DRAFT STATUTORY INSTRUMENTS

2023 No. 0000

TERMS AND CONDITIONS OF EMPLOYMENT

The National Minimum Wage (Amendment) (No. 2) Regulations 2023

 Made

 Coming into force
 1st April 2024

The Secretary of State, in exercise of the powers conferred by sections 2(1) and (3)(a) and 51(1)(a) of the National Minimum Wage Act 1998(a), makes the following Regulations.

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

Citation, commencement and extent

- **1.**—(1) These Regulations may be cited as the National Minimum Wage (Amendment) (No. 2) Regulations 2023.
 - (2) These Regulations come into force on 1st April 2024.
 - (3) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Amendments to the National Minimum Wage Regulations 2015

- **2.**—(1) The National Minimum Wage Regulations 2015(**b**) are amended as follows.
- (2) In regulation 57 (work does not include work relating to family household)—
 - (a) in paragraph (1), for "paragraphs (2) or (3)" substitute "paragraph (2)"; and
 - (b) omit paragraph (3).

Name
Parliamentary Under Secretary of State
(Minister for Enterprise, Markets and Small Business)
Department for Business and Trade

Date

⁽a) 1998 c.39; the term "regulations" is defined, for the purposes of sections 2(1) and (3)(a) and 51(1) of the National Minimum Wage Act 1998, in section 55(1) of that act.

⁽**b**) S.I. 2015/621.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the National Minimum Wage Regulations 2015 (S.I. 2015/621) ("the 2015 Regulations") and come into force on 1st April 2024.

Regulation 57(1) of the 2015 Regulations provides that the term "work" within those Regulations does not include any work done in relation to an employer's family household if the requirements set out in regulation 57(2) or (3) are met. These Regulations remove regulation 57(3) of the 2015 Regulations ("paragraph (3)"). The requirements set out in paragraph (3) are all of the following—

- (a) the worker resides in the family home of the worker's employer;
- (b) the worker is not a member of that family, but is treated as such, in particular as regards to the provision of living accommodation and meals and the sharing of tasks and leisure activities;
- (c) the worker is neither liable to any deduction, nor to make any payment to the employer, or any other person, as respects the provision of the living accommodation or meals;
- (d) if the work had been done by a member of the employer's family, it would not be treated as work or as performed under a worker's contract because the requirements in regulation 57(2) would be met. The requirements in regulation 57(2) are all of the following: the worker is a member of the employer's family; the worker resides in the family home of the employer; the worker shares in the tasks and activities of the family.

Upon commencement of this instrument, any work which meets the requirements set out in paragraph (3) will be included as "work" for the purposes of the 2015 Regulations. This will mean that from 1st April 2024 a worker must be remunerated in respect of any such work in a pay reference period (as defined by regulation 6 of the 2015 Regulations) at a rate which is not less than the national minimum wage (as set out in Part 2 of the 2015 Regulations).

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sector is foreseen. Instead a de minimis assessment has been prepared as this instrument is likely to entail some costs for businesses, but the net impact is estimated to be below £5 million per year.

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