

**RHA**



**Pay Report 2023**

The purpose of the pay report is to provide RHA members with commentary to help monitor pay trends in the haulage market. It is the eighth annual in-depth pay survey/report to be conducted and is intended to be viewed alongside the Haulage Cost Movement Report which was published early December. Both reports are taken from key information supplied by members in October/November on a basis of external anonymity.

# Pay Report 2023

Each year our survey asks members what their workforce in general rather than the driver positions were remunerated with in terms of any increases through the year. In median terms, the average response was 5% with the mean at 4.3% which seems quite typical of employment in general at present, apart, that is from union led deals where workers are currently trying to achieve far higher percentage gains. Or, perhaps, in easier terms they are trying to keep pace with actual inflation, and we all see in the news current high-profile scenarios there.

In fact, 30.3% of members responding advised they were at zero for this year, there is or was nothing to give. Our cost survey report recently advised an average increase of 10.1% for the driver element of cost at 44-tonnes as this includes the additional NI, which has now changed again plus training, agency, and general cover for the driver aspect. Further down, we will investigate the detail of the actual pay situation as opposed to the vehicle operational cost as it is less.

So, HGV driver pay continues to be an increasing cost through 2022, although the pace is lower than 2021. The survey evidenced that operators generally either upped their pay rates in 2021 and pretty much held for 2022 or those that had not paid enough in 2021 had to increase this year to stop losing the drivers they had.

First though a view of the Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) which for road transport has been modified this year. HGV (LGV) driver pay had further large increases on 2021 figures at 11.1% for weekly median gross pay for full-time drivers and 12.3% for the mean average. Compare this to the previous year (2021) at 14.7% and 12.6% respectively which highlights the increases that have been required to keep or get drivers of the biggest lorries over the last two years. Last year these LGV drivers were listed at 192,000 full time positions and this increases to 212,000.

Bus and coach drivers also received double digit inflationary increases according to ONS while the new category of delivery driver and couriers (replacing van drivers) were recorded at 9.5% median and 9.3% mean. There is now a category of road transport drivers n.e.c who are shown in the table at 128,000 drivers (not elsewhere classified). It is the delivery drivers and couriers' positions figure that is quite a change, last year the 'van driver' was given at 273,000 but the new category is a mere 70,000. This can be explained that ONS were looking for better categorisation of position and an example might be an engineer who happens to drive a van as opposed to a courier who is using the van as the hire and reward definition.

*ONS ASHE employee earnings survey data from October 2022 (gathered in April 2022)  
earnings and hours worked*

	Code	Number of jobs	Median	Annual percentage	Mean	Annual percentage
Driver description			Average £	change %	Average £	change %
Large goods vehicle	8211	212,000	711.00	11.1	733.50	12.3
Delivery & couriers	8214	70,000	479.80	9.5	506.80	9.3
Bus & coach	8212	71,000	579.60	12.7	627.70	14.4
Road transport	8219	128,000	509.20	3.9	565.10	5.5

In our recent Haulage Cost Movement Report (2022), we noted that 77.3% of responding members operated at 44-tonnes. In the pay survey, those answering the C&E driver wage questions amounted to 83.7% so both were quite close.

This follows though with response rates where the most frequently answered questions in the survey are those relating to the C+E driver because the artic and trailer continues to be the most popular vehicle format. Like previous years, most responses indicate an hourly pay rate, while many do not respond to the gross pay per week question. Hourly C+E pay increased from £12.91 to £14.00 (median, national) with the mean average rate increased from £13.34 to £14.43. These equate to 8.44% median and 8.17% mean hourly pay increases. Hours though, appear to have changed and so while overall weekly pay is increased it isn't by the margin applied to the 'by the hour' cost.

