

National Minimum Wage

1 . What is the minimum wage

By law, an employer must pay a minimum amount on average for the hours you work. This is called the:

- National Living Wage (NLW) for anyone aged 21 or over
- National Minimum Wage (NMW) for anyone aged under 21 or an apprentice

Employers can choose to pay more than the minimum wage.

Current rates

Wage band	Current rate (from 1 April 2025)
Age 21 or over (National Living Wage)	£12.21
Age 18 to 20	£10
Under 18	£7.55
Apprentice	£7.55

The government reviews minimum wage rates every year and they're usually updated in April. [Check when rate increases must be paid.](#)

Rates from 1 April 2026

Wage band	Rate from 1 April 2026
Age 21 or over (National Living Wage)	£12.71

Wage band	Rate from 1 April 2026
Age 18 to 20	£10.85
Under 18	£8
Apprentice	£8

Who gets the apprentice rate

An [apprentice](#) is entitled to be paid at least the apprentice rate if they're either:

- under 19
- 19 or over, and in the first year of their current apprenticeship agreement

If they're 19 or over and have completed the first year of their current apprenticeship, they're entitled to be paid at least the minimum wage for their age.

2. Who gets the minimum wage

All workers in the UK must get the National Minimum Wage or National Living Wage.

This is whether they are:

- full time
- part time
- doing training essential for the job
- working in a small or 'start-up' business

It also applies to:

- agency workers
- agricultural workers
- apprentices
- casual labourers, for example someone hired for one day
- casual workers
- workers during a probationary period
- domestic live-in workers, for example au pairs
- offshore workers
- seafarers
- workers paid by commission
- workers paid by the number of items made (piece work)
- zero-hours workers

Some people are not entitled to the minimum wage. This includes someone who is:

- [self-employed](#)
- a volunteer (by choice)
- a company director
- in the armed forces
- [doing work experience](#) as part of a course
- work shadowing
- a family member living at home and working for the family business
- under [school leaving age](#)

[Find out more about eligibility for the minimum wage on GOV.UK](#)

3. When increases are paid

There are times when workers will become entitled to a higher minimum wage rate. For example, when:

- the government increases the rates (usually in April each year)
- a worker turns 18 or 21
- an apprentice turns 19, and they've already finished the first year of their current apprenticeship
- an apprentice who is already 19 finishes the first year of their current apprenticeship

The higher rate starts to apply from the next 'pay reference period' after the increase. This means someone's pay might not go up straight away.

Pay reference period

The 'pay reference period' is the period of time the pay covers. For example:

- if paid daily, the pay reference period is 1 day
- if paid weekly, the pay reference period is 1 week
- if paid monthly, the pay reference period is 1 month

The pay reference period cannot be longer than a month.

Example of pay not going up straight away

There's a minimum wage rate increase on 1 April.

Sam's pay reference period is 1 month. Each pay reference period starts on the 16th of one month and ends on the 15th of the following month. The old rate will apply until Sam's next pay reference period, which starts on 16 April.

As a minimum, Sam should get paid:

- the old rate for 1 April to 15 April
- the new rate for 16 April to 15 May

4. Checking pay

Use the [National Minimum Wage and National Living Wage calculator on GOV.UK](#) to check if someone:

- is getting paid the National Minimum Wage or National Living Wage
- has been paid correctly in previous years

Calculating the minimum wage

On average, a worker must get the minimum wage for each 'pay reference period'. This is the period of time their pay covers, for example a week or a month.

You work out the average hourly rate using:

- 'gross' pay each time someone's paid – this is the total pay before tax and National Insurance (NI) are taken out
- how many hours someone worked for that pay

Example of working out average hourly rate

Sam's paid weekly and works 40 hours a week. Their weekly salary is £500 before tax is taken out. They're 24 years old and not an apprentice.

When you divide £500 by 40, their average hourly rate is £12.50. This is above the minimum wage for a worker aged 24.

Minimum wage for different types of work

The National Minimum Wage and National Living Wage are worked out as hourly rates. But they apply to all eligible workers, even if they do different types of work or are not paid by the hour. For example, if they are paid an annual salary.

If someone is not paid hourly, they need to work out their hourly rate. This is to check they are being paid minimum wage.

[Find out about working out minimum wage for different types of work on GOV.UK](#)

Payments that count towards the minimum wage

The National Minimum Wage is calculated on a worker's total pay before tax and National Insurance (NI) are taken out.

Payments that count towards the minimum wage include:

- basic pay
- incentive pay – if performance related
- [bonuses](#)
- [commission](#)

Example of including a bonus when checking pay

Pat is 22 years old and not an apprentice. They're paid weekly and work 40 hours a week. Their total weekly pay is £560 before tax is taken out. This includes a £100 bonus.

You need to use £560 as the starting point to work out if they're getting the minimum wage. When you divide £560 by 40, their average hourly rate is £14. This is above the minimum wage for a worker aged 22.

Parts of pay that do not count towards the minimum wage

Some parts of pay do not count towards the minimum wage. This includes:

- [tips and gratuities](#)
- premium payments – for example, extra pay for working bank holidays or overtime
- a loan from an employer
- a pay advance
- repayment of expenses
- redundancy pay
- 'benefits in kind' – for example, meal vouchers
- pay given up under a salary sacrifice arrangement – for example, childcare vouchers or a company car

Example – part of pay does not count towards the minimum wage

Alex is 22 years old and not an apprentice. They're paid weekly and work 40 hours a week.

