



# Brainstorming Pay

Meesha Nehru & Lewis Emery

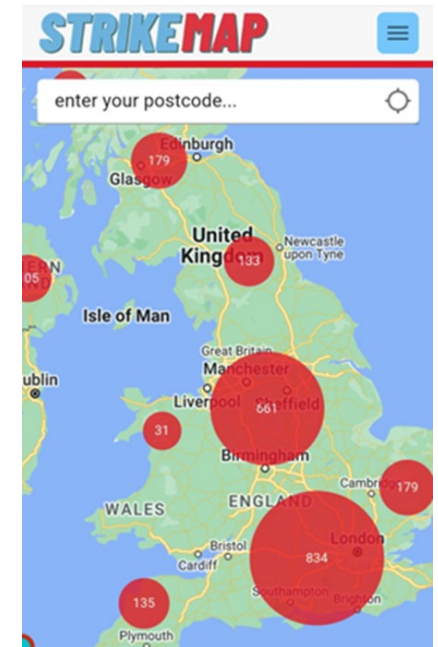
# Pay is top of the agenda

- Cost-living-crisis

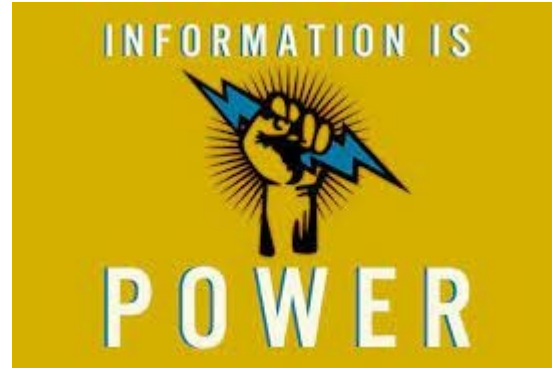
Inflation is eroding wages after a period of austerity and pressures of a pandemic



- New momentum, better deals starting to come through



# The objectives of this workshop



To focus on:

- i) The kind of information to gather when entering into pay campaigns and where to source this information
- ii) Some of the key issues and components of different pay deals and their advantages and disadvantages

# Getting the best deal

1. Bargaining power: level of organisation in the workplace/ sector, position in labour market;
2. Knowing the employer's 'ability to pay': the 'size of pie' to go around. This is about profits and/ or income distribution in the private sector, and boils down to budgeting and political decisions in the public sector;
3. **Understanding how your pay deals compare to others' in your sector, what best practice is, and what you can demand in order to get the best deal for yourselves and to drive up standards across the board.**



- How does my pay compare?
- Am I getting a good deal?
- How can we drive up standards?

## Questions for you...

1. What are the key issues on pay for you?
2. What information do you think is important to know going into a pay campaign?
3. Where do you get your information from?

# Sources of information

**Ability to pay:** accounts etc. (New LRD Guide forthcoming)

## Economic background:

Official for national statistics data on:

- Inflation: RPI / CPI and forecasts
- Pay:
  - Average Weekly Earnings,
  - Annual Survey of Hours and Earnings,
  - PAYE data
- Labour market e.g. vacancies

## Pay rates across your sector:

- Jobs websites

## Pay and conditions negotiated by unions:

- LRD's Payline (become a workplace contact)



FEEDBACK: [click here to send details about pay & service conditions in your workplace](#)

Status and news	
Agreements: 2441	
User: lrd	
Logout	
Payline latest	
Pay and prices	
Workplace Report articles	
Pay Round Surveys	
Sector reports	
Subject reports	
Guidance on statutory provision	
LRD website	

Basic search	
Agreement search	
Document search	

Pay	
Pay increases (summary)	
Pay increases (full)	
Living Wage	
Negotiation updates	
Pay rates	
Grade spine points	
Shift pay	
Regional allowances	
Overtime	

