Paydata Business Insight
National Statistics

April 2023: PAYstats Pay and Labour Market Statistics

Quarterly Edition

April 2023: 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 10.1% in the 12 months to March 2023, down from 10.4% in February.
- The UK employment rate was estimated at 75.8% in December 2022 to February 2023, 0.2 percentage points higher than September to November 2022.
- In January to March 2023, the estimated number of vacancies fell by 47,000 on the quarter to 1,105,000. Vacancies fell on the quarter for the ninth consecutive period and reflect uncertainty across industries.
- Fifty-seven per cent of all employers currently have hard-to-fill vacancies, and 29% anticipate significant problems in filling hard-to-fill vacancies over the next six months.
- Growth in average total pay (including bonuses) was 5.9% and growth in regular pay (excluding bonuses) was 6.6% among employees in December 2022 to February 2023. Average regular pay growth for the private sector was 6.9% in December 2022 to February 2023 and 5.3% for the public sector.
- Annual growth in private sector regular pay is expected to flatten out at just over 7% in coming months as inflationary pressures moderate.

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 2023)

While CPI inflation has fallen from 11.1% in October to 10.5% in December, it remains well above the MPC's 2% target. Inflation is projected to fall to just over 8% by June, as previous large increases in energy and other goods prices drop out of the annual comparison. The recent fall in wholesale gas futures prices leads to a lower inflation projection later in the year. Core inflation is expected to fall by less, from 6.3% in December to 5.7% in June. While goods inflation is expected to fall, in part as supply bottlenecks ease across most regions, services inflation is expected to remain strong, partly reflecting the strength in pay growth.

BANK OF ENGLAND MPC MINUTES (MARCH 2023)

Twelve-month CPI inflation fell from 10.5% in December to 10.1% in January but then rose to 10.4% in February, 0.6 percentage points higher than expected in the February Report. As a consequence, the exchange of open letters between the Governor and the Chancellor of the Exchequer is being published alongside this monetary policy announcement. Services CPI inflation was 6.6% in February, 0.1 percentage points weaker than expected at the time of the February Report, but food and core goods price inflation have been significantly stronger than projected. Most of the surprising strength in the core goods component was accounted for by higher clothing and footwear prices, which tend to be volatile and could therefore prove less persistent. Annual private sector regular earnings growth has eased, to 7% in the three months to January, 0.1 percentage points below the expectation in February.

CPI inflation is still expected to fall significantly in 2023 Q2, to a lower rate than anticipated in the February Report. This lower-than-expected rate is largely due to the near-term news in the Budget including on the EPG, alongside the falls in wholesale energy prices. Services CPI inflation is expected to remain broadly unchanged in the near term, but wage growth is likely to fall back somewhat more quickly than projected in the February Report.

OFFICE FOR NATIONAL STATISTICS (MARCH 2023)

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 8.9% in the 12 months to March 2023, down from 9.2% in February. The largest upward contributions to the annual CPIH inflation rate in March 2023 came from housing and household services (principally from electricity, gas and other fuels), and food and non-alcoholic beverages. On a monthly basis, CPIH rose by 0.7% in March 2023, compared with a rise of 0.9% in March 2022.

The Consumer Prices Index (CPI) rose by 10.1% in the 12 months to March 2023, down from 10.4% in February. On a monthly basis, CPI rose by 0.8% in March 2023, compared with a rise of 1.1% in March 2022. The largest downward contributions to the monthly change in both the CPIH and CPI annual rates came from motor fuels, and housing and household services (particularly liquid fuels), partially offset by upward contributions from food, and recreation and culture.

Core CPIH (excluding energy, food, alcohol and tobacco) rose by 5.7% in the 12 months to March 2023, unchanged from February; the CPIH goods annual rate eased from 13.4% to 12.7% over the two months, while the CPIH services annual rate rose slightly from 5.6% to 5.7%.

> **Inflation is projected to fall to just over 8% by June, as previous large increases in energy and other goods prices drop out of the annual comparison."**
>
> **BANK OF ENGLAND MONETARY POLICY REPORT**
> February 2023

Employment

+28

this quarter's net employment balance

29%

anticipate significant problems in filling hard-to-fill vacancies over the next six months.

