



**Trade Union Side of the National Joint Council for Local Government Services:  
England, Wales and Northern Ireland**

## **NJC PAY CLAIM 2020-2021**

**This NJC pay claim for 2020/21 and accompanying submission is made by the Joint Trade Union Side (UNISON, GMB and UNITE) to the Local Government Association.**

Our claim is for:

- A real living wage of £10 per hour to be introduced for NJC scp 1 and a 10% increase on all other NJC/GLPC pay points
- A one day increase to the minimum paid annual leave entitlement set out in the Green Book
- A two hour reduction in the standard working week as set out in the Green Book
- A comprehensive joint national review of the workplace causes of stress and mental health throughout local authorities

**24 July 2019**

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## KEY POINTS IN OUR CLAIM

### Context of our claim

- Local Government has endured central government funding cuts of nearly 50% since 2010
- 1 in 3 councils fear they will run out of funding to provide statutory, legal duties by 2022/23
- Central government says that austerity is over - and all political parties now agree public services need greater investment.
- Two thirds of the public want the government to increase spending on public services

### Economic background

- RPI inflation is expected to average 2.7% and 2.8% respectively over 2020 and then run at 3% or above every year until 2023
- If these rates turn out to be correct, the cost of living the NJC workforce faces will have grown by over 15% between 2019 and 2023
- Most spine points have been devalued by 21.8% in real terms and for new scp 11, the most populated NJC pay point by headcount, the shortfall versus RPI inflation is £5,626, meaning a 26.6% pay increase is needed to catch up
- Between 2010 and 2018 a number of core costs rose faster than both NJC pay and RPI, including bus/coach fares (51%) electricity (48%) house prices (37%) and childcare (32%.)

### Comparing NJC pay

- A £10 an hour minimum wage has cross party support as a common sense solution to the unsustainable problem of topping up low pay via tax credits
- Establishing a £10 minimum hourly rate in this pay round enables the NJC to build in headroom and avoid skirting a new legal minimum wage
- If scp 1 was increased to £10 an hour (an 11% increase) then a 10% general increase would protect the new differentials established in the last pay settlement
- Pay in local government is still among the lowest in the public sector

### Pay related conditions

- For the last nine years councils across the board have cut working conditions like unsocial hours, overtime and car allowances
- 50% of the workforce is made up of part-time employees, working regular unpaid overtime
- A GMB survey found local government workers are significantly more likely to work unpaid overtime compared to those in other occupations
- Sickness caused by work-related stress, depression or anxiety is now an acute issue within local authority services - with local authority sickness rates now over double those for the economy as a whole
- Long hours can lead to serious and long term mental and physical ill health, stress, fatigue and increases in workplace accidents

- Local government workers are significantly more likely to work unpaid overtime compared to those in other occupations
- The proposal to cap exit payments at £95,000 will have a particularly negative effect on local government workers

### **Job losses**

- Across the UK, an estimated 876,000 jobs have been lost in local government since June 2010 – a reduction of 30%
- Local government has arguably been hit by more severe job losses than any other part of the public sector
- There has been no decrease in the statutory functions of local authorities - with many of these services seeing a significant increase in demand

### **Recruitment and retention**

- As of 2017/18, 78% of councils are experiencing recruitment and retention difficulties
- Local authorities' reported average vacancy rate of 8% is significantly higher than the averages for wider public sector and in the economy as a whole
- Councils spent £335 million on agency social workers in 2017/18.

### **Morale under threat**

- A survey of over 21,000 UNISON members found that 83% say that budget cuts in the past two years have had an impact on their ability to do their job
- 89% said that budget cuts have had a negative impact on staff morale and 54% said their workload is unmanageable
- A Unite survey found that only 11% of members rated morale as good or excellent in their workplace, with over 50% rating it as bad or terrible

### **Equality impact**

- Cuts to real pay, terms and conditions, and employment totals by NJC employers have had a disproportionate impact on workers who share protected characteristics as defined by the Equality Act

### **Conclusion**

- Local government workers have delivered efficiency savings year-on-year against immense pressure
- New money is needed to fund this claim. It cannot and must not be funded by local attacks on locally determined conditions
- Paying local government staff properly is an investment in both local services and the local economy
- The Trade Union Side notes that the LGA's engagement with us on collective bargaining has deteriorated in recent years. We expect the LGA to enter into meaningful negotiations with us on the claim in keeping with the Labour Relations (Public Service) Convention 1978 (No 15.)

