

Press release: Welsh workers on the lowest pay to benefit from over £30,000 of back pay

- More than 13,000 of the UK's lowest paid workers to receive back pay thanks to UK Government investigations
- Employers across the UK fined a record £1.9m for underpaying minimum wage rates

More than 13,000 of the UK's lowest paid workers will get around £2m in back pay as part of the government's scheme to name employers who have failed to pay National Minimum Wage and Living Wage.

The Department for Business, Energy and Industrial Strategy today (16 August 2017) published a list of 233 businesses that underpaid workers.

As well as paying back staff the money owed, employers on the list have been fined a record £1.9m by the government. Retail, hairdressing and hospitality businesses were among the most prolific offenders.

Since 2013, the scheme has identified £6m back pay for 40,000 workers, with 1,200 employers fined £4m.

Secretary of State for Wales Alun Cairns said:

While most employers get it right, it is simply not acceptable that some employers in Wales are failing to pay at least the minimum wage their workers are entitled to.

The UK Government is determined to make sure everybody in work receives a fair wage and to building an economy that works for all. April's increase in the national minimum and living wage rates is putting more money into the pockets of Wales' lowest paid workers than ever before.

Excuses for not paying employees what they are legally owed will not be tolerated.

Business Minister Margot James said:

It is against the law to pay workers less than legal minimum wage rates, short-changing ordinary working people and undercutting honest employers.

Today's naming round identifies a record £2m of back pay for workers and sends the clear message to employers that the

government will come down hard on those who break the law.

Common errors made by employers in this round included deducting money from pay packets to pay for uniforms, failure to account for overtime hours, and wrongly paying apprentice rates to workers.

Melissa Tatton, Director at HM Revenue and Customs said:

HMRC is committed to getting money back into the pockets of underpaid workers, and continues to crack down on employers who ignore the law.

Those not paying workers the National Minimum or Living Wage can expect to face the consequences.

The 17 employers in Wales named today are:

1. Mr William Gareth Griffiths & Mrs Llinos Griffiths trading as Gareth Griffiths, Ceredigion SY23, failed to pay £9,230.56 to 1 worker.
2. Miss Tracey Newnian trading as Tracey's Unisex Salon, Carmarthenshire SA31, failed to pay £3,879.67 to 1 worker.
3. Thai Lounge (Cardiff) Limited trading as Thai Lounge, Cardiff CF14, failed to pay £2,527.27 to 4 workers.
4. Bluestone Resorts Limited, Pembrokeshire SA67, failed to pay £2,378.98 to 2
5. Mr Paul Isaac and Mrs Hayley Isaac trading as Refit Design Shopfitters, Neath Port Talbot SA10, failed to pay £1,941.04 to 1 worker.
6. Burlesque Hair Company Limited, Newport NP20, failed to pay £1,672.58 to 3 workers.
7. Celtic Community Services Limited, Rhondda Cynon Taf CF72, failed to pay £1,521.44 to 5 workers.
8. Kingston City Properties Limited, Cardiff CF24, failed to pay £626.01 to 1 worker.
9. The Burrows Day Care Nursery (Porthcawl) Limited, Bridgend CF36, failed to pay £550.30 to 4 workers.
10. The Wild Swan Limited, Swansea SA1, failed to pay £380.71 to 4 workers.
11. Mr Talal Al-Arab and Mr Hani Hussain trading as Bella Pizza, Gwynedd LL55, failed to pay £377.25 to 1 worker.
12. Ms Mandy James trading as Prince of Wales Treorchy, Rhondda Cynon Taf CF42, failed to pay £254.34 to 1 worker.
13. M Camilleri & Sons Roofing Limited, Vale of Glamorgan CF64, failed to pay £1,150.68 to 11 workers.
14. Adeiladwyr Eryri Builders CYF, Gwynedd LL52, failed to pay £864 to 1 worker
15. Mr Dylan Rhys Roberts trading as D R Roberts Plumbing & Heating, Denbighshire LL15, failed to pay £735.58 to 1 worker.
16. Whistlestop Café (North Wales) Ltd trading as Whistlestop Café, Denbighshire LL18, failed to pay £433.68 to 1 worker.
17. Ruthin Castle Hotel Ltd, Denbighshire LL15, failed to pay £2,182.49 to 1

worker.