CIPD LABOUR MARKET OUTLOOK (WINTER 2022-23)

The net employment balance – which measures the difference between employers expecting to increase staff levels and those expecting to decrease staff levels in the next three months – remained positive at +28, meaning that employers plan to increase staff numbers in the three months to March 2023. This continues to exceed pre-pandemic levels, pointing to strong employment intentions.

Fifty-seven per cent of all employers currently have hard-to-fill vacancies, and 29% anticipate significant problems in filling hard-to-fill vacancies over the next six months. Existing hard-to-fill vacancies are most common in primary and utilities (82%), healthcare (78%) and education (77%). Of employers with hard-to-fill vacancies, 40% had skills shortage vacancies, whereby applicants for advertised roles lack the technical skills required.

The top response to addressing hard-to-fill vacancies has been to upskill existing staff (47%), followed by raising pay (43%) and increasing the duties of existing staff (36%). Of those employers who have or plan to raise pay in response to hard-to-fill vacancies, 57% plan to achieve this by raising prices rather than lowering profits and absorbing costs (47%). The opposite was true 12 months ago.

Redundancy intentions remain low but are increasing slightly. Seventeen per cent of employers are planning to make redundancies in the three months to March 2023. This is still down on pre-pandemic levels.

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2023)

Despite the slowing in labour demand and employment growth, which suggest some loosening in the labour market, it remains tight overall. The unemployment rate remained at 3.7% in the three months to November, a very low level by historical standards. Although vacancies have fallen, they remain elevated. The weakness in labour participation, in part reflecting early retirement and ill health, may have exacerbated the tightness of the labour market. In the MPC's central projection, unemployment is projected to rise modestly to 4.3% by 2023 Q4. That rise is less than had been expected in the November Report. That reflects a judgement that the weakness in labour demand is more likely than usual to be met by a reduction in job vacancies rather than by an increase in redundancies, consistent with some hoarding of labour by companies. In the latest DMP Survey, employment growth in 2023 was still expected to be positive. Overall, these labour market developments are expected to result in lower precautionary saving by households than previously assumed over the forecast period.

BANK OF ENGLAND MPC MINUTES (MARCH 2023)

The labour market had remained tight, while the news since the MPC's previous meeting pointed to stronger-than-expected employment growth and participation. The Labour Force Survey (LFS) unemployment rate had remained at 3.7% in the three months to January, 0.1 percentage points below the expectation at the time of the February Monetary Policy Report. LFS employment had grown by 0.2% in the three months to January, slightly stronger than had been expected at the time of the February Report. This stronger-than-expected rise in employment had been the counterpart to a fall in the inactivity rate of the 16+ population. LFS data for 2022 Q4 suggested that the flow into inactivity from employment and unemployment had fallen to around pre-Covid levels, alongside a decline in the share of the inactive aged 50-64 who did not expect to work again.

Some other indicators of labour market quantities had strengthened in recent months, alongside a similar development in some output indicators. The composite employment index in the S&P Global/CIPS UK PMI and HMRC employee payrolls had both increased in February. The rate of decline in the stock of vacancies had continued to abate in the three months to February. There had been just over 1.1 million vacancies in the three months to February, around one third higher than prior to the pandemic. Contacts of the Bank's Agents had reported that the labour market remained tight, with little sign of loosening. Nevertheless, contacts had reported that churn in jobs had fallen back, and that recruitment difficulties had eased recently but remained elevated. Overall, Bank staff expected employment growth of 0.2% in 2023 Q2, in comparison to the 0.4% decline that had been anticipated in the February Report, and for the unemployment rate to remain around its current low level rather than starting to rise.

OFFICE FOR NATIONAL STATISTICS (APRIL 2023)

The UK employment rate was estimated at 75.8% in December 2022 to February 2023, 0.2 percentage points higher than September to November 2022. The increase in employment over the latest three-month period was driven by part-time employees and self-employed workers.

