

National Minimum Wage

1 . What is the minimum wage

By law, your employer must pay a minimum amount on average for the hours you work. This is called the:

- National Living Wage (NLW) if you're aged 21 or over
- National Minimum Wage (NMW) if you're aged under 21 or an apprentice

Current rates

Wage band	Current rate (from 1 April 2024)
Age 21 or over (National Living Wage)	£11.44
Age 18 to 20	£8.60
Under 18	£6.40
Apprentice	£6.40

The government reviews minimum wage rates every year and they're usually updated in April. [Check when rate increases must be paid.](#)

Who gets the apprentice rate

You're entitled to be paid at least the apprentice rate if you're an apprentice aged:

- under 19
- 19 or over, and in the first year of your current apprenticeship agreement

If you're 19 or over and have completed the first year of your current apprenticeship, you're entitled to be paid at least the minimum wage for your age.

2. Who gets the minimum wage

Anyone who is employed as [an employee or worker](#) must get the National Minimum Wage or National Living Wage.

This is whether they are:

- full time
- part time
- doing training essential for the job
- working in a small or 'start-up' business

It also applies to:

- agency workers
- agricultural workers
- apprentices
- casual labourers, for example someone hired for one day
- casual workers
- employees on probation
- foreign workers
- home workers
- offshore workers
- seafarers
- workers paid by commission
- workers paid by the number of items made (piece work)
- zero-hours workers

The only types of work that are not covered are those who are:

- [self-employed](#) (by choice)
- a volunteer (by choice)
- a company director
- in the armed forces
- doing work experience as part of a course
- work shadowing
- under school leaving age

If you live in your employer's home

You're entitled to the correct minimum wage if you live in your employer's home. This is unless you're a member of their family.

3. When increases are paid

There are times when employees or workers will be entitled to a higher minimum wage rate. For example, when:

- the government increases the rates (usually in April each year)
- an employee or worker turns 18 or 21
- an apprentice turns 19, and they've already finished the first year of their current apprenticeship
- an apprentice who is already 19 finishes the first year of their current apprenticeship

The higher rate starts to apply from the next pay reference period after the increase. This means someone's pay might not go up straight away.

Pay reference period

The 'pay reference period' is the period of time the pay covers. For example:

- if paid daily, the pay reference period is 1 day
- if paid weekly, the pay reference period is 1 week
- if paid monthly, the pay reference period is 1 month

The pay reference period cannot be longer than a month.

Example of pay not going up straight away

There's a minimum wage rate increase on 1 April.

Sam's pay reference period is 1 month. Each pay reference period starts on the 16th of one month and ends on the 15th of the following month. The old rate will apply until Sam's next pay reference period, which starts on 16 April.

As a minimum, Sam should get paid:

- the old rate for 1 April to 15 April
- the new rate for 16 April to 15 May

4. Checking your pay

Use the [National Minimum Wage and National Living Wage calculator on GOV.UK](#) to check if:

- you're getting paid the National Minimum Wage or National Living Wage
- you've been paid correctly in previous years

On average, you must get the minimum wage for each 'pay reference period' (the period of time your pay covers).

You work out your average hourly rate using:

- your 'gross' (total) pay each time you're paid
- how many hours you worked for that pay

For example, you're paid weekly, work 40 hours a week and your weekly salary is £460 (before tax is taken out). You're 24 years old and not an apprentice.

Your average hourly rate is £11.50 (£460 divided by 40). This is above the minimum wage for a worker aged 24.

What does not count towards the minimum wage

Some parts of your pay do not count towards minimum wage. These parts include:

- tips and gratuities
- premium payments (for example, extra pay for working bank holidays or overtime)
- a loan from your employer
- a pay advance

Example of when a part of your pay does not count towards minimum wage

You're 22 years old and not an apprentice. You're paid weekly and work 40 hours a week.

Your total weekly pay before tax is usually £540. This usually includes £100 in tips, so you'll need to use £440 as the starting point to work out if you're getting the minimum wage.

Your average hourly rate is £11 (£440 divided by 40). This is below the minimum wage for a worker aged 22. Your employer needs to pay you at least £11.44 an hour not including tips.

Commission

Commission counts towards minimum wage.

Your total pay including commission must give you the minimum wage each time you're paid.

Your employer must 'top up' your pay if you have not made enough commission to earn the minimum wage.

