Paydata Business Insight
National Statistics

January 2026: PAYstats Pay and Labour Market Statistics

Quarterly Edition

Paydata
making lives better at work

January 2026: 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 3.4% in the 12 months to December 2025, up from 3.2% in the 12 months to November.
- The UK employment rate based on the LFS for people aged 16 to 64 years was estimated at 75.1% in September to November 2025.
- The UK unemployment rate for people aged 16 years and over was estimated at 5.1% in September to November 2025.
- Early estimates for vacancies in the UK for October to December 2025 suggest a small increase of 10,000 (1.3%) to 734,000 compared with July to September 2025.
- Annual growth in employees' average regular earnings excluding bonuses in Great Britain was 4.3% in the 12 months to November 2025, and annual growth in total earnings including bonuses was 4.8%.
- Paydata's pay database shows a median pay settlement of 3.0% for the 12 months to January 2026, with an interquartile range of 2.5% and 3.5%.
- Preliminary findings show a median pay award for 2026 as 3.0%, with an interquartile of 3.0% and 3.5%.

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 2025)

CPI inflation was 3.8% in August and September, partly reflecting developments in food and administered prices. That is likely to be the peak. Beneath the headline numbers, underlying price and wage pressures have continued to ease. Inflation is likely to fall to close to 3% early next year before gradually returning towards to the 2% target over the subsequent year.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2025)

Twelve-month CPI inflation had eased to 3.2% in November from 3.6% in October and 3.8% in September. This was below the short-term forecast published in the November Monetary Policy Report, largely reflecting downside news to food price inflation. [...]

CPI inflation was expected to ease further in 2026 Q1, to around 3%. Before that, CPI inflation was expected to rise temporarily in December 2025, owing to an increase in tobacco duty and a pickup in airfares price inflation.

Some measures announced in the Budget, in particular one-off reductions to regulatory costs levied on households' energy bills, and changes to fuel duty, were likely to lower CPI inflation in April by around 0.5 percentage point. This Budget news, in combination with other news in recent CPI data and with some downward moves in sterling oil and gas futures curves since November, had led Bank staff to lower their expectation for CPI inflation to closer to 2% in 2026 Q2.

OFFICE FOR NATIONAL STATISTICS (DECEMBER 2025)

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.6% in the 12 months to December 2025, up from 3.5% in the 12 months to November. On a monthly basis, CPIH rose by 0.4% in December 2025, compared with a rise of 0.3% in December 2024. The Consumer Prices Index (CPI) rose by 3.4% in the 12 months to December 2025, up from 3.2% in the 12 months to November. On a monthly basis, CPI rose by 0.4% in December 2025, compared with a rise of 0.3% in December 2024.

Alcohol and tobacco, and transport made the largest upward contributions to the monthly change in both CPIH and CPI annual rates. Core CPIH (CPIH excluding energy, food, alcohol and tobacco) rose by 3.5% in the 12 months to December 2025, the same rate as the 12 months to November; the CPIH goods annual rate rose from 2.1% to 2.2%, while the CPIH services annual rate remained at 4.5%. Core CPI (CPI excluding energy, food, alcohol and tobacco) rose by 3.2% in the 12 months to December 2025, the same rate as the 12 months to November; the CPI goods annual rate rose from 2.1% to 2.2%, while the CPI services annual rate rose from 4.4% to 4.5%.

“

[...] Budget news, in combination with other news in recent CPI data and with some downward moves in sterling oil and gas futures curves since November, had led Bank staff to lower their expectation for CPI inflation to closer to 2% in 2026 Q2.”

BANK OF ENGLAND MPC MINUTES
December 2025

Employment

CIPD LABOUR MARKET OUTLOOK (AUTUMN 2025)

The net employment balance – the difference between employers expecting there will be an increase in staff levels and those expecting there will be a decrease in the next three months – remains stable this quarter at +9. However, this remains an unprecedented low outside of the pandemic.

Just 13% of employers are anticipating significant problems in filling vacancies in the next six months. This is the lowest level since first collecting this measure in winter 2022/23. Among employers who believe there will be a decrease in headcount, a quarter expect the reduction to be greater than 10%. Clerical, junior managerial, professional and administrator roles are seen by employers as those most likely to be reduced.