The timeliest estimate of payrolled employees for March 2023 shows another monthly increase, up 31,000 on the revised February 2023 figures, to 30.0 million.

The unemployment rate for December 2022 to February 2023 increased by 0.1 percentage points on the quarter to 3.8%. The increase in unemployment was driven by people unemployed for up to six months.

The economic inactivity rate decreased by 0.4 percentage points on the quarter, to 21.1% in December 2022 to February 2023. The decrease in economic inactivity during the latest three-month period was largely driven by people aged 16 to 24 years. Looking at economic inactivity by reason, the quarterly decrease was largely driven by people inactive because they are students.

In January to March 2023, the estimated number of vacancies fell by 47,000 on the quarter to 1,105,000. Vacancies fell on the quarter for the ninth consecutive period and reflect uncertainty across industries, as survey respondents continue to cite economic pressures as a factor in holding back on recruitment.

MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q2 2023)

UK employers report a buoyant labour market with the Net Employment Outlook rising to +21%, up two percentage-points since last quarter and down ten percentage-points on Q2 2022.

In the context of record low unemployment and a historically tight labour market, employers continue to struggle to attract skilled talent, and in demand workers can't find employers that fit their pay and skills needs.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,020 UK employers and asks if they intend to hire additional workers, maintain current headcount, or reduce the size of their workforce in the coming quarter (April to June 2023).

> **"Our survey continues to show strong hiring intentions despite the economic climate, but hiring intentions are not translating into filled vacancies. There is a mismatch between what workers want and what employers are offering. Employers across the country are still keen to take on new talent, and workers want to take on higher paying roles with greater development opportunities."**
>
> **CHRIS GRAY**
> Director, ManpowerGroup UK

"Our survey continues to show strong hiring intentions despite the economic climate, but hiring intentions are not translating into filled vacancies." said Chris Gray, Director at ManpowerGroup UK.

"There is a mismatch between what workers want and what employers are offering. Employers across the country are still keen to take on new talent, and workers want to take on higher paying roles with greater development opportunities. However, they aren't seeing these jobs advertised. Job descriptions are going unread because they aren't offering the skills growth workers want. Employers need to be clear about the progression opportunities and the training they are providing."

KPMG / REC REPORT ON JOBS (APRIL 2023 PRESS RELEASE)

The latest survey brought signs of a relative improvement in hiring conditions during March. Although falling for the sixth month in a row, permanent placements decreased at a marginal pace that was the slowest seen over this period. There were reports of clients delaying decisions around hiring due to an uncertain economic climate and tighter budgets. At the same time, temp billings rose at the quickest rate since September 2022.

The overall supply of workers increased for the first time since February 2021 at the end of the first quarter. The upturn was supported by modest rises in both permanent and temporary staff availability. A number of recruiters mentioned that a relative improvement in confidence among job seekers had helped to drive the uptick in candidate numbers, though redundancies were also cited as having increased staff supply.

March survey data pointed to a further marked increase in total vacancies, though the rate of growth eased slightly from February's four-month high. While the number of permanent roles expanded sharply, growth in temp vacancies moderated to a 26-month low in March.

Neil Carberry, REC Chief Executive, said:

"Over the past few weeks, we have seen a bit more confidence among employers, and this is reflected in this latest data. While the temporary market is still growing month-on-month, the permanent market contraction has eased significantly in March. After six months of slowing activity from last summer's peak, the market is now better described as flat than declining. This is the mark of an economy performing better than was expected at the end of last year, and means it is still a good time to be looking for work, with hospitality, healthcare, accountancy and financial roles all powering ahead.

"The big news is that candidate availability is up for the first time in more than two years. This suggests that, while the market is still tight, it should be getting gradually easier for firms to hire over the next few months. The continuing fast rate of pay growth is likely reflective of the impact of inflation on wage offers, as well as low labour supply. That means increasing pay is likely to persist, despite more people beginning to look for work."

"The big news is that candidate availability is up for the first time in more than two years. This suggests that, while the market is still tight, it should be getting gradually easier for firms to hire over the next few months."