## 1. CONTEXT OF OUR CLAIM

This year the LGA took stock of its workforce in its report 'Workforce Focus'<sup>1</sup>. The opening sentence reads: 'Local government needs a suitably skilled, well-motivated and engaged workforce that meets the changing needs of its residents to continue its work through challenging times.'

Paying staff properly and investing in career development will help deal with recruitment and retention issues and deliver improved public services and better outcomes for service users.

We understand that councils across the country are having to make difficult decisions on a daily basis, trying to balance budgets during a time when funding has been slashed. Local government has endured central government funding cuts of nearly 50% since 2010. Between 2010 and 2020, councils will have lost 60p out of every £1 they have received from central government.

The 2019 LGA survey of council finances found that 1 in 3 councils fear they will run out of funding to provide even their statutory, legal duties by 2022/23. This number rises to almost two thirds of councils by 2024/2025 or later. The LGA estimates councils will face a funding gap of £8 billion by 2025.

Responsibility has to lie with the government over their failure to provide adequate funding for councils and the communities that they provide for. Funding for this pay rise must come from central government, and we recognise that central government has made significant local government revenue funding cuts that were specifically linked to its pay cap policy in previous years.<sup>2</sup> Having claimed that austerity is over and that the pay cap policy has been lifted, we believe that Ministers have a moral obligation to increase funding to local government, including in connection with pay.

However it is now possible that the Comprehensive Spending Review may not take place in the autumn. In previous years the LGA has said it would wait to see what settlement it would get. In the political climate, which is unlikely to settle down in the near future, it would not make sense to wait and we urge our employers to meet our claim as soon as possible.

All political parties now agree public services need greater investment. Among the general public, two in three now want the government to increase spending on public services (Ipsos MORI poll, October 2018). But even with public opinion clearly turning against austerity, the so called 'end of austerity' must mean more than just words.

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<sup>1</sup> <https://www.local.gov.uk/workforce-focus>

<sup>2</sup> See HM Treasury Written Ministerial Statement on RDEL Revisions, 08 December 2011 <https://hansard.parliament.uk/Commons/2011-12-08/debates/11120856000020/RDELRevisions>; and the Treasury's later statement to GMB that in the 2013 and 2015 Comprehensive Spending Review the assumption that pay awards would be limited to 1% 'was included in these departmental allocations at the outset' <https://static1.squarespace.com/static/58b828f44402436b74624b8a/t/59b6af5d2278e7557ed6c1c1/1505144781989/PAY+PINCH+REPORT+2+-+FINAL+SPREADS.pdf>

## 2. ECONOMIC BACKGROUND

### 2.1. Inflation rates compared to NJC pay increases

The global financial crisis was not caused by refuse collectors, council officers or school support staff workers. The Trade Union Side refuses to accept that, more than a decade on from the banking crash, these low to middle income workers should continue to pay the price.

We appreciate the fact that the last two year pay settlement did deliver above-inflation pay rises for low paid workers. However, that settlement only recovered limited ground compared to the sharp real-terms cuts to pay experienced by the local government workforce since 2009.

As our analysis shows, while a limited number of workers who were employed on now-deleted spine points will have received relatively small real-terms wage increases since 2009/10, the majority of spine points have been substantially devalued. All spine points above 23 (on the new scale) will have lost 22% of their value by the end of the current settlement.

Historically, periods of wage constraints have been followed by periods of 'catch-up' in line with their trend level in subsequent years.<sup>3</sup> The alternative is a permanent devaluation of wages in local government. Against this backdrop, we believe that the Trade Union Side's claim of £10 per hour for NJC scp 1 and a 10% increase on other pay points is both measured and reasonable.

