FACT
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Equal pay bill grows as more Tesco staff claim

Supermarket group Tesco faces equal pay bill of £4 billion as claimant numbers have grown to 1,000. The equal pay demands could cost it up to £20,000 for each worker.

The law firm Leigh Day has filed a further 900 claims at the employment tribunal on behalf of shop assistants, on top of the 100 who started legal action in February (see *Fact Service*, issue 6).

The workers, three-quarters of whom are women, say they earn up to £3 an hour less than mostly male Tesco warehouse workers in similar roles. Up to 200,000 shop-floor staff could be affected by the claim, which could cost Tesco up to £20,000 per worker in back-pay over at least six years.

Tesco warehouse staff earn from about £8.50 an hour, up to more than £11 an hour, while store staff earn about £8 an hour in basic pay, according to the claim. The disparity could mean a full-time distribution worker earning over £5,000 a year more.

Paula Lee, one of the lawyers handling the Tesco claims at Leigh Day, said: "We've had an incredible response to the announcement of this legal action. Many proud members of staff have realised that this claim is not anti-Tesco, but it is to ensure that the work done in stores and distribution centres is recognised as being of equal value; not the same work, but work of equal value. And that they should be paid the same as their colleagues in distribution. The concept of 'women's work' is an outdated approach to employment from the middle of the last century which needs to be corrected."

www.theguardian.com/business/2018/jul/11/tesco-faces-4bn-equal-pay-bill-as-claimant-numbers-swell-to-1000

Who wants to be a millionaire? We do

Twenty-nine executives whose remuneration package was worth over £1 million feature in the latest *Fact Service* trawl through the remuneration reports of top companies.

The total paid to the 29 comes to £77.35 million. That works out at an average annual package of £2.67 million or £51,310 on a weekly basis.

The median (midpoint) package is lower at £1.82 million or £34,970 a week.

Office for National Statistics data puts the average weekly wage of a full-time worker as £550, so the 29 received on average at least 63 times the average worker.

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Richard Harpin, founder and chief executive of home emergency firm Homeserve, tops this week's list with a remuneration package of £8.56 million, which works out at £164,670 a week.

Hendrik du Toit of finance group Investec heads its investment subsidiary as well as being on the main board. His package came to £6.09 million or £117,090 a week. As he will take up the job of chief executive of the Investec group in October no doubt he can look forwards towards an even fatter package in the year to March 2019.

Another Homeserve director takes third spot. Martin Bennett, chief executive of its UK operations, received £5.86 million or £112,630 a week.

Year-on-year comparisons could be made for 24 of the 29 executives and 10 saw their package increase over the past two financial years.

Eight of the increases were for 19.4% or more at a time when at a time when average earnings for the UK economy as whole were only rising by 3.0% at most.

Three of the eight saw their packages more than double in size.

Jonathan Ford, chief operating office at Homeserve, received a 150.5% increase on the back of two sets of long-term bonuses, taking him to £5.13 million a year or £98,600 a week, while Richard Harpin got a 101.2%.

Olivier Brousse is the meat in the Homeserve sandwich as he received a 111.9%. That put the chief executive of infrastructure group John Laing on £1.61 million or £30,920 a week.

Benoît Durteste, chief executive of asset manager Intermediate Capital, saw his package shrink by 44.7% but he still received £4.96 million in the year to March, equivalent to £95,310 a week.

Fact Service examines the remuneration reports of the top 350 FTSE companies, quoted on the London Stock Exchange. The total remuneration figure given in the table includes: basic salary, cash bonus, long-term share bonuses, golden hello, golden handshake, cash pension payments and a cash figure for other benefits that directors receive, such as use of company car, life insurance, private health benefits and housing allowance.

Dividends received from their shareholdings in the company are not included.

