

Workers who qualify for the national minimum wage at a different rate

4A.—(1) The hourly rate of the national minimum wage is—

- (a) £6.70 for a worker who is aged 21 years or over (but is not yet aged 25 years);
- (b) £5.30 for a worker who is aged 18 years or over (but is not yet aged 21 years);
- (c) £3.87 for a worker who is aged under 18 years;
- (d) £3.30 for a worker to whom the apprenticeship rate applies, as determined in accordance with regulation 5.

(2) If the rate in paragraph (1)(d) applies to a worker, the national living wage rate and the rates in paragraph (1)(a), (b) and (c) of this regulation do not apply to that worker.

Determining the applicable national minimum wage rate

4B. The hourly rate of the national minimum wage at which a worker is entitled to be remunerated as respects work, in a pay reference period, is the rate which applies to the worker on the first day of that period.”.

Transitional provision

4. The amendment made by regulation 2 does not apply in respect of a pay reference period(a) which begins before 1st April 2016.

Name
Minister of State for Skills

Date _____ Department for Business, Innovation and Skills

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend section 19A of the National Minimum Wage Act 1998 (“the NMW Act”) and regulation 4 of the National Minimum Wage Regulations 2015 (“the NMW Regulations”).

Regulation 2 amends section 19A(5A) of the NMW Act. Section 19A provides that a notice of underpayment must require an employer to pay a financial penalty to the Secretary of State. The financial penalty is calculated as a percentage of the amount by which a worker has been paid below the national minimum wage in each pay reference period specified in the relevant notice of underpayment.

Section 19A(5A) makes provision for the amount of the percentage. Regulation 2 increases the percentage figure from 100% to 200%. The transitional provision in regulation 4 provides that the increased percentage of 200% is not to apply in respect of pay reference periods which begin before 1st April 2016.

Regulation 3 of these Regulations substitutes new regulations 4 to 4B for regulation 4 of the NMW Regulations. New regulation 4 makes provision for the single hourly rate of the national minimum wage for the purposes of section 1(3) of the Act (“the National Living Wage rate”). New Regulation 4A makes provision for other hourly rates of the national minimum wage and new regulation 4B makes provision for determining the applicable national minimum wage for a pay reference period.

(a) Section 1(4) of the National Minimum Wage Act 1998 provides that a “pay reference period” is such period as the Secretary of State may prescribe. “Pay reference period” has the meaning assigned to it by regulation 6 of the National Minimum Wage Regulations 2015 (S.I. 2015/621).

A full impact assessment of the effect regulation 3 of these Regulations will have on the costs of business and the voluntary sector is available from the Department for Business, Innovation and Skills and is annexed to the Explanatory Memorandum which is available alongside the instrument on www.legislation.gov.uk. A full impact assessment has not been produced in relation to the remainder of this instrument as no impact on businesses which comply with minimum wage laws is foreseen.

© Crown copyright 2015

Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Carol Tullo, Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament.

£4.25

UK201512075 12/2015 19585

<http://www.legislation.gov.uk/id/ukdsi/2016/9780111141625>

ISBN 978-0-11-114162-5



9 780111 141625