



APRIL COMPLETE CARE SOLUTIONS LTD
(The “Company”)

Minimum Wage

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The National Minimum Wage

1. What is the minimum wage?

The National Minimum Wage is the minimum pay per hour almost all workers are entitled to by law.

It doesn't matter how small an employer is, they still have to pay the minimum wage.

The minimum wage rate depends on a worker's age and if they're an apprentice.

Use the National Minimum Wage calculator to check if the minimum wage has been paid.

Workers can check if:

- they're getting the minimum wage
- an employer owes them payments from past jobs

Employers can check if:

- they're paying the minimum wage
- they owe a worker payments from past jobs

There is also guidance on working out the minimum wage for different types of work.

2. Who gets the minimum wage?

Workers must be of school leaving age (last Friday in June of the school year they turn 16) or over to get the minimum wage.

Contracts for payments below the minimum wage are not legally binding. The worker is still entitled to the minimum wage.

Workers are also entitled to the minimum wage if they're:

- part-time
- casual labourers, eg someone hired for one day
- agency workers
- workers and homeworkers paid by the number of items they make
- apprentices
- trainees, workers on probation
- disabled workers
- agricultural workers
- foreign workers
- seafarers
- offshore workers

Apprentices

Apprentices are entitled to the apprentice rate if they're either:

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

Apprentices over 19 who have completed the first year of their apprenticeship are entitled to the minimum wage rate for their age.

Not entitled to the minimum wage

The following types of workers aren't entitled to the minimum wage:

- self-employed people running their own business company directors
- volunteers or voluntary workers
- workers on a government employment programme, eg the Work Programme family members of the employer living in the employer's home
- non-family members living in the employer's home who share in the work and leisure activities, are treated as one of the family and aren't charged for meals or accommodation, eg au pairs
- workers younger than school leaving age (usually 16)
- higher and further education students on a work placement up to 1 year workers on government pre-apprenticeships schemes
- people on the following European Union programmes: Leonardo da Vinci, Youth in Action, Erasmus, Comenius people working on a Jobcentre Plus Work trial for 6 weeks
- members of the armed forces
- share fishermen
- prisoners
- people living and working in a religious community

Work experience and internships

You won't get minimum wage if you're:

- a student doing work experience as part of a higher or further education course
- of compulsory school age
- a volunteer or doing voluntary work
- on a government or European programme
- work shadowing

Voluntary work

You're classed as doing voluntary work if you can only get certain limited benefits (eg reasonable travel or lunch expenses) and you're working for a:

- charity
- voluntary organisation or associated fund-raising body
- statutory body

3. Employers and the minimum wage

Employer checks

Employers who discover they've paid a worker below the minimum wage must pay any arrears immediately. Use the National Minimum Wage calculator to work out arrears.

HM Revenue and Customs (HMRC) officers have the right to carry out checks at any time and ask to see payment records. They can also investigate employers, following a worker's complaint to them.

If HMRC finds that an employer hasn't been paying the correct rates, any arrears have to be paid back immediately. There will also be a penalty and offenders might be named by the government.

It's the employer's responsibility to keep records proving that they are paying the minimum wage - most employers use their payroll records as proof. All records have to be kept for 3 years.

Pay reference periods

Pay reference periods are usually set by how often someone is paid, eg one week, one month or 10 days. A pay reference period can't be longer than 31 days.

A worker must be paid the minimum wage, on average, for the time worked in the pay reference period.

What's not included in minimum wage calculations

Some payments made by workers must not be included when the minimum wage is calculated. These are:

- payments that shouldn't be included for the employer's own use or benefit, eg if the employer has paid for travel to work
- things the worker bought for the job and isn't refunded for, eg tools, uniform, safety equipment

What's included in minimum wage calculations

Some payments must be included when the minimum wage is calculated.

These are:

- Income Tax and National Insurance contributions
- wage advances or loans
- repayment of wage advances or loans
- repayment of overpaid wages
- things the worker paid for that are not needed for the job or paid for voluntarily, eg meals
- accommodation provided by an employer above the offset rate (£5.35 a day or £37.45 a week)
- penalty charges for a worker's misconduct

Example

John is 27 and works 40 hours a week. He earns £6.80 per hour or £272 a week.

He pays £15 a week to rent his uniform and the money isn't refunded. He also chooses to eat in the canteen, and pays £20 per week for his meals.

To calculate his minimum wage, John's employer must deduct the uniform rental from the pay but not the money paid for meals.

This means John makes £257 per week (£272 minus £15) which is £6.43 per hour. This is below the minimum wage rate of £7.50 (as of April 2017).

4. Worker disputes over minimum wage

Workers who think their pay is below the minimum wage rate should talk to their employer first. If this doesn't solve the problem, they can ask the employer in writing to see their payment records. The worker can take someone with them and make copies of the records.

If an employer owes the worker any arrears they have to pay these back.

Workers can also call the confidential Acas helpline or look at the Acas Helpline Online to help them solve a payment dispute.

If the employer refuses payment

If HM Revenue and Customs (HMRC) find that the employer hasn't paid they will send them a notice for the arrears plus a penalty for not paying the minimum wage.

HMRC can take them to court on behalf of the worker if the employer still refuses to pay.

Employment tribunal

Workers can also go directly to the employment tribunal themselves.

Workers who have been dismissed because of a minimum wage dispute can also complain to the employment tribunal for unfair dismissal.