What can be deducted from the minimum wage

Your employer is allowed to make some deductions that could leave you with less than the National Minimum Wage or National Living Wage in your take-home pay. This includes:

- tax and National Insurance contributions
- paying back an advance or overpayment
- pension contributions
- trade union fees
- a charge for accommodation provided by your employer (see [accommodation rate information on GOV.UK](#))

What cannot be deducted from the minimum wage

Some pay deductions and work-related expenses cannot reduce your pay below the minimum wage.

These include:

- tools
- uniforms
- travel costs (except getting to and from work)
- costs for mandatory training courses

For example, you might be required to buy a uniform for work. This is allowed as long as your total pay minus the uniform cost is still above the minimum wage.

For more detailed information about what can and cannot be deducted, see [calculating the minimum wage on GOV.UK](#).

5. If an employer pays less

It's against the law for an employer to pay less than the [National Minimum Wage or National Living Wage](#).

They also must keep accurate pay records and make them available when requested.

If an employer has not been paying the correct minimum wage, they should resolve the problem as soon as possible.

The employer must also resolve any backdated non-payment of minimum wage. This is even if the employee or worker no longer works for them.

Resolving the issue informally

It can resolve the issue quickly if the employer and employee or worker are able to talk informally about it.

To check if someone has been getting the right pay, you could:

- [use the National Minimum Wage and Living Wage calculator on GOV.UK](#)
- check the employee's or worker's payslips and employment contract

Find out more about:

- [how to raise a problem at work](#)
- [dealing with a problem raised by an employee](#)

Formal processes for non-payment of minimum wage

If minimum wage is not being paid, the employee or worker can raise the problem formally.

This could be by [raising a grievance](#) – making a formal complaint to the employer. This can help get the issue resolved without needing legal action.

Or they can do one of the following:

- complain to HM Revenue and Customs (HMRC)
- make a claim to an employment tribunal

If you have questions about minimum wage, or are not able to resolve an issue, [contact the Acas helpline](#).

How HMRC enforces payment of minimum wage

If someone has not been paid the minimum wage, they can make a complaint to HMRC.

Complaints to HMRC can be anonymous. Third parties can also make a complaint, such as a friend, family member or someone the person works with.

If HMRC finds that the employer has not paid the minimum wage, action they can take against the employer includes:

- issuing a notice to pay money owed, going back a maximum of 6 years
- issuing a fine of up to £20,000 and a minimum of £100 for each employee or worker affected, even if the underpayment is worth less
- legal action including criminal legal proceedings
- passing on the names of businesses and employers to the Department for Business and Trade (DBT) who may put them on a public list

To make a complaint to HMRC, either:

- [use the pay and work rights complaints form on GOV.UK](#)
- [contact the Acas helpline](#)

If the employee makes a claim to an employment tribunal

If an employee or worker has not been paid the minimum wage, they can make a claim to an employment tribunal.

They must choose either to do this or to complain to HMRC. They cannot take the same issue through 2 legal processes.

How much money an employee or worker can claim will depend on the type of claim they make. For example, if they make a claim for non-payment of minimum wage, they can claim for money owed going back 2 years.

There are strict time limits for someone to make a claim to an employment tribunal:

- if there was one wrong deduction, they have 3 months minus 1 day from that deduction
- if there were several wrong deductions in a row, they have 3 months minus 1 day from the most recent wrong deduction

An employee can claim up to 2 years back as long as either of the following apply:

- there's less than 3 months between deductions
- the deductions are linked – for example, they might be linked if they are caused by the same error

Find out more about:

- [making a claim to an employment tribunal](#)
- [employment tribunal time limits](#)

Protection against being treated less favourably because of minimum wage

An employer must not cause someone 'detriment' if they:

- become entitled to a higher rate of minimum wage
- assert their right to minimum wage
- make a complaint to HMRC or a claim to an employment tribunal

Detriment means someone experiences one or both of the following:

- being treated worse than before
- having their situation made worse

Examples of detriment could be:

- their employer reduces their hours
- they experience [bullying](#)
- they experience [harassment](#)
- their employer turns down their training requests without good reason
- they are overlooked for promotions or development opportunities

If someone thinks they've experienced detriment because of minimum wage entitlement, they might be able to [make a claim to an employment tribunal](#).

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