So, in weekly terms, and again on the national scale, the median figure has changed from £764 to £780 and mean increased from £759 to £795 or 2.1% and 4.7% respectively. These much lower percentages could be because on average, the hours worked appears to be reducing. In previous years the average week was 55-56 hours for C&E category but now that has altered to 50 (median) and 53.5 for the mean average. This is backed up by comments from members who advised that they struggle to find drivers willing to spend the week out in the cab. This looks like a change in the way that drivers are prepared to work and ultimately may mean that firms need to consider their operating methods.

Now of course, with recession, employees may be faced with the thought that the role they are in is not potentially as safe as previous and the previously popular option of moving for a lot more money may become suddenly much more difficult. Other points of consideration might be shift working, night versus day differentials, regions, sector, and qualification related. Also, what competition there is nearby to the geographic business location.

This report comprises national averaged data as supplied by 123 members in the November 2022 pay survey. Members are asked for hourly rate, basic and total normal hours worked, along with details for how overtime is charged out and any bonus or other payments. Details such as **meal allowance and nights out are not included in the tabled figures**. The data is strongest in its national format and for HGV drivers, which are the most utilised members of staff within our membership. Some members operate warehouse operations and workshops for example, but not to the same extent as those operating HGVs as their primary or often only function.

The data is split into the four RHA regions with a national position too:

Midlands Western & Wales

Southern & Eastern

Northern

Scotland & Northern Ireland

## National

### National drivers' basic hourly rate

Class	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Class B (up to 3.5t)</b>	£11.25	£10.00	<b>£10.45</b>	<b>£10.71</b>	£10.71
<b>Class C1 (up to 7.5t)</b>	£12.46	£10.86	<b>£11.77</b>	<b>£11.60</b>	£11.63
<b>Class C (LGV rigid)</b>	£14.00	£12.00	<b>£12.60</b>	<b>£13.21</b>	£13.26
<b>Class C&amp;E (LGV artic)</b>	£15.00	£13.00	<b>£14.00</b>	<b>£14.43</b>	£14.86

*National drivers' average gross - weekly*

Class	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Class B (up to 3.5t)</b>	£535	£471	<b>£502</b>	<b>£509</b>	47.5
<b>Class C1 (up to 7.5t)</b>	£587	£518	<b>£551</b>	<b>£558</b>	48
<b>Class C (LGV rigid)</b>	£713	£576	<b>£659</b>	<b>£663</b>	50
<b>Class C&amp;E (LGV artic)</b>	£865	£703	<b>£780</b>	<b>£795</b>	53.5

*Ancillary staff basic hourly rate*

Position	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Warehouse</b>	£11.94	£10.00	<b>£10.55</b>	<b>£10.99</b>	£11.20
<b>FLT driver</b>	£12.00	£10.20	<b>£11.33</b>	<b>£11.33</b>	£11.76
<b>Fitter</b>	£18.00	£14.38	<b>£15.99</b>	<b>£16.58</b>	£17.67
<b>Traffic clerk</b>	£15.58	£12.00	<b>£12.91</b>	<b>£15.12</b>	£13.77

*Ancillary staff average gross - weekly*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Warehouse</b>	£550	£441	<b>£507</b>	<b>£504</b>	45
<b>FLT driver</b>	£575	£475	<b>£526</b>	<b>£529</b>	45
<b>Fitter</b>	£972	£683	<b>£813</b>	<b>£866</b>	49
<b>Traffic clerk</b>	£675	£505	<b>£589</b>	<b>£606</b>	44

*Management roles*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Supervisor</b>	£37,980	£31,620	<b>£34,525</b>	<b>£36,027</b>	46
<b>Transport manager</b>	£53,255	£37,200	<b>£44,500</b>	<b>£46,770</b>	46
<b>Warehouse manager</b>	£46,500	£34,460	<b>£40,500</b>	<b>£43,495</b>	45
<b>General manager</b>	£66,500	£46,465	<b>£61,000</b>	<b>£67,790</b>	47

