Paydata
making lives better at work

Paydata Business Insight
National Statistics

January 2021: PAYstats Pay and Labour Market Statistics

Quarterly Edition

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AIMS

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

- The Consumer Prices Index (CPI) 12-month rate was 0.6% in December 2020, up from 0.3% in November.
- The UK unemployment rate, in the three months to November 2020, was estimated at 5.0%, 1.2 percentage points higher than a year earlier and 0.6 percentage points higher than the previous quarter.
- Growth in average total pay (including bonuses) among employees for the three months September to November 2020 increased to 3.6%, and growth in regular pay (excluding bonuses) also increased to 3.6%.
- The weakness in underlying pay growth is likely to reflect slack in the labour market; it may also reflect some cash constraints within firms. With unemployment likely to rise further in the near term, underlying pay growth is expected to remain subdued.

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

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Inflation

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2020)
Twelve-month CPI inflation increased to 0.5% in September, but remained well below the MPC's 2% target, largely reflecting the direct and indirect effects of Covid on the economy. These include the temporary impact of lower energy prices and the reduction in VAT, as well as some downward pressure from spare capacity. CPI inflation is expected to remain at, or just above, 0.5% during most of the winter, before rising quite sharply towards the target as the effects of lower energy prices and VAT dissipate. In the central projection, conditioned on prevailing asset prices, inflation is projected to be 2% in two years' time.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2020)
Twelve-month CPI inflation had fallen to 0.3% in November from 0.7% in October, with core CPI inflation, excluding energy, food, beverages and tobacco, declining from 1.5% to 1.1%. Both of these measures had continued to be depressed by the temporary reduction in the VAT rate for hospitality, holiday accommodation and attractions. Acting in the other direction, second-hand car prices had risen strongly recently, reflecting an increase in demand during the pandemic and tight supply conditions in that market. Bank staff expected CPI inflation to be at or slightly above 0.5% during the rest of the winter. Headline inflation was then projected to rise quite sharply in the spring, to 1.5%, or slightly above, as the VAT cut came to an end and the large fall in energy prices earlier this year dropped out of the annual comparison.

OFFICE FOR NATIONAL STATISTICS (DECEMBER 2020)
The Consumer Prices Index including owner occupiers' housing costs (CPIH) 12-month inflation rate was 0.8% in December 2020, up from 0.6% in November. The largest contribution to the CPIH 12-month inflation rate came from recreation and culture (0.35 percentage points).

Rising transport costs contributed 0.11 percentage points to the monthly change, while increasing prices for clothing, and recreation and culture items both contributed 0.10 percentage points to help increase inflation; these were partially offset by a downward contribution from falling food and non-alcoholic beverage prices.

On a monthly basis, the CPIH grew by 0.2% in December 2020, following a 0.1% fall in November.

The Consumer Prices Index (CPI) 12-month rate was 0.6% in December 2020, up from 0.3% in November; on a monthly basis, CPI grew by 0.3% in December 2020, following a 0.1% fall in November.

"Bank staff expected CPI inflation to be at or slightly above 0.5% during the rest of the winter. Headline inflation was then projected to rise quite sharply in the spring, to 1.5%, or slightly above, as the VAT cut came to an end and the large fall in energy prices earlier this year dropped out of the annual comparison."

BANK OF ENGLAND MPC MINUTES
December 2020

Employment

CIPD LABOUR MARKET OUTLOOK (AUTUMN 2020)

This quarter's net employment balance figure for the whole economy, which measures the difference between the proportion of employers who expect to increase staff levels and those who expect to decrease staff levels, is –1. This is an improvement from the previous quarter (–8) and the highest score since the onset of the pandemic. However, it is down 22 percentage points from the winter 2019/20 quarter.

When asked what the overall effect of recruitment and redundancies will be in this quarter of 2020, 44% of organisations surveyed say they will maintain total staff levels. Around a quarter (24%) plan to increase staff levels, while 25% expect a decrease – down four percentage points since summer 2020.

Additionally, there has been a modest increase in the proportion of those who could not give an answer as to whether they plan to increase or decrease staff levels, up from 5% in the summer quarter to 7% in this report.

