

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

2021 No. 0000

TERMS AND CONDITIONS OF EMPLOYMENT

The National Minimum Wage (Amendment) Regulations 2021

Made - - - - *****
Coming into force - - *1st April 2021*

The Secretary of State, in exercise of the powers conferred by sections 1(3), 2(1), (2)(d) and (5), 3(2)(b), 9(b) and 51(1) of the National Minimum Wage Act 1998⁽¹⁾, 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 and commencement

1. These Regulations may be cited as the National Minimum Wage (Amendment) Regulations 2021 and come into force on 1st April 2021.

Amendments to the National Minimum Wage Regulations 2015

- 2.—(1) The National Minimum Wage Regulations 2015⁽²⁾ are amended as follows.
- (2) In regulation 4 (the national living wage) for “£8.72” substitute “£8.91”.
- (3) In regulation 4A(1) (workers who qualify for the national minimum wage at a different rate)—
- (a) for “£8.20” substitute “£8.36”;
 - (b) for “25 years” substitute “23 years”;
 - (c) for “£6.45” substitute “£6.56”;
 - (d) for “£4.55” substitute “£4.62”;
 - (e) for “£4.15” substitute “£4.30”.
- (4) In regulation 16(1) (amount for provision of living accommodation) for “£8.20” substitute “£8.36”.

(1) 1998 c. 39; section 3(1A) was inserted by [S.I. 1999/583](#) and amended by [S.I. 2007/2042](#). The reference in section 1(3) to “prescribe” means prescribe by regulations: see section 55(1).

(2) [S.I. 2015/621](#); the relevant amending instruments are [S.I. 2015/1724](#), [S.I. 2016/68](#), [S.I. 2016/953](#), [S.I. 2017/465](#), [S.I. 2018/455](#), [S.I. 2019/603](#), [S.I. 2020/338](#) and [S.I. 2020/339](#).

(5) In regulation 59(8) (records to be kept by an employer) for “three years” substitute “six years”.

Transitional Provision

3. The amendment made by regulation 2(5) applies in relation to an employer’s records made before 1st April 2021 only if, immediately before 1st April 2021, the employer was already required by regulation 59 to keep the records.

Date

Name
Minister for Small Business, Consumers and
Labour Markets
Department for Business, Energy and Industrial
Strategy

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the National Minimum Wage Regulations 2015 (“the 2015 Regulations”). These Regulations come into force on 1st April 2021.

Regulation 2(3)(b) amends the age limits so that workers aged 23 or over will qualify for the national living wage rate, rather than a lower national minimum wage rate (regulation 4A(1)(a) of the 2015 Regulations).

Regulation 2(2) increases the rate of the national living wage for workers who are aged 23 or over from £8.72 to £8.91 per hour (regulation 4 of the 2015 Regulations).

Regulation 2(3)(a) increases the rate of the national minimum wage for workers who are aged 21 or over (but not yet aged 23) from £8.20 to £8.36 per hour (regulation 4A(1)(a) of the 2015 Regulations).

Regulation 2(3)(c) increases the rate of the national minimum wage for workers who are aged 18 or over (but not yet aged 21) from £6.45 to £6.56 per hour (regulation 4A(1)(b) of the 2015 Regulations).

Regulation 2(3)(d) increases the rate of the national minimum wage for workers who are under the age of 18 from £4.55 to £4.62 per hour (regulation 4A(1)(c) of the 2015 Regulations).

The apprenticeship rate applies to workers within regulation 5(1)(a) and (b) of the 2015 Regulations. Regulation 2(3)(e) of these Regulations increases the rate for such workers from £4.15 to £4.30 per hour (regulation 4A(1)(d) of the 2015 Regulations).

Regulation 2(4) increases the accommodation offset amount which is applicable where any employer provides a worker with living accommodation from £8.20 to £8.36 for each day that accommodation is provided (regulation 16(1) of the 2015 Regulations).

Regulation 2(5) extends the period for which an employer must keep records sufficient to establish that the employer is remunerating the worker at a rate at least equal to the national minimum wage from three years to six years (regulation 59(8) of the 2015 Regulations). Regulation 3 then provides that this extension applies to records made before this instrument comes into force if the employer was already required by regulation 59 to keep the records immediately prior to the instrument coming into force.

A full regulatory impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Labour Market Directorate, Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London SW1H 0ET and is annexed to the Explanatory Memorandum which is available alongside the instrument on www.legislation.gov.uk.