There are currently around 2,000 open cases which HMRC is investigating. Eligible employers will be named and shamed after their cases have been closed.

The government has committed £25.3m for minimum wage enforcement in 2017/18, as well as a £1.7m awareness campaign earlier this year.

David Metcalf, Director of Labour Market Enforcement, released his introductory report in July 2017, stating that he would be working with enforcement agencies to further crackdown on rogue employers.

For more information about your pay, or if you think you might be being underpaid, get advice and guidance [here](#)

1. This is the 12th round of government naming and shaming for employers who have failed to pay national minimum wage and living wage rates.
2. Employers have a duty to be aware of and comply with the different legal national minimum and living wage rates. If workers are concerned that they are not being paid the correct rates or if employers need more information about the legal requirements then they can seek advice from [Acas](#).
3. Any complaints that are raised with Acas, where they believe there is a NMW underpayment, will be referred to HMRC who will investigate.
4. HMRC follows up on every complaint received from Acas.
5. Around 2,000 cases are currently being worked on by HMRC and eligible employers will be named and shamed after their cases have been closed.
6. Sectors that featured prominently in this naming and shaming round were:
 - Hairdressing and other beauty treatment: around 60 employers, around £121,000 arrears for around 200 workers
 - Hospitality: around 50 employers, around £77,000 arrears for around 220 workers
 - Retail trade: around 20 employers, £1.5m arrears for around 12,200 workers
7. The current minimum wage rates are:
 - National Living Wage (25 years and over) – £7.50 per hour
 - adult rate of National Minimum Wage (21 to 24-year-olds) – £7.05 per hour
 - 18 to 20-year olds – £5.60 per hour
 - 16 to 17-year-olds – £4.05 per hour
 - apprentice rate – £3.50 per hour for apprentices under 19, or over 19 and in the first year of an apprenticeship.
8. The government is committed to ensuring all employers are compliant with minimum wage legislation and the effective enforcement of it:
 - the government will spend £25.3 million on minimum wage enforcement in 2017 to 2018, up from £20 million in 2016 to 2017
 - in November last year, labour market enforcement undertakings and orders came into force under the Immigration Act which can ultimately lead to criminal prosecutions and prison sentences of up to 2 years for employers who mistreat their workers, including national minimum wage violations

- Director of Labour Market Enforcement Sir David Metcalf publish his introductory report in July 2017, setting out the areas he will be focusing on in the coming months, including ensuring enforcement agencies are ready to use the new undertakings and orders to jail rogue employers
9. The revised BEIS scheme to name employers who break minimum wage law came into effect on 1 October 2013. The scheme is one of a range of tools at the government's disposal to tackle this issue. Employers who pay workers less than the minimum wage not only have to pay back arrears of wages to the worker at current minimum wage rates but also face financial penalties of up to 200% of arrears, capped at £20,000 per worker. In the most serious cases employers can be prosecuted.
 10. From 1 October 2013, the government revised the naming scheme to make it simpler to name and shame employers who break the law;
 11. Under this scheme the government will name all employers who have been issued with a Notice of Underpayment (NoU) unless employers meet one of the exceptional criteria or have arrears of £100 or less. All 233 cases named today (16 August 2017) failed to pay the correct national minimum or living wage rates and owed arrears of more than £100.
 12. Employers have 28 days to appeal against the NoU (this notice sets out the owed wages to be paid by the employer together with the penalty for not complying with minimum wage law). If the employer does not appeal or unsuccessfully appeals against this NoU, BEIS will consider them for naming. The employer then has 14 days to make representations to BEIS outlining whether they meet any of the exceptional criteria;
 - naming by BEIS carries a risk of personal harm to an individual or their family
 - there are national security risks associated with naming in this instance
 - other factors which suggest that it would not be in the public interest to name the employer
 13. If BEIS does not receive any representations or the representations received are unsuccessful, the employer will be named via a BEIS press release under this scheme.