Paydata Business Insight
National Statistics

April 2021: PAYstats Pay and Labour Market Statistics

Quarterly Edition

April 2021: PAYstats Pay and Labour Market Statistics

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) rose by 0.7% in the 12 months to March 2021, up from 0.4% to February 2021.
- The UK employment rate was estimated at 75.1%, 1.4 percentage points lower than a year earlier and 0.1 percentage points lower than the previous quarter.
- Growth in average total pay (including bonuses) among employees for the three months December 2020 to February 2021 was 4.5%, and growth in regular pay (excluding bonuses) was 4.4%; it is estimated that by removing the compositional effect, the underlying wage growth is around 2.5% for total and regular pay.
- Around seven in ten (72%) employers surveyed intend to review their wages over the next 12 months. Continuing the trend from previous reports, pay settlements look set to remain subdued in 2021.

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 (FEBRUARY 2021)

Twelve-month CPI inflation rose from 0.3% in November to 0.6% in December. The weakness of recent outturns largely reflects the direct and indirect effects of Covid on the economy. CPI inflation is expected to rise quite sharply towards the 2% target in the spring, as the reduction in VAT for certain services comes to an end and given developments in energy prices. In the MPC's central projection, conditioned on the market path for interest rates, CPI inflation is projected to be close to 2% over the second and third years of the forecast period.

BANK OF ENGLAND MPC MINUTES (MARCH 2021)

Twelve-month CPI inflation had risen slightly in January to 0.7%. Core CPI inflation, excluding food, beverages, tobacco and energy, had been unchanged at 1.4%. The weakness of recent outturns largely reflected the direct and indirect effects of Covid on the economy, in particular the decline in oil prices that had occurred in early 2020.

Bank staff expected CPI inflation to return swiftly to around the 2% target in the spring. Higher energy price inflation was expected to contribute the majority of the rise in CPI inflation, as the effects of earlier falls in oil prices dropped out of the annual comparison, and reflecting more recent increases in energy prices. A recovery in inflation, as temporary drags on the twelve-month rate were removed, had been a feature of recent Reports. The core CPI inflation rate was expected to fall temporarily in July, reflecting base effects from the same period last year.

OFFICE FOR NATIONAL STATISTICS (MARCH 2021)

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 1.0% in the 12 months to March 2021, up from 0.7% to February.

The largest upward contribution to the CPIH 12-month inflation rate came from transport (0.44 percentage points). Rising prices for motor fuels and clothing resulted in the largest upward contributions to the change in the CPIH 12-month inflation rate between February and March 2021. These were partially offset by falls in the price of food.

On a monthly basis, the CPIH rose by 0.2% in March 2021, compared with little change in March 2020.

As a result of the ongoing restrictions caused by the coronavirus (COVID-19) pandemic, the number of CPIH items identified as unavailable in March 2021 was 67, accounting for 8.2% of the basket by weight; this is slightly down from 69 in February 2021; for the March 2021 price collection, we collected a weighted total of 82.2% of comparable coverage collected before the first lockdown (excluding unavailable items).

The Consumer Prices Index (CPI) rose by 0.7% in the 12 months to March 2021, up from 0.4% to February 2021; on a monthly basis, CPI rose by 0.3% in March 2021, compared with little change in March 2020.

> **"Bank staff expected CPI inflation to return swiftly to around the 2% target in the spring. Higher energy price inflation was expected to contribute the majority of the rise in CPI inflation."**
>
> **BANK OF ENGLAND MPC MINUTES**
> March 2021

Employment

-1

this quarter's net employment balance

44%

of organisations surveyed said they will maintain total staff levels

CIPD LABOUR MARKET OUTLOOK (WINTER 2020/21)

The net employment intentions figure for Q1 has risen to +11 from –1 last quarter. This is due to both a sharp fall in redundancy intentions, down from 30% to 20%, and a slight uptick in recruitment intentions. The improvement has been driven by the private sector [...], which saw a 16 percentage point increase since the autumn report.