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2025)

A range of indicators suggests that underlying employment growth remains close to zero. That partly reflects subdued growth in underlying demand. Consistent with that, an estimate of employment growth implied by Bank staff's estimate of underlying GDP growth fell a little over 2025 H1.

Evidence from business surveys suggests that increases in employer NICs and the NLW have also weighed on employment growth over recent quarters. Consistent with that, nearly half of the firms responding to the latest DMP Survey indicated that, in response to changes in employer NICs, they had already lowered employment by more than they would otherwise have done. [...]

Indicators of employment intentions suggest that employment growth will remain subdued in the near term. The Bank's Agents' employment intentions score remains weak, albeit a little higher than in previous months [...].

The latest LFS data indicate that the unemployment rate rose to 4.8% in the three months to August. That evidence of continued loosening in the labour market is broadly consistent with the Bank's Agents' scores for recruitment difficulties having largely normalised, following a period when recruitment difficulties were tight.

Bank staff judge that recent data are consistent with a small further loosening in the labour market in the near term. Although the outlook for employment is subdued, LFS redundancy rates remain relatively stable, and forward-looking HR1 notifications of potential redundancies among larger firms are only a little higher than their average since 2021. The unemployment rate is projected to continue to rise gradually, reaching 5% in 2025 Q4.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2025)

The labour market had loosened further. The LFS unemployment rate had risen to 5.1% in the three months to October, 0.2 percentage points above the expectation in the November Report. The LFS redundancy rate had risen to 5.3 per 1,000 employees, its highest level since 2013, outside of the Covid pandemic period. But this series was prone to volatility, and the latest increase had not been mirrored in HR1 redundancy notifications. In contrast, the level of vacancies had been broadly stable since the summer. Employment growth had remained subdued. An HMRC payrolls estimate of private sector employees had fallen even further than the headline HMRC estimate in

+9

this quarter's net employment balance.

13%

report having hard-to-fill vacancies.

the three months to November, extending a recent pattern of weakness. Public sector employment had been stronger.

DECISION MAKER PANEL SURVEY 2025 Q4 (DECEMBER 2025)

Annual employment growth among firms in the DMP has continued to decline and has turned negative in the most recent data. On a three-month average basis, firms reported that employment levels had fallen by 0.7% in November relative to a year ago, compared to a fall of 0.4% over the year to August. Annual employment growth is now the lowest it has been since the Covid pandemic.

Year-ahead firm employment growth expectations have also declined from 0.2% to -0.2% between the three months to August and the three months to November. Firms therefore expect little or no recovery in employment over the next 12 months.

OFFICE FOR NATIONAL STATISTICS (JANUARY 2026)

Estimates for payrolled employees based on administrative data from HM Revenue and Customs (HMRC) in the UK fell by 155,000 (0.5%) between November 2024 and November 2025, and decreased by 33,000 (0.1%) between October 2025 and November 2025. When looking at September to November 2025, the period comparable with our Labour Force Survey (LFS) estimates, the number of payrolled employees fell by 135,000 (0.4%) over the year and by 43,000 (0.1%) over the quarter.

The early estimate of payrolled employees for December 2025 decreased by 184,000 (0.6%) on the year, and by 43,000 (0.1%) on the month, to 30.2 million. The December 2025 estimate should be treated as a provisional estimate and is likely to be revised when more data are received next month. […] Estimates from January to March 2025 include the full effect of the improvements in LFS data collection and sampling methods introduced from January 2024. [...] estimates may be subject to the effect of these further improvements, which may have an ongoing impact on the survey. An increased volatility will remain in the LFS estimates for mid-2023 and throughout 2024, so we would advise additional caution when interpreting survey change measures. […]

The UK employment rate based on the LFS for people aged 16 to 64 years was estimated at 75.1% in September to November 2025. This is largely unchanged in the latest quarter but above estimates of a year ago. The UK unemployment rate for people aged 16 years and over was estimated at 5.1% in September to November 2025. This is up in the latest quarter and above estimates of a year ago.

The UK economic inactivity rate for people aged 16 to 64 years was estimated at 20.8% in September to November 2025. This is down in the latest quarter and below estimates of a year ago. The UK Claimant Count for December 2025 increased on the month but decreased on the year to an estimated 1.677 million. The Claimant Count figure for the latest month is provisional and is subject to revisions after first publication.