Executive	Company (financial year ending)	Total remuneration (£000)	% change
Richard Harpin	Homeserve (3.18)	8,563	101.2
Hendrik du Toit	Investec (3.18)	6,088	19.4
Martin Bennett	Homeserve (3.18)	5,857	84.5
Jonathan Ford	Homeserve (3.18)	5,127	150.5
Benoît Durteste	Intermediate Capital (3.18)	4,956	-44.7
Tom Rusin	Homeserve (3.18)	4,360	n.a
Stephen Koseff	Investec (3.18)	3,503	-28.4
Bernard Kantor	Investec (3.18)	3,503	-28.4
Andrew Williams	Halma (3.18)	3,429	46.7
Glynn Burger	Investec (3.18)	3,095	-28.9
Philip Keller	Intermediate Capital (3.18)	2,991	-29.2
Andrew Jones	LondonMetric Propty (3.18)	2,324	-7.3
Robert MacLeod	Johnson Matthey (3.18)	2,013	2.1
Kevin Thompson	Halma (3.18)	1,997	33.0
Graham Stapleton	Halfords (3.18)	1,818	n.a
Robert Noel	Land Securities (3.18)	1,693	-37.1
Olivier Brousse	John Laing (12.17)	1,608	111.9
Mark Stirling	LondonMetric Propty (3.18)	1,403	-5.7
Valentine Beresford	LondonMetric Propty (3.18)	1,364	-8.3
David Bower	Homeserve (3.18)	1,346	n.a
Martin McGann	LondonMetric Propty (3.18)	1,333	-5.8
Adam Meyers	Halma (3.18)	1,204	-6.2
Toby Courtauld	Great Portland Est (3.18)	1,163	-17.0
Patrick O'D Bourke	John Laing (12.17)	1,156	93.3
Anna Manz	Johnson Matthey (3.18)	1,138	n.a
Steve Rowe	Marks and Spencer (3.18)	1,120	-31.8
Martin Greenslade	Land Securities (3.18)	1,108	-37.5
John Walker	Johnson Matthey (3.18)	1,063	2.5
Jennifer Ward	Halma (3.18)	1,046	n.a

Minimum wage naming and shaming

The names of 239 employers found to have underpaid 22,400 UK workers by a total of £1.44 million have been published by the government.

The back pay identified by HM Revenue and Customs was for more workers than in any previous single naming list and has generated record fines of £1.97 million.

The top five reasons for underpayments of the National Minimum and Living Wage in this round were:

- deductions from wages for costs such as uniforms;
- underpaying apprentices;
- failing to pay travel time;
- misusing the accommodation offset; and
- using the wrong time periods for calculating pay.

The scheme is in its fifth year and calls out employers who have fallen foul of minimum wage laws, so far identifying £10.8 million in back pay for around 90,000 workers, with more than 1,900 employers fined a total of £8.4 million

The largest sum owed this time around was just over £430,000 owed to 10,256 workers at a subsidiary of the Stock Exchange quoted Card Factory. Average arrears were £41.94 per worker.

Karen Hubbard – chief executive of Card factory and the subsidiary named and shamed – in the year ending January received a remuneration package of £495,675 ,while her basic salary increased by 8.0% to £451,675.

The only other six-figure sum was the £272,000 owed by Liverpool-based retailer TJ Morris Limited, trading as Home Bargains, which was owed to 6,743 workers, with average arrears of £40.37 per worker. In the year to June 2017, the firm's unnamed highest paid director was paid over £371,000 a year.

Pakistan International Airlines owed the largest sum to one worker – £7,956.

Manchester Sale Rugby Club Limited, trading as Sale Sharks, was named after owing one worker £7,445. The highest paid director of Manchester Sale Rugby Club received over £203,000 in the year ending June 2017, while the average wage for the 87 employees worked out at over £67,000.

www.gov.uk/government/news/record-22400-minimum-wage-workers-to-receive-millions-in-backpay?utm_source=04582ae7-e397-492a-a955-ea7011ce5846&utm_medium=email&utm_campaign=govuk-notifications&utm_content=daily

Home care staff set to get real Living Wage

Some of Bristol's lowest paid care staff look set to receive a pay rise following a £1.12 million investment from Bristol City Council.

Most homecare staff in Bristol are employed by private care providers and are often some of the lowest paid workers in the city.

Despite this they are responsible for helping some of the most vulnerable people to live independently at home for as long as possible.