There is a large variation across sectors in terms of the net employment score. Employment confidence is highest in healthcare [...], ICT [...] and business services [...]. In contrast, net employment intentions remain subdued in hospitality [...], finance and insurance [...] and administration and support service activities [...].

Mirroring the official data, recruitment intentions among UK employers surveyed have edged up since the last quarter. More than half (56%) of employers responding to the winter survey are planning to recruit in Q1 2021, up three percentage points from the autumn and seven percentage points from the summer. However, this is still down ten percentage points from the same quarter last year.

Redundancy intentions have fallen sharply over the quarter. A fifth (20%) of organisations expect to make some redundancies in the next three months, down ten percentage points from the autumn quarter. Redundancy intentions have fallen particularly steeply in the private sector – down from 34% in the autumn report to 20% in the current quarter

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2021)

Labour market indicators remain difficult to interpret. The LFS unemployment rate rose to 5.0% in the three months to November, but other indicators suggest that labour market slack has remained higher than implied by this measure. The Government's employment support schemes are likely to limit significantly the immediate rise in unemployment. A further increase in unemployment is projected over the next few quarters. The unemployment rate is projected to peak at around 7.75% in the middle of 2021.

BANK OF ENGLAND MPC MINUTES (MARCH 2021)

The LFS unemployment rate had risen to 5.1% in the three months to December, but it was likely that labour market slack had remained higher than implied by this measure. The extension of the Government's employment support schemes, beyond the point at which most restrictions on activity might be lifted, was likely to mean that the near-term rise in the LFS unemployment rate would be more moderate than had been suggested by the MPC's February Report projections, which had been constructed on the basis of existing government policy at that time. As support from those schemes would still be available when the economic recovery was expected to be proceeding strongly, the risk of currently furloughed workers not being reintegrated smoothly into the labour force was reduced. Some recent indicators also suggested that there had already been a stabilisation in employment trends.

OFFICE FOR NATIONAL STATISTICS (APRIL 2021)

56,000 fewer people were in payrolled employment in March 2021 when compared with February 2021.

The UK employment rate was estimated at 75.1%, 1.4 percentage points lower than a year earlier and 0.1 percentage points lower than the previous quarter.

The UK unemployment rate was estimated at 4.9%, 0.9 percentage points higher than a year earlier but 0.1 percentage points lower than the previous quarter.

The UK economic inactivity rate was estimated at 20.9%, 0.7 percentage points higher than a year earlier and 0.2 percentage points higher than the previous quarter.

The total number of weekly hours worked was 959.9 million, down 92.3 million hours on the same period the previous year and down 20.1 million hours compared with the previous quarter.

There were an estimated 607,000 job vacancies in January to March 2021, which is a 22.7% fall compared with a year ago.

MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q2 2021)

Employers in the UK report downbeat hiring plans for the second quarter of 2021. With 4% of employers expecting to increase payrolls, 9% forecasting a decrease and 85% expecting no change, the resulting Net Employment Outlook is -5%.

Once the data is adjusted to allow for seasonal variation, the Outlook also stands at -5% and has now been negative for four consecutive quarters. Hiring prospects remain relatively stable when compared with the previous quarter, but decline by 10 percentage points in comparison with last year at this time.

Employers in 11 of the 12 regions expect to trim payrolls during the second quarter of 2021. The weakest hiring climate is anticipated in the East Midlands […]. Dim hiring prospects are also reported in the South East [and] the West Midlands […]. Meanwhile, employers in Yorkshire & the Humber and the North East report the strongest hiring sentiment […].

Six of the nine industry sectors, employers forecast a decline in payrolls during the next three months. The weakest labour market is forecast for the Hotels & Retail sector [and] for the Community & Social […]. Meanwhile, workforce gains are expected in two sectors, including the Agriculture sector […].

