



October 2026: PAYstats Pay and Labour Market Statistics

Quarterly Edition

October 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

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

+44 (0)1733 391 377
info@paydata.co.uk

KEY FINDINGS



- The Consumer Prices Index (CPI) rose by 3.5% in the 12 months to September 2026, up from 3.1% the previous month.
- The UK employment rate (based on the LFS) for people aged 16 to 64 years, including both employees and self-employed, was estimated at 75.3% for June to August 2026.
- The UK unemployment rate for people aged 16 years and over was estimated at 4.7% in June to August 2026.
- The estimated number of vacancies in the UK decreased in the latest quarter. Early estimates for July to September 2026 suggest a decrease of 21,000 (2.9%) to 691,000, compared with April to June 2026.
- Annual growth in employees' average regular earnings excluding bonuses in Great Britain was 3.6% in the 12 months to August 2026, and annual growth in total earnings including bonuses was 3.1%.
- Paydata's pay database shows a median pay settlement of 3.0% for the 12 months to September 2026, with an interquartile range of 3.0% and 3.5%.
- Initial pay expectations for 2027, across all sectors, show an anticipated median pay award of 3.0%, with an interquartile range of between 3.0% and 3.5%.

Inflation

BANK OF ENGLAND MONETARY POLICY REPORT (JULY 2026)

CPI inflation has fallen to 2.6% since the previous meeting, although it is expected to rise later this year as the effects of higher energy prices continue to pass through. The risk of material second-round effects in price and wage-setting, against which policy needs to lean, is greater the longer higher energy prices persist. There is little evidence so far to suggest such effects, and there have continued to be clear signs of underlying disinflation in recent data. Loose labour market conditions, and higher interest rates faced by households and businesses than prior to the conflict, will also act to reduce inflation over time. The Committee judges that the risks to the inflation outlook are tilted to the upside relative to the central projection in the July Monetary Policy Report, but there remains scope for the outlook to change materially as events in the Middle East unfold.

BANK OF ENGLAND MPC MINUTES (SEPTEMBER 2026)

Twelve-month CPI inflation had been 3.1% in August, triggering the exchange of open letters between the Governor and the Chancellor of the Exchequer that was being published alongside these minutes. Around 0.7 percentage points of the 1.1 percentage point overshoot relative to the 2% target was driven by the direct effects of energy prices, mostly motor fuels. Services inflation had been 3.4% in August, unchanged from July, but down from 4.5% in March. Measures of underlying CPI inflation had remained above target-consistent rates.

OFFICE FOR NATIONAL STATISTICS (SEPTEMBER 2026)

The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 3.6% in the 12 months to September 2026, up from 3.3% the previous month. On a monthly basis, CPIH rose by 0.4% in September 2026, compared with a rise of 0.1% in September 2025. The Consumer Prices Index (CPI) rose by 3.5% in the 12 months to September 2026, up from 3.1% the previous month. On a monthly basis, CPI rose by 0.4% in September 2026, compared with little change in September 2025.

Transport, particularly motor fuels, made the largest upward contribution to the monthly change in both CPIH and CPI annual rates; restaurants and hotels made the largest, partially offsetting, downward contribution. Core CPIH (CPIH excluding energy, food, alcohol, and tobacco) rose by 3.1% in the 12 months to September 2026, up from 2.9% in August; the CPIH goods annual rate rose from 2.7% to 3.2%, while the CPIH services annual rate rose from 3.6% to 3.9%. Core CPI (CPI excluding energy, food, alcohol, and tobacco) rose by 2.8% in the 12 months to September 2026, up from 2.6% in August; the CPI goods annual rate rose from 2.7% to 3.2%, while the CPI services annual rate rose from 3.4% to 3.7%.

DECISION MAKER PANEL SURVEY (SEPTEMBER 2026)

Expectations for year-ahead CPI inflation remained unchanged at 3.1% in the three months to September. The corresponding measure for three-year-ahead CPI inflation expectations was 2.8% in the three months to September, which remains unchanged relative to the three months to August.



Based on energy prices as of close of business on 15 June, CPI inflation was now expected to be a little under 3% in 2026 Q3 and pick up to a little over 3.25% in Q4."