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2020)

The LFS unemployment rate rose to 4.5% in the three months to August, but it is likely that labour market slack has increased by more than implied by this measure. The extended Coronavirus Job Retention Scheme and new Job Support Scheme will mitigate significantly the impact of weaker economic activity on the labour market. The unemployment rate is expected to peak at around 7.75% in 2021 Q2. Beyond that point, spare capacity is expected to be eroded as activity picks up, and a small degree of excess demand emerges over the second half of the forecast period.

Some companies have made redundancies, mainly those in sectors most severely affected by the pandemic, such as hospitality, retail, travel, leisure, automotive, aviation and oil and gas. Other companies have reported that changes to working practices as a result of lockdown had enabled them to review processes and make modest reductions to headcount to cut costs. However, a few contacts who thought demand might recover next year said they planned to reduce hours rather than cut jobs, in order to retain skilled staff. Employment intentions remained very weak overall, though contacts in some sectors reported taking on staff to meet increased demand.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2020)

The LFS unemployment rate had risen to 4.9% in the three months to October and it remained likely that labour market slack had increased to a greater extent than implied by this measure. The number of people reporting redundancy in the three months prior to interview had reached a record high in the three months to October. LFS employment had fallen by 0.4% in the three months to October, with that decline more than accounted for by the weakness in self-employment. The number of LFS employees had risen by 39,000 over this period and also by 26,000 since the onset of the pandemic. In marked contrast, HMRC employee numbers had fallen by around 770,000 since February, while the ONS's Workforce Jobs-based estimate of employees, derived from a survey of employers, had shown a 680,000 fall in 2020 Q3 relative to Q1. There was increasing evidence that those workers who had moved from unemployment to inactivity during the early stages of the pandemic had now resumed their search for a job. The average number of hours worked had

-1

this quarter's net employment balance

44%

of organisations surveyed said they will maintain total staff levels increased further in the three months to October, but remained well below its 2019 Q4 level.

On 5 November, the Government had announced that the Coronavirus Job Retention Scheme (CJRS) would be extended until the end of March, with employees receiving 80% of their current salary for hours not worked. Support through the Self-Employment Income Support Scheme had also been increased, with the third grant covering November to January calculated at 80% of average trading profits, up to a maximum of £7,500. Taken in isolation, these announcements were consistent with a lower path for unemployment through the winter compared with the profile in the November Report, while providing material additional support to household incomes. According to the latest ONS Business Impact of Covid-19 Survey, the preliminary estimate of the number of private sector employees using the CJRS had risen to 3.4 million employees over the month of November, somewhat lower than had been assumed in the November Report.

Other timely labour market news had been mixed since the Committee's previous meeting. The number of potential redundancies identified through HR1 notifications had continued to fall through much of November, although a degree of uncertainty surrounded these estimates. Employment intentions across a range of measures had remained materially below historical averages, despite recent rises. The stock of job vacancies had continued to recover but had remained well below levels at the start of the year, indicating continuing weakness in labour demand.

OFFICE FOR NATIONAL STATISTICS (JANUARY 2021)

The UK employment rate, in the three months to November 2020, was estimated at 75.2%, 1.1 percentage points lower than a year earlier and 0.4 percentage points lower than the previous quarter.

The UK unemployment rate, in the three months to November 2020, was estimated at 5.0%, 1.2 percentage points higher than a year earlier and 0.6 percentage points higher than the previous quarter.

In the three months to November 2020, the redundancy rate reached a record high of 14.2 per thousand. Early estimates for December 2020 indicate that the number of payrolled employees fell by 2.7% compared with December 2019, which is a fall of 793,000 employees; since February 2020, 828,000 fewer people were in payrolled employment.

The Claimant Count increased slightly in December 2020, to 2.6 million; this includes both those working with low income or hours and those who are not working.

There were an estimated 578,000 vacancies in the UK in October to December 2020; this is 224,000 fewer than a year ago and 81,000 more than the previous quarter.

MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q1 2021)

Employers in the UK report downbeat hiring intentions for the first quarter of 2021. While 5% of employers expect to increase payrolls, 11% anticipate a decrease and 82% forecast no change, resulting in a Net Employment Outlook of -6%.

Once the data is adjusted to allow for seasonal variation, the Outlook also stands at -6%. Hiring sentiment improves by two percentage points when compared with the previous quarter, but declines by seven percentage points in comparison with last year at this time.

Employers in 10 of the 12 regions expect a decline in payrolls during the first quarter of 2021. The weakest hiring pace is anticipated by employers in Northern Ireland [...].

> **"The headline numbers are steadily moving in the right direction, and we are seeing a continued resurgence in key sectors like finance and business giving us reasons to be cheerful as we head into 2021."**
>
> **MARK CAHILL**
> Managing Director
> ManpowerGroup UK

In London, employers report gloomy hiring prospects […], [as do] the North East and Scotland […]. However, workforce gains are anticipated in two regions, including the East Midlands […].

In seven of the nine industry sectors, employers expect to trim payrolls during the January to March period. The weakest labour markets are anticipated in the Transport & Communications sector and the Hotels & Retail sector […], while Community & Social sector employers report a sluggish Outlook […]. Meanwhile, limited job gains are forecast for two sectors […] – the Utilities sector and the Finance & Business Services sector.

In a quarter-over-quarter comparison, hiring prospects strengthen in five of the nine industry sectors. The most notable improvements […] are reported in the Finance & Business Services sector and the Construction sector […]. However, Outlooks weaken in four sectors, including a considerable decline […] for the Agriculture sector.

Mark Cahill, Managing Director, ManpowerGroup UK says:

"The headline numbers are steadily moving in the right direction, and we are seeing a continued resurgence in key sectors like finance and business giving us reasons to be cheerful as we head into 2021. However, despite this positive trajectory, the UK remains the least optimistic in Europe, with continued uncertainty over Brexit and the effects of a second COVID-19 wave still looming large. Looking further ahead, our data also shows that only 49% of employers expect their hiring to return to pre-pandemic levels within the next 12 months."

KPMG / REC REPORT ON JOBS (JANUARY 2021 PRESS RELEASE)

December survey data revealed the first increase in permanent staff appointments since September, albeit one that was only slight. Recruiters indicated that the upturn was driven by increased market activity and greater confidence, partly due to recent vaccine news. Nonetheless, lingering uncertainty over the COVID-19 pandemic and Brexit led to the strongest increase in temp billings for over two years as companies opted to take on short-term workers.

Total demand for workers improved for the first time since September, albeit only slightly. The upturn was predominantly driven by an increase in temporary vacancies, the sharpest for 18 months, as demand for permanent staff expanded only marginally.

Redundancies related to the pandemic and fears over current job security drove a further marked increase in the availability of both permanent and short-term staff in December. That said, the overall rate of expansion was the softest recorded since April.

Neil Carberry, Chief Executive of the REC, said:

"The underlying strength of the British economy shone through in the December jobs figures. The biggest expansion in temporary recruitment since October 2018 shows how important the flexible jobs market is to that performance. Growing permanent placements and starting pay also emphasised the resilience of our economy.

"The important thing now is to maintain as much of that momentum as possible through the new lockdown. With business cashflows under renewed pressure, helping employers protect and create jobs is essential."

"The biggest expansion in temporary recruitment since October 2018 shows how important the flexible jobs market is to that performance. Growing permanent placements and starting pay also emphasised the resilience of our economy."

NEIL CARBERRY
Chief Executive
REC

Earnings

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2020)

Pay growth has been volatile since the start of the year. In large part that reflects workers moving onto the CJRS — which provided them with up to 80% of their usual wage while furloughed — and then coming off. Pay fell sharply in March and April, then picked up as the number of furloughed employees decreased.

Smoothing through this volatility, pay pressures are muted. Agency intelligence suggests that the pay of non-furloughed workers stayed broadly flat during the pandemic, and median pay settlements fell to zero in Q3. The weakness in underlying pay growth is likely to reflect slack in the labour market; it may also reflect some cash constraints within firms. With unemployment likely to rise further in the near term, underlying pay growth is expected to remain subdued.