NEIL CARBERRY
Chief Executive, REC

Earnings

BANK OF ENGLAND MONETARY POLICY REPORT (FEBRUARY 2023)

Annual growth in private sector regular pay is expected to flatten out at just over 7% in coming months as inflationary pressures moderate. That projection is broadly consistent with the results of the latest Agents' pay survey, which suggests that average pay settlements in the first half of 2023 are expected to be lower than those made in the second half of 2022. Some other indicators are also consistent with wage growth flattening off. For example, the Indeed Wage Tracker – which measures wages advertised in online job postings – has been broadly flat since the second half of last year, and HMRC PAYE RTI pay growth appears to have stabilised. The KPMG/REC permanent staff salaries index has fallen particularly sharply. This survey tracks new hires, whose pay offers tend to fall before existing employees, and so suggests that pay growth might ease later this year.

BANK OF ENGLAND MPC MINUTES (MARCH 2023)

Annual private sector regular Average Weekly Earnings (AWE) growth had eased slightly to 7% in the three months to January, 0.1 percentage points below the expectation at the time of the February Report. Three month on three month private sector regular AWE growth had fallen significantly in recent months. Other pay growth indicators, such as the KPMG/REC survey measure of pay for new permanent hires, suggested that private sector regular pay growth could undershoot somewhat the near-term projections in the February Report. In that Report, earnings growth had been projected to soften in the second half of this year, as lower inflation expectations, which were anticipated to be quantitatively more important than changes in slack in the current environment, pulled down on pay growth.

KPMG / REC REPORT ON JOBS (APRIL 2023 PRESS RELEASE)

Recruiters across the UK noted further increases in starting pay for permanent workers during March. Although edging down to the second-slowest for nearly two years, the rate of salary inflation was comfortably above the series average. Temp pay rates likewise rose sharply, albeit with growth easing fractionally to a three-month low. Higher salaries and wages were frequently linked to shortages of specific skills and cost-of-living pressures.

ONS AVERAGE WEEKLY EARNINGS (APRIL 2023)

Growth in average total pay (including bonuses) was 5.9% and growth in regular pay (excluding bonuses) was 6.6% among employees in December 2022 to February 2023. Average regular pay growth for the private sector was 6.9% in December 2022 to February 2023 and 5.3% for the public sector. The difference between the private and public sector growth rates has narrowed in recent months. In real terms (adjusted for inflation), growth in total and regular pay fell on the year in December 2022 to February 2023, by 3.0% for total pay and by 2.3% for regular pay. A larger fall on the year for real total pay was last seen in February to April 2009, when it fell by 4.5%, but it still remains among the largest falls in growth since comparable records began in 2001.

"Recruiters across the UK noted further increases in starting pay for permanent workers during March. Although edging down to the second-slowest for nearly two years, the rate of salary inflation was comfortably above the series average."

KPMG / REC REPORT ON JOBS
April 2023

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Pay Settlements - Historic

XPERTHR – REPORTED IN PERSONNEL TODAY (MARCH 2023)

In the three months to the end of February the median pay settlement [...] was 6% – remaining at a 32-year high. However, the median basic pay award in the 12 months to December 2023 is predicted to drop back to 5%, with inflationary pressures expected to ease later in the year.

XpertHR's research finds that 90% of UK employees can expect a pay rise this year, and for 62% of this group this pay rise will be more than they received in 2022.

Sheila Attwood, XpertHR senior content manager, data and HR insights, said: "The past year has seen pay awards rise to record levels – a pattern that continued into the early months of 2023. However, our forecast indicates that pay awards may have reached their peak and will settle throughout the course of the year. The prevailing view among economic analysts is that inflation will ease back in the coming months, reducing the pressure on employers struggling to match price rises in their pay awards."

LABOUR RESEARCH DEPARTMENT (MARCH 2023)

Median pay settlements as monitored by LRD Payline are down slightly in February to 7.5% [...].

