Our quarterly round-up brings together trends and opinions on what is happening and what the future holds for:

- Inflation
- Employment
- Earnings
- Pay Settlements
  - Historic
  - Predictive
- PAYstats – pay and labour market statistics

**KEY FINDINGS**

- Inflation remains above the target as domestic inflationary pressures continue to firm.
- According to the CIPD Labour Market Outlook, employers demand for labour is likely to remain relatively strong in the near term.
- Unemployment remains at historically low levels and the Monetary Policy Committee judges that very little slack remains in the economy.
- Data from the Annual Survey of Hours and Earnings suggest that pay growth for those switching jobs, rather than remaining in the same job, has returned to around its pre-crisis rate.
- Pay awards in 2018 are expected to be at their highest in almost four years.

If you would like to find out more about any of the information contained in this PAYstats bulletin please contact us via:

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info@paydata.co.uk
The Quarterly Picture

What an interesting quarter we have seen. Not only has the first gender pay reporting deadline come around, we have also seen wage growth outpace inflation for the first time in a year and unemployment hit an historical low.

Some 10,014 employers met the April gender pay reporting deadline, with around 1,000 employers leaving it until deadline day to report their results; the overall median pay gap figures stands at 9.7 per cent. Of those that submitted their figures, looking at median pay data, 78 per cent reported paying men more than women, 14 per cent said they pay women more and eight per cent said they had no gender pay gap.

Nearly a year after wages began falling in real terms, pay awards are finally outpacing inflation. Though observers would be hasty in making suggestions as to how significantly this will impact the UK’s economy, it is certainly a step in the right direction that is welcomed by employees.

Unemployment has fallen to its lowest level in over 30 years, whilst employment levels have climbed to record highs. Employers are increasingly finding it harder to attract the right talent; with many reporting having to offer higher starting salaries in order to compete against other employers. Post-Brexit this could become a even bigger issue, as many commentators believe we lack the adequate number of skilled people in the country to fill vacancies.

Speculation over when or whether the Bank of England will increase the Bank Base Rate continues; May was widely expected to see an increase, and many believe it still will. However, questions remain over whether inflation will be impacted enough to warrant further rate increases this year.
Inflation

BANK OF ENGLAND INFLATION REPORT (FEBRUARY 2018)
Inflation was 3.1% in November, triggering an exchange of letters between the Governor and the Chancellor. The current overshoot of inflation above the 2% target is almost entirely due to the effects of higher import prices following sterling’s depreciation, the contribution from which will dissipate in coming years. UK GDP growth is projected to remain around its current pace, a slightly stronger near-term outlook than in November, supported by strengthening global growth. While modest by historical standards, that pace of UK growth is more than sufficient to use up the limited slack remaining in the economy. Under a conditioning path that embodies just under three further 25 basis point rises in Bank Rate over the next three years, a small margin of excess demand emerges by early 2020 and builds thereafter. Inflation remains above the target as domestic inflationary pressures continue to firm.

BANK OF ENGLAND MPC MINUTES (MARCH 2018)
In February, twelve-month CPI inflation had fallen by 0.3 percentage points to 2.7%, 0.2 percentage points lower than had been expected at the time of the previous Inflation Report. That news had partly reflected changes to the CPI component weights by the ONS, which had pushed down on inflation. Annual core CPI inflation excluding energy, food, alcoholic beverages and tobacco had fallen from 2.7% in January to 2.4% in February.

In the MPC’s central projection in the February Inflation Report, CPI inflation was expected to ease gradually. The overshoot of inflation relative to the 2% target predominantly reflected the boost to import prices that had resulted from sterling’s depreciation following the vote to leave the European Union. The pass-through of the depreciation was likely to make a positive, but diminishing, contribution to inflation over the forecast period. By contrast, domestic cost pressures were expected to firm.

OFFICE FOR NATIONAL STATISTICS (MARCH 2018)
The Consumer Prices Index including owner occupiers’ housing costs (CPIH) 12-month inflation rate was 2.3% in March 2018, down from 2.5% in February 2018. Since reaching a recent high of 2.8% towards the end of 2017, the rate has fallen back to its lowest since March 2017.

The largest downward contribution to the change in the rate between February 2018 and March 2018 came from prices for clothing and footwear rising by less than they did a year ago, with the effect coming mainly from a range of items of women’s clothing.