#### Real (RPI) changes to selected spine points 2009/10 to 2019/20

(See Appendix A for the full table)

Table 1

| Typical Job                       | Old Spine Point | 2009/10 | 2019/20 | New Spine Point | Real change |
|-----------------------------------|-----------------|---------|---------|-----------------|-------------|
| Cleaner                           | 6               | £12,489 | £17,364 | 1               | -0.7%       |
| Customer Services Officer         | 11              | £14,733 | £18,065 | 3               | -12.5%      |
| Library Assistant                 | 16              | £16,440 | £19,171 | 6               | -16.8%      |
| Qualified Residential Care Worker | 21              | £19,126 | £21,166 | 11              | -21.0%      |
| Teaching Assistant 3              | 26              | £22,221 | £24,799 | 19              | -20.3%      |
| Librarian                         | 31              | £26,276 | £28,785 | 25              | -21.8%      |
| Social Worker                     | 36              | £30,011 | £32,878 | 30              | -21.8%      |
| Accountant                        | 41              | £34,549 | £37,849 | 35              | -21.8%      |
| Children's Residential Manager    | 46              | £39,855 | £42,683 | 40              | -21.8%      |

<sup>3</sup> Monitor, Closing the NHS funding gap: how to get better value health care for patients, 09 October 2013, page 3 [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/284044/ClosingTheGap091013.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/284044/ClosingTheGap091013.pdf)

The shortfall is even more shocking, if the percentage increase needed on 2019 pay rates to match RPI is calculated. For new scp 11, the most populated NJC pay point by headcount, the shortfall is £5,626, meaning a 26.6% pay increase is needed to catch up.

In contrast, prices for everyday goods continue to rise. Price changes to commodities that make up the RPI over the year to April 2019 are shown in the table below:

**Table 2**

| Item                              | Average % increase to April 2019 |
|-----------------------------------|----------------------------------|
| Travel and leisure                | 4.2                              |
| Alcohol and tobacco               | 3.2                              |
| Housing and household expenditure | 2.9                              |
| Personal expenditure              | 2.9                              |
| Consumer durables                 | 1.9                              |
| Food and catering                 | 1.5                              |
| All goods                         | 1.9                              |
| All services                      | 4.5                              |
| All items                         | 3.0                              |

Source: Office for National Statistics, Consumer Price Inflation Reference Tables, April 2019

Within these figures, some costs are rising significantly faster, such as electricity bills at 14.1%, gas bills at 7.1%, water and other charges 3.1%, bus and coach fares at 8.9%, rail fares at 6.6%, petrol and oil at 3.6%, council tax and rates at 4.7%, mortgage interest payments at 4.1% and telephone services at 5.6%.

The price of housing also remains one of the biggest issues facing employees and their families. Across the UK, house prices rose by 1.4% in the year to March 2019 alone<sup>4</sup> and have risen 37% between 2010 and 2018 (see table 3 below). The average house price in England and Wales is now £302,122<sup>5</sup>. Northern Ireland experienced the biggest increase at 3.5%<sup>6</sup>, followed by Scotland at 3.3%<sup>7</sup>, Wales at 3%<sup>5</sup> and England at 1.1%<sup>5</sup>

<sup>4</sup> UK House Price Index, March 2019

<https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/housepriceindex/march2019#strongest-english-growth-in-the-north-of-england-and-midlands>

<sup>5</sup> England and Wales House Price Index, April 2019 [https://isl-assets.s3.amazonaws.com/islps/uploads/media\\_file/EW-House-Price-Index-April-2019.pdf](https://isl-assets.s3.amazonaws.com/islps/uploads/media_file/EW-House-Price-Index-April-2019.pdf)

<sup>6</sup> Northern Ireland House Price Index, Q1 2019 <http://www.ninis2.nisra.gov.uk/InteractiveMaps/People and Places/Housing and Households/NIHPI/atlas.html>

<sup>7</sup> Scotland House Price Index, March 2019 [https://isl-assets.s3.amazonaws.com/islps/uploads/media\\_file/YM-SCOT-House-Price-Index-May-2019.pdf](https://isl-assets.s3.amazonaws.com/islps/uploads/media_file/YM-SCOT-House-Price-Index-May-2019.pdf)