While pay pressures appear muted, the actual cost to business of producing a unit of output is likely to have increased because the productivity of the workforce fell by more than wages during the pandemic. Recent data on productivity and unit labour costs have been very volatile, partly reflecting the impact of government furlough schemes. As a result, it will take some time for the underlying trends in the data to become clear.

Pay freezes were widespread, and there were some reports of temporary pay cuts, though these were usually at management level.

KPMG / REC REPORT ON JOBS (JANUARY 2021 PRESS RELEASE)

UK recruitment consultancies signalled a tentative improvement in pay trends for both permanent and temporary workers in December. Starting salaries and temp wages both increased for the first time since March. That said, permanent pay rose only fractionally and the upturn in temp wages was mild overall.

ONS AVERAGE WEEKLY EARNINGS (JANUARY 2021)

Growth in average total pay (including bonuses) among employees for the three months September to November 2020 increased to 3.6%, and growth in regular pay (excluding bonuses) also increased to 3.6%.

“

The weakness in underlying pay growth is likely to reflect slack in the labour market; it may also reflect some cash constraints within firms. With unemployment likely to rise further in the near term, underlying pay growth is expected to remain subdued.”

BANK OF ENGLAND MONETARY POLICY REPORT
November 2020

Pay Settlements - Historic

BANK OF ENGLAND MPC MINUTES (DECEMBER 2020)

Private-sector regular Average Weekly Earnings (AWE) had risen by 2.4% in the three months to October compared to a year earlier, stronger than expected in the November Report. Part of the recent increase in earnings growth was likely to have reflected some employees previously on the CJRS returning to work, as well as compositional effects from the sectoral skew of employment losses towards industries with lower-paid employees. On an underlying basis, pay growth appeared closer to zero over the past few months. That was consistent with other indicators such as business surveys. The Bank's Agents had continued to report widespread cases of pay being frozen or settlements deferred, and most contacts had expected pay growth to be restrained in 2021.

XPERTHR – REPORTED IN PERSONNEL TODAY (DECEMBER 2020)

The headline pay award in the three months to the end of November 2020 remained at 2% – unchanged from the previous rolling quarter. The median pay award, identified by XpertHR, was calculated based on a sample of 53 pay awards effective between 1 September and 30 November [...].

Half of the pay awards made during this period were lower than the same employee group received in the previous year. Almost a third (32.5%) of awards were at the same level, while just 17.5% were higher. Just over a quarter (26.3%) of settlements were a pay freeze for employees, while 32.1% saw their pay increase by 2%. The pay awards in the sample analysed by XpertHR ranged from 0.6% to 6.6%.

XpertHR pay and benefits editor Sheila Attwood said:

"Many organisations are continuing to struggle with giving even a small pay rise to staff, with the proportion of pay freezes sitting well above trend levels. Given the ongoing Covid-19 situation and Brexit uncertainty, we expect a subdued start to pay bargaining in the new year too."

LABOUR RESEARCH DEPARTMENT (JANUARY 2021)

The median increase in pay in the three months to December 2020 was 2.5%. The median increase in the lowest pay rate was also 2.5%. However these figures are based on a small number of pay settlements.

INCOMES DATA RESEARCH (DECEMBER 2020 PRESS RELEASE)

According to the latest monitoring figures by [. . .] Income Data Research (IDR), pay freezes have accounted for 16% of all pay outcomes this year [2020] - a sharp rise from around 3% in 2019.

In 2020 the proportion of pay freezes grew from 9% in the first quarter of the year to 15% in the second quarter. Pay freezes peaked over the summer (from May - July) at 34%, but have since fallen to 21% for the three months to October. IDR's analysis is based on a sample of 352 pay awards effective between 1 January and 31 December 2020 where the median pay rise is 2.4%.

PAYDATA PAY DATABASE (JANUARY 2021)

Paydata's pay database shows a median pay review of 2.0 per cent for the 12 months to January, with an interquartile range of between 1.95 and 2.5 per cent. The most common pay award remains two per cent. 15 per cent of organisations have said they have frozen pay in the last 12 months.