Early estimates for vacancies in the UK for October to December 2025 suggest a small increase of 10,000 (1.3%) to 734,000 compared with July to September 2025.

MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q14 2026)

Employers across the UK are entering 2026 ready to fulfil the deferred hiring demand of the last six months, according to the latest ManpowerGroup Employment Outlook Survey (MEOS). The Net Employment Outlook (NEO) for Q1 2026 stands at +13%, marking the first improvement, of two percentage points on the previous quarter, since Q2 2025. The NEO remains 16 points below the previous high of +30% in Q1 2025.

> **“The labour market is ready to bounce back, after a period of paralysis for British businesses unable to make decisions for fear of government proposed labour market policy changes; the latest budget announcement has unleashed the pent-up demand so many job seekers had been waiting for.”**
>
> **MICHAEL STULL**
> **MANPOWERGROUP UK**

"The labour market is ready to bounce back, after a period of paralysis for British businesses unable to make decisions for fear of government proposed labour market policy changes; the latest budget announcement has unleashed the pent-up demand so many job seekers had been waiting for," said Michael Stull, Managing Director, ManpowerGroup UK. "A two-point rise to the Employment Outlook may seem modest, but it marks a notable shift in the UK's trajectory. After months of negative rhetoric, we're seeing a return of optimism to hiring intentions, with just the finalisation of the Employee Rights Bill left to springboard the economy further.

Construction & Real Estate (+24%) lead the upward trend, up nine points quarter-on-quarter. Manufacturing (+15%) and Information (+26%) also show resilience. This surge reflects renewed infrastructure investment and the UK's strategic defence commitments, including £1.5 billion earmarked for new munitions factories and other weapons. These developments are expected to create over 1,000 skilled manufacturing jobs and support hundreds more across the country.

Despite a year-on-year decline in tech hiring, demand remains strong as employers invest in digital capability and cybersecurity. AI is no longer confined to tech – it's reshaping every sector, from manufacturing to finance, making it a truly sector-agnostic force in the labour market.

KPMG / REC REPORT ON JOBS (JANUARY 2026)

The latest KPMG/REC UK Report on Jobs survey showed another reduction in permanent staff appointments at the end of 2025, extending the current downturn to 39 months. The rate of contraction was the steepest since August, with a number of panel members linking the fall to weak business confidence and concerns around costs. Concurrently, temp billings fell for the second straight month, albeit modestly.

Latest vacancy data signalled another marked reduction in demand for workers at the end of the fourth quarter, with the rate of decline quickening slightly from November. This reflected a stronger fall in permanent staff vacancies, as temporary job opportunities decreased at the softest rate since last June.

Overall candidate numbers continued to expand at a substantial pace in December, with the rate of growth edging down only slightly from November. Redundancies were cited as the main driver of rising candidate supply. Divergent trends were seen by job type, as permanent worker availability increased at the quickest rate in four months, while temporary candidate numbers grew at the softest pace since last April.

Commenting, Jon Holt, Group Chief Executive and UK Senior Partner KPMG, said: "The jobs market at the end of 2025 was still signalling caution. After a long stretch of rising cost pressures and higher global economic uncertainty, many firms continue to pause hiring and are flexing where they can by using temporary staff.

"As we head into the New Year, this restraint is likely to remain in the near term. Chief execs who have been prioritising increased investment in tech to improve resilience and productivity, will be looking for signs of greater confidence in the wider economy before turning the hiring taps back on."

"The jobs market at the end of 2025 was still signalling caution. After a long stretch of rising cost pressures and higher global economic uncertainty, many firms continue to pause hiring and are flexing where they can by using temporary staff."

JON HOLT
KPMG

Earnings

> [...] pay growth had continued to ease in the second half of 2025, particularly in the private sector."
>
> **BANK OF ENGLAND MPC MINUTES**
> December 2025

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2025)

Annual private sector regular AWE growth slowed to 4.4% in the three months to August, down from 4.9% in the three months to May [...]. Higher-frequency measures [...] also point to waning momentum. Bank staff estimates abstracting from volatile movements in AWE indicate a three-month annualised growth rate of around 3.9%. This recent slowdown is consistent with the signals from a range of other pay indicators [. . .]. The DMP survey, Indeed Wage Tracker, and a proxy based on HMRC Real-Time Information (RTI) data all suggest that annual pay growth has eased modestly since the start of the year. Nonetheless, wage inflation remains elevated, primarily reflecting past labour market tightness and rises in inflation expectations.

