#### DRAFT STATUTORY INSTRUMENTS

# 2015 No.

# The National Minimum Wage Regulations 2015

## PART 6

## **Exclusions**

#### Schemes for training, work experience, temporary work or for seeking or obtaining work

- **51.**—(1) A person who is participating in a scheme which meets the requirements in paragraph (2) does not qualify for the national minimum wage for work done as part of that scheme.
  - (2) The requirements are that the scheme—
    - (a) is designed to provide training, work experience or temporary work, or to assist in the seeking or obtaining of work, and
    - (b) is, in whole or in part, made or funded by—
      - (i) the Secretary of State under section 2 of the Employment and Training Act 1973(1) or section 17B of the Jobseekers Act 1995(2);
      - (ii) the Scottish Ministers or the Welsh Ministers under section 2 of the Employment and Training Act 1973;
      - (iii) the Chief Executive of Skills Funding;
      - (iv) Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990(3);
      - (v) the Department for Employment and Learning under section 1 of the Employment and Training Act (Northern Ireland) 1950(4); or
      - (vi) the European Social Fund established under Article 162 of the Treaty on the Functioning of the European Union(5).

<sup>(1) 1973</sup> c.50; section 2 was substituted by the Employment Act 1988 (c.19), section 25; subsection (3A) and (3B) were inserted by the Trade Union Reform and Employment Rights Act 1993 (c.19), section 47; subsections (2) and (6) were repealed by the Employment Act 1989 (c.38), Schedule 7, paragraph 1. The powers under section 2 are exercisable by the Scottish Ministers concurrently with the Secretary of State by virtue of section 56(1)(g) of the Scotland Act 1998 (c.46). The powers under section 2 are exercisable by the Welsh Ministers concurrently with the Secretary of State by virtue of S.I. 1999/672 and paragraph 30 of Schedule 11 to the Government of Wales Act 2006 (c.32).

<sup>(2) 1995</sup> c.18. Section 17B was inserted by the Welfare Reform Act 2009 (c.24), section 1.

<sup>(3) 1990</sup> c.35 (S.); subsection (3)(b) and (c) and (d) of section 2 were amended, and subsection (3)(d) was inserted, by the Trade Union Reform and Employment Rights Act 1993 (c.19), section 47 and Schedule 10, paragraph 1; subsection (4)(a) was amended by the Equality Act 2010 (c.15), Schedule 26(1), paragraph 20; subsection (6) was amended by S.I. 1999/1820.

<sup>(4) 1950</sup> c.29 (N.I.); the powers of the Department under section 1 were extended by S.I. 1974/2144 (N.I.7), article 7; subsection (1) to (1C) were substituted for subsections (1) and (1A) by S.I. 1988/1087 (N.I. 10); subsections (2) and (3) were amended by S.I. 1990/1200 (N.I. 8); section 1(1A)(d) was amended by the Employment Act (Northern Ireland) 2010 c.12 (N.I.), Schedule 1, paragraph 1.

<sup>(5)</sup> OJ No C83, 30.3.2010, p.47.

### Schemes for trial periods of work

- **52.**—(1) A person who is participating in a trial period of work with an employer for a period of six weeks or less, as part of a scheme which meets the requirements in paragraph (2), does not qualify for the national minimum wage for the work done for that employer in that period.
  - (2) The requirements are that the scheme—
    - (a) is designed to provide training, work experience or temporary work, or to assist in the seeking or obtaining of work, and
    - (b) is, in whole or in part, made or funded by—
      - (i) the Secretary of State under section 2 of the Employment and Training Act 1973 or section 17B of the Jobseekers Act 1995;
      - (ii) the Scottish Ministers or the Welsh Ministers under section 2 of the Employment and Training Act 1973;
      - (iii) the Chief Executive of Skills Funding;
      - (iv) Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990;
      - (v) the Department for Employment and Learning under section 1 of the Employment and Training Act (Northern Ireland) 1950; or
      - (vi) the European Social Fund established under Article 162 of the Treaty on the Functioning of the European Union.

## Work experience as part of a higher or further education course

**53.** A person who undertakes a higher education course or further education course, and before the course ends is required, as part of that course, to attend a period of work experience not exceeding one year, does not qualify for the national minimum wage as respects work done for the employer as part of that course.

