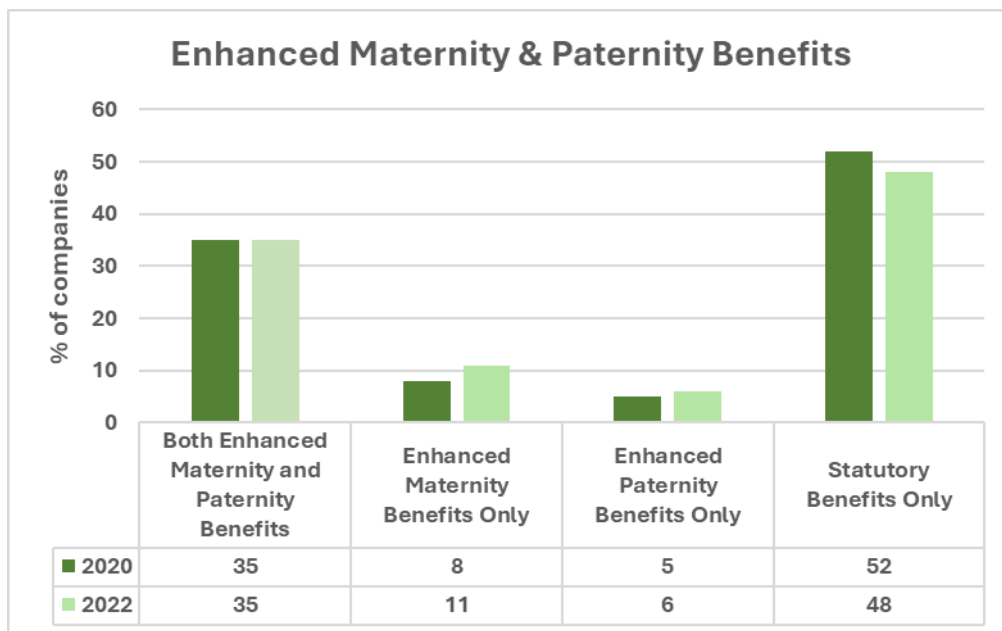


Enhanced Maternity and Paternity Benefits

Fifty-two percent of survey participants (48% in 2020) now offer enhanced maternity and/or paternity benefits, in addition to the statutory rights of their employees. Enhancement of such benefits has been increasing year on year for some time and may involve extended leave and/or improved pay. Thirty-five percent of organisations offer both enhanced maternity and paternity benefits, with a further 17% offering either enhanced maternity or paternity benefits but not both.

Although it has become more common for companies to offer enhanced benefits in recent years, 48% of participants continue to provide the statutory minimum only for maternity and paternity benefits.



Enhanced Maternity Benefits

Forty-six per cent of survey participants report that they offer enhanced maternity benefits. In almost all these cases this takes the form of a period of full pay from the start of the maternity leave period. The length of this period varies from 6 to 18 weeks, with some companies continuing to make reduced payments for a further period. For example, one organisation continues to pay full pay for 10 weeks followed by half pay for the next 10 weeks.

The median (mid-point) number of weeks at full pay, by those who enhance maternity payments, is 15 weeks.

A service requirement is often required before enhanced maternity benefits are available from the employer though this varies by company from 6 months to two years.

We do not, as yet, have sufficient information on the take up of shared leave to give details.

Incentives to Return (Maternity Leavers)

It is rare for our participants to offer incentives to maternity leavers to return to work. Currently 6% of survey participants report that they offer some financial incentive (8% in 2020). Such incentives typically take the form of a bonus paid on the maternity leaver's return to work which, in some cases, may be reclaimed by the employer if the returning employee resigns within a specified period.

Enhanced Paternity Benefits

Forty-one percent of survey participants offer enhanced paternity benefits, including 6% which provide enhanced paternity but not enhanced maternity benefits.

Where enhanced paternity benefits are provided, this typically takes the form of a period of full pay during the statutory paternity leave period or, in a minority of cases, in addition to it. Full pay applies for either 3 days, 5 days, or 10 days with the latter being the most popular amongst our survey participants.

Parental Leave

Employees with at least one year of service are entitled to 18 weeks' unpaid parental leave for each child, which can be taken up to their 18th birthday. Leave must be taken in blocks or multiples of whole weeks unless agreed with the employer and no more than four weeks may be taken for one child in any one year.