Hiring plans strengthen in six of the nine industry sectors in comparison with the prior quarter. The most notable improvements […] are reported in two sectors – the Agriculture sector and the Transport & Communications sector. However, hiring intentions weaken in three sectors, including […] the Finance & Business Services sector.

Chris Gray, Director, ManpowerGroup UK says:

"The UK may be leading the way on the COVID vaccine roll-out, but it's still the comparative sick man of Europe when it comes to hiring optimism. This has been the weakest twelve months for the UK's jobs Outlook in 30 years – much worse than the 2008-9 crisis. However, with unemployment expected to peak at 6.5% next year, far lower than 11.9% previously predicted, the hope remains that hiring confidence will snap back as the economy reopens. But the current message is clear: most employers are cautiously observing the impact of the vaccine roll-out and the longer-term effects of Brexit before taking major decisions on recruitment."

"With unemployment expected to peak at 6.5% next year, far lower than 11.9% previously predicted, the hope remains that hiring confidence will snap back as the economy reopens."

CHRIS GRAY
Director
ManpowerGroup UK

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

March survey data pointed to a substantial increase in hiring activity across the UK, as the easing of national lockdown measures to contain the coronavirus disease 2019 (COVID-19) pandemic and vaccine progress boosted confidence around the outlook. Notably, permanent placement growth hit a near six-year high, while temp billings expanded at the quickest rate since November 2017. 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.

After rising only slightly in February, demand for workers grew rapidly at the end of the first quarter. Notably, the rate of expansion was the steepest seen for just over two-and-a-half years, driven by marked increases in both permanent and temporary vacancies.

The overall availability of candidates was broadly unchanged for the second month in a row in March. While there were still a number of reports that redundancies stemming from the pandemic had driven up labour supply, this impact was largely offset by people who were reluctant to pursue new roles amid fears over job security.

Commenting on the latest survey results, Claire Warnes, Partner and Head of Education, Skills and Productivity at KPMG UK, said:

"The UK job market is starting to rebound off the back of the Government's plan to ease national lockdown measures over the coming months, with the highest rise in permanent placements in six years and a sharp increase in temporary billings.

"This is good news for businesses, job seekers and the UK economy, but employers are still identifying a big skills gap across sectors including IT, construction and retail, with demand and supply not matching up.

"That's why as we start to look beyond the pandemic, businesses will be even more crucial in making sure prospective and current employees are adaptable, productive and ready for new challenges."

"

Employers are still identifying a big skills gap across sectors including IT, construction and retail, with demand and supply not matching up."

CLAIRE WARNES
Partner and Head of Education, Skills and Productivity
KPMG UK

Earnings

> Stronger demand for staff led to improved pay trends in March. Moreover, starting salaries rose for the first time in 2021 to date and at a sharp rate."
>
> **KPMG / REC REPORT ON JOBS**
> March 2021

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2021)

The official statistics show that average weekly earnings in the three months to November were above their pre-pandemic levels. Annual growth of whole-economy regular pay was 3.6%, significantly stronger than expected at the time of the November 2020 Report. The strength in pay partly reflects compositional effects: many of the jobs lost this year have been in sectors with below-average levels of pay, such as hospitality and retail. There has also been a reduction in the share of workers working part time. ONS analysis suggests these compositional effects have boosted growth in average weekly earnings by over two percentage points over the past year. The impact of some workers on the CJRS receiving temporarily reduced pay will have exerted downward pressure on average earnings, though, partially offsetting that impact.

Wider indicators of pay pressures are mixed, but they appear relatively subdued. The median company pay settlement increased in Q4, although it remained relatively low and pay freezes continued to account for more than one in four settlements. In the Agents' annual pay survey, settlements in 2021 were expected to be slightly lower than the average for 2020. The REC survey suggests there is little pressure to increase pay for new recruits. And the Government has announced that pay rises will be paused for all non-NHS public sector workers, except the lowest paid, in 2021–22.