Aggregate wage growth continues to be influenced by the NLW and the increase in employer NICs. Bank staff estimate that the increase in the NLW has boosted aggregate wage growth by around 0.2 percentage points this year. Meanwhile, evidence from the DMP Survey suggests that firms that report adjusting their pay in response to higher employer NICs have wage growth that is around 1 percentage point lower than those that do not [...].

BANK OF ENGLAND MPC MINUTES (DECEMBER 2025)

[...] pay growth had continued to ease in the second half of 2025, particularly in the private sector. Annual growth in whole economy Average Weekly Earnings (AWE) had declined to 4.7% in the three months to October. AWE private sector regular pay growth had fallen to 3.9% [...]. Bank staff expected private sector regular AWE pay growth to ease to around 3.5% in 2025 Q4 [...].

DECISION MAKER PANEL SURVEY 2025 Q4 (DECEMBER 2025)

Annual wage growth has continued to decline. In the three months to November, firms reported average wage growth per employee of 4.5%. In the three months to October, official statistics reported by the ONS showed that the annual growth in weekly regular pay (excluding bonuses and pay arrears) was 4.6% across the whole economy and 3.9% in the private sector. Wage growth in the DMP has now fallen by over 2 percentage points since its peak in 2023. In the three months to November, year-ahead expected wage growth among firms in the DMP was 3.8%, an increase of 0.2 percentage points relative to the three months to August.

KPMG / REC REPORT ON JOBS (JANUARY 2026)

The rate of starting salary inflation continued to recover from September's multi-year low, with permanent pay rising to the greatest extent since last May. However, the increase remained well below the survey's long-run trend. [...] temp pay increased at the end of the year after broadly stagnating over the prior two months. The marginal increase in wages was also comfortably below the historical average, however.

ONS AVERAGE WEEKLY EARNINGS (JANUARY 2026)

Annual growth in employees' average earnings in Great Britain for regular earnings (excluding bonuses) was 4.5%, and for total earnings (including bonuses), was 4.7% in September to November 2025. Annual average regular earnings growth was 7.9% for the public sector and 3.6% for the private sector. The public sector annual growth rate is affected by some public sector pay rises being paid earlier in 2025 than in 2024. This has caused a base effect that has now reached its peak and will phase out over the next three months.

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Pay Settlements - Historic

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2025)

Annual private sector regular AWE growth is projected to slow to 3.5% in 2025 Q4, partly due to unusually strong wage growth at the end of 2024 dropping out of the annual comparison. Measures of private sector pay settlements for 2025, including the Bank's pay settlements database, remain in the 3%–4% range, although the Agent's contacts report that average pay settlements so far in 2025 are at the upper end of this range.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2025)

A range of pay settlements data suggested that the median private-sector settlement had been around 3% in the three months to November [...].

BRIGHTMINE (DECEMBER 2025)

[...] median basic pay awards for the final quarter of the year returned to 3%, with most deals falling between 2% and 4.2%. [...] The analysis showed that more than 7 in 10 deals in 2025 were lower than those awarded to the same employees in 2024.

LABOUR RESEARCH DEPARTMENT (NOVEMBER 2025)

Pay deals recorded by LRD Payline fell to their lowest level since November 2021 in the three months to October 2025. The median pay increase was 3.0% [...]. The public sector fared better with an average 4.0% increase.

INCOMES DATA RESEARCH (DECEMBER 2025)

The median pay award across the private sector rose from 3.0% to 3.4% in the three months to October 2025 [. . .]. The proportion of increases worth 4.0% or more in the sector grew from nearly a quarter (23%) in the three months to September to around a third (31%). [...]

"The uptick in the median is an indication that cost of living pressures continue to persist, even as the rate of inflation comes down. The path of both will be important determinants of pay outcomes in 2026", commented Zoe Woolacott from IDR.

Our analysis of pay outcomes for the whole economy reveals a higher median of 3.7%, 0.3 percentage points higher than that in the private sector. In our latest sample, the proportion of increases worth 4% or more grew from 35% to 46% across the economy as a whole. The median [in the public sector] continues to sit above those for both the whole economy and the private sector, at 4.1%.

