

National Minimum Wage Increases from 1st October 2010

The National Minimum Wage (NMW) applies to nearly all workers and sets the lowest hourly rates above which you must pay. Another change is that the age threshold for the main rate is going to fall from 22 (as it is currently) to 21.

For pay reference periods (PRPs) beginning on or after 1st October 2010, all eligible workers will have to be paid the following:

- **£5.93** an hour to workers aged 21 and above ('the main rate')
- **£4.92** an hour to workers aged 18-20
- **£3.64** an hour to workers aged below 18 who are no longer of compulsory school age

The daily accommodation offset

£4.61 per day can be offset from the NMW for each day that a worker is provided with living accommodation.

New entitlement to the NMW for apprentices

For PRPs beginning on or after 1 October 2010, you will have to pay at least **£2.50** an hour to apprentices who are:

- under the age of 19
- aged 19 or over and in the first year of their apprenticeship

To qualify to receive the NMW, the apprentice must either:

- work under a contract of apprenticeship
- be employed on a government-funded training scheme that is treated as an apprenticeship for NMW purposes

These schemes are:

- Wales -
Foundation Modern Apprenticeships, Modern Apprenticeships, Foundation Apprenticeships and Apprenticeships
- England –
Apprenticeships and Advanced Apprenticeships
- Scotland –
Modern Apprenticeships
- Northern Ireland –
ApprenticeshipsNI and Modern Apprenticeships