#### Traineeships in England

- **54.**—(1) A worker does not qualify for the national minimum wage for work done as part of that worker's participation in a traineeship in England to which paragraph (2) applies.
- (2) This paragraph applies to a traineeship consisting of a skills programme which meets the following conditions—
  - (a) the programme includes a work experience placement and work preparation training;
  - (b) the programme lasts no more than six months;
  - (c) the programme is government funded; and
  - (d) the programme is open to persons who on the first day of the traineeship have attained the age of 16 but not 25 years old.

# Work schemes for provision of accommodation to the homeless

- **55.**—(1) A worker, who meets the requirements in paragraph (2), does not qualify for the national minimum wage for work done for an employer, under a scheme which meets the requirements in paragraph (3), if the worker is provided with accommodation and other benefits (which may include money) under that scheme.
- (2) The requirements are that immediately before entry into the scheme the worker was homeless or residing in a hostel for homeless persons and—

- (a) was in receipt of, or entitled to any of the following benefits—
  - (i) universal credit (payable under Part 1 of the Welfare Reform Act 2012(6)),
  - (ii) income support (payable under Part VII of the Social Security Contributions and Benefits Act 1992(7)),
  - (iii) income-based jobseeker's allowance (payable under Part I of the Jobseekers Act 1995(8)),
  - (iv) income-related employment and support allowance (payable under Part 1 of the Welfare Reform Act 2007(9) or Part 1 of the Welfare Reform Act (Northern Ireland) 2007(10)); or
- (b) was not entitled to receive any of those benefits only because the worker was not habitually resident in the United Kingdom.
- (3) The requirements for the scheme are as follows—
  - (a) no one makes a profit out of the scheme other than—
    - (i) a profit only applied to running the scheme or other qualifying schemes, or
    - (ii) where the person operating the scheme is a charity, for a purpose of the charity relating to the alleviation of poverty;
  - (b) every person participating in the scheme satisfies the same requirements as for workers in paragraph (2) (although they need not all be workers);
  - (c) the accommodation available under the scheme is provided by the person operating the scheme or under arrangements made between that person and another person; and
  - (d) the work done under the scheme is both provided by, and performed for, the person operating the scheme.

### **European Union programmes**

**56.** A worker does not qualify for the national minimum wage for work that is done as a participant in any of the following programmes—

<sup>(6) 2012</sup> c.5.

<sup>(7) 1992</sup> c.4; Part VII was amended by the Housing Act 1991 (c.52), Schedule 19; the Local Government Finance Act 1992 (c.14), Schedule 9 and Schedule 14; the Social Security (Incapacity for Work) Act 1994 (c.18), Schedules 1 and Schedule 2; the Local Government etc (Scotland) Act 1994 (c.39), Schedules 13 and 14; the Jobseekers Act 1995 (c.18), Schedule 2 and 3; the Housing Act 1996 (c.52), Schedule 19(6); the Welfare Reform and Pensions Act 1999 (c.30), Schedule 8(IV); the Health and Social Care Act 2001 (c.15), Schedule 6(3); the State Pension Credit Act 2002 (c.16), Schedule 2 and 3; the Tax Credits Act 2002 (c.21), Schedule 6; the Income Tax (Earnings and Pensions) Act 2003 (c.1), Schedule 6; the Civil Partnership Act 2004 (c.33), Schedule 24(3) and Schedule 30; the Welfare Reform Act 2007 (c.5), Sections 30(2) and 31(1), Schedule 3, 5 and 8; the Welfare Reform Act 2009 (c.24), section 3; the Welfare Reform Act 2012 (c.5), section 69 and Schedule 14(1); S.I. 2002/1397; S.I. 2008/632; S.I.2009/497and S.I. 2012/780; Part VII was repealed for certain purposes by the Welfare Reform Act 2012, schedule 14 and S.I.2013/358.