Transport costs have risen significantly above reported inflation (measured against both the RPI and the CPI). On average, local bus fares have risen by an estimated 37% in England and by an estimated 31% in Wales since 2010, as measured by the Department for Transport’s own index (estimates are higher when long distance services are included – please see below).<sup>8</sup> Regulated rail fares (a category which includes almost all commuter costs) have risen by an average of 36% over the same period.<sup>9</sup>

Average private rents have risen by £1,900 a year compared to 2010<sup>10</sup> significantly outstripping wages and inflation with the national cost of renting from a private landlord having risen to a record high of £51.6bn from just £20.3bn in 2006<sup>11</sup>. Private rental prices have not grown as quickly as housing costs overall, but the average monthly rent for new tenancies in the UK nonetheless picked up 2% over the last year to reach £936.<sup>[3]</sup>

Though not specifically included in inflation measures, childcare costs represent a key area of expenditure for many staff (42% of local government workers have at least one dependent child in their household,<sup>12</sup> and UNISON surveys have consistently found that around a third of staff have child caring responsibilities). Therefore, it is also worth noting that the annual Family & Childcare Trust survey <sup>[4]</sup> for 2019 found that the cost of a nursery place for a two year old has risen by 4% since last year, with the annual cost of 25 hours care per week hitting £6,465.

Current inflation rates can mask longer term changes in the cost of living that have taken place since 2010. The examples below show major increases in core costs that have surpassed average prices increases over the period.

**Table 3**

| <b>Expenditure item</b> | <b>House prices</b> | <b>Bus &amp; coach fares</b> | <b>Electricity</b> | <b>Childcare</b> |
|-------------------------|---------------------|------------------------------|--------------------|------------------|
| Price rise 2010 - 18    | 37%                 | 51%                          | 48%                | 32%              |

## 2.2 Inflation forecasts

The Treasury average of independent forecasts and the OBR’s last forecast state that RPI inflation will average 2.7% and 2.8% respectively over 2020<sup>[5]</sup>. It will then run at 3% or above every year until 2023, following the pattern shown in table 4 below.

These annual rates show the rate at which pay rises would be needed for wages just to maintain their current value.

<sup>8</sup> Department for Transport, Local bus fares index by metropolitan area status and country: Great Britain, updated 20 June 2019 <https://www.gov.uk/government/statistical-data-sets/bus04-costs-fares-and-revenue>

<sup>9</sup> GMB calculations based on regulated fare cap figures recorded in Table A5 of the House of Commons Library Briefing Paper, Railways: fares statistics, 30 November 2018 <https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN06384>

<sup>10</sup> English Housing Survey 2017 to 2018: headline report, MHCLG, 31 January 2019,

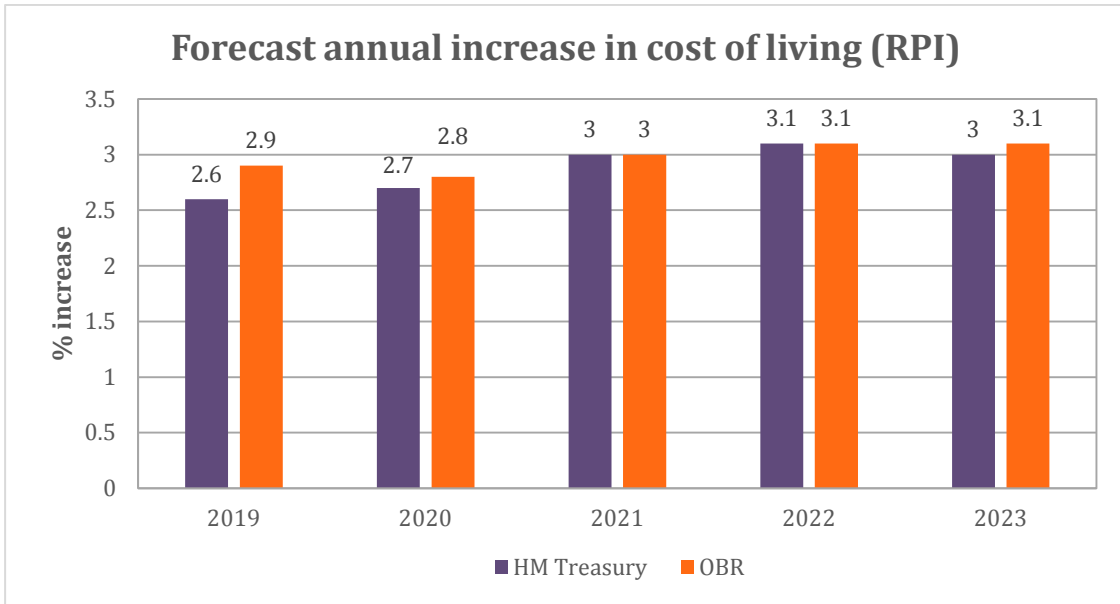
<https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report>