There is no statutory pay for parental leave, it would be taken as unpaid unless the employer decides otherwise.

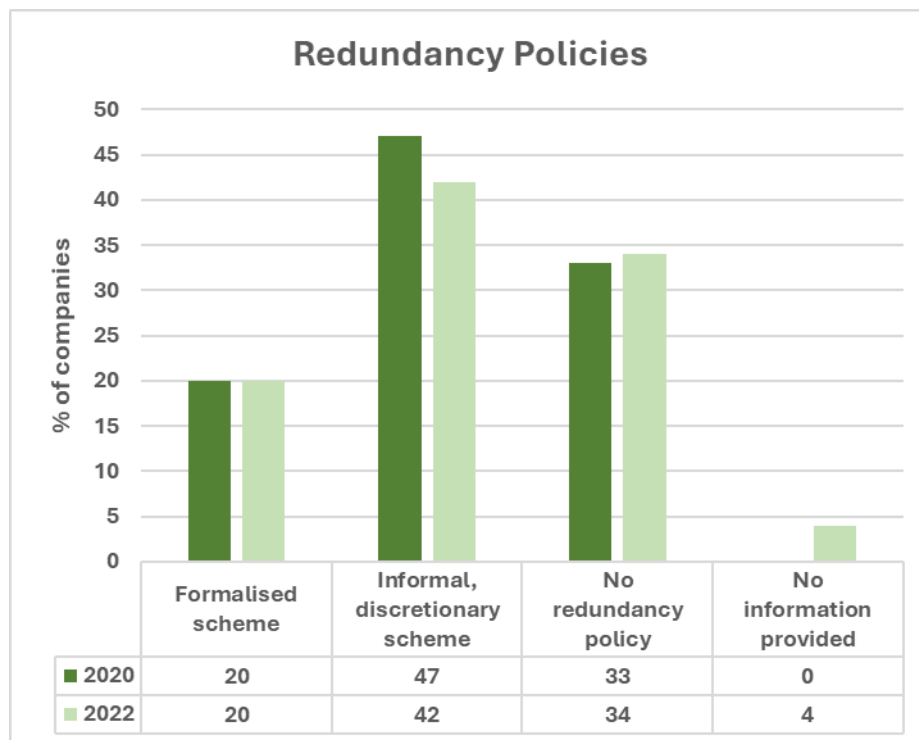
Few participating companies report having a formal policy of providing enhanced parental leave to their employees, in excess of the statutory requirement. However, some report that they have a discretionary approach whereby personal requirements for additional leave for family and other commitments will be considered on a case by case basis.

Redundancy Payment Practice

The following information applies to participating companies' standard redundancy policy. We note that where a company has a redundancy policy it is usually applied on the same basis (or multiple of weekly salary) for all employees. None of the organisations providing information report that they have different policies for different categories of staff, as was the case in a few instances up to the last 2-3 years.

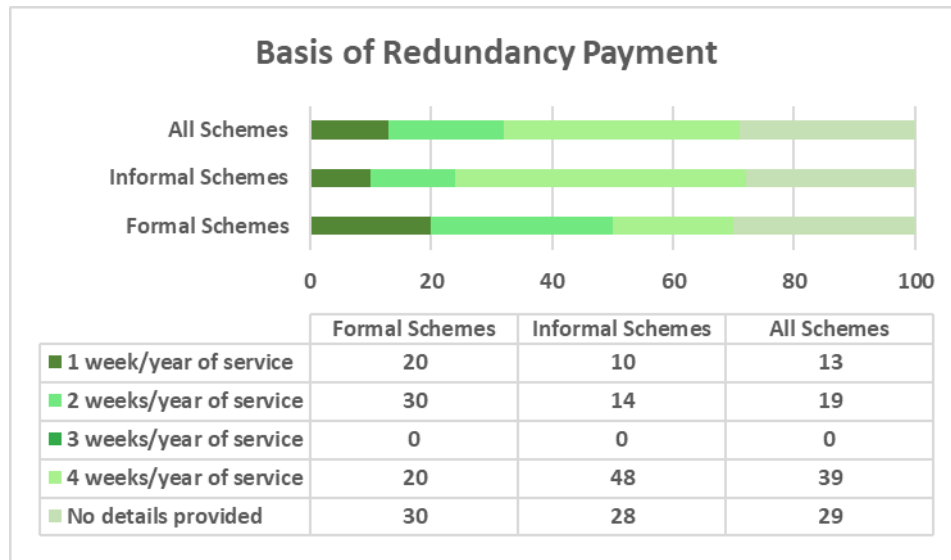
Even with an informal scheme, it is normal practice for a company to operate a standard procedure in determining the level of redundancy payment to be made, usually based on a standard number of weeks' average pay per completed year of service. Informal schemes tend to be more generous than formalised schemes, where the terms are published, and therefore, known by employees.