## Midlands, Western & Wales

### Drivers' basic hourly rate

Class	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Class B (up to 3.5t)</b>	£10.73	£10.00	£10.20	£10.45	£10.45
<b>Class C1 (up to 7.5t)</b>	£11.00	£10.83	£11.00	£10.95	£11.02
<b>Class C (LGV rigid)</b>	£13.15	£12.00	£12.50	£12.76	£12.76
<b>Class C&amp;E (LGV artic)</b>	£15.00	£13.00	£14.35	£14.67	£14.71

### Drivers' average gross - weekly

Class	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Class B (up to 3.5t)</b>	£520	£481	£500	£507	48.5
<b>Class C1 (up to 7.5t)</b>	£563	£503	£550	£540	49
<b>Class C (LGV rigid)</b>	£677	£560	£630	£640	50
<b>Class C&amp;E (LGV artic)</b>	£836	£690	£780	£765	52

### Ancillary staff basic hourly rate

Position	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Warehouse</b>	£11.40	£10.00	£10.50	£10.82	£10.93
<b>FLT driver</b>	£11.88	£10.81	£11.33	£11.25	£11.33
<b>Fitter</b>	£16.60	£13.81	£14.25	£15.26	£15.61
<b>Traffic clerk</b>	£13.15	£11.39	£12.13	£12.84	£12.89

### Ancillary staff average gross - weekly

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Warehouse</b>	£510	£430	£495	£492	45
<b>FLT driver</b>	£538	£442	£505	£510	45
<b>Fitter</b>	£914	£619	£760	£765	49
<b>Traffic clerk</b>	£667	£529	£576	£593	46

*Management roles*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
Supervisor	£34,740	£31,880	£33,400	£33,100	44
Transport manager	£50,000	£37,670	£43,775	£43,360	48
Warehouse manager	£43,500	£35,955	£40,000	£39,965	44
General manager	£82,875	£49,500	£62,500	£67,260	50

*Southern & Eastern**Drivers' basic hourly rate*

Class	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
Class B (up to 3.5t)	£12.02	£10.38	£11.00	£11.21	£11.27
Class C1 (up to 7.5t)	£13.00	£11.50	£12.00	£12.09	£12.19
Class C (LGV rigid)	£15.00	£12.50	£13.60	£14.01	£15.50
Class C&E (LGV artic)	£16.50	£14.00	£14.82	£14.96	£15.59

*Drivers' average gross - weekly*

Class	Upper Quartile	Lower Quartile	Median	Average	Hours
Class B (up to 3.5t)	£575	£483	£540	£530	47
Class C1 (up to 7.5t)	£587	£548	£564	£567	46.5
Class C (LGV rigid)	£730	£662	£711	£721	46.5
Class C&E (LGV artic)	£905	£767	£850	£842	54



*Ancillary staff basic hourly rate*

Position	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Warehouse</b>	£12.00	£10.00	<b>£11.00</b>	<b>£11.26</b>	£11.63
<b>FLT driver</b>	£12.09	£10.43	<b>£11.68</b>	<b>£11.60</b>	£12.60
<b>Fitter</b>	£18.00	£15.60	<b>£16.52</b>	<b>£16.51</b>	£17.44
<b>Traffic clerk</b>	£15.91	£12.00	<b>£14.45</b>	<b>£14.65</b>	£15.00

*Ancillary staff average gross - weekly*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Warehouse</b>	£590	£494	<b>£540</b>	<b>£535</b>	46
<b>FLT driver</b>	£623	£502	<b>£546</b>	<b>£567</b>	45
<b>Fitter</b>	£963	£722	<b>£765</b>	<b>£837</b>	48
<b>Traffic clerk</b>	£707	£496	<b>£650</b>	<b>£660</b>	44

*Management roles*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Supervisor</b>	£36,455	£32,705	<b>£34,000</b>	<b>£35,335</b>	44
<b>Transport manager</b>	£55,750	£38,910	<b>£45,000</b>	<b>£48,050</b>	45
<b>Warehouse manager</b>	£52,000	£42,000	<b>£42,000</b>	<b>£48,600</b>	43
<b>General manager</b>	£102,000	£56,000	<b>£73,000</b>	<b>£76,495</b>	44



