National Living Wage increase to protect workers' living standards

Press release

Announcement of the 2021 National Living Wage and National Minimum Wage rates.



The Government has today announced the National Living Wage (NLW) and National Minimum Wage (NMW) rates which will come into force from April 2021. It accepted in full recommendations made by the Low Pay Commission at the end of October.

The National Living Wage will increase by 2.2 per cent from £8.72 to £8.91, and will be extended to 23 and 24 year olds for the first time. For workers aged under 23, Commissioners recommended smaller increases in recognition of the risks to youth employment which the current economic situation poses.

Bryan Sanderson, Chair of the Low Pay Commission, said:

Recommending minimum wage rates in the midst of an economic crisis coupled with a pandemic is a formidable task. The difficulty in looking forward even to next April is daunting. There are strong arguments concerning both low-paid workers — many performing critically important tasks — and the very real solvency risks to which small businesses are currently exposed. In these unprecedented conditions, stability and competence are prime requirements.

Our value as a social partnership is to use the imperfect economic evidence to produce a recommendation which is professionally researched and dispassionate. Most importantly, after much debate it has the support of the business, trade union and academic representatives who make up the Commission. We have opted for a prudent increase which consolidates the considerable progress of

recent years and provides a base from which we can move towards the Government's target over the next few years.

The increase in the NLW will mean that low-paid workers' incomes rise broadly in line with predicted wage growth; and modestly ahead of projected increases in prices, meaning low-paid workers' living standards should be protected. Commissioners do not believe the increase presents a significant additional risk to employment prospects, beyond the already challenging outlook.

The LPC's recommendations comprised:

Rate from April 2020 Rate from April 2021 Increase

National Living Wage	e £8.72	£8.91	2.2%
21-24 Year Old Rate	£8.20	£8.36	2.0%
18-20 Year Old Rate	£6.45	£6.56	1.7%
16-17 Year Old Rate	£4.55	£4.62	1.5%
Apprentice Rate	£4.15	£4.30	3.6%
Accommodation Offset	£8.20	£8.36	2.0%

Low Pay Commissioners remain committed to the Government's goal of ending low pay. Given uncertainties over the long-term economic outlook, they have not recommended any change to the Government's target of the NLW reaching two-thirds of median earnings by 2024. The LPC's report sets out an indicative future path for the NLW; but the effects of furloughing on pay data limit its precision this year.

The LPC submitted its recommendations on 30 October, meeting the deadline set by the Government. This was before the announcement of further lockdown restrictions in England and the extension of the Coronavirus Job Retention Scheme.

Notes for Editors

- 1. The Low Pay Commission is an independent body made up of employers, trade unions and experts whose role is to advise the Government on the minimum wage. The rates announced today follow recommendations agreed unanimously by the Commission and accepted by the Government.
- 2. In line with the end-October deadline set in its remit, the LPC submitted its recommendations to the Government on 30 October 2020, following final deliberations from 27-29 October.
- 3. The LPC is today publishing two documents: the letter of advice from Bryan Sanderson to the Rt Hon Alok Sharma MP, setting out the Commission's recommendations and rationale; and a short report summarising the evidence on which these recommendations were based. The LPC's full report, setting out its evidence base in detail, will be published in early December.
- 4. From April 2021, the National Living Wage (NLW) will be the statutory minimum wage for workers aged 23 and over. It currently applies to workers aged 25 and over. The reduction in the NLW age threshold follows a review of the structure of the National Minimum Wage youth rates and

- recommendations made by the LPC in autumn 2019. The threshold will further reduce to 21 by 2024.
- 5. Different minimum wage rates apply to younger age groups: 21-22 year olds (from 1 April 2021), 18-20 year olds, 16-17 year olds and to apprentices aged under 19 or in the first year of an apprenticeship.
- 6. The Government has set a target for the NLW to reach two-thirds of median earnings by 2024. The LPC makes recommendations on this basis. The NLW was originally introduced in April 2016 and had a target of 60% of median earnings by 2020, which the April 2020 uprating to £8.72 was forecast to reach.
- 7. In its remit letter to the LPC in March, the Government asked the LPC "to monitor the labour market and the impacts of the National Living Wage closely, advise on any emerging risks and if the economic evidence warrants it recommend that the government reviews its target or time-frame. This emergency brake will ensure that the lowest-paid workers continue to see pay rises without significant risks to their employment prospects." The full remit letter is available here.
- 8. Rates for young workers and apprentices are lower than the NLW in reflection of lower average earnings and higher unemployment rates among these groups. International evidence also suggests that younger workers are more exposed to employment risks arising from the pay floor than older workers. Unlike the NLW (where the Government accepts the possibility of some consequences for employment as a result of achieving the target), the LPC's remit requires us to recommend rates for younger workers and apprentices as high as possible without causing damage to jobs and hours.
- 9. The LPC also makes recommendations on the Accommodation Offset, the maximum allowable deduction from wages for employer-provided accommodation, applicable for each day of the week. In April 2021 it will increase to £8.36 per day, in line with the 21-22 Year Old Rate.
- 10. The National Living Wage is different to the UK Living Wage and the London Living Wage calculated by the Living Wage Foundation. Differences include that: the UK Living Wage and the London Living Wage are voluntary pay benchmarks that employers can sign up to if they wish, not legally binding requirements; the hourly rate of the UK Living Wage and London Living Wage is based on an attempt to measure need, whereas the National Living Wage is based on a target relationship between its level and average pay; the UK Living Wage and London Living Wage apply to workers aged 18 and over, the National Living Wage to workers aged 23 and over. The Low Pay Commission has no role in the UK Living Wage or the London Living Wage.
- 11. The nine Low Pay Commissioners are: Bryan Sanderson, Professor Sarah Brown, Professor Richard Dickens, Kate Bell, Kay Carberry, Simon Sapper, Neil Carberry, Clare Chapman and Martin McTague.
- 12. Bryan Sanderson can be contacted via the Low Pay Commission's press office (0207 211 8132).

