name Minister for Employment Relations, Consumer and Postal Affairs Department for Business, Innovation and Skills

Date

#### **EXPLANATORY NOTE**

#### (This note is not part of the Regulations)

These Regulations amend the National Minimum Wage Regulations 1999 (the "Principal Regulations") and come into force on 1st October 2011.

Regulation 2 amends regulation 2(1) of the Principal Regulations to add the definitions of "compulsory school age", "further education course", "Further Education Institution", "higher education course" and "Higher Education Institution". Regulation 3 amends regulation 12 of the Principal Regulations to omit paragraphs (9), (9B) and (9C), where the definitions of "compulsory school age", "further education course" and "higher education course" appeared previously.

Regulation 4 provides that the living accommodation provisions found in regulations 31, 36 and 37 of the Principal Regulations do not apply to charges or deductions made by Higher Education Institutions and Further Education Institutions in respect of the provision of living accommodation, where the living accommodation is provided to a worker who is enrolled on a full-time higher education course or a full-time further education course with that Higher Education Institution or Further Education Institution (regulation 31(6) of the Principal Regulations).

A full regulatory impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is annexed to the Explanatory Memorandum which is available alongside the instrument on www.legislation.gov.uk.

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