## Northern

## Drivers' basic hourly rate

Class	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Class B (up to 3.5t)</b>	£10.55	£9.50	£9.80	£10.05	£10.05
<b>Class C1 (up to 7.5t)</b>	£11.82	£10.28	£10.60	£10.99	£11.12
<b>Class C (LGV rigid)</b>	£14.00	£11.36	£12.20	£13.50	£13.67
<b>Class C&amp;E (LGV artic)</b>	£14.91	£12.61	£14.00	£14.70	£15.09

## Drivers' average gross - weekly

Class	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Class B (up to 3.5t)</b>	£550	£439	£470	£467	46.5
<b>Class C1 (up to 7.5t)</b>	£545	£521	£560	£534	48
<b>Class C (LGV rigid)</b>	£750	£563	£640	£711	52
<b>Class C&amp;E (LGV artic)</b>	£904	£710	£780	£830	55

## Ancillary staff basic hourly rate

Position	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
<b>Warehouse</b>	£11.34	£9.65	£10.35	£10.64	£10.71
<b>FLT driver</b>	£11.00	£10.00	£10.47	£10.66	£11.00
<b>Fitter</b>	£18.22	£15.00	£16.00	£17.86	£20.12
<b>Traffic clerk</b>	£15.92	£12.02	£13.99	£13.98	£13.95

## Ancillary staff average gross - weekly

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
<b>Warehouse</b>	£525	£387	£441	£455	42.5
<b>FLT driver</b>	£550	£408	£494	£484	44
<b>Fitter</b>	£1,045	£755	£906	£1,026	51
<b>Traffic clerk</b>	£640	£500	£577	£593	42.5

## Management roles

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
Supervisor	£35,604	£32,455	£32,710	£36,220	50.5
Transport manager	£55,250	£42,167	£50,455	£50,160	47
Warehouse manager	£43,445	£34,698	£39,390	£38,880	47.5
General manager	£92,500	£59,500	£83,750	£78,020	48

## Scotland & NI

### Drivers' basic hourly rate

Class	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
Class B (up to 3.5t)	£10.56	£10.19	£10.30	£10.40	£10.80
Class C1 (up to 7.5t)	£11.43	£10.28	£11.33	£10.94	£11.22
Class C (LGV rigid)	£14.78	£13.25	£14.05	£13.68	£14.09
Class C&E (LGV artic)	£15.00	£13.00	£14.10	£14.19	£14.62

### Drivers' average gross - weekly

Class	Upper Quartile	Lower Quartile	Median	Average	Hours
Class B (up to 3.5t)	£502	£460	£464	£486	45
Class C1 (up to 7.5t)	£549	£442	£510	£505	45
Class C (LGV rigid)	£739	£663	£689	£726	51.5
Class C&E (LGV artic)	£898	£665	£750	£775	53

*Ancillary staff basic hourly rate*

Position	Upper Quartile	Lower Quartile	Median	Average	Average adjusted for hours worked
Warehouse	£12.40	£11.29	£12.06	£11.63	£11.64
FLT driver	£12.33	£12.27	£12.30	£12.31	£12.32
Fitter	£18.34	£15.54	£16.61	£16.28	£18.00
Traffic clerk	£17.18	£11.90	£14.61	£14.37	£14.48

*Ancillary staff average gross - weekly*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
Warehouse	£560	£483	£512	£518	44.5
FLT driver	£560	£509	£523	£524	42.5
Fitter	£900	£582	£716	£765	42.5
Traffic clerk	£730	£519	£711	£652	45

*Management roles*

Position	Upper Quartile	Lower Quartile	Median	Average	Hours
Supervisor	£37,160	£33,410	£36,040	£34,600	46
Transport manager	£52,694	£38,500	£46,390	£46,990	43.5
Warehouse manager	£42,210	£36,875	£39,545	£39,545	45
General manager	£92,750	£65,000	£75,000	£79,000	46

## Driver subsistence (overnight allowances)

There was a change in April 2019 where checking of receipts for Benchmark Scale Rates was no longer required. **This does not apply** to the normal method of paying the driver overnight allowance of £26.20 where a sleeper cab is concerned.