<u>The future of Parole: Problems and</u> solutions webinars

Press release

The Parole Board is holding two online events with Cambridge Centre for Criminal Justice and the Institute of Criminology to explore the future of parole.

the Parole Board

The Parole Board recently hit the headlines after the Government announced a Root-and-Branch Review of the parole system to explore a number of areas including potentially opening hearings up to the public.

The review will build on recent reforms but will also look at more fundamental changes.

So, what does the future hold for the parole system? What are the problems faced by the current system and what are the solutions?

The Parole Board, together with the Cambridge Centre for Criminal Justice and the Institute of Criminology of the University of Cambridge, will hold two webinars on the topic. They will be two hours each, from 8-9 December 2020, between $5-7\,\mathrm{pm}$.

Parole Board Chair Caroline Corby and CEO, Martin Jones will speak at the event alongside other experts including; Professors David Feldman, Nicky Padfield, Rob Canton, Julian Roberts, and Simon Creighton, of Bhatt Murphy.

The detailed programme will be available shortly.

To register for the events, please follow the links below:

The Future of 'Parole': Identifying 'problems':

The Future of 'Parole': Identifying 'solutions':

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Essential maintenance from 2pm, Saturday 28 November

News story

DVLA's contact centre will close at 2pm on Saturday 28 November instead of our usual 4pm due to essential maintenance.



DVLA's contact centre will close at 2pm on Saturday 28 November instead of our usual 4pm due to essential maintenance and will reopen on Monday 30 November as normal. Our email service will also be unavailable during this time.

Essential maintenance will also take place on our automated tax payment phone line $-\ 0300\ 123\ 4321$. This phone line will be unavailable from 2pm on Saturday 28 November until Sunday morning.

All our online services will be available as normal. Go to www.gov.uk/browse/driving to find information and advice.

You can go online to tax a vehicle at www.gov.uk/vehicle-tax

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IOM Council: UK statement

Thank you, Chair.

I'd like to begin by congratulating you on your new appointment, and thanking Morten Jesperson for his chairmanship of the Bureau over the past year.

2020 has been a particularly memorable year, and in many senses one that most of us will be glad to end. As the effects of COVID-19 were added to a global record humanitarian need, threats are posed to the lives, livelihoods and well-being of more people than ever. Responding to this has been a huge challenge. An effective, coordinated, capable, visible and accountable IOM is needed now more than ever and, whilst our first thoughts are with those who need IOM assistance, we express our gratitude to the whole team at the IOM for their continuing good work.

Given those challenges it is both remarkable and essential that the IOM is able to continue reforming. As the second largest donor, the United Kingdom stands ready to support the IOM on this journey. The UK would like to reiterate its support to the Director General, the Deputy Director General and IOM staff for continuing to reform the IOM as the organisation, and the importance of its work, continues to expand.

The UK welcomes the creation of the additional Deputy Director General position. This is the right step to recognise the growing size and importance of the organisation and the demands upon the leadership team. The UK is a strong supporter of the Internal Governance Framework, and we keenly welcome the work plan which we know will be treated as a priority and actioned as quickly and efficiently as possible.

We also welcome IOM's efforts to play a full role in a more joined-up international system. Since becoming a UN related organisation in 2016, the IOM's role has grown, and so too has its responsibility — to better coordinate its work with other UN agencies and partners and to take a more outward-facing approach.

Furthermore, although the UK notes the improvement in the staffing and capacity of the Office of the Inspector General, we remain concerned regarding the increased number of allegations the office is receiving and the office's ability to deal with such a growing workload. We appreciate the regular quarterly updates and request these continue. We expect senior management to maintain a clear and specific focus on the OIG — including on its ability to carry out its function in preventing sexual exploitation and abuse. The UK was pleased to be a member of the Audit Oversight and Advisory Committee selection panel, underlining the importance we attach to these issues.