Their total weekly pay is £540 before tax is taken out. This includes £100 in tips. You need to use £440 as the starting point to work out if they're getting the minimum wage.

When you divide £440 by 40, their average hourly rate is £11. This is below the minimum wage for a worker aged 22. The employer needs to pay at least £12.21 an hour not including tips.

Tasks that count as working time when calculating minimum wage

When calculating minimum wage, you can only include time spent on tasks that count as working time. This includes tasks like travelling to training and being on standby. It does not include things like holidays and travelling between home and your usual place of work.

[Find out more about the working hours for which minimum wage must be paid on GOV.UK](#)

What can be deducted from the minimum wage

An employer is allowed to make some deductions from pay. This could leave someone with less than the minimum wage in their take-home pay. This includes:

- tax and National Insurance contributions
- paying back an advance or overpayment
- pension contributions
- trade union fees
- a charge for accommodation provided by an employer – find out about [accommodation rates on GOV.UK](#)

What cannot be deducted from the minimum wage

Some pay deductions and work-related expenses must not reduce pay below the minimum wage.

These include deductions for:

- tools
- uniforms

- travel costs, except getting to and from work
- costs for [mandatory training courses](#)

For example, someone might be required to buy a uniform for work. This is allowed as long as their total pay minus the uniform cost is still above the minimum wage.

[Find out more about calculating the minimum wage on GOV.UK](#)

5. If your employer pays less

It's against the law for your employer to pay less than the [National Minimum Wage or National Living Wage](#).

They also must keep accurate pay records and make them available when requested.

If your employer has not been paying the correct minimum wage, they should resolve the problem as soon as possible.

Your employer must also resolve any backdated non-payment of the minimum wage. This is even if you no longer work for them.

Resolving the issue informally

If you believe you're not getting the minimum wage, you can raise this with your employer. It's usually best to raise the problem informally first.

To check if you've been getting the right pay, you could:

- [use the National Minimum Wage and Living Wage calculator on GOV.UK](#)
- check your payslips and employment contract

[Find out more about how to raise a problem at work](#)

Raising a grievance

If you're not getting the minimum wage, you can [raise a grievance](#). This is where you make a formal complaint to your employer.

Raising a grievance can help get the issue resolved without the need for legal action.

Taking legal action

If you cannot resolve the issue with a grievance, you can either:

- complain to HM Revenue and Customs (HMRC)
- make a claim to an employment tribunal

If you have questions about minimum wage, or are not able to resolve an issue, [contact the Acas helpline](#).

How HMRC enforces payment of the minimum wage

If you have not been paid the minimum wage, you can make a complaint to HMRC.

Complaints to HMRC can be anonymous. Third parties can also make a complaint. For example, a friend, family member or someone you work with.

If HMRC finds that you've not been getting the minimum wage, they can take any of the following actions against your employer:

- issue a notice to pay money owed, going back a maximum of 6 years
- issue a fine of up to £20,000 and a minimum of £100 for each worker affected, even if the underpayment is worth less
- take legal action including criminal legal proceedings
- pass on the names of businesses and employers to the Department for Business and Trade (DBT) who may put them on a public list

To make a complaint to HMRC, either:

- [use the pay and work rights complaints form on GOV.UK](#)
- [contact the Acas helpline](#)

Making a claim to an employment tribunal

If you have not been paid the minimum wage, you can make a claim to an employment tribunal.

You must choose either to do this or to complain to HMRC. You cannot take the same issue through 2 legal processes.

How much money you can claim will depend on the type of claim you make.

For example, if you make a claim for non-payment of the minimum wage, you can claim for money owed going back 2 years.

There are strict time limits for you to make a claim to an employment tribunal:

- if there was 1 underpayment or non-payment, you have 3 months minus 1 day from the date you should have been paid
- if there were several wrong underpayments or non-payments in a row, you have 3 months minus 1 day from the most recent wrong deduction

You can claim up to 2 years back as long as either of the following apply:

- there's less than 3 months between each underpayment or non-payment
- the underpayments or non-payments are linked – for example, they might be linked if they are caused by the same error

Find out more about:

- making a claim to an [employment tribunal](#)
- [employment tribunal time limits](#)

Protection against being treated less favourably

An employer must not cause you 'detriment' if you:

- become entitled to a higher rate of the minimum wage
- assert your right to the minimum wage

Detriment means someone experiences one or both of the following:

- being treated worse than before
- having your situation made worse

Examples of detriment could be:

- you experience [bullying](#)

- you experience [harassment](#)
- your employer turns down your training requests without good reason
- you are overlooked for promotions or development opportunities
- your employer reduces your hours without good reason

If you think you've experienced detriment because of the minimum wage entitlement, you might be able to make a claim to an employment tribunal.

If you have been dismissed because of the minimum wage entitlement, this could be classed as 'automatically unfair'. If you have the [legal status of employee](#), you may be able to claim automatically unfair dismissal.

If you have the [legal status of worker](#) you cannot claim unfair dismissal. However, you might be able to claim to an employment tribunal that being dismissed was a detriment.

[Find out more about dismissals](#)

Related content

[/payslips](#)

6. The real living wage

The real living wage is an hourly rate of pay set by the [Living Wage Foundation](#). It is calculated based on the cost of living.

The real living wage is voluntary. This means employers can choose to pay it instead of the National Minimum Wage or National Living Wage. HMRC does not enforce the real living wage.

The real living wage rates are usually announced in autumn. Employers have to implement them by May the following year.

[Check the real living wage rates on the Living Wage Foundation](#)