Medians for the three month period break down as:

- 7.5% on lowest basic pay rates across all agreements
- 6% standard increase for all other workers covered by the settlement

Taking the last 12 months into account the median increase was:

- 6% on lowest pay rates (the lowest basic median)
- 5% for most workers covered by the settlement (the standard median)

IDR – REPORTED IN EMPLOYEE BENEFITS (MARCH 2023)

Around two-fifths (39%) of employees received pay rises worth 6% or more in the three months to January 2023, according to research by Incomes Data Research (IDR).

The research organisation analysed 75 pay deals implemented between 1 November 2022 and 31 January 2023, mostly at large organisations and covering more than 500,000 employees. It found that 15% gave employees a pay rise between 5% and 5.9%, 16% awarded increases between 3% and 4.9% and 13% gave rises of between 2% and 2.9%. Just 1% implemented pay freezes and no one introduced a 0.1%-1.9% rise.

The findings also revealed that the median pay award across the economy is 5%, which has remained the same since November due to a continued number of awards worth 5% or above.

Nearly half (47%) of private services organisations have awarded pay increases worth 6% or more since last November, with the upper quartile, where a quarter of increases are at or above, standing at 6.9%.

PAYDATA PAY DATABASE (APRIL 2023)

Paydata's pay database shows a median pay review of 5 per cent in the 12 months to April 2023, with an interquartile range of between 4.0 and 6.0 per cent.

Pay Settlements

6.0%
XpertHR

7.5%
Labour Research Department

6.0%
Incomes Data Research

5.0%
Paydata

Pay Settlements - Predictive

CIPD LABOUR MARKET OUTLOOK (WINTER 2022-23)
Of those employers planning a pay review, an increase in pay is the most common response at 37%. A similar proportion (35%) think it is hard to tell (dependent on organisational performance), and one in five (19%) do not know. Seven per cent expect a pay freeze and only 1% expect a decrease.

The median expected basic pay increase stands at 5% for all employers, the highest overall net figure in the LMO's current time series dating back to 2012. This is up from 4% in the previous quarter. Expected pay awards in both the private sector and voluntary sector also stand at 5%, with the remaining at the same level as the previous quarter. The figure for the public sector has fallen to 2%, down from 3% in the previous quarter. Both are stark in comparison with the current rate of CPI inflation, which stands at 10.5%.

INCOMES DATA RESEARCH – REPORTED IN HRREVIEW (FEBRUARY 2023)
An analysis of 85 new pay deals already agreed for 2023 shows that over half (53%) of reviews across the economy have given or are set to give employees increases of 5 percent or more.

"Employers are also providing additional cost-of-living payments to help support employees at a time when inflation is higher than it has been. These one-off sums are not reflected in our figures for basic percentage pay awards" commented Zoe Woolacott from IDR.

"The large uplifts in pay that we observed last year have become more commonplace in 2023, with many employers responding to the twin upward pressures of high inflation and recruitment and retention issues."

The latest pay settlement figures are based on a sample of 85 awards effective between 1 January and 31 July 2023, mostly at large organisations and together covering over half a million employees.

UK REWARD MANAGEMENT SURVEY (SPRING 2023)
Every year we capture participants' expectations for future pay review budgets. The survey is still open at the time of writing, but preliminary analysis suggests the median pay budget for 2023 is 5.0 per cent, with an interquartile range of between 5.00 and 6.5 per cent. Only one organisation is currently expecting a pay freeze.

Amid the ongoing challenges relating to the cost of living, initial indications show that 12 per cent of respondents plan to supplement 2023 pay awards with an additional lump sum payment, whilst a further 17 per cent are considering doing so.

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

> **"Preliminary analysis suggests the median pay budget for 2023 is 5.0 per cent, with an interquartile range of between 5.00 and 6.5 per cent."**
>
> **PAYDATA UK REWARD MANAGEMENT SURVEY**
> Spring 2023

PAYstats at a glance

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

Consumer Price Index	CPIH	Retail Price Index ^
10.1% March 2023	8.9% March 2023	13.5% March 2023

Employment

32.95m
employed, up 1.2% on last year.

