

## Appendix A - Minimum Wage Rates

| Pay Rate  | Definition of Cohort                 | Hourly Pay                      |         | Review Approach   | Apprentice Rate |                    |
|---|--------------------------------------|---------------------------------|---------|---|-----------------|--------------------|
|   |                                      | 2018-19                         | 2019-20 |   | 2018-19         | 2019-20            |
| <b>National Minimum Wage (Statutory)</b>                        | Workers aged 21 and over             | £7.38                           | £7.70   | Recommended by the Low Pay Commission. within a remit to raise pay as high as possible without damaging employment prospects.   | £3.70           | £3.90 <sup>1</sup> |
|   | Workers aged 18 to 20                | £5.90                           | £6.15   |   |                 |                    |
|   | Workers under the age of 18          | £4.20                           | £4.35   |   |                 |                    |
| <b>National Living Wage (Statutory)</b>                         | Workers over 25                      | £7.83                           | £8.21   | 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'. | N/A             | N/A                |
| <b>'Real' Living Wage (Living Wage Foundation)</b> <sup>2</sup> | All workers (higher rate for London) | £9.00 (announced November 2018) |         | 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  | N/A             | N/A                |

<sup>1</sup> 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.

<sup>2</sup> 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. It was previously £8.75 per hour.

|  |   |       |                    |   |                    |                    |
|--|---|-------|--------------------|---|--------------------|--------------------|
|  |   |       |                    | resolution foundation based on the real cost of living; what people need to meet their basic everyday needs.  |                    |                    |
| <b>Manchester Minimum Wage (Local)</b> | All employees following completion of their probationary period or apprenticeship . | £9.04 | £9.51 <sub>3</sub> | Reviewed annually, taking account of various factors such as staff turnover, any NJC pay award, the ratio of low to high earners, the rates for the National Minimum Wage and the 'real' Living Wage at the time. | £8.98 <sub>4</sub> | £9.51 <sub>5</sub> |

<sup>3</sup> Based on the proposed SCP1 from April 2019

<sup>4</sup> Paid at SCP 6 as a "new starter induction and training rate" for new employees and apprentices at levels 1-3 who have yet to complete their apprenticeship standard.

<sup>5</sup> Based on the proposed SCP1 from April 2019