

## National Minimum Wage rate increase announced

The Chancellor last week announced the latest National Minimum Wage rates for 2024/25 which he said will be the largest ever increase. We look at the key points for employers.

- The Chancellor has announced that the National Living Wage (NLW) will increase from £10.42 per hour to £11.44 per hour from 1 April 2024.
- Workers aged 23 and over are currently entitled to be paid the NLW, however from 1 April 2024 this rate will be expanded to also apply to those aged 21 and 22 for the first time.
- This expansion of the NLW means that there will no longer be a '20-21 year old' banding, so the rate increase will be considerable for them.
- The other bandings will remain the same. The rate payable to those aged 18 to 20 will increase to £8.60 per hour, up from £7.49.
- For those over compulsory school age but not yet 18, and apprentices under 19, or 19 and over but in the first year of their apprenticeship, the minimum pay will be £6.40 per hour, up from £5.28.
- Organisations will need to pay their workers at the increased rate that applies to them from the start of their first pay reference period after 1 April 2024, i.e. if the employer's pay reference period starts on 15th of each month, workers will need to be paid the increased rates from 15 April 2024.
- The Government has also announced that it will cut the 12% rate of employee National Insurance by 2% meaning a saving of £450 for those on a salary of £35,000. This measure will be introduced on 6 January 2024.

### Women 'stop being paid' on 22 November

The UK's leading charity campaigning for gender equality and women's rights has said that 22 November was the day this year when, based on the gender pay gap, women overall in the UK stop being paid compared to men. The Fawcett Society has designated this as Equal Pay Day. The Society uses the mean, full-time, hourly gender pay gap for the UK to calculate the gender pay gap for Equal Pay Day. This year the figure is 10.7%, only slightly down from 10.9% last year and 48 hours later than last year's Equal Pay Day.

#### Did you know?

The Society also highlighted that the gender pay gap hits black and minoritised women hardest and called for ethnicity pay gap reporting to be made mandatory to improve the quality of the data on this issue.

### Supreme Court finds Deliveroo Riders are not workers

The Supreme Court has concluded that Deliveroo riders are not 'workers' and so cannot form a collective bargaining unit. The Independent Workers Union of Great Britain (IWGB) had sought to form a collective bargaining unit involving Deliveroo riders in Camden and Kentish Town. The Supreme Court, however, has found that the riders do not fall within the scope of an employment relationship within article 11 of the European Convention on Human Rights, which protects the right to form and join a trade union.

#### Did you know?

The Supreme Court found that the Deliveroo contract "gives riders a broad and unfettered right" to use a substitute, which was "totally inconsistent with having an employment relationship".

### Unfair dismissal for drinking cocaine tea

The claimant, a Network Rail technician, was subject to a periodic drugs and alcohol test. He tested positive for benzoylecgonine which is a metabolite of cocaine and so was suspended. The claimant stated that the most likely cause was that he had some tea which he had bought for its digestive benefits from a market stall. He was dismissed for gross misconduct and brought an unfair dismissal claim. At the tribunal, the respondent conceded that the dismissal was procedurally unfair.

#### Did you know?

However, the tribunal found that the claimant should have identified that the tea contained cocaine before drinking it, he received no compensation because of his contributory conduct.

### When was the last time you used contractors?

Many businesses will utilise contractors from time to time, to help them manage workloads or for specialist skills. If you use contractors, you should still carry out some basic health and safety checks on them, these include: requesting copies of relevant qualifications for the work they undertake for you, insurance, risk assessments, method statements and memberships of professional bodies. It is also best practice to communicate your health and safety rules to them.

#### Did you know?

Businesses may use a contractor for any number of reasons including the following; repair/maintenance workers, cleaners, vehicle repair operators, or for any work that requires a certain skillset.

Employers will need to ensure that their payroll teams are fully aware of the increases to National Living Wage/National Minimum Wage rates. Contact our 24-hour Advisory Service for up-to-date guidance on this and more.

Please contact the 24 hour advice service for advice on your specific situation before acting on the information in this publication.