BANK OF ENGLAND MPC MINUTES

June 2026

Employment

CIPD LABOUR MARKET OUTLOOK (SUMMER 2026)

The net employment balance – the difference between employers expecting there will be an increase in staffing levels and those expecting there will be a decrease in the next three months – remains at a near record low this quarter at +9. Employment intentions in the private sector are at their joint record low, outside of the pandemic, of +11. Just 57% of employers in the private sector plan to recruit over the next three months, which is the lowest figure since we began collecting this measure in 2016 (outside of the pandemic).

BANK OF ENGLAND MONETARY POLICY REPORT (SEPTEMBER 2026)

Bank staff judge that underlying employment growth has been broadly flat since early 2025, based on the signal from a range of measures, with little evidence of a marked change following the onset of the Middle East conflict. HMRC RTI data, which give a timely read on employment, point to a small fall in payrolled employees over recent months, while the S&P Global UK PMI employment index remained below its historical average in July. Contacts of the Bank's Agents report that the conflict has led to greater caution in employment intentions and some delays in hiring, and around a quarter of respondents to the July 2026 DMP survey expected employment to be lower because of the conflict.

Intelligence from the Bank's Agents suggests AI adoption is gradually reducing demand for highly automatable jobs in some industries, with firms often slowing hiring or leaving vacancies unfilled to increase output without a proportional rise in headcount. Consistent with that, respondents to the latest DMP survey expected AI to reduce employment by around 0.4% per year and to boost productivity by around 0.9% per year over the next three years. The effects of AI remain highly uncertain, however. Nearly 90% of DMP survey respondents report no material impact of AI on their employment over the past three years, and the creation of new businesses and jobs may offset some future employment impacts.

The LFS unemployment rate stood at 4.9% in the three months to May, 0.2 percentage points lower than projected in the April Report. The headline unemployment rate has been volatile in recent months, reflecting both changes in inactivity and employment.

The unemployment rate is expected to rise a little over coming months. Bank staff project the unemployment rate to rise gradually to 5.0% in 2026 Q3 and 5.1% in Q4. That rise is expected to mainly reflect continued weakness in hiring rather than an increase in job losses, consistent with subdued indicators of employment intentions and recent falls in the ONS redundancy rate. Forward-looking HR1 notifications of potential redundancies among larger firms have risen over recent months, however, which could point to the risk of a slightly sharper increase in unemployment over coming quarters.

BANK OF ENGLAND MPC MINUTES (SEPTEMBER 2026)

Labour demand had remained weak and there was still judged to be a margin of slack in the labour market. The unemployment rate was estimated to have been 4.9% in the three months to July, unchanged since the three months to April, although there had been an operational error temporarily reducing LFS achieved sample sizes in May and June leading to an increased use of imputation for those months. At the time of the July Report, the baseline projection for slack in the economy was for a small increase

+9



this quarter's net employment balance.

57%



are planning to recruit in the next three months.

during the second half of the year. However, some timely indicators of employment growth, such as the KPMG/REC measure of hiring and the S&P Global Employment PMI had edged up in August, consistent with the recent resilience of activity. While judgements about the overall level of slack in the economy were very uncertain, it was now judged likely that there had been some stabilisation in slack.

OFFICE FOR NATIONAL STATISTICS (JULY 2026)

Estimates for payrolled employees in the UK fell by 111,000 (0.4%) between August 2025 and August 2026, but it remained largely unchanged between July and August 2026, increasing by 1,000 (0.0%). [...] When looking at June to August 2026, the period comparable with our Labour Force Survey (LFS) estimates, the number of payrolled employees fell by 92,000 (0.3%) over the year and by 37,000 (0.1%) over the quarter. The early estimate of payrolled employees for September 2026 decreased by 66,000 (0.2%) on the year, but remained largely unchanged between August and September 2026, increasing by 13,000 (0.0%) to 30.3 million. [...]