<sup>11</sup> <https://inews.co.uk/opinion/spiralling-rents-show-housing-market-crisis-can-fixed-radical-action/>

<sup>12</sup> GMB analysis of Quarter One 2019 Labour Force Survey data.



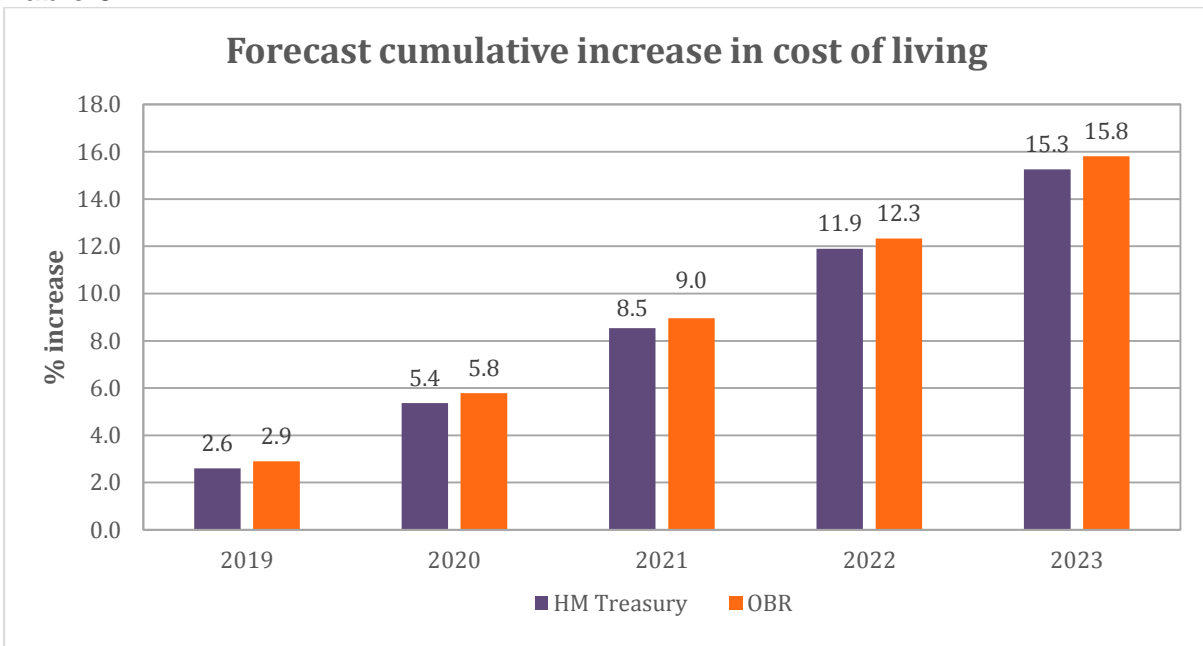
**Table 4**



Source: *HM Treasury, Forecasts for the UK Economy May 2019*  
*OBR, Economic and Fiscal Outlook, March 2019*

If these rates turn out to be correct, the cost of living the NJC workforce faces will have grown by over 15% between 2019 and 2023, following the pattern set out in table 5 below:

**Table 5**



The Trade Union Side feels that our claim is a relatively modest start to the process of reversing the significant real cuts in pay NJC workers have experienced.

