

NATIONAL LIVING WAGE - CHECKLIST

March 2016

BP BERWIN
LEIGHTON
PAISNER

The National Living Wage ('NLW') is coming into force on 1 April 2016.

Have you done the following?

National Living Wage checklist

- Compile a list of staff eligible for the new rate of hourly pay**
You will also need to monitor the ages of staff under 25 so that the NLW can be applied immediately from their 25th birthday
- Update the company payroll**
- Communicate the changes to staff**
- Work out the total cost of the increased NLW**
Not only for the initial NLW increase, but also the total likely cost up to 2020 when it is predicted to increase to £9 per hour
- Develop a strategy to mitigate the increased costs by 2020**

Mitigation strategies

1



Reduce the number of employees via redundancies or slowing down recruitment

2



Raising prices – to pass on the increased costs to customers

3



Cutting overtime and bonuses

4



Improving efficiency and productivity