The council is now encouraging home care providers to increase these carers' wages to at least the real National Living Wage of £8.75 an hour, although the council says it would like to see them paid £9 to £9.50 an hour. The pay rise will be funded by an investment from the authority to homecare providers.

During a cabinet meeting in early July, the ruling Labour cabinet agreed to increase the hourly rate paid to homecare providers in Bristol to £17.68 as of 13 August this year and £18.20 from 1 April 2019.

The investment will come with higher expectations around increased staff pay rates and any provider that does not accept the conditions will not be paid the increased hourly rate by the council.

https://www.bristolpost.co.uk/news/local-news/pay-rise-lowest-paid-care-1757347

Factory output down

Manufacturing output fell by 1.2% in the three months to May on the previous three months, the latest official figures show.

According to the Office for National Statistics, this is the largest three-monthly fall since December 2012, when output fell by 1.8%.

Ten of the 13 sub-sectors posted decreases in output, with electrical equipment down by 5.9%, basic metals by 4.9% and transport equipment by 2.4%.

Tim Roache, general secretary of the GMB general union, said the figures were "hugely worrying".

"The government's haphazard approach to Brexit – coupled with Trump's protectionist steel tariffs, are putting high quality UK jobs on the line," he said.

He warned that a government that is squabbling among itself instead of getting on with running the country is hurting industry and leaving millions of UK workers unable to make long-terms plans because they've no idea if their jobs are safe.

"The government should stop worrying about their own jobs, and start worrying about the thousands of manufacturing and construction jobs at risk," he said.

Manufacturing output was up by 1.5% on the same three-month period a year ago.

The more volatile monthly figures show a 0.4% increase on April 2018 and a 1.1% increase on a year ago.

Output of the production industries — mining manufacturing and utilities — was down by 0.6% in the three months to May, but up by 1.8% on the same period 2017.

On a monthly basis, production was down by 0.4% on the previous month, but up 0.8% on a year ago.

www.ons.gov.uk/economy/economicoutputandproductivity/output/bulletins/indexofproduction/may2018

Increase in workplace deaths in 2017-18

There was an increase in the number of workers fatally injured at work in Great Britain last year, according to the latest official figures.

The number of workers fatally injured at work in the year to March 2018 increased by nine to a provisional figure of 144, against the revised figure of 135 for the previous year, according to the Health and Safety Executive (HSE).

A breakdown by main industry shows:
- there were 38 workers' deaths in construction, against the five-year average of 39;
- there were 29 fatal injuries to workers in agriculture in 2017-18, against the five-year average of 28;
- there were 15 deaths of workers in manufacturing, against a five-year average of 19 deaths;
- there were 15 deaths in transportation and storage against a five-year average of 14.
- there were 12 deaths in waste and recycling against a five-year average of eight;
- in communication, business services and storage there were 11 deaths — up on the five-year average of nine; and
- there 24 deaths in other industry sectors — the same figure as for the five-year average.

The 24 deaths in other sectors included eight in wholesale and retail trade; repair of motor vehicles and motorcycle; and accommodation and food services. There four deaths in mining and quarrying.

The most common cause of death in 2017-18 was a fall from height, with 35 fatal injuries to workers.

There were 26 deaths with workers being struck by a moving vehicle and 23 deaths from being struck by a moving object.

These official statistics, however, are just the tip of the iceberg. The Hazards Campaign has compiled figures showing that eight times as many workers are killed in workplace incidents as, for example, the HSE does not include those killed on the roads, at sea or in the air.

One of the most striking figures was that almost two in five (38%) of fatal injuries in 2017-18 were to workers aged 60 or over, even though such workers made up only around 10% of the workforce.

TUC head of health and safety Hugh Robertson also highlighted the fatality rates in agriculture — 18 times that of the average; and waste and recycling — 16 times the average.

The annual figures for deaths from the asbestos-related cancer mesothelioma also show an increase to 2,595 in 2016 from 2,549 the previous year.

http://www.hse.gov.uk/statistics/pdf/fatalinjuries.pdf

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