

National Living Wage

How are you preparing your candidates and clients?



On **1st April 2016**, the National Living Wage (NLW) comes into force

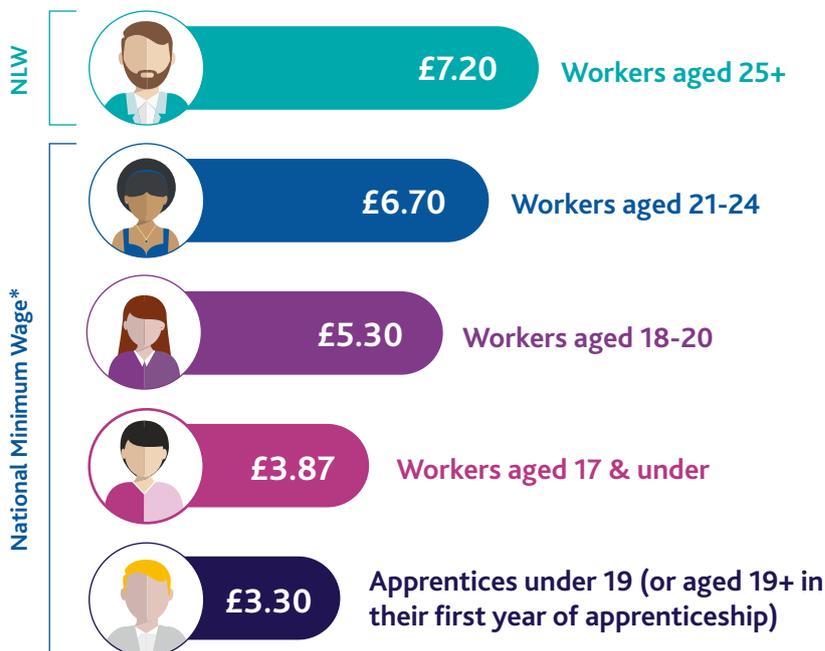


It is compulsory and is set at **£7.20 per hour** for all UK workers aged **25+**



The government expects the NLW to reach at least **£9** by **2020**

Who does this affect?



Questions for candidates:

"Are you sure you're getting the right pay rate?"

Check here:
www.gov.uk/am-i-getting-minimum-wage

Questions for clients:

"Have you thought about how the new NLW will impact your business?"

"Do you expect the introduction of the NLW will increase your efficiency/ productivity?"

"Will you seek to pass the increased cost onto customers in some way, e.g. by increasing prices?"

"Do you plan to offset the costs of bringing in the NLW by cutting other budget lines, for instance training and development budgets?"

"What do you intend to do about workers who already earn on or slightly above the NLW? How will you maintain a pay differential?"

"How will the NLW impact your youth recruitment strategy, if at all?"

(NB Age is a protected characteristic under the Equality Act 2010)

* The National Minimum Wage (NMW) rate is set by the government following advice from the Low Pay Commission. The Low Pay Commission will propose changes to the NMW, to come into effect from 1st October 2016. This means that in 2016 there will be TWO minimum pay rate changes for businesses. It is likely that from 2017 the NLW and NMW increments will take place at the same time. Track National Minimum Wage rates at <https://www.gov.uk/national-minimum-wage-rates>