Price movements for alcoholic drinks and tobacco also made a downward contribution to the change in the rate; this in part reflects changes to the Budget cycle that were introduced in 2017, with tax changes for tobacco being announced in November 2017 instead of March 2018.

The Consumer Prices Index (CPI) 12-month rate was 2.5% in March 2018, down from 2.7% in February 2018.
Employment

CIPD LABOUR MARKET OUTLOOK (WINTER 2017-18)
This latest report suggests that employers' demand for labour is likely to remain relatively strong in the near term. This quarter's net employment balance – which measures the difference between the proportion of employers who expect to increase staff levels and those who expect to decrease staff levels – has fallen to +16 from +18 in autumn 2017. As in recent reports, this figure remains well above the survey's historical average, which is consistent with the strong growth reported in the official data. Employment confidence remains much higher in the private sector (+22) and voluntary sector (+20) than in the public sector (−7).

Employment intentions remain strong in manufacturing (+20) and services (+20), which is broadly consistent with the most recent GDP figures. However, there is considerable variation across sub-sectors among employers who responded to the survey. Employment confidence is highest in the construction (+37), hospitality (+33) and business services (+30) sub-sectors. Meanwhile, it is lowest in healthcare (+6), education (+3) and public administration (−8).

BANK OF ENGLAND INFLATION REPORT (FEBRUARY 2018)
Unemployment remains at historically low levels and the MPC judges that very little slack remains in the economy. Notwithstanding a projected rise in structural productivity growth, potential supply growth is expected to be subdued. As a result, the pace at which output can grow without generating inflationary pressures is likely to remain modest.

The degree of slack in the labour market reflects the balance between companies' labour demand and the amount of labour supplied by households. Growth in labour demand is likely to have remained robust in recent quarters, with most indicators of employment intentions above their historical averages and the number of vacancies relative to the size of the labour force continuing to increase. As a result, employment growth has generally been solid. Although employment fell in Q3, these data tend to be volatile and employment growth rebounded in the three months to November.

Robust growth in employment over 2017 has resulted in a further tightening of the labour market. Survey measures of recruitment difficulties are above their past averages and most picked up further in Q4. The unemployment rate fell from 4.7% at the start of the year to 4.3% in the three months to November and is expected to remain at that level in coming months.

BANK OF ENGLAND MPC MINUTES (MARCH 2018)
Employment had grown by 0.5% in the three months to January compared with the three months to October, broadly consistent with expectations at the time of the February Inflation Report. The unemployment rate had fallen back to 4.3% in the three months to January, as expected. Surveys of firms' hiring intentions had remained robust. Job-to-job flow rates had continued to pick up in the fourth quarter and were now back to pre-crisis average levels, with voluntary job-to-job rates slightly above their pre-crisis average. Vacancies had also continued to pick up in the three months to February compared with the three months to November. Taken together with the continued strengthening in wage growth, these measures suggested that the labour market remained tight.
MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q2 2018)

UK employers report fair hiring prospects for the second quarter of 2018. With 8% of employers forecasting an increase in staffing levels, 2% expecting a decrease and 89% anticipating no change, the Net Employment Outlook is +6%. [...] Hiring intentions remain relatively stable both quarter-over-quarter and year-over-year.

Employers in all 12 regions expect staffing levels to increase during the coming quarter. The strongest labour market is forecast in the East [...]. Moderate payroll gains are anticipated in both the East Midlands and the West Midlands [closely followed by] the South West and the North West. Meanwhile, the weakest hiring pace is forecast by Yorkshire & the Humber employers [...].

Workforce gains are forecast for all nine industry sectors during Quarter 2 2018. A respectable increase in staffing levels is anticipated in both the Agriculture sector and the Utilities sector [...]. Elsewhere, modest hiring activity is expected in two sectors [...] – the Finance & Business Services sector and the Hotels & Retail sector. The most cautious outlooks [...] are reported in the Construction sector and the Mining sector.

IHS MARKIT / REC REPORT ON JOBS (APRIL 2018 PRESS RELEASE)

March data signalled a further sharp increase in permanent staff placements across the UK, with the pace of expansion edging up fractionally since February. In contrast, temp billings expanded at the weakest pace for over a year.