This elevated median (of 3.7%) for October is higher than the median for 2025 as a whole, 3.3%.

PAYDATA PAY DATABASE (JANUARY 2026)

Paydata's pay database shows a median pay settlement of 3.0% for the 12 months to January 2026, with an interquartile range of 2.5% and 3.5%.

Pay Settlements

3.0%
Labour Research Department

3.0%
Brightmine

3.4%
Incomes Data Research

3.0%
Paydata

Pay Settlements - Predictive

BANK OF ENGLAND MONETARY POLICY REPORT (NOVEMBER 2025)
AWE growth is expected to be 3.6% in the first quarter of 2026 and then to ease a little further as spare capacity in the labour market continues to grow. Early indications from the Agents' contacts suggest that settlements could average around 3.5% in 2026.

BANK OF ENGLAND MPC MINUTES (DECEMBER 2025)
[...] the Agents' contacts had suggested pay settlements were expected to be around 3.5% in 2026. This was still an elevated level, although it was nearly 0.5 percentage point lower than figures reported for 2025. The November DMP survey had reported a slight increase in firms' twelve-month ahead pay expectations to 3.8% [...].

CIPD LABOUR MARKET OUTLOOK (AUTUMN 2025)
The median expected basic pay increase remains at 3% overall, and across all sectors. The median expected pay award remains at 3% in the private and public sectors. It has risen in the voluntary sector from 2.5% last quarter to 3.0% this quarter. Even though the expected median pay award has not changed for some time, there have been downward shifts among many employers in the level of pay awards they plan to give. Whereas 12 months ago 34% of employers planned to offer a pay rise of 5% or more, this has fallen to 21% of employers this quarter. Instead, more employers are within the 3–3.99% range, rising from 21% to 30% of employers. [...]few employers anticipate that they will have to cut pay or freeze it. In terms of the distribution, the lower quartile is estimated to be 2%, with the upper quartile at 4%.

WTW SALARY BUDGET PLANNING SURVEY (JANUARY 2026)
as reported on Employee Benefits online
UK salary increase budgets for 2026 stand at 3.6% and match 2025's actual pay rises. For the current cycle, 51% of respondents have made no change to their projected pay budgets [...]. While 10% will increase pay budgets, 27% will decrease them. Paul Richards, UK reward data intelligence leader at WTW, said: "Employers are entering 2026 with clearer pay priorities and stronger discipline, using salary budgets not simply as financial inputs but as strategic levers."

BRIGHTMINE (DECEMBER 2025)
Looking to 2026, pay expectations remain centred around a 3% increase, with employers signalling another year of controlled and moderate awards.

INCOMES DATA RESEARCH (DECEMBER 2025)
[...] pay deals for 2026, [. . .] reveals a median pay award of 3.5%. This is higher than that for 2025 when the median for the year as a whole was 3.3%.

PAYDATA UK REWARD MANAGEMENT SURVEY (AUTUMN 2025)
Analysis shows an anticipated median pay award of 3.0%, with an interquartile range of between 3.0% and 3.5%. More than half of employers (54 per cent) expect to award up to 3%. 25% plan to award up to 4%, while expectations for awards of up to 2% have edged up to 12% of employers.

PAYDATA PAY AWARD PLANS AND EXPECTATIONS FOR 2026 SURVEY (JANUARY 2026)
Preliminary findings show a median pay award for 2026 as 3.0%, with an interquartile of 3.0% and 3.5%.

"Employers are entering 2026 with clearer pay priorities and stronger discipline, using salary budgets not simply as financial inputs but as strategic levers."

PAUL RICHARDS
WILLIS TOWERS WATSON
January 2026

PAYstats at a glance

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

Consumer Price Index	CPIH	Retail Price Index ^
3.4%	3.6%	4.2%
December 2025	December 2025	December 2025

Employment

34.3m
employed, up 1.5% on last year.

145,000
redundancies, up 30.3% on last year.

734,000
vacancies, down -8.6% on last year.

1.84m
unemployed, up 17.9% on last year.

4.3%
change in whole economy average earnings, excluding bonuses, for the 12 months to November 2025, down 0.2 percentage points on last month.

4.8%
change in whole economy average earnings, including bonuses, for the 12 months to November 2025, down 0.1 percentage points on last month.