BANK OF ENGLAND MPC MINUTES (MARCH 2021)

Regular Average Weekly Earnings (AWE) growth had risen in line with expectations, at 4.1% for the whole economy and 4.0% for the private sector in the three months to December on a year earlier. However, bonuses had surprised to the upside, such that whole economy total pay growth had been slightly higher than forecast at the time of the February Report. There remained challenges in interpreting pay data, including the likely influence of compositional effects, as lower paid workers had been more likely to have lost their jobs during the pandemic. These challenges would be likely to affect the AWE data for some months to come.

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

Stronger demand for staff led to improved pay trends in March. Moreover, starting salaries rose for the first time in 2021 to date and at a sharp rate. Temp wages also increased for the first time in three months, with the rate of inflation the quickest seen since December 2019.

ONS AVERAGE WEEKLY EARNINGS (APRIL 2021)

Growth in average total pay (including bonuses) among employees for the three months December 2020 to February 2021 was 4.5%, and growth in regular pay (excluding bonuses) was 4.4%; it is estimated that by removing the compositional effect, the underlying wage growth is around 2.5% for total and regular pay.

Pay Settlements - Historic

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2021)

In a survey on pay and costs, contacts reported that the average pay settlement in 2020 was 2.5%, lower than the 2.8% reported for 2019.

CIPD LABOUR MARKET OUTLOOK (WINTER 2020/21)

[...] more than half (58%) of organisations say that they carried out a pay review in 2020, while more than a third (36%) were able to report that they did not conduct a pay review last year. Among those that carried out a pay review in 2020, the median basic pay increase was 2%. The median basic pay award for private sector employees was 2%, which compares with a 2% increase for public sector organisations and a 1.8% increase for notfor-profit/voluntary sector employees.

XPERTHR – REPORTED IN PERSONNEL TODAY (MARCH 2021)

Based on its sample of 170 pay awards for the three months to the end of February 2021, [XpertHR] found:

- The median basic pay award across the entire economy was 1% for the third consecutive rolling quarter.
- Eighty per cent of pay deals were lower than the previous year, while 15% made the same award. Only 5% of employee groups received a higher pay settlement.
- A third of pay reviews resulted in a pay freeze.
- Both the upper quartile and the lower quartile are unchanged, with the interquartile range between nil and 2%. The lower quartile has not shifted from nil for eight consecutive rolling quarter.

LABOUR RESEARCH DEPARTMENT (APRIL 2021)

The median increase in in the three months to March 2021 was 1.9%. The median increase in the lowest pay rate was 2.0%.

However these figures are based on a small number of pay settlements.

INCOMES DATA RESEARCH (MARCH 2021 PRESS RELEASE)

The median pay award across the economy has risen to 2.0% for the three months to February 2021, according to the latest analysis by IDR. The median had fallen to 1.8% in the three months to January but has recovered due to changes at each end of the distribution of pay awards. The uptick in the median has been influenced by both a drop in instances of pay freezes on one hand coupled with a rise in the proportion of higher-end awards worth 3% or more in private services.

PAYDATA PAY DATABASE (APRIL 2021)

Paydata's pay database shows a median pay review of 2% for the 12 months to April, with an interquartile range of between 1.5% and 2.7%. The most common pay award remains 2%. 15 per cent of organisations have said they have frozen pay in the last 12 months.

Pay Settlements

2.5%
Bank of England

2.0%
CIPD

1.0%
XpertHR

1.9%
Labour Research Department

2.0%
Incomes Data Research

2.0%
Paydata

Pay Settlements - Predictive

> The pay outlook for private sector workers over the coming 12 months is brighter than the outlook for public sector workers."
>
> **CIPD LABOUR MARKET OUTLOOK**
> Winter 2021

CIPD LABOUR MARKET OUTLOOK (WINTER 2020/21)

Around seven in ten (72%) employers surveyed intend to review their wages over the next 12 months. More than a quarter (27%) of employers surveyed intend to review wages between January and March 2021. A quarter (25%) expects this to be between April and June 2021. However, the proportion of employers that plan to postpone carrying out a pay review in the next year remains high (28%). This is particularly prevalent in the hospitality (46%) and business services (33%) sectors.