Staff vacancies continued to rise markedly at the end of the first quarter. This was despite growth of demand easing slightly to the lowest for 15 months, driven by a weaker upturn in temporary staff positions.

Overall candidate availability continued to decline sharply during March, though the latest reduction was the weakest seen for one year. A softer drop in permanent candidate supply contrasted with a slightly quicker deterioration in short-term staff availability.

[The Recruitment & Employment Confederation] director of policy Tom Hadley says:

“Permanent placements are growing month on month as demand for staff remains high. More people are entering employment, but it doesn’t make up for the shortfall of candidates for many roles, from cyber security and aerospace through to sewing machinists and drivers.”

TOM HADLEY
Director of Policy
The Recruitment & Employment Confederation
BANK OF ENGLAND INFLATION REPORT (FEBRUARY 2018)
Consistent with pay pressures starting to build as slack has been absorbed, data from the Annual Survey of Hours and Earnings suggest that pay growth for those switching jobs, rather than remaining in the same job, has returned to around its pre-crisis rate. Reports from the Bank’s Agents suggest that firms have targeted pay rises to those employees likely to switch jobs in recent years. The REC indicator also shows some rises in pay growth for new recruits. There are also signs that pay growth is starting to rise more broadly. Three-month regular pay growth relative to the previous three months has remained around 3% on an annualised basis, somewhat higher than expected in November. In addition, annual wage growth will be boosted over coming months as the weakness of pay in late 2016 and early 2017 drops out of the annual comparison.

Overall, regular pay growth is projected to rise in coming quarters, at a slightly faster pace than expected at the time of the November Report. In addition, slightly stronger-than-expected bonus payments are boosting total annual pay growth, which is expected to reach around 3% in 2018 Q1. Unit labour cost growth is expected to have risen in 2017 Q4, by more than anticipated in November, and to remain firmer as pay growth continues to outstrip productivity growth.

BANK OF ENGLAND MPC MINUTES (MARCH 2018)
Wage growth had risen in the latest labour market release, in line with expectations at the time of the February Report. Annual whole-economy total pay growth had picked up to 2.8% in the three months to January and whole-economy regular pay growth had risen to 2.6%. Surveys, including by the Agents, had also suggested higher pay deals since last autumn. These trends were consistent with the February Report projection of strengthening wage growth.

IHS MARKIT / REC REPORT ON JOBS (APRIL 2018 PRESS RELEASE)
Average starting salaries continued to increase sharply in March, despite the rate of inflation softening to a ten-month low. Pay for temporary/contract staff rose at the quickest pace since last September.

[The Recruitment & Employment Confederation] director of policy Tom Hadley says: “[...] employers are increasing starting pay to draw candidates away from current roles into new positions. Growth in pay for temporary roles especially is accelerating. [...] Candidates planning to move jobs have a strong chance of getting a pay rise. With inflation outstripping pay growth for over a year now, high pay offers will be tempting, as the pressure on starting salaries still isn’t translating into pay rises for staff who stay put. Employers need to look at other means to keep staff, such as creating a good workplace culture and offering progression opportunities.”

ONS AVERAGE WEEKLY EARNINGS (APRIL 2018)
Latest estimates show that average weekly earnings for employees in Great Britain in nominal terms (that is, not adjusted for price inflation) increased by 2.8%, both excluding and including bonuses, compared with a year earlier.

Latest estimates show that average weekly earnings for employees in Great Britain in real terms (that is, adjusted for price inflation) increased by 0.2% excluding bonuses, and by 0.1% including bonuses, compared with a year earlier.
Pay Settlements - Historic

**Croner Pay Awards & Forecasts (February 2018)**
[Figures collected by Croner Reward for February 2018 reveal that] including pay freeze, the average settlement for the year is 2.0%, which has decreased by 0.1 since last month. [Excluding pay freezes the] average settlement for the year is 2.1%, which has stayed the same since the previous month. The overall percentage of companies reporting a pay freeze has increased from 4.3% to 5%.

**XpertHR – Reported in Personnel Today (March 2018)**
In the three months to the end of February, XpertHR found there was a 2.5% median basic pay increase, based on data from 169 pay awards.

Almost six in 10 (57.3%) of pay awards were higher than the increase received by the same group of employees last year. Only a quarter (26%) of pay awards were the same, while 16.8% were lower.