<sup>(8) 1995</sup> c.18; Part I was amended by the Employment Rights Act 1996 (c.18), Schedule 1; the Social Security Act 1998 (c.14), Schedules 7 and 8; the Welfare Reform and Pensions Act 1999 (c.30), Schedules 1, 7, 8 and 13; the State Pension Credit Act 2002 (c.16), Schedule 2(3); the National Insurance Contributions Act 2002 (c.19), Schedule 1; the Income Tax (Earnings and Pensions) Act 2003 (c.18), Schedule 6; the Civil Partnership Act 2004 (c.33), Schedule 24(7) and S.I. 2006/343; the Welfare Reform Act 2007 (c.5), Schedule 3; the Welfare Reform Act 2009 (c.24), sections 1, 4, 12, 32to 33, Schedule 2, Schedule 7(1), Schedule 7(3) and S.I. 2010/293; Legal Aid, Sentencing and Punishment of Offenders Act 2012 (c.10), Schedule 24; Welfare Reform Act 2012 (c.5), sections 44, 46, 49, 61, Schedule 2, Schedule 5, Schedule 7, and Schedule 14(1) to (3); S.I. 2011/1498; Part I was modified by S.I. 2003/2438, S.I. 2006/962, S.I. 1998/2825, S.I. 2000/3134, S.I. 1995/3276, S.I. 1996/2567, S.I. 1996/3182, S.I. 2006/343, S.I. 1996/207 and S.I. 2013/378.

<sup>(9) 2007</sup> c.5; Part I was amended by the Welfare Reform Act 2009 (c.24), sections 3, 10 and 28, and Schedule 3(2), and the Welfare Reform Act 2012 (c.5), sections 50to 57 and 60, Schedules 3 and 14; Part I was modified by S.I. 2008/794, S.I. 2010/875, S.I. 2010/1907 and S.I. 2013/379.

<sup>(10) 2007</sup> c.2 (N.I.); Part I was modified by S.I. 2010/312; Part I was amended by the Welfare Reform Act (Northern Ireland) 2010 (c.13)(N.I.), sections 3, 10, and 22.

- (a) the second phase of the European Community Leonardo da Vinci programme (established pursuant to Council Decision 99/382/EC(11));
- (b) the European Community Leonardo da Vinci programme (established pursuant to Decision No 1720/2006/EC of the European Parliament and the Council of the European Union establishing an action programme in the field of lifelong learning(12));
- (c) the European Community Youth in Action Programme (established pursuant to Decision No 1719/2006/EC of the European Parliament and the Council of the European Union(13));
- (d) the European Community Erasmus Programme or Comenius Programme (both established pursuant to Decision No 1720/2006/EC of the European Parliament and the Council of the European Union establishing an action programme in the field of lifelong learning);
- (e) Erasmus+ established pursuant to Regulation (EU) No.1288/2013 of the European Parliament and of the Council of 11th December 2013 establishing 'Erasmus+': the Union programme for education, training, youth and sport(14).

# Work does not include work relating to family household

- **57.**—(1) In these Regulations, "work" does not include any work done by a worker in relation to an employer's family household if the requirements in paragraphs (2) or (3) are met.
  - (2) The requirements are all of the following—
    - (a) the worker is a member of the employer's family;
    - (b) the worker resides in the family home of the employer;
    - (c) the worker shares in the tasks and activities of the family.
  - (3) The requirements are all of the following—
    - (a) the worker resides in the family home of the worker's employer;
    - (b) the worker is not a member of that family, but is treated as such, in particular as regards to the provision of living accommodation and meals and the sharing of tasks and leisure activities;
    - (c) the worker is neither liable to any deduction, nor to make any payment to the employer, or any other person, as respects the provision of the living accommodation or meals;
    - (d) if the work had been done by a member of the employer's family, it would not be treated as work or as performed under a worker's contract because the requirements in paragraph (2) would be met.

# Work does not include work relating to family business

- **58.** "Work" does not include any work done by a worker in relation to an employer's family business if the worker—
  - (a) is a member of the employer's family,
  - (b) resides in the family home of the employer, and
  - (c) participates in the running of the family business.

<sup>(11)</sup> OJ L 146, 11/6/1999, p. 33, as amended by Council Regulation (EC) No 885/2004 (OJ L 168, 01/05/2004, p.1) and European Parliament and Council Regulation No 1882/2003 (OJ L 284, 31/10/2003, p.1).

<sup>(12)</sup> OJ L 327, 24/11/2006, p. 45, as amended by European Parliament and Council Decision No.1357/2008/EC (OJ L 350, 30/12/2008, p.56).

<sup>(13)</sup> OJ L 327, 24/11/2006, p. 30, as amended by the Corrigendum (OJ L 337, 05/12/2006, p.68) and European Parliament and Council Decision No. 1349/2008/EC (OJ L 348, 24/12/2008, p.113).

 $<sup>\</sup>textbf{(14)} \ \ OJ\ L\ 347,\ 20.12.2013,\ p.50.$ 

**Draft Legislation:** This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: The National Minimum Wage Regulations 2015 No. 621