The UK employment rate (based on the LFS) for people aged 16 to 64 years, including both employees and self-employed, was estimated at 75.3% for June to August 2026. This is up by 0.2 percentage points on both the year and the latest quarter. The UK unemployment rate for people aged 16 years and over was estimated at 4.7% in June to August 2026. This is down by 0.1 percentage points on both the year and the latest quarter. The UK economic inactivity rate for people aged 16 to 64 years was estimated at 20.9% in June to August 2026. This is down by 0.2 percentage points on the year and by 0.1 percentage points in the latest quarter. The UK Claimant Count for September 2026 increased on the month and on the year to an estimated 1.701 million. [...]

The estimated number of vacancies in the UK decreased in the latest quarter. Early estimates for July to September 2026 suggest a decrease of 21,000 (2.9%) to 691,000, compared with April to June 2026. This is the largest quarterly fall since January to March 2026, which was also a fall of 21,000 vacancies. Estimates have remained broadly flat since the start of the year, decreasing by 28,000 since January to March 2026. On the year, vacancies decreased by 37,000 (5.1%). [...]

DECISION MAKER PANEL SURVEY (SEPTEMBER 2026)

Firms reported that realised annual employment growth was -0.2% in the three months to September, unchanged from -0.2% in the three months to August. Expectations for employment growth over the next year also firmed slightly, rising by 0.1 percentage points to 0.2% in the three months to September.

MANPOWER EMPLOYMENT OUTLOOK SURVEY (Q4 2026)

The UK's Net Employment Outlook (NEO) stands at +23% for Q4 2026. While this represents a moderation from Q3's exceptional reading of +36% – driven in part by a wave of delayed recruitment decisions – hiring confidence remains more than double the +11% recorded in Q4 2025. Four in ten employers (40%) expect to increase staffing levels during the final quarter of the year, compared with 17% planning workforce reductions.

[...] Every UK region reports stronger hiring intentions than it did a year ago. Continued investment in infrastructure, technology, energy, defence and local development projects is helping to drive demand for skills across sectors and regions. [...]

UK employers in all nine sectors expect staffing levels to increase during Q4 2026. The Information sector (+34%) reports the strongest hiring outlook nationally,



Employers have remained cautious, but they have not stopped hiring. As we approach 2027, the labour market is ending the year on firmer ground than many predicted."

LEE CHANT
MANPOWERGROUP UK

while Hospitality records the largest annual improvement (+20 percentage points), followed by Trade & Logistics (+19 points) and Construction and Real Estate (+18 points). [...]

Lee Chant, Managing Director (UK & Ireland), ManpowerGroup UK, said: "When you consider what businesses have had to contend with over the past year, these figures are better than many would have expected. Employers have remained cautious, but they have not stopped hiring. As we approach 2027, the labour market is ending the year on firmer ground than many predicted."

KPMG / REC REPORT ON JOBS (OCTOBER 2026)

The KPMG/REC UK Report on Jobs survey signalled a back-to-back rise in permanent placements during September. The rate of growth picked up slightly from August and, though marginal, marked the strongest rise in four years. The upturn was supported by rising activity levels at employers and efforts to expand capacity amid improved business confidence. Temp billings also expanded in September, though growth was the least pronounced in five months.

Latest survey data indicated a further decline in overall demand for workers. However, the rate of contraction moderated to the weakest in just over two years and was only mild. Underlying data showed that both permanent and temporary vacancies declined at similarly modest rates in September. Data broken down by the private and public sectors - which are not seasonally adjusted - indicated the first improvement in demand for permanent private sector staff for over two years.

The availability of candidates to fill roles continued to increase in September amid reports of redundancies and fewer job opportunities. Whilst sharp, the rate of expansion was the slowest in three years, driven by a softer rise in permanent candidate supply. Notably, the latter increased at the weakest rate since September 2023, while growth in temporary candidate numbers was the fastest in three months.

Commenting, Maxine Bligh, Interim Chief Executive at the REC, said: "The permanent jobs market is revving its engine, with a second successive month of growth. The last time we saw a sustained run of growth in permanent placements was between March 2021 and September 2022. If this trend continues, we could see genuine momentum building across the labour market, with both permanent and temporary hiring moving in the same direction, which is encouraging for jobseekers and the economy. The signal from the private sector is that it is ready to invest, with permanent vacancies rising for the first time in more than two years across the sector."



The signal from the private sector is that it is ready to invest, with permanent vacancies rising for the first time in more than two years across the sector."

