

John Lewis Partnership brings back annual staff bonus thanks to record £4.9bn sales

The John Lewis Partnership has brought back its annual staff bonus after posting record sales.

The chain was forced to scrap the payouts last year [for the first time since 1953](#) because of lockdown losses.

Better results this year mean almost 80,000 members of staff will get a 3 per cent bonus – or one-and-a-half weeks' wages – in April, worth a combined £46 million.

Staff will also get a 2 per cent raise on top of a management pledge to pay the real living wage to help meet the rising cost of living.

Amid warnings of price hikes and “significant” cost pressures, [John Lewis](#), which also owns upmarket supermarket chain Waitrose, said it had seen underlying annual profits rebound by 38 per cent.

They rose to £181 million in the year to January 29 thanks to a record £4.9 billion in sales, which were up 8 per cent on a like-for-like basis.

Chairwoman Dame Sharon White hailed a “good start” to the group's five-year overhaul, but warned of “uncertainties” amid the Ukraine conflict and rising inflation, with prices having to increase in some areas.

Speaking to the PA news agency, she said the group is facing “significant persistent pressures” on costs.

She said: “As far as we can, we're trying to absorb the cost pressures... not all of these pressures are absorbable.”

“The cost of living pressures are real – real for our partners and customers and we’re doing everything we can in our power to try to limit the impact.”

Results were also buoyed by the John Lewis Partnership slashing costs by £170 million, closing a raft of stores and cutting jobs.

It remained in the red on a bottom-line basis, though losses narrowed sharply to £26 million from £517 million the previous year, when it posted its first annual loss after the pandemic battered outlets.

While John Lewis department stores saw profits rise by 37 per cent to £758 million, Waitrose earnings dropped by 11 per cent to £1 billion as it faced surging costs within supply chains due to staff absences in the pandemic.

In July, the employee-owned business revealed plans to cut 1,000 jobs, having already said it would axe around 1,465 roles as part of last year’s store closures.

The group recently ditched its “Never Knowingly Undersold” promise to customers to focus on its Anyday value ranges instead.

It has also said it will remove any products made in Russia from Waitrose and John Lewis in response to the conflict, including Russian vodka, some barbecue products and some duvets.

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