[The UK reaffirms its commitment to the Global Compact on Migration, and is pleased to recognise the UN's hard work since signature to translate GCM principles into action that helps migrants. We believe this work is beginning

to show promising results and we encourage IOM to continue and to strengthen its valuable work in this area. We welcome the progress establishing the Start Up Fund, to which the UK is pleased to contribute, and its first projects being approved. We also welcome the establishment of the UN Migration Network and its associated networks. This month's Review of implementation in Europe and North America was a valuable opportunity to reflect on our own progress and to hear from others. As the GCM begins to mature and the institutional architecture takes shape, we look forward to further progress and encourage IOM to maintain its ambition in this area.]

Finally, I would like to highlight one more key issue. On 2 September, the UK Foreign Secretary, Dominic Raab, announced a call to action to protect the world's poorest from the increasing threat of famine, and a new £119 million aid package to alleviate extreme hunger. The UK has appointed its first Special Envoy for Famine Prevention and Humanitarian Affairs to work in partnership with other donors, UN agencies, NGOs and foundations to help prevent catastrophic famine.

We look forward to working in partnership with the IOM on all of these issues. Thank you.

<u>Children's Minister keynote address on assistive technology</u>

Pupils with special educational needs and disabilities (SEND) are benefitting from life changing assistive technology during the pandemic, helping to improve their communication, learning and overall independence.

Speaking at the All Party Parliamentary Group (APPG) on Assistive Technology on Tuesday 24 November, Children and Families Minister Vicky Ford announced new research has been published, aimed at helping to bridge the gap between education and employment for young people with SEND. The rapid assessment review brings together a body of research on assistive technology for the first time, helping schools and colleges better understand how to harness the benefits of existing tools and approaches to raise the outcomes of pupils with SEND.

The Minister praised schools, colleges and the technology sector for their response to the 'historic challenges' during the Covid-19 pandemic, especially for vulnerable students with the most complex needs, but urged companies to make sure all their products and practices are fully inclusive.

Delivering the keynote speech at the APPG, Minister Ford said:

Assistive technology can be life-changing and for many it is vital

to communication, learning and overall independence.

In recent months, the importance of Assistive Technology has been demonstrated like never before. The essential collaboration provided by groups such as this APPG is vital to ensure that we make policy which is informed by as much research and evidence as possible.

Our review will give schools and colleges a helping hand by providing greater transparency in what tools and interventions can improve outcomes of SEND students and bridge the gap from education into employment. It will also support the technology sector in embedding accessibility features — such as text to voice tools — as part of their service development, and policymakers to better embed inclusion into their policies and services. This will lead to real, meaningful differences in the quality of education for children and young people.

This is key, because we need to be clear: accessibility should never be an add on, it should be the norm.

It follows Minister Ford's letter to Google and Microsoft, sent jointly with Minister of State for Digital and Culture Caroline Dinenage earlier this month, calling on them to improve the accessibility of their products by including subtitles as a default setting, aiding teachers delivering education remotely, and by ensuring their comment functions are easy to read and adaptable for those with visual impairments.

She issued a warning to the sector that too often the effective use of technology in education is 'hindered by poor broadband and connectivity' or staff capability, or lack of understanding from parents.

The impact of the pandemic has highlighted the digital divide that exists between disadvantaged pupils and their peers, which the Government has tackled with a significant package of support worth £195 million for remote learning and online social care, including:

- Providing more than 220,000 laptops and tablets and 50,000 4G routers to disadvantaged and vulnerable children during the summer term;
- Making an additional 340,000 devices available to schools this term to help support these children where face-to-face education has been disrupted — with well over 100,000 of these devices delivered since September;
- Working with mobile network providers to provide free data top-ups to disadvantaged students and their families;
- Investing £37 million in Family Fund to help low-income families requiring specialist assistive technology for their children, of which £10 million is to provide home learning support fund for children with SEND, launched earlier this year;
- Providing funding for Oak National Academy to provide video lessons for Reception up to Year 11, creating over 200 hours' worth of lessons and

- resources each week including subtitled and signed videos and a specialist curriculum for pupils with SEND; and
- Expanding our Demonstrator Programme a peer support network supporting schools and college to improve their use of technology, including how it can remote education strategies.

Earlier this month (Wednesday 4 November) Minister Ford met with staff and pupils at one of the Department for Education's Demonstrator colleges, National Star College in Gloucestershire, during a 'virtual visit'.

Speaking at the APPG about the visit, Minister Ford said:

I saw first-hand how technology can support those with even the most complex needs in the simplest of ways, including text-to-speech functions, how Google and Microsoft platforms can support an accessible curriculum and — crucially — how we can better support parents through the power of technology.

Throughout this meeting the dedication and passion from staff shone through — how well they understand the needs of their students and strive to support them to achieve their potential.

Neil Beck, lead assistive technologist at National Star College, said:

We were delighted to receive the Minister Vicky Ford and appreciated her enthusiasm for the work that National Star are delivering as part of the Ed Tech Demonstrator programme.

We are encouraged by the recognition of the importance assistive technology has in enabling learners with additional learning needs and disabilities to learn and compete with equity.

This acknowledgement and recognition highlights the further need to provide teachers with the skills and knowledge, though the Demonstrator programme, to be able to confidently use assistive technology to support an increasing learner diversity in education today.