

National Living Wage increase raises income of low-paid workers

The National Living Wage (NLW) will increase on Wednesday 1 April to £8.72, giving a pay rise to thousands of workers at the frontline of the UK's response to Covid-19. This rise follows recommendations made to the Government by the Low Pay Commission (LPC) in the autumn. It means the rate reaches the target of 60 per cent of median earnings, originally set by the Government in 2015.

In the 11 March Budget, the Government confirmed its ambition for the NLW to continue increasing towards a new target of two-thirds of median earnings by 2024. It asked the LPC to advise on whether the economic evidence warranted these increases. The LPC will make its recommendations to Government on the 2021 National Minimum Wage rates in October.

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

Many of the nation's key workers – in, for example, the care sector, agriculture, transport and retail – are low-paid, are continuing to work in very difficult conditions and will benefit from today's increase. At the same time, the Government has introduced a comprehensive package of support for employers to lessen the impacts of these extraordinary circumstances.

Under our new remit, the Government asks us 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 timeframe. This is what the Government refers to as the 'emergency brake'. The ongoing Covid-19 pandemic clearly represents a very challenging set of circumstances for workers and employers alike, and will require us to review whether the emergency brake is required when we next provide our advice to the Government. This advice will be crucially dependent as always on the economic data we receive.

The LPC has published [a short report looking at the NLW's path to the 60 per cent target and outlining how we will approach the new two-thirds target](#). This report does not set out a pathway to the new target, given the uncertainty over the current and future state of the labour market.

The other rates of the National Minimum Wage will also increase alongside the NLW.

Previous rate Current rate from 1 April 2020 Increase

	Previous rate	Current rate from 1 April 2020	Increase
National Living Wage	£8.21	£8.72	6.2%
21-24 Year Old Rate	£7.70	£8.20	6.5%
18-20 Year Old Rate	£6.15	£6.45	4.9%
16-17 Year Old Rate	£4.35	£4.55	4.6%
Apprentice Rate	£3.90	£4.15	6.4%
Accommodation Offset	£7.55	£8.20	6.4%

Notes for editors:

1. The LPC originally submitted its recommendations in October 2019. The Government announced its acceptance of those recommendations on 31 December 2019. The LPC's 2019 Report, which sets out the evidence underpinning its recommendations, was published on 10 January.
2. The National Living Wage (NLW) is the statutory minimum wage for workers aged 25 and over. Different minimum wage rates apply to 21-24 year olds, 18-20 year olds, 16-17 year olds and apprentices aged under 19 or in the first year of an apprenticeship.
3. The age threshold for the NLW will be reduced from 25 to 23 in 2021, and then further to 21 by 2024. This follows a review of the structure of the National Minimum Wage youth rates and recommendations made by the LPC last autumn.
4. The NLW was introduced in April 2016 and had a target of 60% of median earnings by 2020, subject to sustained economic growth.
5. The Government published its remit to the LPC for 2020 alongside the 11 March Budget. This confirmed a new target for the NLW, to reach two-thirds of median earnings by 2024. In the remit, the Government asks 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 timeframe. 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](#).
6. Rates for workers aged under 25, and apprentices, are lower than the NLW in reflection of lower average earnings and higher unemployment rates. 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 possibility of some consequences for employment have been accepted by the Government), the LPC's remit requires us to set the rates for younger workers and apprentices as high as possible without causing damage to jobs and hours.
7. The Accommodation Offset is an allowable deduction from wages for accommodation, applicable for each day of the week. In April 2020 it will increase to £8.20 per day, matching a commitment made in 2013 to increase it to the level of the National Minimum Wage.
8. The National Living Wage is different from 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 25 and over. The Low Pay Commission has no role in the UK Living Wage or the London Living Wage.

9. 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 rate recommendations introduced today were agreed unanimously by the Commission.
10. 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.
11. Bryan Sanderson can be contacted via the Low Pay Commission's press office (0207 211 8132).

Statement on Afghanistan at Meeting of Members of the UN Security Council

- Only go outside for food, health reasons or work (but only if you cannot work from home)
- If you go out, stay 2 metres (6ft) away from other people at all times
- Wash your hands as soon as you get home

Do not meet others, even friends or family.

You can spread the virus even if you don't have symptoms.

First new ventilators to roll off production line this weekend as industry answers call to step up manufacturing

The news comes as some of the biggest names in British manufacturing race to step up ventilator supplies to help protect the NHS and save lives throughout the coronavirus pandemic, as part of the Prime Minister's call to manufacturers.

This weekend, the first batch of the Penlon ventilator device, which has been rapidly adapted from other existing ventilator designs, will be ready for dispatch, following approval from the MHRA that it meets the necessary safety requirements.

The device is being manufactured by a consortium* including Formula 1 teams McLaren and Mercedes, Ford, Siemens and Meggitt. An initial delivery will be ready this weekend, with potentially hundreds more of that device to follow, alongside thousands more of other new devices in the coming weeks.

Other existing ventilator devices are also being scaled up, in collaboration with British and international industry, including products from Diamedica, Breas Medical and Smiths Group.