Pay Settlements

2.4%
Bank of England

2.0%
XpertHR

2.5%
Labour Research Department

2.4%
Labour Research Department

2.0%
Paydata

Pay Settlements - Predictive

> 60% of employers that plan to carry out a pay review over the next 12 months cannot yet specify the outcome of their next pay award."
>
> **CIPD LABOUR MARKET OUTLOOK**
> Autumn 2020

CIPD LABOUR MARKET OUTLOOK (AUTUMN 2020)

Around seven in ten (73%) employers surveyed intend to review their wages over the next 12 months, with 13% of employers expecting this to be between September and November 2020. However, 27% say they have no intention of carrying out a pay review over the next 12 months, which is broadly consistent with the summer quarter (29%).

In line with the summer report, pay intentions among those employers that plan to carry out a pay review in the 12 months to September 2021 remain low by historical standards. Overall, employers say that the median basic pay increase in their organisation will be 1%, which remains unchanged from the summer quarter. Basic pay (excluding bonuses, increments, overtime and performance-related pay) in the private sector has fallen to 0%, down from 0.8% in the summer quarter. By comparison, public sector employees should expect to receive a median increase of 2.0% at their next pay award. Median basic pay expectations in the voluntary/not-for-profit sector are 1.7%.

This pay data should be treated with a degree of caution because 59% of employers that plan to carry out a pay review over the next 12 months cannot yet specify the outcome of their next pay award. Overall, among those who report an expected increase, decrease or pay freeze in the next 12 months, the proportion of employers predicting a pay freeze is 41%, roughly in line with the summer quarter (36%). This is largely driven by private sector employers (51%), who are significantly more likely than public sector employers (21%) to report a freeze. Nonetheless, over four in ten (44%) LMO employers surveyed expect their next pay reviews (excluding bonuses) to be 2% or more, the same proportion as reported in the summer.

WILLIS TOWERS WATSON– REPORTED IN PERSONNEL TODAY (DECEMBER 2020)

Private sector workers are set to receive average pay rises of 2.4% in 2021, up from an average of 2.2% in 2020 according to salary forecast research. The number of UK companies expecting to freeze pay in 2021 is expected to fall sharply, in a sign of cautious optimism for 2021. According to Willis Towers Watson's Salary Budget Planning report, one third of private sector companies froze pay increases in 2020 as they curtailed costs amid the Covid-19 pandemic. But this is expected to fall to just 3% of companies in 2021.

PAYDATA UK REWARD MANAGEMENT SURVEY (AUTUMN 2020)

Every year we capture participants' expectations for future pay review budgets. Pay freezes are set to continue into 2021, with 16 per cent of respondents projecting their use in the year ahead. The majority of respondents predict up to two per cent will be the most common increase, with 56 per cent expecting to award this pay increase.

The lower levels of pay increases reflected in the 2021 pay levels may be the aftershock of the events of 2020 given that nearly half of the respondents reported that this year's pay review had gone ahead as planned. It may also reflect the fact that no one knows what life post-pandemic truly looks like yet.

To take part in our Spring UK Reward Management Survey and receive a copy of the free participant report, please register here.

PAYstats at a glance

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

Consumer Price Index	CPIH ^	Retail Price Index ^^
0.6%	**0.8%**	**1.2%**
December 2020	December 2020	December 2020

Employment

32.5m

employed, down 1.2% on last year.

395,000

redundancies, up 244.2% on last year.

578,000

vacancies, down 27.9% on last year.

1.7m

unemployed, up 32% on last year.

4.2%

change in whole economy average earnings, excluding bonuses, for the 12 months to November 2020, up 0.6% from last month.

4.4%

change in whole economy average earnings, including bonuses for the 12 months to November 2020, up 0.7% on last month.

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.

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.