The median pay award in the private sector was 2% over the 12 months to the end of February, compared with 1% for public sector organisations.

**Labour Research Department (March 2018)**
The median increase in pay in the three months to February 2018 was 3.0%. The median increase in the lowest pay rate was also 3.0%

**Paydata’s PAYaward Pay Settlement Database (April 2018)**
Our PAYaward database reports that the median pay settlement across all industries stands at 2.0% for the 12 months to April 2018 with an inter-quartile range from 2.0% to 2.7%. Four companies have reported a pay freeze in the 12 months to April 2018.

The highest recorded median pay awards stood at 2.5% in each of the following sectors:

- IT, Telecommunications and Technology
- Construction and Business Services
- Financial Services

<table>
<thead>
<tr>
<th>Year</th>
<th>Pay Settlement (Median)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2.0%</td>
</tr>
<tr>
<td>2018</td>
<td>2.5%</td>
</tr>
<tr>
<td>2018</td>
<td>3.0%</td>
</tr>
<tr>
<td>2018</td>
<td>Paydata</td>
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<tr>
<td></td>
<td>Croner</td>
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<td></td>
<td>XpertHR</td>
</tr>
<tr>
<td></td>
<td>Labour Research Department</td>
</tr>
<tr>
<td></td>
<td>Paydata</td>
</tr>
</tbody>
</table>
Pay Settlements - Predictive

CIPD LABOUR MARKET OUTLOOK (WINTER 2017-18)
In a continuation of recent trends, wage growth is projected to remain subdued in the year ahead according to the survey data. Median basic pay expectations for the year ahead are 2%, which is consistent with recent Labour Market Outlook reports and suggests that there is unlikely to be significant upward pressure on wage growth in the near term at least. This is despite signs that further labour market expansion is being constrained by a lack of supply of skilled and unskilled staff in some sectors, with about two-thirds of employers reporting they have vacancies which are difficult to fill.

CRONER PAY AWARDS & FORECASTS (FEBRUARY 2018)
Excluding pay freeze, the average forecast for the next quarter is 2.3%, which has fallen by 0.1% since last month. The average forecast for the next quarter is 2.3%, which has gone down by 0.1% since previous month.

XPERTHR – REPORTED IN PERSONNEL TODAY (MARCH 2018)
Pay awards in 2018 are expected to be at their highest in almost four years, with employers planning to increase their pay by an average of 2.5% over the coming year, according to XpertHR.

Of the organisations surveyed, the most common pay award prediction remained at 2%, with 28.9% of employers expecting to offer this level of increase. One in 10 (11.4%) employers forecast a pay increase of 4% or more, while just 5.3% of employers predicted a pay freeze.

[... ] pressure to increase pay awards came from recruitment and retention issues and an awareness of what other organisations were paying their staff. One-third (32.5%) of employees expected to receive a higher pay increase than they did last year – the highest proportion found by XpertHR since 2011.

XpertHR pay and benefits editor Sheila Attwood said:
“It is several years since employers have been so optimistic about prospects for pay rises. If private sector pay awards stick at 2.5% over the course of the year, this will mark the first time since 2012 that increases have been consistently above 2%.”

PAYDATA UK REWARD MANAGEMENT SURVEY (SPRING 2018)
Every year we capture participants’ expectations for future pay review budgets. Provisional results from the latest running of the survey show that median pay budget expectations are slightly higher for 2018 than predicted in autumn 2017: up from 2.30 per cent to 2.50 per cent, whilst the interquartile range is expected to remain between 2.00 and 2.70 per cent.

Looking at general trends that have emerged since the survey began nine years ago:
• Pay freezes are becoming rarer;
• Whilst edging upwards, the most common budgetary increase remains between two and three per cent; and
• Budgets of over four per cent are few and far between.

It is several years since employers have been so optimistic about prospects for pay rises. If private sector pay awards stick at 2.5% over the course of the year, this will mark the first time since 2012 that increases have been consistently above 2%.”

SHEILA ATTWOOD
Pay and Benefits Editor
XpertHR

Take part in the latest running of our UK Reward Management Survey here. Covering the usual pay and bonus outlook, this edition also looks at the impact of gender pay reporting and the apprenticeship levy. All participants receive a free copy of the survey report.
# PAYstats at a glance

Our round-up of key statistics, covering inflation, employment and average earnings.