Notes: ^ RPI has lost its designation as a National Statistic but is still used for some indexing purposes. * February 2024's release saw the reintroduction of Labour Force Survey data, which now include the latest population information.

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 2025		Oct-Dec 2025		Sep-Nov 2025		Sep-Nov 2025	
	000's	Change	000's	Change	000's	Change	000's	Change
All UK ~	34,303	1.5%	734	-8.6%	145	30.3%	1,840	17.9%
Manufacturing	2,511	-1.8%	50	-11.2%				
Electricity & gas supply	143	0.7%	3	-30.0%				
Water, sewerage & waste	240	-0.5%	7	11.5%				
Construction	2,235	-2.2%	29	-15.1%				
Wholesale, retail & motor repair	4,628	-2.0%	92	-6.2%				
Info & communications	1,602	-3.4%	37	-1.1%				
Financial & insurance	1,110	-3.6%	35	2.0%				
Real estate	718	4.2%	11	-20.8%				
Prof. scientific & technical	3,471	-0.9%	77	-6.5%				
Administrative & support	2,952	-1.1%	49	-14.1%				
Public admin, defence, social security	1,764	2.3%	30	1.0%				
Education	3,115	1.3%	51	0.8%				
Health & social work	5,028	0.8%	120	-14.4%				
Other services	956	1.4%	14	-8.7%				

AVERAGE EARNINGS (seasonally adjusted)

	Excluding bonuses		Including bonuses	
November 2025	Change from 12 months ago	% point change since last month	Change from 12 months ago	% point change since last month
Whole economy	4.3%	-0.2	4.8%	-0.1
Private	3.5%	0.0	4.2%	0.1
Public	7.5%	-1.0	7.4%	-0.6
Services	4.3%	-0.3	5.1%	0.2
Finance & business services	2.5%	0.8	3.8%	0.3
Public sector exc. Financial services	7.6%	-0.9	7.4%	-0.7
Manufacturing	4.4%	-0.3	4.2%	0.0
Construction	2.2%	0.1	1.5%	-2.3
Wholesale, retail, hotels & restaurants	4.4%	-0.9	4.9%	-0.7

Notes: * Sector breakdown as at September 2025, \ not seasonally adjusted

Current Rates

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

Workers 18-20 years old:	£10.00 (£10.85^)
Workers 16-17 years old:	£7.55 (£8.00^)
Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.	£10.66 (£11.10^)
Apprentice minimum wage rate for: - apprentices under 19 years old - apprentices aged 19 and over, but in the first year of their apprenticeship	£7.55 (£8.00^)

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

Workers aged 21 and over:	£12.21 (£12.71^)

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:	£12.60 (£13.45*)
- London hourly rate:	£13.85 (£14.80*)

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: £187.18 (£194.32^) or 90 per cent of AWE (if lower)

Statutory Paternity Pay:
- 1 or 2 weeks consecutive leave: £187.18 (£194.32^) 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: £187.18 (£194.32^) or 90 per cent of AWE (if lower)

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

Standard weekly rate	£118.75 (£123.25^)
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 2025, the weekly pay is capped at £719 and the maximum statutory redundancy pay is £21,570. If redundancy was made before 6 April 2025, 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

^ Effective from April 2026.
** Effective from May 2026.*

Paydata
making lives better at work

Benchmark your pay and benefits with confidence

In today's economic climate, HR teams are under pressure to do more with less. You need to offer reward packages that attract and retain great people - all within constrained budgets.

Paydata's pay database provides accurate, up-to-date insights into pay trends across industries, roles and regions. Whether you're planning a salary review, recruiting new talent or developing pay strategies, access the market data you need to confidently make evidence-based decisions.

Our salary market data provides a reliable foundation for your pay decisions, combining real-world figures with sector-specific insights. The result? A transparent, competitive and well-informed approach to compensation that works within your budgetary requirements and helps your business attract, motivate and retain the talent you need.

Benchmarking services include:
- Pay and Benefits Benchmarking
- Executive Benchmarking
- Off-the-shelf Pay Market Reports
- Bespoke Benchmarking

Access pay and benefits market data across specialist sectors, including:

- Construction and Engineering
- Electricity
- Facilities Management
- Housing Associations
- Mechanical and Electrical
- Membership Organisations
- Private Healthcare
- Property and Construction Consultancies
- Purpose Built Student Accommodation
- Renewables Sector
- Residential Care

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