A number of other British manufacturers have also started urgent production of new ventilators, designed from scratch, following efforts from the industry and Government to rapidly increase numbers available to the NHS.

Chancellor of the Duchy of Lancaster Michael Gove said:

Throughout our history British manufacturing has always stepped up in times of national need.

Ventilators are one of the most complex medical devices and the speed and scale that design and production is ramping up is awe inspiring.

We will do whatever it takes to ensure the NHS and social care sector has the support and equipment it needs to save lives.

Health Secretary Matt Hancock said:

We are doing everything we can to support our NHS staff fighting this battle on the frontline, and it's crucial we get even more ventilators there as soon as possible.

We have seen a fantastic response from businesses to our call for a national effort – and I'm delighted these companies accepted the challenge to save lives across the country.

The Government has provided a number of letters of intent to purchase potentially thousands more ventilators with companies who have credible designs, subject to them passing the regulator and strict safety tests.

There are a number of companies involved in these devices including Plexus, Rolls Royce, GKN Aerospace, Team Consulting, Cogent, Dyson, TTP plc, Sagentia, Smith & Nephew, Cambridge Consultants, PA Consulting, Babcock, Oxford University, OES Medical, BMW, Pitlane Consortium and Kings College London.

Separately, a team led by UCL, working with Mercedes Benz, will also produce 10,000 new CPAP (Continuous Positive Airway Pressure) devices to support affected patients, with a team from Oxford University also developing related technology, which will increase the capacity to provide oxygen to affected patients at an earlier stage in the process of the disease.

Thanks to the work of consortiums that are scaling up production of smaller manufacturers as well as the ingenuity of the biggest names in manufacturing to support the UK's response to this public health emergency, many are coming up with new designs for this high tech medical devices in a matter of weeks, rather than months, further underlining the scale of this coordinated effort.

The Penlon device is based on elements found in their current range of CE marked products and meets the rapidly manufactured ventilator system specification. It is a fully intubated mechanical ventilator designed to provide support to critically ill patients with a range of functions including volume and pressure controlled ventilation.

Further details are set out in the PM's call with manufacturers and suppliers, including other manufacturers involved:
<https://www.gov.uk/government/news/pm-call-with-ventilator-manufacturers-and-suppliers-26-march-2020>

*The Ventilator ChallengeUK includes the following companies and groups:

- Airbus
- BAE Systems
- Ford Motor Company
- GKN Aerospace
- High Value Manufacturing Catapult
- Inspiration Healthcare Group
- Meggitt
- Penlon
- Renishaw
- Rolls-Royce
- Siemens Healthineers and Siemens UK
- Smiths Group
- Thales
- Ultra Electronics
- Unilever
- UK-based F1 teams: Haas F1,
- McLaren, Mercedes, Red Bull Racing,
- Racing Point, Renault Sport Racing,
- Williams
- Accenture
- Arrow Electronics
- Dell Technologies
- Microsoft
- PTC

Pregnant prisoners to be temporarily released from custody

Pregnant women in custody who do not pose a high risk of harm to the public will be temporarily released from prison within days to protect them and their unborn children from coronavirus. Prisoners in Mother and Baby Units meeting the same risk assessment will also be released with their children.

Prison governors will be able to grant their release on temporary licence once they pass a risk assessment and suitable accommodation for the women has been identified.

This decision follows intense work across the prison estate to protect prison staff, the public and prisoners during the coronavirus pandemic, and as part of the national effort to protect the NHS and save lives.

The Prison Service last week took steps to ensure prisons are complying with social distancing rules and provided alternative means for prisoners to keep in touch with their families after cancelling family visits.

The Prison Service has already helped isolate pregnant women and new mothers and their babies from the wider population. From today (31 March), transfers within the prison estate will be limited in all but exceptional cases.

All actions have been informed by the advice of experts from Public Health England.

Lord Chancellor and Justice Secretary Robert Buckland QC MP said:

We have already taken extraordinary measures to protect prisoners and the public over the last few weeks, but it's clear now that we must temporarily release pregnant woman and those with small babies with them inside prison.

Governors can now temporarily release pregnant prisoners so that they can stay at home and reduce social contact like all other expectant mothers have been advised to do.

Those who will be released will be assessed before they leave prison to ensure they are a low risk to the public. They will also be subject to licence conditions, including a requirement to stay at home, and wear an electronic tag, where appropriate. They can be immediately recalled to prison for breaching these conditions or committing further offences.

Chancellor of the Duchy of Lancaster opens the coronavirus press conference: 31 March 2020

Good afternoon and thank you for joining us for our daily briefing in the fight against COVID-19.

I am joined today by Dr Jenny Harries, the deputy chief medical officer, and Professor Stephen Powis, the Medical Director of NHS England.

I would like first to update you all on the facts about the spread of COVID-19 and the steps that we are then taking in the battle against this virus.

143,186 people have now been tested for the virus.

Of those, 25,150 have tested positive.

And sadly, yesterday we recorded the highest single increase in the number of deaths as a result of COVID-19.

