

What to expect for National Minimum Wage rates

The Low Pay Commission (LPC) has published a statement setting out how it will respond to its new remit issued by the government in July 2024 and giving its projections for 2025.

- The LPC's updated remit includes requiring it to take account of the cost of living and expected inflation up to March 2026.
- The LPC is an independent public body that advises the government on the National Minimum Wage (NMW) and National Living Wage (NLW) rates for each year.
- The central estimate for April next year is an increase in the NLW of 5.8% to £12.10 per hour, with a range which runs from £11.82 to £12.39. The NLW is currently £11.44 per hour and applies to workers aged 21 and over.
- The LPC believes that the central estimate and the ranges around it may continue to rise over the rest of the year because earnings growth in 2024 so far has been stronger than forecast.
- When recommending the rates that will apply from April 2025, the LPC will aim to further reduce the gap between the 18-20 year old rate and the NLW.
- The government plans to eventually abolish the 18-20 rate so that the NLW is paid to those aged 18 and over.
- Our 24/7 HR Advisory Team and our specialist Payroll Team are on hand to help you to comply with minimum wage requirements. You can also get answers to questions like <u>Do apprentices get the national minimum wage?</u> from <u>Croner BrAInbox</u>.

Right to request a more predictable working pattern

The Department for Business and Trade has announced that it will not be going ahead with a new law passed by the previous Conservative government that would have provided a statutory right for certain workers and agency workers to request a more predictable working pattern, subject to certain eligibility criteria. Instead, the government plans to proceed with its manifesto pledge to give workers the right to a contract reflecting hours they regularly work, based on a 12- week reference period. We will have to wait to see if this is included in the much-anticipated Employment Rights Bill, which is expected within 100 days of Labour entering government.

Did you know?

Our HR Documentation Team will provide all new and updated policies, and our 24/7 HR Advisory Team are here to guide you through these times of change.

Reports of new right to a fourday week

There have been recent reports that the government are proposing to give workers "new rights to demand a four-day week in a law planned for this autumn". The government's pre-election manifesto included a pledge to "make flexible working the default from day one for all workers except where it is not reasonably feasible", so it is not clear if this is what these latest reports are referring to, or if other changes are being considered. Further detail on the government's plans will be set out in the Employment Rights Bill. Currently, employees have the right to request flexible working from the start of their employment and they can make up to two requests in any 12-month period.

Did you know?

Our HR Documentation Team can provide a bespoke flexible working policy that is fully up-to-date with the latest changes that came into effect on 6 April 2024.

Next sales consultants win equal pay claims

Sales consultants at Next, who are predominately female, received between £0.40 and £3 less than warehouse workers, who are mainly male. Around 3,500 sales consultants brought equal pay claims. The respondents argued that paying the warehouse staff a better hourly rate and better allowances than those that worked in retail was because of market forces and it was a proportionate means of achieving a legitimate aim. But the tribunal rejected this argument. It means that their basic hourly pay terms will be equal to those of the warehouse staff. The claimants may also now be entitled to back pay of up to six years. (Thandi and others v Next PLC).

Did you know?

For guidance on equal pay, you can ask <u>Croner BrAInbox</u>: <u>Who</u> <u>can make a claim for equal pay?</u> or type in your question and get your answer fast.

The dangers of noise in the workplace

Exposure to noise at work can cause irreversible hearing damage. In many workplaces, high levels of noise expose employees and others to the risk of work related hearing loss. However, workrelated noise-induced hearing loss is entirely preventable and requires employers to reduce noise levels to an acceptable level. Employers should provide health surveillance (hearing checks) for all employees who are likely to be regularly exposed above the upper exposure action value, or are at risk for any reason, e.g. they already suffer from hearing loss or are particularly sensitive to damage.

Did you know?

The upper action value is measured in decibels over a specific period and is stated as 85 dB(A) or higher but less than 87 dB(a) daily or weekly noise exposure.

Please contact the 24 hour advice service for advice on your specific situation before acting on the information in this publication.