The chart below shows that more organisations operate an informal, discretionary redundancy scheme than a formalised, published one though we have noticed a small increase in formalised schemes in the last few years. Thirty-four percent of participating organisations report having no redundancy policy, with a further 4% providing no information.



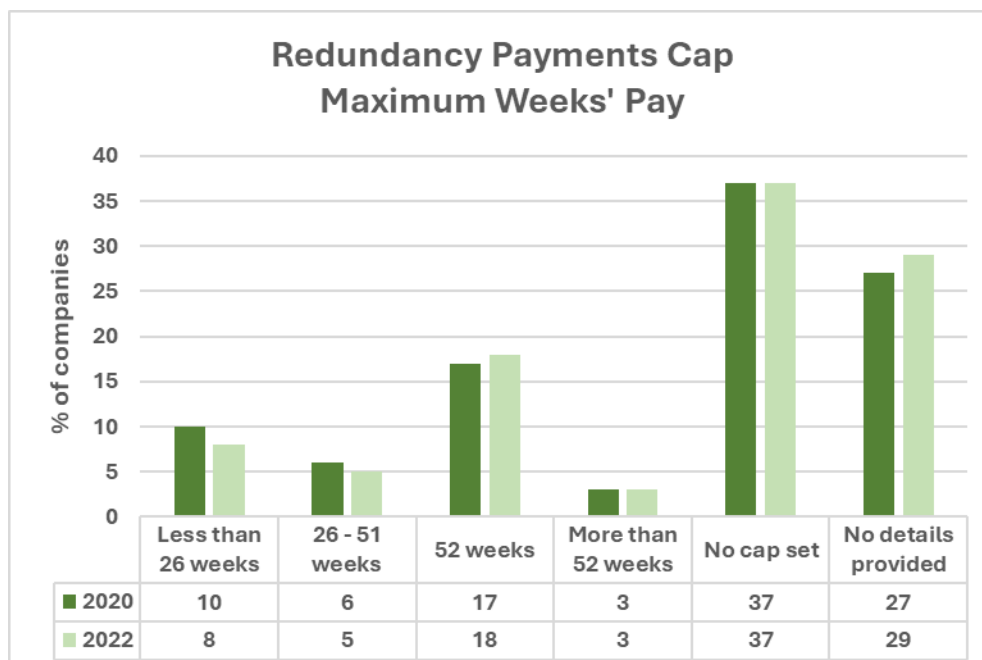
As the following chart indicates, where a company operates a formal scheme and has provided details of their scheme, the most common form of redundancy calculation is based on 2 weeks' pay per year of service. For those with more informal schemes, almost half of companies use 4 weeks' pay per year as the basis of calculating redundancy payments.

Although there has been a slight reduction in the number of weeks per year of service used in the calculation of redundancy payments, 4 weeks per year remains the most popular.



Redundancy Payments Cap

We see fewer companies imposing a cap on the total redundancy payment than was the case some years ago. A substantial proportion of respondents with a redundancy policy have not provided this information, however 34% report that they impose a cap by limiting the total number of weeks payment to be made regardless of length of service. Where a cap is in operation, it is most commonly set at 52 weeks (or 1 year's) pay.



Dress Down Policy

As with the other information provided in this Guide data applies to current policies which remain in situ despite any temporary relaxation due to Covid and home working. We are not yet aware that dress down policies have been changed following the pandemic, though we may expect to see a further relaxation of dress code in future, other than for formal business or client meetings. We expect this policy to be impacted by more flexible working patterns likely to be in place in future.

Seventy percent of respondents now operate a formal dress-down policy, which permits employees to wear casual clothes in the workplace. This is up only 2% since 2020, though it had increased from 56% as reported in 2019.

In most cases ‘dress down’ is limited to one day a week, usually Fridays, but we note that permitting dress down at any time is nearly as popular, now only 4% adrift. This reflects the more informal nature of business dress in the City.