381 people died, meaning that of those hospitalised in the UK, the number who have passed away now totals 1,789.

Every death is the loss of a loved one, and our thoughts and prayers are with those who are grieving.

Overall, 10,767 people in England have been admitted to hospital with COVID-19 symptoms.

The largest number of those is in London, with 3,915 people in hospital care.

While in the Midlands, the number of those hospitalised is now 1,918 and accelerating upwards.

These numbers reinforce the vital importance of following the Government's social distancing guidelines.

The more we restrict contact, the more we slow the spread of the infection, the more that we can help the NHS build the capacity needed to care for those most in need.

And that capacity is increasing.

More NHS staff are returning to the frontline and more testing is taking place to help those self-isolating come back and to protect those working so hard in our hospitals and in social care.

But while the rate of testing is increasing we must go further, faster.

A critical constraint on the ability to rapidly increase testing capacity is the availability of the chemical reagents which are necessary in the testing.

The Prime Minister and the Health Secretary are working with companies worldwide to ensure that we get the material we need to increase tests of all kinds.

And as well as increasing the number of staff on the frontline, and the tests which protect them, we must also increase the capacity to provide oxygen to those worst affected by the disease.

We have just over 8,000 ventilators deployed in NHS hospitals now. This number has increased since the epidemic began, thanks to the hard work of NHS professionals.

But we need more.

That is why we are buying more ventilators from abroad – including from EU nations.

And it's also why we are developing new sources of supply at home.

Before the epidemic struck we had very little domestic manufacture of ventilators.

But now, thanks to the dedication of existing medical supply companies and the ingenuity of our manufacturing base, we have existing models being produced in significantly greater numbers and new models coming on stream.

Orders have been placed with consortia led by Ford, Airbus, the Formula 1 Racing teams including McLaren, GKN Aerospace and Rolls Royce and Dysons.

And I can announce that this weekend, the first of thousands of new ventilator devices will roll off the production line and be delivered to the NHS next week. From there they will be rapidly distributed to the front line.

And as well as increasing the capacity for ventilation – which helps support those patients worst affected – we are also increasing the capacity to provide oxygen to affected patients at an earlier stage in the process of the disease, helping to avert, we hope, the deterioration of their condition.

A team led by UCL, working with Mercedes Benz, will produce 10,000 new CPAP devices to support affected patients and a team from Oxford University are also developing related technology.

And in our determination to prevent as many patients as possible seeing their condition worsen we are conducting rapid clinical trials on those drugs, including anti-malarials, which may be able to reduce the impact of COVID-19 on those affected.

But even as we seek to explore every avenue to slow the spread of the

disease, to reduce its impact and to save lives, I am conscious of the sacrifices that so many are making.

That is why the Chancellor's economic package is in place – to support people through a difficult time.

It is also why we are working so closely with our colleagues in the devolved administrations to coordinate our response across the United Kingdom and I am grateful to them

As I am to the thousands of dedicated public sector workers – cleaners and social workers, prison and police officers, those in the Royal Mail and in our schools – and I want to thank them and also the leaders of the trade unions who represent them.

In this united national effort we also are delivering food and prescription drugs to up to 1.5 million of the most vulnerable who are self-isolating for three months.

And we will do more to help, working with the three quarters of a million people who have volunteered to help at this time. Many are already heavily involved in local community support schemes.

And we want to work with them to ensure that we support not just the 1.5 million most vulnerable to the disease but all those who need our help through this crisis, those without social support, those in tough economic circumstances, those who need the visible hand of friendship at a challenging time.

That is why my cabinet colleague George Eustice and the Food and Farming Minister Victoria Prentis will be leading work, with food suppliers, retailers, local authorities and voluntary groups to support our neighbours in need.

I also want to thank the men and women of the military who have stepped up their work as part of the ongoing response to coronavirus.

three RAF Puma helicopters are now stationed at Kinloss Barracks in Moray. These Pumas are working closely with a Chinook and a Wildcat helicopter based at RAF Leeming, North Yorkshire, to meet any requests for assistance from NHS boards and trusts across Scotland and Northern England.

A second helicopter facility covers the Midlands and Southern England working out of The Aviation Task Force Headquarters at RAF Benson in Oxfordshire. Chinook and Wildcat helicopters normally based at RAF Odiham and RNAS Yeovilton respectively support the Southern areas.

And these helicopter facilities have been set up to support medical transports across Scotland and the rest of the UK. The task force is also available for general support such as moving equipment and personnel to where they are needed across the UK.

The Kinloss-based support follows last weekend's use of an RAF A400M

transport aircraft, working with the Scottish Ambulance Service, to evacuate a critically ill patient from the Shetland Islands to Aberdeen to receive intensive care treatment.

I am deeply grateful for everyone in the our armed forces and in the public sector who are doing so much to help in the fight against coronavirus

And, of course, all of us can continue to play our part in supporting them and the health service by

STAYING AT HOME

SUPPORTING THE NHS

AND SAVING LIVES.

Now I want to ask Stephen to run through the latest data from our Cabinet Office Coronavirus fact-file.