Continuing the trend from previous reports, pay settlements look set to remain subdued in 2021. Employers say that the median basic pay increase in their organisation (excluding bonuses) will be 1%, which remains unchanged from the autumn quarter.

In a reversal of recent trends, the pay outlook for private sector workers over the coming 12 months is brighter than the outlook for public sector workers. The median basic pay award in the private sector in the 12 months to January 2022 will be 1.5%, which compares with 0% in the autumn quarter. By comparison, basic pay expectations in the public sector have fallen from 2% to 0% during the same period. This may be connected to the chancellor's autumn 2020 Spending Review, which set out a pay freeze for all those working in the public sector in 2021 apart from NHS doctors and nurses and low-paid staff. Meanwhile, median basic pay expectations in the voluntary/not-for-profit sector are 1.4%. These figures should, however, be viewed with caution as more than half (52%) of employers are uncertain about the outcome of their next pay review.

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%, in line with the autumn quarter (41%). In a reversal of recent trends, this is largely driven by public sector employers (62%), who are significantly more likely than private sector employers (37%) to report a freeze.

INCOMES DATA RESEARCH – REPORTED IN EMPLOYEE BENEFITS (FEBRUARY 2021)

[...] analysis of 56 new pay deals already agreed for 2021 found that almost half have either given, or are set to give, employees increases of between 2% and 2.99%.

Higher-end awards – those worth 3% or more – account for only one in 10 pay rises overall, which is significantly lower than last year when just over a quarter of increases were at this level. [...]

The data found pay freezes have so far accounted for 23% of outcomes in 2021 – up from 16% for 2020. The worst sector for this is in private services, where the number has grown from around a fifth of all outcomes in 2020 to more than a quarter (28%) for 2021.

Even where private services employers are awarding some form of pay rise, this is often worth less than a year ago. Incomes Data Research finds the proportion of lower-level pay awards (those worth between 0.1% and 1.99%), increased from just one in 20 in 2020, to over a fifth (22%) of all awards for 2021.

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2021)

The average pay settlement was expected to fall a little further to 2.2% in 2021.

XPERTHR – REPORTED IN PERSONNEL TODAY (MARCH 2021)

Pay award trends seen in 2020 are likely to be repeated this year, with XpertHR predicting that organisations will continue to award pay rises at 2% in 2021.

Its latest research into private sector employers' pay intentions for 2021 show that just over half (55.5%) of employee groups can expect a pay increase this year, but 7.7% are still likely to see their pay frozen. The outcome for the remaining 36.8% of employee groups is uncertain.

XpertHR predicted a median pay increase of 2% for 2021 – the same level seen over the 12 months to the end of December 2020, and down from 2.5% in 2019. Some 40.2% of forecasts predict pay awards at this level.

Almost one-third (30.3%) of pay awards are forecast to be worth less than 2%, and 7.6% are expected to be worth 4% or higher.

The middle-half of pay awards is expected to fall between 1.5% and 2.3%.

XpertHR pay and benefits editor Sheila Attwood said: "Employers are taking a cautious approach to deciding pay increases, with many still uncertain of the outcome of any 2021 pay review. However, the decision is not an easy one to make. Not only are organisations navigating how to balance staff morale and retention with affordability, they are also trying to work out how their reward strategies fit with new and emerging work models."

PAYDATA UK REWARD MANAGEMENT SURVEY (SPRING 2021)

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 for 2021 sit at 2%, with an interquartile range of between 1% and 2%. However, the most common expected pay award remains two per cent. Expectations of a pay freeze are in line with January, at 15 per cent of participants.

