



## ➤ HOW TO CALCULATE AN APPRENTICE WAGE RATE

Your apprentice is eligible for an increase in wages at different times in the year. This can be triggered by:

1. **Industry wage** (*currently July*)
2. **National Minimum/Living Wage** (NMW or NLW) (*currently April*)
3. **Anniversary of their apprenticeship** (*a year from the commencement\* of their apprenticeship when entering 2<sup>nd</sup>, 3<sup>rd</sup> or 4<sup>th</sup> year*)
4. **Apprentice's birthday** (*becoming a year older may trigger the NMW or NLW rate*)

*\*the commencement date is as stated on the SNIJIB Training and Registration Agreement*

## ➤ APPRENTICE WAGE READY RECKONER

You can use the **current online** ready reckoner below when your apprentice triggers any of the 4 above. Your apprentice must receive the higher of either the NMW/NLW or the SNIJIB wage rate applicable for their year of apprenticeship.

PLUMBING APPRENTICE WAGE				
Incorporating the national minimum/ living wage <u>and</u> the SNIJIB rates**				
Age	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year
16	£4.20	n/a	n/a	n/a
17	£4.20	£5.55	n/a	n/a
18	£4.20	£5.55	£6.72	n/a
19	£4.20	£6.15	£6.72	£8.67
20	£4.20	£6.15	£6.72	£8.67
21	£4.20	£7.70	£7.70	£8.67
22	£4.20	£7.70	£7.70	£8.67
23	£4.20	£7.70	£7.70	£8.67
24	£4.20	£7.70	£7.70	£8.67
25	£4.20	£8.21	£8.21	£8.67
26+	£4.20	£8.21	£8.21	£8.67

\*\* Effective from 1 July 2019 in light of the SNIJIB wage rise. The next NMW and NLW rise will take effect from April 2020.

## ➤ Explaining the minimum wages for Apprentice plumbers

The apprentice must receive the NMW / NLW or the SNIJIB wage rate applicable for their year of apprenticeship (**the higher of the two must be paid**- see ready reckoner above).

### ✓ 1st Step: Consider whether an apprentice is in their 1<sup>st</sup> Year or is 18 years or younger

Apprentices who are in their first 12 months of their apprenticeship: £3.90 (this will increase to £4.15 on 01/04/20).

If the SNIJIB wage rate is higher it should be paid.

### ✓ 2nd Step: If not in 1<sup>st</sup> year, match the apprentice's age to the NMW / NLW rates

The Apprentice NMW rate for apprentices who are 18 years and under: £3.90 (this will increase to £4.15 on 01/04/20).

If the SNIJIB wage rate is higher it should be paid.

The NMW rate for **apprentice** workers applies for those aged 19-20 years: £6.15 (this will increase to £6.45 on 01/04/20).

If the SNIJIB wage rate is higher it should be paid.

The NMW rate for apprentice workers applies for those aged 21-24 years: £7.70 (this will increase to £8.20 on 01/04/20).

If the SNIJIB wage rate is higher it should be paid.

The NLW rate for apprentice workers applies for those aged 25 years and over: £8.21 (this will increase to £8.72 on 01/04/20).

If the SNIJIB wage rate is higher it should be paid.

## **Be aware of your employer obligations:**

- Failing to pay the NMW / NLW will result in HMRC issuing a notice of underpayment which encompasses:
  - A penalty to the Secretary of State set at **200%** of the total underpayment. Serious cases will be triable in the Sheriff Court.
  - Wage arrears. The calculation of arrears is carried out using current NMW / NLW rates. Where an employee worked in both age bands during their employment the calculation of arrears is calculated using the current rate for the bands the employee served.
- Employers who fail to produce records to a worker on request may be subject to a complaint sent from the worker to an Employment Tribunal which can impose a penalty for failure to produce the required records;
- Where a Tribunal or Civil Court is making a decision on a NMW / NLW case the burden will always be on the employer to prove that the NMW / NLW has been paid.
- It is a criminal offence to refuse to pay the NMW / NLW, obstruct compliance officers or not keep proper records.
- It is against the law to dismiss a worker because of NMW / NLW. To do so would incur a claim of unfair dismissal.