Working time and leave	
Working time and leave	

Allowances and benefits	
Allowances and benefits	

Working parents	
Working parents	

Contracts and procedures	
Contracts and procedures	

Health	
Health	

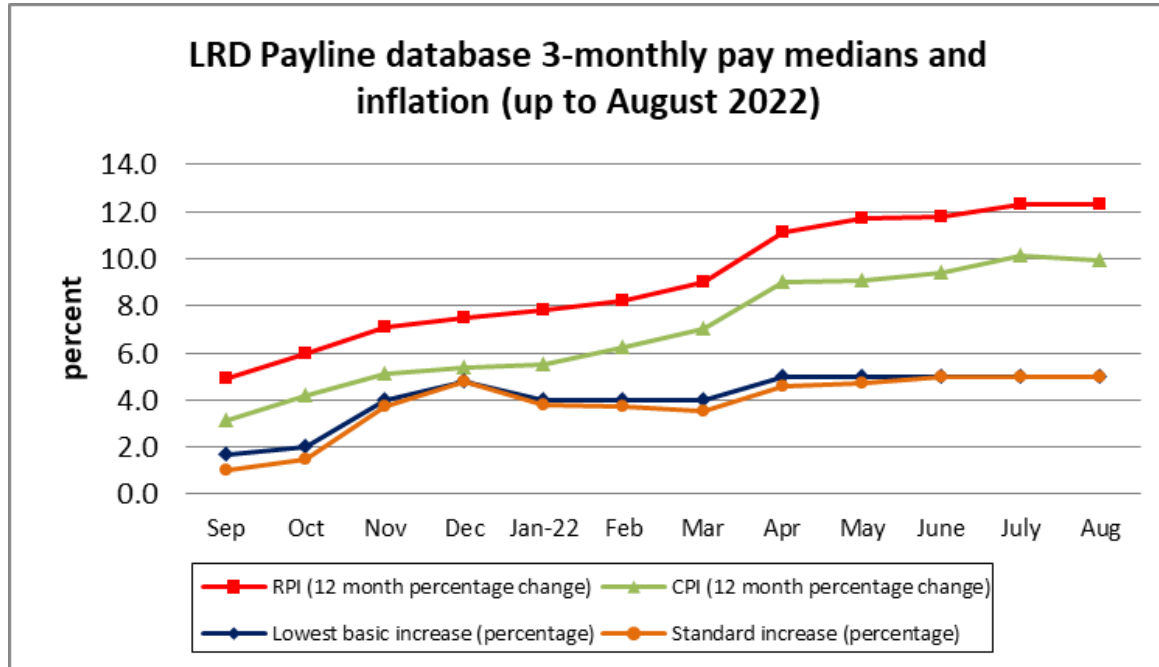
Pay increases (full) report					
Agreements: All					
Group: All					
Sector: Private, public and voluntary					
Industry: All					
Type of worker: Any					
Occupation:					
Total agreements: 1448					
<a href="#">Import all results into Excel</a>					
Showing agreements 1 to 1448 of 1448   <a href="#">search again</a>					
<b>Securitas - Fawley Oil Refinery</b>					
Settlement	01/04/22	To	01/04/23		
Standard increase	Increase on lowest basic pay rate	Minimum increase (underpin)	Paybill increase	Performance related	Inflation link
31.00%	31.00%				
From 1 April 2022, introduction of a new pay structure giving the majority of staff a 31% increase.					
<b>Wincanton (Argos) Heywood Depot</b>					
Settlement	09/09/21	To	09/09/22		
Standard increase	Increase on lowest basic pay rate	Minimum increase (underpin)	Paybill increase	Performance related	Inflation link
31.00%	31.00%				
From September 2021, a 31% increase to drivers' basic rate of pay with an uplift from £11.41ph to £15.00ph (annual earnings increasing from £26,699 to £35,100).					
In addition, a one-off lump sum payment of £2500.					



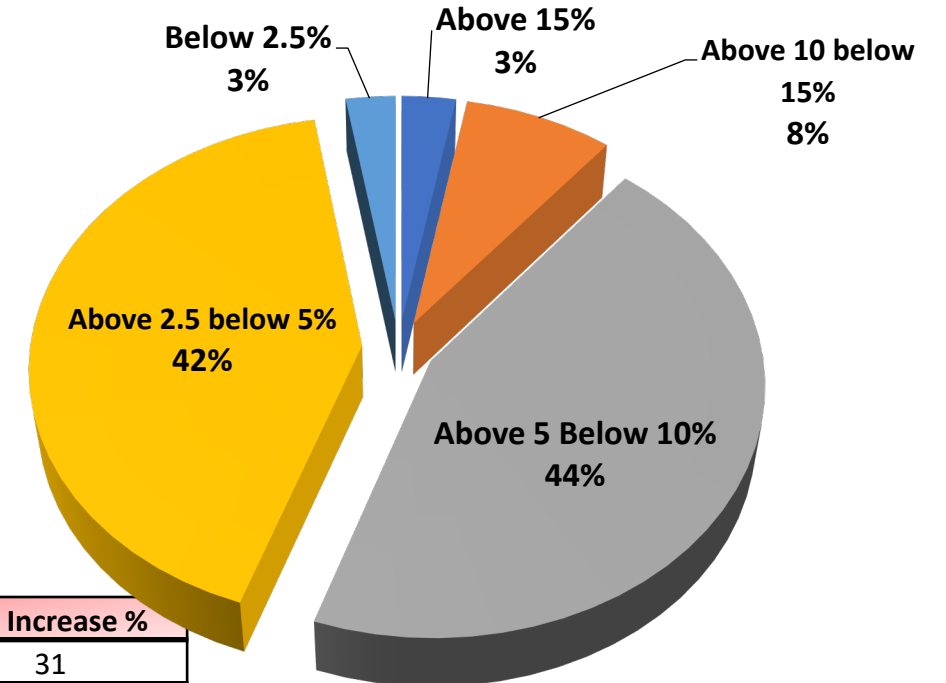
**We can help better when you send us information and tell us what you need and how you need it!**

# The state of pay

Data from the Labour Research Department's pay and conditions database: PayLine



## LRD PayLine Pay Settlements since January 2022



Agreement	Date	Pay Increase %
Securitas - Fawley Oil Refinery	01/04/2022	31
G4S (Croydon Hospital)	01/04/2022	24
GXO Logistics (Adidas) Bedford	06/04/2022	22.57
Wilson James (Gatwick Airport)	01/04/2022	21
Wincanton (Brockworth) Warehouse	01/07/2022	16.8
Riverside Quarter (Cleaners)	01/07/2022	16



