

## National Living Wage (NLW) 2025

The UK National Minimum wage is the minimum pay per hour a UK business can legally pay an employee from April 2024. The Government review and establish this wage every year to ensure that workers receive a wage that covers the basic living costs.

If you have ever wondered how the Low Pay Commission (LPC) come up with the figures for the NLW, it is equal to two thirds of the median hourly pay for those aged 21 and over.

The increases in April 2025 are shown in the table below:

Age	Minimum Rate from April 2025	Increase in pence	Percentage Increase
21 and Over	£12.21	£0.77	6.7%
18 to 20	£10.00	£1.40	16.3%
16 to 17	£7.55	£1.15	18%
Apprentice	£7.55	£1.15	18%
Accommodation Offset	£10.66	£0.67	6.7%

The minimum wage rates apply to all UK workers even if they are not paid by the hour, so you must ensure this is calculated carefully.

The minimum wage does not apply to workers who are self-employed, company directors, unpaid volunteers and family members who live in the home of the employer and do household chores.

### Rules for Apprentice Pay

Apprentices are entitled to the apprentice rate if they are either

- Aged under 19
- Aged over 19 and in the first year of their apprenticeship

#### Example

An apprentice aged 21 in the first year of their apprenticeship are entitled to a minimum hourly rate of £7.55

Apprentices are entitled to the minimum wage for their age if they are both:

- Aged 19 or over
- Have completed the first year of their apprenticeship.

#### Example

An apprentice aged 21 who has completed the first year of their apprenticeship is entitled to a minimum hourly rate of £12.21.