MAXINE BLIGH
REC

Earnings

BANK OF ENGLAND MONETARY POLICY REPORT (SEPTEMBER 2026)

The further easing in domestic inflationary pressures has been supported by a continued slowing in wage growth. Private sector regular AWE growth eased to 2.9% in the three months to May. Although compositional shifts towards lower-paid industries continue to weigh on AWE growth by around 0.5 percentage points, momentum in private sector AWE growth has been subdued on a three-month on three-month annualised basis. Measures of pay growth from the DMP survey and the Indeed Wage Tracker remain higher, at around 4%, but have fallen gradually over recent months. Whole economy total AWE growth has exceeded private sector regular pay growth. That difference largely reflects bonus payments, which do not tend to be a persistent driver of pay growth. Bonuses also appear to explain most of the gap between private sector regular AWE growth excluding compositional effects and the HMRC RTI measure. Public sector regular pay growth has also been strong, partly reflecting the earlier implementation of this year's NHS pay deal. Annual private sector AWE growth is projected to average 2.8% in 2026 Q2 and around 3.0% in Q3, consistent with slack in the labour market continuing to weigh on wage growth.

BANK OF ENGLAND MPC MINUTES (SEPTEMBER 2026)

Annual growth in private sector regular Average Weekly Earnings in the three months to July had been 2.9%, a little above expectations at the time of the July Report but down from 3.3% at the start of the year. That measure had continued to be pushed down by temporary compositional effects. Other indicators, including pay settlements and timelier HMRC indicators were higher, collectively suggesting that underlying private sector wage growth was around 3.5%, slightly above the target-consistent estimate presented in the February 2026 Report.

KPMG / REC REPORT ON JOBS (OCTOBER 2026)

While competition for highly skilled workers continued to add upward pressure on rates of starting pay, permanent salary growth slowed for the first time in four months in September, and remained below the historical average. There were reports that cost considerations and increases in staff availability had tempered inflation. Temp pay rates likewise rose at a softer pace, with the rate of growth easing to a four-month low.

ONS AVERAGE WEEKLY EARNINGS (OCTOBER 2026)

Annual growth in employees' average regular earnings (excluding bonuses) was 3.7% in June to August 2026 and has been relatively stable over the past six consecutive three-month periods, after a year of slowing growth. Annual growth in total earnings (including bonuses) was 3.7% in June to August 2026, down from 3.9% on the previous three-month period. It was last lower than 3.7% in August to October 2020, when it was 2.8%. Annual average regular earnings growth was 6.3% for the public sector and 3.0% for the private sector. Public sector annual pay growth continues to be affected by variations in the timing of pay awards this year.

Annual growth in real terms, adjusted for inflation using the Consumer Prices Index including owner occupiers' housing costs (CPIH), was 0.6% for regular pay and 0.7% for total pay in June to August 2026. When using the Consumer Prices Index excluding owner occupiers' housing costs (CPI), annual growth in real terms for regular pay was 0.8%, and for total pay it was 0.9%, in June to August 2026.



While competition for highly skilled workers continued to add upward pressure on rates of starting pay, permanent salary growth slowed for the first time in four months in September, and remained below the historical average."

KPMG / REC REPORT ON JOBS
October 2026

Pay Settlements - Historic

BANK OF ENGLAND MONETARY POLICY REPORT (SEPTEMBER 2026)

The Bank's Agents continue to report average pay settlements of 3.5% for 2026, below the average settlement of 4.0% in 2025. Contacts cite a lower NLW increase this year, lower inflation at the time of settling and a looser labour market as driving that fall. Most 2026 settlements were agreed before the Middle East conflict, and not many contacts expect to review pay again this year.

DECISION MAKER PANEL SURVEY (SEPTEMBER 2026)

Firms reported that annual wage growth was 4.0% in the three months to September, unchanged from the three months to August.

BRIGHTMINE (OCTOBER 2026)

as reported on Personnel Today online

The median basic pay award in the three months to the end of September 2026 stood at 3.1%, up slightly from 3% in each of the previous two rolling quarters, but lagging behind growing inflation. Sheila Attwood, senior content manager at Brightmine, said: "Pay awards have edged up, but there is little evidence of a significant shift in the overall picture. The median has risen to 3.1%, yet most employees are receiving the same or a lower award than they did last year."