# Getting into the nitty gritty: what's in a deal?

**Pay scenarios:** what would you make of either of these management offers? Please discuss...

## Medium manufacturing company

We propose to increase pay rates by 7% as follows:

1. 3.0% increase on pay rates for from 1 January 2023, with an additional 1% consolidated from the current productivity bonus scheme, in return for your agreement to move towards a 1 March settlement date.
2. A further 3.0% increase from 1 January 2024, on the understanding that no further pay agreement will be implemented before 1 March 2025.
3. There will be no other changes to current rates of pay for overtime, allowances or shift premia, but one additional day's annual leave will be available to be taken during 2023.

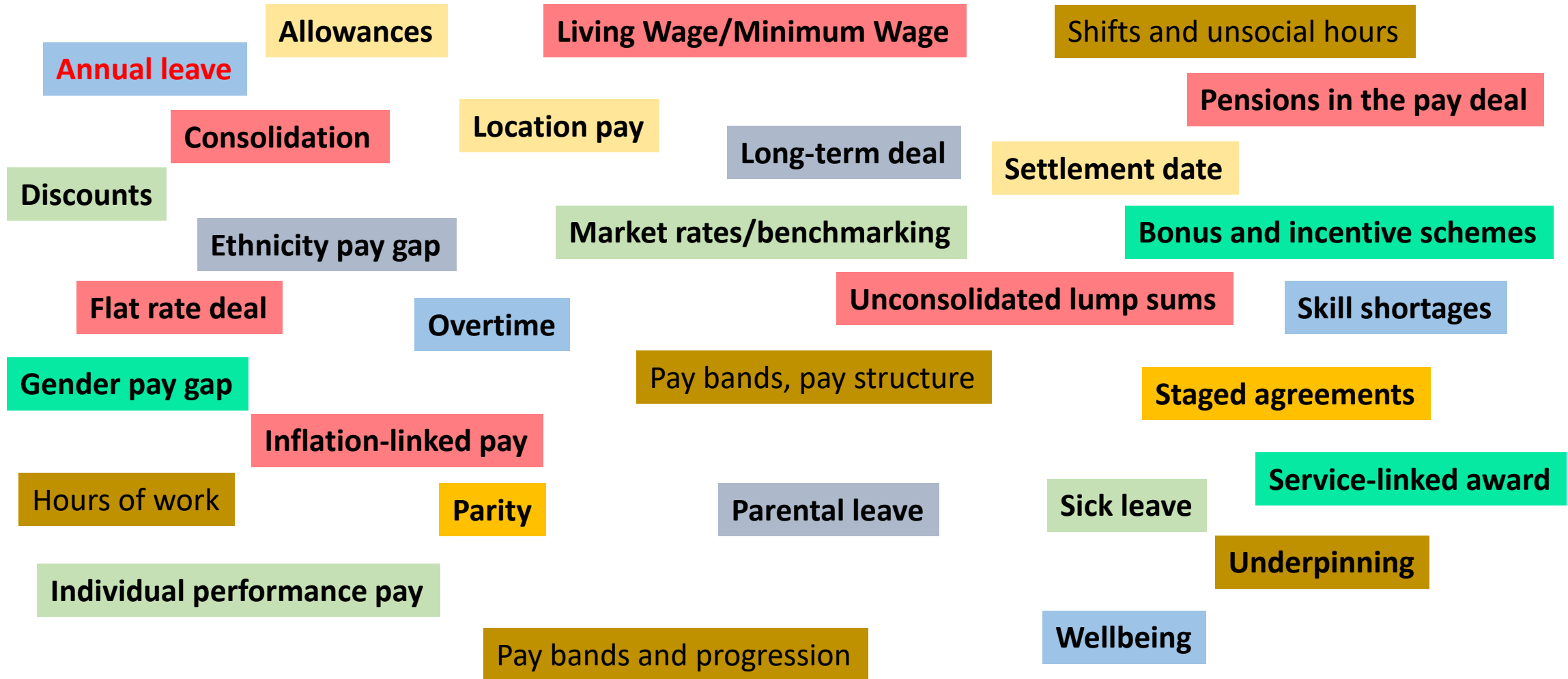
## Medium public sector employer

From 1 April 2023, salaries will increase by up to 6%, subject to adequate or better performance:

1. On salaries of up to £30,000, 6% below grade mid-point, 5% at or above that. On the same basis, between £30,000 and £38,000, 4% and 3% respectively; and above £38,000, 3% and 2.5%. Where this would take salaries beyond grade maximum, the difference will be unconsolidated for overtime or pension purposes.
2. Salary scales will not change but we will match the Living Wage Foundation rate as a minimum (including for staff assessed as less than adequate).
3. Maternity leave on full pay from 16 weeks (up from 12).
4. Long service bonus at 15-year anniversary £1,000 (up from £600).



# Getting into the nitty gritty: what's in a deal?





Thank you!