<table>
<thead>
<tr>
<th>Consumer Price Index</th>
<th>CPIH ^</th>
<th>Retail Price Index ^^</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2.5%</strong>&lt;br&gt;March 2018</td>
<td><strong>2.3%</strong>&lt;br&gt;March 2018</td>
<td><strong>3.4%</strong>&lt;br&gt;March 2018</td>
</tr>
</tbody>
</table>

## Employment

- **32.3m** employed, up 1.3% on last quarter.
- **815,000** vacancies, up 5.7% on last quarter.
- **107,000** redundancies, down 12% on last quarter.
- **1.4m** unemployed, down 8.7% on last quarter.

## Earnings

- **2.9%** increase in whole economy average earnings, excluding bonuses, for the 12 months to February 2018, up by 0.2% on last month.
- **2.3%** increase in whole economy average earnings, including bonuses for the 12 months to February 2018, down by 0.5% on last month.

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Notes: ^ Consumer Prices Index including owner occupiers' housing costs (CPIH) was re-designated as a National Statistic on 31 July 2017. ^^ RPI has lost its designation as a National Statistic but is still used for some indexing purposes. ONS has ceased publication of RPIJ as of March 2017.

Data source: Adapted from data from the Office for National Statistics licensed under the Open Government Licence v.1.0. Please note the specific definitions for the measures above vary.

April 2018: PAYstats Pay and Labour Market Statistics
PAYstats in detail

**EMPLOYMENT** (seasonally adjusted, change calculated for last 12 months)

<table>
<thead>
<tr>
<th>Reference Period</th>
<th>Jobs *</th>
<th>Redundancies **</th>
<th>Vacancies</th>
<th>Unemployment *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>000's</td>
<td>Change</td>
<td>000's</td>
<td>Change</td>
</tr>
<tr>
<td>All UK</td>
<td>32,262</td>
<td>1.3%</td>
<td>107</td>
<td>-12.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Industry</th>
<th>Jobs *</th>
<th>Redundancies **</th>
<th>Vacancies</th>
<th>Unemployment *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>000's</td>
<td>Change</td>
<td>000's</td>
<td>Change</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2,689</td>
<td>2.1%</td>
<td>11</td>
<td>-51.2%</td>
</tr>
<tr>
<td>Construction</td>
<td>2,302</td>
<td>2.8%</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Wholesale, retail &amp; motor repair</td>
<td>4,963</td>
<td>-0.3%</td>
<td>14</td>
<td>-22.7%</td>
</tr>
<tr>
<td>Transport &amp; storage</td>
<td>1,785</td>
<td>2.5%</td>
<td>23</td>
<td>60.7%</td>
</tr>
<tr>
<td>Accommodation &amp; food services</td>
<td>2,378</td>
<td>0.2%</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Info &amp; communications</td>
<td>1,445</td>
<td>1.9%</td>
<td>***</td>
<td>***</td>
</tr>
<tr>
<td>Financial &amp; insurance</td>
<td>1,134</td>
<td>0.6%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Real estate</td>
<td>571</td>
<td>4.0%</td>
<td>***</td>
<td>***</td>
</tr>
<tr>
<td>Public admin, defence, social security</td>
<td>1,491</td>
<td>1.6%</td>
<td>27</td>
<td>-8.5%</td>
</tr>
<tr>
<td>Education</td>
<td>2,917</td>
<td>-1.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health &amp; social work</td>
<td>4,408</td>
<td>2.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other services</td>
<td>957</td>
<td>2.7%</td>
<td>***</td>
<td>***</td>
</tr>
</tbody>
</table>

**AVERAGE EARNINGS** (seasonally adjusted)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Excluding bonuses</th>
<th>Including bonuses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Change from 12 months ago</td>
<td>% point change since last month</td>
</tr>
<tr>
<td>Whole economy</td>
<td>2.9%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Private</td>
<td>3.0%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Public</td>
<td>2.5%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Services</td>
<td>2.9%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Finance &amp; business services</td>
<td>3.2%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Public sector exc. Financial services</td>
<td>2.6%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2.8%</td>
<td>No change</td>
</tr>
<tr>
<td>Construction</td>
<td>4.0%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Wholesale, retail, hotels &amp; restaurants</td>
<td>2.7%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Notes: * Sector breakdown as at December 2017; ** Not seasonally adjusted; *** Sample size too small to be shown
## Current Rates

### National Minimum Wage (NMW)

For more information: www.gov.uk

<table>
<thead>
<tr>
<th>Group</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers 21 years and over</td>
<td>£7.38</td>
</tr>
<tr>
<td>Workers 18-20 years old</td>
<td>£5.90</td>
</tr>
<tr>
<td>Workers 16-17 years old</td>
<td>£4.20</td>
</tr>
</tbody>
</table>

Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.

