CLARK HEARSEY Chartered Certified Accountants

March 2024

It had been anticipated that the 21- 22 years bracket for the Minimum Wage would receive a large increase this year and then merge into the National Living Wage from April 2025. This merge has happened a year earlier.

National Living Wage (NLW)

From 1 April 2024 workers aged **21** and over must be paid a living wage of $\pounds 11.44$ per hour. This is an increase of at least $\pounds 1.02$ per hour on the previous rate and now applies at age 21, instead of age 23.

Workers over the school leaving age but under 21 must be paid in line with the:

National Minimum Wage Hourly Rates

From 1 April 2024 the National Minimum Wage Hourly Rates are:

Workers aged 18-20£8.60 (an increase of £1.11/hour)Workers under 18*£6.40 (an increase of £1.12/hour)

*This rate applies to those of at least school leaving age.

Apprentice Rate

£6.40 an hour (an increase of £1.12/hour)

The Apprentice Rate is for apprentices under 19 and those aged 19 or over and in the first year of their apprenticeship.

All other apprentices are entitled to the National Minimum Wage for their age.

The next increase to these rates will be in April 2025.

Having applied this increase, remember to consider whether additional employees are now eligible workers for Automatic Enrolment. This applies to workers between 22 and state pension age earning more than £10,000 per annum or £192.00 per week. It applies even if it is just a bonus or overtime that pushes them into this bracket for one or more pay periods.

Should you have any queries relating to any of the above, please do not to hesitate to contact Denise.

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