

## Appendix 1 Minimum Wage rates

Pay Rate	Definition of Cohort	Hourly Pay (2019/20)	Review Approach	Apprentice Rate (2019/20)	2020/21	2021/22	2022/23	2023/24	2024/25
<b>National Minimum Wage (Statutory)*</b>	Workers aged 21 and over	<b>£7.70</b>	Recommended by the Low Pay Commission within a remit to raise pay as high as possible without damaging employment prospects.	£3.90 *					
	Workers aged 18 to 20	<b>£6.15</b>							
	Workers under the age of 18	<b>£4.35</b>							
<b>National Living Wage (Statutory) **</b>	Workers over 25	<b>£8.21</b>	Recommended by the Low Pay Commission. The Government has set a target for it to reach 60 per cent of median earnings by 2020. The Commission's remit is to make recommendations that reach the target, subject to 'sustained economic growth'. Increases beyond	<b>N/A</b>	<b>£8.66</b>	<b>£9.11</b>	<b>£9.56</b>	<b>£10.01</b>	<b>£10.51</b>

			19/20 are based on the Government's pre-election announcements. N.B. The Chancellor has since modified this position.						
<b>'Real' Living Wage (Living Wage Foundation) ***</b>	All workers (a higher rate is applicable for London)	<b>£9.00</b>	This is an aspirational wage which is announced every November by the Living Wage Foundation. The 'real' Living Wage is a voluntary rate of pay set by the resolution foundation based on the real cost of living; what people need to meet their basic everyday needs. Increases are based on assumptions informed by previous increases.	<b>N/A</b>	<b>£9.30</b>	<b>£9.65</b>	<b>£10</b>	<b>£10.35</b>	<b>£10.70</b>

\* Applicable to apprentices aged 16 to 18 and those aged 19 and over who are in their first year. All other apprentices are entitled to the National Minimum Wage for their age.

\*\*The rate is set each November with organisations allowed 6 months to comply. The current 'real' Living Wage rate of £9.00 was announced in November 2018 and the new rate for 2020 was announced in November 2019.