There are six options for employers to enable them to reimburse employees:

- Benchmark scale rate payments
- Agreed industry scale rate – lorry drivers overnight subsistence allowance (normal option)
- Bespoke agreements
- Other allowances
- Overseas scales rates
- Direct expense claims

The RHA helpdesk can provide guidance on these allowances, please call **01274 863100**

## Agreed industry scale rate (lorry drivers)

To confirm, the following rates continue to be applicable as to date, there is no change from 2013 agreement. However, we are currently engaging with HMRC who are gathering evidence with a view to updating the rates.

■ With a sleeper cab - **£26.20**

■ Without a sleeper cab - **£34.90**

## National living wage (NLW)

Until April 2023, the national living wage is for employees aged 25 and over with a level of £9.50 per hour then increasing to £10.42. The table below reflects the age and rates and is again above inflation which was its intent to bring up the lowest rates of pay.

	Rate from April 2022	Rate from April 2023	Increase
National Living Wage (age 23+ from April 2021)	£9.50	£10.42	9.70%







## National minimum wage (NMW)

The national minimum wage requirements are in place for those aged 22 and under.

National Minimum Wage	Rate from April 2022	Rate from April 2023	Increase
21-22 Year Old Rate	£9.18	£10.18	10.90%
18-20 Year Old Rate	£6.83	£7.49	9.70%
16-17 Year Old Rate	£4.81	£5.28	9.70%
Apprentice Rate	£4.81	£5.28	9.70%

## Real living wage

There is a further voluntary standard said to be based on the cost of living – this changes each November and is:

**UK, apart from London £10.90**

**London £11.95**

## Self-employed status and drivers

For a few short weeks during the Truss led Government IR35 rules were due to be changed once again for 2023. However, the swift change in Government (again) meant this idea was cancelled once more and the situation stays as it currently is.

For a driver to be considered self-employed HMRC would expect them to be undertaking the work in their own vehicle – so not driving your truck and having their own operator's licence. It is the case that if the driver uses your vehicle, is told what to do and when to do it then HMRC will not accept that the driver is self-employed. You will then be liable to meeting any underpaid income tax and National Insurance together with interest and penalties.

## A driver engaged a personal service company

You need to be comfortable that the driver is operating via a UK limited company otherwise you will be liable for PAYE and National Insurance on payments made. If the driver is operating via a UK limited company, then you will have to prepare for the tax changes in April. If you are a medium or large company (for tax purposes) then for payments after 6 April 2021, you would have needed to determine whether the driver is liable on the terms of your agreement to IR35. HMRC has produced the 'CEST' tool on their website to enable you to determine the status of the driver.

If the result of the test is that IR35 applies you need to alert the driver and anyone in the supply chain, and from 6 April 2021 operate PAYE and National Insurance on payments you make. If the test shows them to be outside of IR35 you can make the payment gross. If you get the above process wrong then you will be liable to income tax, National Insurance, interest, and penalties.

## ***Drivers provided by agencies***

You need to be comfortable that the agency is UK registered. If not, you are required to operate PAYE and National Insurance on payments you make. If they are UK registered the responsibility regarding the driver sits with the agency and not you.

Further advice from Government [here](#).

## ***Managerial roles***

In the survey where managerial roles are concerned bonus payment are frequently mentioned with responders advising either monetary values of percentages of salary or of profits. The figures provided include the average bonus payments for each role.

## ***Survey***

The survey took in one hundred and twenty-five responses from members ranging in size from two vehicles operators to those comprising over one-thousand units. The median average fleet size was twenty and the mean average was fifty-one units.



For further information or comment:

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