If you have not yet taken part in this free survey please do so by clicking the following link: LINK

The whole survey only takes a few minutes to complete. All participants receive a complimentary report of the results. If there are enough responses in your sector you will also be sent a free supplementary sector report.

As well as covering the usual pay and bonus outlook, this edition also look at the topical issues of Covid-19 and new ways of working, recruitment and retention challenges, and diversity and inclusion practices. We know these are areas of interest for many of our customers and therefore we are collecting information on what organisations are doing and what concerns, if any, they have.

> **"Employers are taking a cautious approach to deciding pay increases, with many still uncertain of the outcome of any 2021 pay review."**
>
> **SHEILA ATTWOOD**
> Pay and Benefits Editor
> XpertHR

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PAYstats at a glance

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

Consumer Price Index	CPIH ^	Retail Price Index ^^
0.7% March 2021	1.0% March 2021	1.5% March 2021

Employment

32.4m
employed, down 1.9% on last year.

204,000
redundancies, up 91.6% on last year.

607,000
vacancies, down 22.7% on last year.

1.7m
unemployed, up 22.8% on last year.

4.5%
change in whole economy average earnings, excluding bonuses, for the 12 months to February 2021, up 0.2% from last month.

3.9%
change in whole economy average earnings, including bonuses for the 12 months to February 2021, down 0.4% 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	Dec - Feb 2021		Jan - Mar 2021		Dec - Feb 2021		Dec - Feb 2021	
	000's	Change	000's	Change	000's	Change	000's	Change
All UK	32,430	-1.9%	607	-22.7%	204	91.6%	1,675	22.8%

Manufacturing	2,556	-4.0%	49	-3.4%
Electricity & gas supply	148	0%	5	57.6%
Water, sewerage & waste	208	-4.0%	4	8.3%
Construction	2,225	-5.0%	28	8.8%
Wholesale, retail & motor repair	4,844	-3.0%	75	-42.1%
Info & communications	1,461	-3.0%	38	-10.2%
Financial & insurance	1,142	0%	24	-15.5%
Real estate	662	4.0%	8	-40.0%
Prof. scientific & technical	3,188	0%	62	-12.8%
Administrative & support	2,809	-7.0%	45	-11.2%
Public admin, defence, social security	1,587	4.0%	33	52.8%
Education	2,917	-1.0%	40	-18.9%
Health & social work	4,408	0%	131	-3.0%
Other services	906	-8.0%	12	-29.7%

AVERAGE EARNINGS (seasonally adjusted)

	Excluding bonuses		Including bonuses	
February 2021	Change from 12 months ago	% point change since last month	Change from 12 months ago	% point change since last month
Whole economy	4.5%	0.2%	3.9%	-0.4%

Private	4.1%	0.2%	3.4%	-0.6%
Public	5.7%	0.2%	5.9%	0.6%
Services	5.1%	0.2%	4.4%	-0.4%
Finance & business services	6.7%	-0.6%	3.8%	-4.0%
Public sector exc. Financial services	5.8%	0.2%	6.0%	0.6%
Manufacturing	1.7%	-0.1%	1.8%	-0.1%
Construction	1.4%	0.0%	1.7%	0.0%
Wholesale, retail, hotels & restaurants	2.6%	1.3%	1.8%	0.5%

Notes: * Sector breakdown as at December 2020.

Paydata
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Current Rates

NATIONAL MINIMUM WAGE (NMW)
For more information: www.gov.uk

Workers 21-22 years old:	£8.36
Workers 18-20 years old:	£6.56
Workers 16-17 years old:	£4.62
Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.	£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	£4.30

NATIONAL LIVING WAGE
For more information: www.gov.uk

The compulsory National Living Wage (NLW) was introduced in April 2016 and was extended to include 23 and 24 year olds as of 1 April 2021.	£8.91

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

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

STATUTORY SICK PAY
For more information: www.livingwage.org.uk

Standard weekly rate	£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

Paydata

making lives better at work

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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