

National Minimum Wage and The Living Wage and Agenda for Change Comparisons

	 The National Minimum Wage	 The National Living Wage	 The Living Wage
How much is it per hour?	£7.70	£8.21	£9.00
How is it calculated?	The Government is advised by a body of employers, trade unions and academics.	Currently 55% of median hourly earnings. The target is 60% by 2020.	Calculated according to the cost of living - what people need to get by.
Is there a London weighting?	No	No	Yes - £10.55
Is it statutory?	Yes	Yes	No
What age group is covered?	21 and older	25 and older	18 and older
When are the rates changed?	Every April	Every April	Yearly

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All figures are in pounds (£) per hour.

National Minimum Wage & National Living Wage (age related)		The Living Wage (Living Wage Foundation)	AfC* England	AfC* Northern Ireland	AfC* Wales	AfC* Scotland	Scotland – Care Sector Living Wage
Premium for 25 and over (NLW)	8.21	9.00	9.03	8.67	9.03	9.18	9.00
21 and over	7.70	London 10.55	London** = High Cost Supplement (see below**)	(Offer for 2018 to 31 March 2019)		(Public Sector Pay Policy min. = Living Wage £9.00)	(from 1 May 2019, not compulsory but related to care sector funding)
18 to 20	6.15						
Under 18	4.35						
Apprentices (all under 19 and first year apprentices 19 or over)	3.90	Recommend as above but not required for accreditation as a Living Wage Employer	<p>AfC “Arrangements for pay and banding of trainees” (Annex 21) applies a percentage of the pay band of the role, related to the length of training. The minimum rates being no less than the national minimum wage (adult) rate.</p> <p>2(iii) trainees who enter the NHS and undertake all their training whilst an employee. Typically, these staff develop their knowledge and skills significantly during a period of time measured in years. Given the significant change in knowledge and skills during the training period the use of job evaluation is not appropriate. Pay should be determined as a percentage of the pay for qualified staff.</p> <p>3. For trainees covered by paragraph 2(iii), where periods of training last for between one and four years, pay will be adjusted as follows: (i) up to 12 months prior to completion of training: 75 per cent of the pay band maximum of the fully qualified rate; (ii) more than one but less than two years prior to completion of training: 70 per cent of the pay band maximum of the qualified rate; (iii) more than two but less than three years prior to completion of training: 65 per cent of the pay band maximum for the qualified rate; (iv) more than three years from completion of training: 60 per cent of the pay band maximum for the qualified rate.</p> <p>4. Starting pay for any trainee must be no less than the rate of the main (adult) rate of the National Minimum Wage.</p>				

AfC* = Agenda for Change, NHS Terms and Conditions. Lowest pay point on the published AfC pay scales for year to 31 March 2020.

London** = NHS High Cost Supplement in London:

Area	Level of annual supplement (1 April 2019 to 31 March 2020)	+ Hourly equivalent (min ÷ 52.14 ÷ 37.5)	London** = Total hourly rate equivalent minimum
Inner London	+20% of basic salary – minimum of £4,400 & maximum of £6,777	2.25 – 3.46	11.28
Outer London	+15% of basic salary – minimum of £3,722 & maximum of £4,743	1.90 – 2.43	10.93
Fringe	+5% of basic salary – minimum of £1,017 & maximum of £1,762	0.52 – 0.90	9.55