Apprentice minimum wage rate for:
- apprentices under 19 years old
- apprentices aged 19 and over, but in the first year of their apprenticeship

### National Living Wage

For more information: www.gov.uk

The compulsory National Living Wage (NLW) was introduced in April 2016. The NLW effectively increases the National Minimum Wage for workers aged 25 and over.

<table>
<thead>
<tr>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>£7.83</td>
</tr>
</tbody>
</table>

### Living Wage

For more information: www.livingwage.org.uk

The Living Wage is set independently and calculated according to the basic cost of living in the UK.

- UK hourly rate: £8.75
- London hourly rate: £10.20

### Statutory Maternity Pay

For more information: www.gov.uk

Statutory Maternity Pay is paid for up to 39 weeks:
- the first 6 weeks: 90 per cent of average weekly earnings (AWE) before tax
- the remaining 33 weeks: £140.98 or 90 per cent of AWE (if lower)

Statutory Maternity Pay:
- 1 or 2 weeks consecutive leave: £140.98 or 90 per cent of AWE (if lower)

### Statutory Paternity Pay

- 1 or 2 weeks consecutive leave: £140.98 or 90 per cent of AWE (if lower)

### Statutory Adoption Pay

For more information: www.gov.uk

Statutory Adoption Pay is paid for up to 39 weeks:
- the first 6 weeks: 90 per cent of AWE before tax
- the remaining 33 weeks: £140.98 or 90 per cent of AWE (if lower)

### Statutory Sick Pay

For more information: www.livingwage.org.uk

<table>
<thead>
<tr>
<th>Rate</th>
<th>Maximum Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>£89.35</td>
<td>28 weeks in any 3 years</td>
</tr>
</tbody>
</table>

### Statutory Redundancy Pay

For more information: www.gov.uk

Statutory redundancy pay rates are based on age and length of employment:
- 1.5 weeks’ pay for each year of employment after their 41st birthday
- 1 week’s pay for each year of employment after their 22nd birthday
- 0.5 week’s pay for each year of employment up to their 22nd birthday

Calculation of age and service is counted back from the date of dismissal.

Maximum pay £489 per week, up to a rate of £14,670

### Working Time

For more information: www.gov.uk

Basic entitlement for workers aged 18 and over:
- 5.6 weeks holiday a year
- Work no more than 6 days out of every 7, or 12 days out of every 14
- A 20 minute break if more than 6 hours worked continuously
- Work a maximum 48-hour average week

Workers aged 16 and 17 are entitled to:
- Take at least 30 minutes break if more than 4.5 hours worked continuously
- Work no more than 8 hours a day and 40 hours a week
- Have 12 hours rest between working days and 2 days off every week
- 5.6 weeks holiday a year
Job evaluation can help to create order and structure in your pay arrangements, whilst providing a sound structure for conducting an equal pay audit.

It is a great way of adding value to your reward strategy by making sure your people are rewarded fairly for the work they do, relative to others in the business.

If you need to grade every job in your organisation, PAYgrade job evaluation software offers a quick and simple solution for you.

Visit www.paydata.co.uk to find out how Paydata helped L&Q streamline their approach to job evaluation, grading and pay.

Create order and structure in your pay arrangements

Why use PAYgrade?
PAYgrade has been designed by, and for, HR professionals to be:

- **Simple**
  Designed to be simple and logical to use, but flexible enough to accommodate the myriad of jobs that organisations employ.

- **Efficient**
  PAYgrade’s quick and easy-to-use format means you will spend less time grading jobs.

- **Secure**
  Via a secure online log-in, PAYgrade is easy to access for all users from anywhere in the world.

- **Global**
  PAYgrade is suitable for all types and sizes of organisation that need a reliable, easy-to-use job grading system.

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