LABOUR RESEARCH DEPARTMENT (JUNE 2026)

The LRD Payline service recorded an average pay deal of 3.8% for the lowest-paid, and 3.6% for standard increases.

INCOMES DATA RESEARCH (SEPTEMBER 2026)

as reported on Employee Benefits online

The median pay award across the economy has fallen from 3.5% to 3.3% in the three months to July 2026, according to the latest figures from Incomes Data Research (IDR). Its analysis of pay settlements across the economy between 1 May and 31 July was mostly at large organisations and covered 585,505 workers. [...]

A total of 54% of awards in the three months to July remain between 3% and 4%, up from 49% last month, while 32% of pay rises were worth at least 4%, and 14% were between 2% and 2.99%. Analysis of awards in the 3% to 3.99% bracket revealed that pay rises worth between 3% and 3.49% grew from 28% last month to 67% in the three months to July. This is likely to have influenced the fall in the median pay award to 3.3%.

PAYDATA PAY DATABASE (OCTOBER 2026)

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

Pay Settlements

3.5%

Bank of England MPC Report

3.6%

Labour Research Department

3.0%

Brightmine

3.3%

Incomes Data Research

3.0%

Paydata

Pay Settlements - Predictive

BANK OF ENGLAND MONETARY POLICY REPORT (SEPTEMBER 2026)

Some contacts report that knock-on effects from the conflict could slow wage disinflation in 2027. In the three months to July, however, respondents to the DMP survey expected average wage growth of 3.4% one year ahead, below reported realised wage growth of 4% over the past year.

BANK OF ENGLAND MPC MINUTES (SEPTEMBER 2026)

It was unclear at this stage to what extent households' and firms' reactions to higher energy prices might feed into higher wage settlements. DMP respondents had reported that they expected one-year-ahead wage growth of 3.4%, which had been stable since before the start of the conflict. Some Agents' contacts had suggested that 2027 pay settlements would be broadly in line with or slightly lower than 2026. However, higher-than-expected inflation was one factor judged likely by companies to push up settlements relative to where they otherwise would have been.

DECISION MAKER PANEL SURVEY (SEPTEMBER 2026)

Expected year-ahead wage growth was [...] unchanged, at 3.4% in the three months to September.

CIPD LABOUR MARKET OUTLOOK (SUMMER 2026)

The median expected basic pay increase remains at 3% overall, and across all sectors, with real pay likely to fall in the coming months.

BRIGHTMINE (SEPTEMBER 2026)

as reported on Personnel Today online

UK employers are expected to keep pay awards subdued into 2027, according to the latest data from Brightmine. Its pay forecast analysis found a median pay award of 3% over the next 12 months, with little variation. Nearly three-quarters (71%) of predicted pay settlements will fall between 3% and 4%. [...] few employers expect to return to pay freezes, with 97% of forecast pay reviews predicted to result in an increase.

Sheila Attwood, Senior Content Manager, Data and HR Insights at Brightmine, comments: "Pay awards remain stagnant, and that very much looks to be the story of 2027. Brightmine data shows pay growth settling at 3%, and there is very little reason for that to shift significantly in the medium term."

INCOMES DATA RESEARCH (SEPTEMBER 2026)

Most employers expect that pay will grow at much the same rate next year as it has done so in 2026, according to the findings of IDR's latest survey of employers' pay and reward intentions for 2027. Almost three-quarters (72%) of survey participants anticipate that their 2027 pay rise is likely to be at the same level as this year's, although a further 18% are forecasting a slightly lower increase. Building further on a trend seen last year, the greatest proportion – 60% – of anticipated 2027 pay increases are in the 3% to 3.99% bracket, with the majority of these (half of all expected pay rises) falling between 3% and 3.49%.

PAYDATA UK REWARD MANAGEMENT SURVEY (AUTUMN 2026)

Preliminary findings show a median pay award for 2026 as 3.0%, with an interquartile range of between 3.0% and 3.5%. Both the mode and the median pay budget for 2026 are 3.0%. Looking ahead to 2027, provisional results show an anticipated median pay award of 3.0%, with an interquartile range of between 3.0% and 3.5%.



