

LEIGH DAY

Privileged & Confidential

In August 2024, the Next Sales Consultants fighting for equal pay in Leeds Employment Tribunal won their claim.

This factsheet explains what happens now.

1. Everyone who was in the group when the Tribunal made its ruling on 25 August 2024 has won their equal pay claim.

This means:

- a higher rate of basic hourly pay
- paid rest breaks (10 minutes for a 4-hour shift, 20 minutes for a 6.5 -hour shift, and 30 minutes for an 11-hour shift)
- a higher hourly rate for Sunday hours (Sunday Premiums) if you started working for Next **before 01 February 2017**
- a higher hourly rate for night hours (and night hours are now the same as warehouse night hours, which is 10pm to 6am rather than 12am to 5am)
- a higher hourly rate for overtime hours (any hours over 40 hours per week)
- increased awards for long service.

They have also won the right to **compensation** based on what they should have paid if they had been receiving these better warehouse terms.

2. What if I joined the claim after the win?

We have joined another 3,000 Sales Consultants to the group since the win.

We will rely on the win to argue that their contracts have the same equalised terms and will seek compensation for their past losses, just as we are doing for those earlier joiners.

3. Next's Appeal

Next are seeking to appeal against the win and have asked the Tribunal to order that these better terms will not apply to everyone in the claim **until the appeal is decided**.

We do not want people to be in a position where they are paid money that Next then requires them to pay back. We are confident that Next will not win an appeal, but no appeal is ever guaranteed.

However, the Tribunal has also ordered that interest will run at 8% per year on the money owed until the date it is paid to compensate for the delay caused by an appeal.

4. What if I have not joined the claim – will Next compensate me anyway?

If you want to seek an award for compensation, you should join the current group action. Next are very unlikely to voluntarily agree to compensate anyone for the past underpayments and they are not legally obliged to do so. Joining the claim will provide you with a legal right to be compensated.

5. How long will the Appeal take?

Next must make their appeal to the Employment Appeal Tribunal. While that is ongoing, no payments will be made.

The appeal is likely to be heard in late 2025.

If the appeal goes on to the Court of Appeal, it will likely take another 12 months.

If you are in the claim and remain employed, your losses will continue to build up during this time and interest will also be added. If you have left or leave while the appeal is ongoing, interest on your compensation will continue to accrue.

While we are defending the appeal, we will also be asking Next to provide paysheets and employment dates for all those in the claim. This will enable us to begin the detailed process of calculating people's compensation.

6. How much compensation will I receive?

Compensation is based on the date you joined the claim, how many hours you have worked previously, *when* you worked at Next, and for how long.

- **Date you joined the claim.** We can claim compensation going back a maximum of 6 years from the date we submitted your claim to the Tribunal.
- **Your age during the time you worked at Next.** This will determine the premium rates and difference in hourly pay we can claim for you.
- **The number of hours you worked** as a Sales Consultant / Team Coach / Stockroom Assistant. We cannot claim compensation for any hours you worked as a Co-ordinator, Manager, or in any other role.
- **Whether you worked Sundays, night shifts, or overtime and how frequently you worked them.** This includes any hours you worked on Sundays, hours worked between 10pm and 6am, and whether you worked more than 40 hours per week.
- **The date you started working at Next and the date you left (if applicable).** This will determine the period we can include in your claim, and the value of the premiums that will apply to your claim.

Compensation amounts will therefore vary.

Example 1

If you joined the claim in May 2018, and worked for Next for at least 6 years before this date, we are claiming compensation for you from May 2012. If you are still employed, all the hours you subsequently worked, i.e. from May 2018, also attract compensation (so more than 12 years' worth of back pay will be claimed). We are seeking interest on this back pay. It is paid at a rate of roughly 4% for each of the 12 years.

Example 2

If you joined the claim later (for example in August 2023), had 2 years' service before this and you are still employed, we are claiming compensation for you from August 2021 until you are awarded compensation. Again, we will claim interest on every year. If Next appeal and it takes 3 years, your compensation period will be from August 2021 to September 2027.

Example 3

If you have left Next (or leave in the future) since you joined the claim, we are claiming compensation for all your hours worked until the date you left plus

interest. The interest we claim runs after your leaving date until the date the appeal is decided, and your compensation is paid.

7. Protection against victimisation

We have had some clients tell us that their managers have said it will be 3 years before any compensation is paid. Managers do not have any say in when this happens. The Tribunal decide on the date compensation is awarded. An appeal will delay the payment date, but that delay is compensated for with interest and so will increase the amount of compensation.

Next must not punish you (in any way) for being part of this claim.

Over 6,000 Sales Consultants have now joined the claim. It would be unlawful for any manager to single you out for criticism.

We have been told that some managers have told staff they should *not* join the claim or suggest they do not need to join the claim to receive their compensation.

You have a right to be paid in accordance with equal pay law and to rely on the Judgment to seek compensation. You also have the right not to be subjected to any unwelcome pressure, discouragement, or misleading information in respect of the claim.

8. What are Leigh Day's legal charges?

No legal charges apply in advance. These are taken when you receive your compensation. They are capped at 25% of your financial compensation plus VAT.

E.g. if you receive £12,000 in compensation, Leigh Day's legal costs will be capped at £3,000 + VAT (20% of the legal costs). So, the total amount of fees to come from your compensation would be £3,000 plus £600.

The Equal Pay Now website

Your colleagues who have expressed an interest in the claim can obtain more information and join the claim through the Equal Pay Now **website**.

Next Equal Pay Team

Leigh Day