90,000
redundancies, up 20.4% on last year.

1.1m
vacancies, down 14.5% on last year.

1.29m
unemployed, down 0.4% on last year.

6.9%
change in whole economy average earnings, excluding bonuses, for the 12 months to February 2023, up 0.6 percentage points on last month.

7.0%
change in whole economy average earnings, including bonuses for the 12 months to February 2023, up 1.1 percentage points on last month.

Notes: ^ RPI has lost its designation as a National Statistic but is still used for some indexing purposes. ~ Labour Force Survey estimates published on 14 June 2022 have been reweighted for periods from January to March 2020, using updated Pay As You Earn (PAYE) Real Time Information (RTI) data.

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.

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PAYstats in detail

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

	Jobs *		Vacancies		Redundancies		Unemployment	
Reference Period	Dec-Feb 2023		Jan-Mar 2023		Dec-Feb 2023		Dec-Feb 2023	
	000's	Change	000's	Change	000's	Change	000's	Change
All UK ~	32,950	1.2%	1,105	-14.5%	90	20.4%	1,293	-0.4%

Manufacturing	2,640	3.3%	76	-19.3%
Electricity & gas supply	135	-5.4%	6	20.0%
Water, sewerage & waste	239	3.7%	7	-18.1%
Construction	2,263	1.9%	41	-13.8%
Wholesale, retail & motor repair	4,815	0.3%	142	-15.7%
Info & communications	1,660	4.8%	50	-34.9%
Financial & insurance	1,194	2.6%	43	-17.2%
Real estate	681	10.6%	12	-31.5%
Prof. scientific & technical	3,417	5.8%	111	-14.0%
Administrative & support	3,063	0.4%	75	-12.7%
Public admin, defence, social security	1,647	2.0%	39	8.9%
Education	3,028	1.3%	73	-1.5%
Health & social work	4,684	1.9%	200	-6.5%
Other services	952	5.1%	21	-24.6%

AVERAGE EARNINGS (seasonally adjusted)

	Excluding bonuses		Including bonuses	
February 2023	Change from 12 months ago	% point change since last month	Change from 12 months ago	% point change since last month
Whole economy	6.9%	0.6%	7.0%	1.1%

Private	7.3%	0.8%	7.3%	1.3%
Public	5.5%	-0.3%	5.4%	-0.4%
Services	7.1%	0.6%	7.3%	1.2%
Finance & business services	9.4%	0.8%	8.3%	1.7%
Public sector exc. Financial services	5.5%	-0.3%	5.4%	-0.3%
Manufacturing	6.6%	1.3%	6.8%	0.3%
Construction	6.3%	0.0%	5.7%	1.9%
Wholesale, retail, hotels & restaurants	4.9%	1.5%	4.4%	1.1%

Notes: * Sector breakdown as at December 2022

Current Rates

NATIONAL MINIMUM WAGE (NMW)

For more information: www.gov.uk

Workers 21-22 years old: Workers 18-20 years old: Workers 16-17 years old:	£9.18 (£10.18) £6.83 (£7.49) £4.81 (£5.28)
Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.	£8.70 (£9.10)
Apprentice minimum wage rate for: - apprentices under 19 years old - apprentices aged 19 and over, but in the first year of their apprenticeship	£4.81 (£5.28)

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 23 and over.	£9.50 (£10.42)

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:	£10.90
- London hourly rate:	£11.95

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: £156.66 (£172.48) or 90 per cent of AWE (if lower)

Statutory Paternity Pay:
- 1 or 2 weeks consecutive leave: £156.66 (£172.48) 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: £156.66 (£172.48) or 90 per cent of AWE (if lower)

STATUTORY SICK PAY

For more information: www.livingwage.org.uk

Standard weekly rate	£99.35 (£109.40)
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 2023, the weekly pay is capped at £643 and the maximum statutory redundancy pay is £19,290. If redundancy was made before 6 April 2023, 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 2023

Paydata
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How can we help?

Committed to making lives better at work, Paydata has over 25 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** making lives better at work

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