Looking ahead to 2027, provisional results show an anticipated median pay award of 3.0%, with an interquartile range of between 3.0% and 3.5%."

PAYDATA UK REWARD MANAGEMENT SURVEY

Autumn 2026

PAYstats at a glance

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

Consumer Price Index

3.5%

September 2026

CPIH

3.6%

September 2026

Retail Price Index [^]

3.9%

September 2026

Employment

34.6m

employed, up 1.0% on last year.



113,000

redundancies, up 0.1% on last year.



691,000

vacancies, down 5.1% on last year.



1.71m

unemployed, down 1.5% on last year.



3.6%

change in whole economy average earnings, excluding bonuses, for the 12 months to August 2026, down 0.2 percentage points on last month.



3.1%

change in whole economy average earnings, including bonuses, for the 12 months to August 2026, down 0.8 percentage points on last month.



Notes: 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	Jun-Aug 2026		Jul-Sep 2026		Jun-Aug 2026		Jun-Aug 2026	
	000's	Change	000's	Change	000's	Change	000's	Change
All UK ~	34,577	1.0%	691	-5.1%	113	0.1%	1,712	-1.5%
Manufacturing	2,460	-2.5%	48	2.8%				
Electricity & gas supply	147	1.2%	3	-11.8%				
Water, sewerage & waste	247	3.0%	6	-23.0%				
Construction	2,293	1.1%	27	-9.8%				
Wholesale, retail & motor repair	4,597	-1.3%	90	-5.2%				
Info & communications	1,606	0.4%	37	-0.8%				
Financial & insurance	1,124	-1.4%	31	-6.1%				
Real estate	728	3.5%	12	14.4%				
Prof. scientific & technical	3,504	1.5%	68	-11.6%				
Administrative & support	2,971	-0.6%	50	0.0%				
Public admin, defence, social security	1,802	2.5%	29	-2.7%				
Education	3,127	0.5%	43	-13.3%				
Health & social work	5,028	-0.4%	122	-3.8%				
Other services	976	-0.7%	11	-14.2%				

AVERAGE EARNINGS (seasonally adjusted)

	Excluding bonuses		Including bonuses	
August 2026	Change from 12 months ago	% point change since last month	Change from 12 months ago	% point change since last month
Whole economy	3.6%	-0.2	3.1%	-0.8
Private	3.1%	0.0	2.7%	-0.4
Public	5.7%	-0.7	5.0%	-2.2
Services	3.7%	-0.3	3.3%	-0.8
Finance & business services	3.7%	0.2	3.5%	0.4
Public sector exc. Financial services	5.8%	-0.6	5.1%	-2.1
Manufacturing	2.5%	-0.3	2.7%	0.3
Construction	1.9%	0.4	1.0%	-0.5
Wholesale, retail, hotels & restaurants	1.9%	-0.9	1.4%	-2.3

Notes: * Sector breakdown as at June 2026, \ not seasonally adjusted

Current Rates

NATIONAL MINIMUM WAGE (NMW)

For more information: www.gov.uk



Workers 18-20 years old:	£10.85
Workers 16-17 years old:	£8.00
Accommodation offset – maximum per day that can be offset against the NMW where employer provides accommodation.	£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	£8.00

NATIONAL LIVING WAGE

For more information: www.gov.uk



Workers aged 21 and over:	£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:	£13.45 (£14.10 [^])
- London hourly rate:	£14.80 (£15.45 [^])

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

Statutory Paternity Pay:

- 1 or 2 weeks consecutive leave: £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: £194.32 or 90 per cent of AWE (if lower)

STATUTORY SICK PAY

For more information: www.livingwage.org.uk



Standard weekly rate	£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 2026, the weekly pay is capped at £751 and the maximum statutory redundancy pay is £22,530. If redundancy was made before 6 April 2026, 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 May 2027



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 helps your business attract, motivate and retain the very best talent.

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

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

Paydata Ltd

24 Commerce Road
Lynch Wood
Peterborough
Cambridgeshire
PE2 6LR



+44(0)1733 391 377



info@paydata.co.uk



www.paydata.co.uk