PAYstats in detail

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

	Jobs *		Vacancies		Redundancies		Unemployment	
Reference Period	Sep - Nov 2020		Oct - Dec 2020		Sep - Nov 2020		Sep - Nov 2020	
	000's	Change	000's	Change	000's	Change	000's	Change
All UK	32,503	-1.2%	578	-27.9%	395	244.2%	1,724	32%
Manufacturing	2,579	-4.2%	42	-19.1%				
Electricity & gas supply	146	2.8%	3	0%				
Water, sewerage & waste	211	-4.1%	3	-11.1%				
Construction	2,223	-3.8%	28	8.3%				
Wholesale, retail & motor repair	4,890	-2.3%	71	-45.7%				
Info & communications	1,466	-2.3%	32	-20.9%				
Financial & insurance	1,135	-0.7%	20	-36.7%				
Real estate	632	2.9%	12	-2.5%				
Prof. scientific & technical	3,165	-1.2%	63	-17.8%				
Administrative & support	2,805	-7.9%	34	-38.6%				
Public admin, defence, social security	1,565	2.7%	25	4.7%				
Education	2,935	-0.5%	40	-22.1%				
Health & social work	4,369	-1.3%	128	-7.4%				
Other services	924	-4.2%	11	-42.9%				

AVERAGE EARNINGS (seasonally adjusted)

	Excluding bonuses		Including bonuses	
November 2020	Change from 12 months ago	% point change since last month	Change from 12 months ago	% point change since last month
Whole economy	4.2%	0.6%	4.4%	0.7%
Private	4.1%	0.7%	4.3%	0.8%
Public	4.2%	0.2%	4.3%	0.3%
Services	4.9%	0.7%	5.2%	0.8%
Finance & business services	5.8%	1.1%	6.2%	0.4%
Public sector exc. Financial services	4.2%	0.2%	4.4%	0.4%
Manufacturing	1.4%	0.1%	1.5%	0.9%
Construction	0.7%	0.4%	0.7%	1.0%
Wholesale, retail, hotels & restaurants	3.5%	-0.3%	4.2%	0.0%

Notes: * Sector breakdown as at September 2020.

Current Rates

NATIONAL MINIMUM WAGE (NMW)

For more information: www.gov.uk

Workers 21 years and over: Workers 18-20 years old: Workers 16-17 years old:	£8.20 (£8.36) £6.45 (£6.56) £4.55 (£4.62)
Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.	£8.20 (£8.36)
Apprentice minimum wage rate for: - apprentices under 19 years old - apprentices aged 19 and over, but in the first year of their apprenticeship	£4.15 (£4.30)

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.	£8.72 (£8.91 inc. 23 years and over)

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:	£9.50
- London hourly rate:	£10.85

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: £151.20 (£151.97) or 90 per cent of AWE (if lower)

Statutory Paternity Pay:
- 1 or 2 weeks consecutive leave: £151.20 (£151.97) or 90 per cent of AWE (if lower)

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: £151.20 (£151.97) or 90 per cent of AWE (if lower)

STATUTORY SICK PAY

For more information: www.livingwage.org.uk

Standard weekly rate	£95.85 (£96.35)
Maximum period	28 weeks in any 3 years

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

Length of service is capped at 20 years.

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

For redundancies made on or after 6 April 2020, the weekly pay is capped at £538 and the maximum statutory redundancy pay is £16,140. If redundancy was made before 6 April 2020, these amounts will be lower.

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

* Figures in brackets effective from April 2021

How can we help?

Committed to making lives better at work, Paydata has over 20 years' experience in helping HR professionals manage their pay and reward practices.

We provide the expertise, insights and tools to help you align your reward management practices with your overall business strategy. We will work closely with you to unlock the full potential of your employees. By understanding your business challenges and your culture, we can identify exactly what it takes to attract and retain your key people and achieve:

- Happier, more motivated staff
- Fair, equitable organisational policies
- Improved returns for your payroll spend

Pay Benchmarking

Reward Strategy and Design

Job Evaluation

Pay Review

Pay Structure

Equal Pay Audits

Research and Insights

To discover more and to discuss your requirements, please contact us today on **+44 (0)1733 391 377** or via **info@paydata.co.uk**

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