## 2.3 Average pay settlements

Pay settlements in the private sector have been running far in advance of the public sector since 2010. While the pay freeze was in place across the public sector, the private sector saw average rises of around 2.5%, and the private sector continued to outpace the public sector by at least double the public sector rate during the ensuing period of the 1% pay cap.

Since 2018, the gap has been closing and table 6 below shows the latest average settlements across a variety of sectors:

**Table 6**

| <b>Sector</b>            | <b>Average pay settlements</b> |
|--------------------------|--------------------------------|
| Across economy           | 2.5%                           |
| Private sector           | 2.7%                           |
| Public sector            | 1.5%                           |
| Not for profit           | 2.5%                           |
| Energy & gas             | 3.0%                           |
| Water & waste management | 2.5%                           |

*Source: Labour Research Department, settlements year to June 2019*

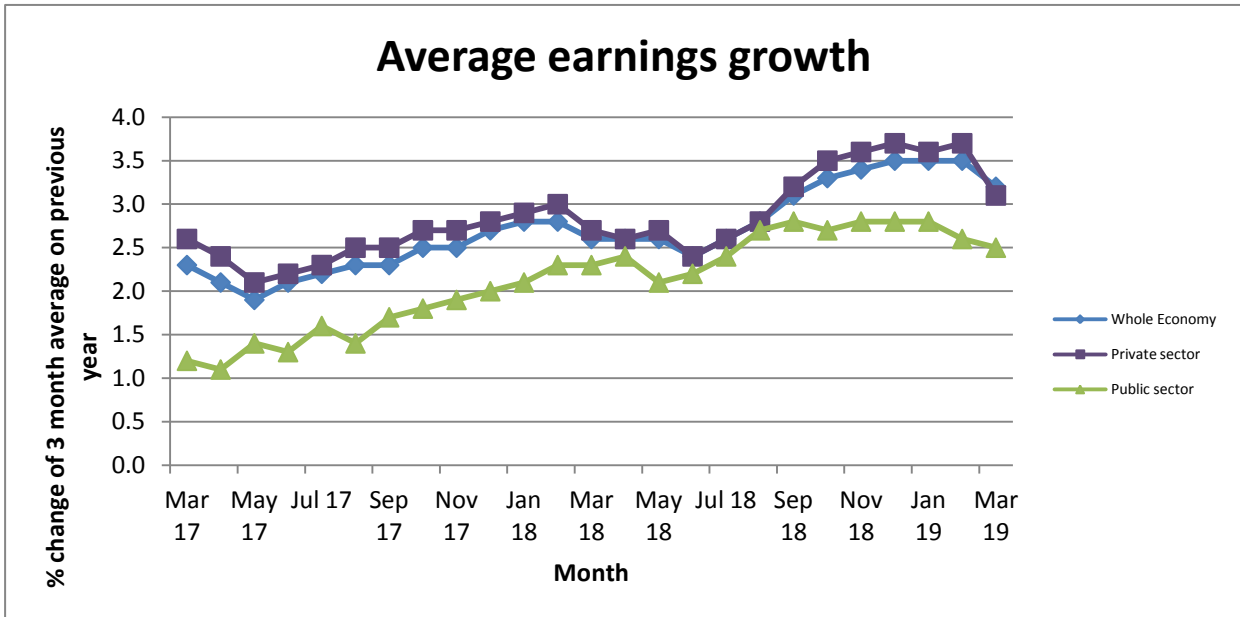
## 2.4 Average earnings growth

Table 7 below shows trends in average earnings growth over the last two years. The acceleration of the general rate to 3.5% by the end of 2018 and into early 2019 took average earnings growth to its highest level in over a decade.

As in the case of pay settlements, a gap between public and private rates has been a sustained feature of the economy, reflected in the fact that there have only been two months in the entire period since April 2013 when private sector earnings growth has not been running ahead of the public sector.

The end of the public sector pay cap saw the gap narrowing, though it has reasserted itself over recent months, with private sector earnings now rising at 3.2% compared to 2.5% in the public sector.

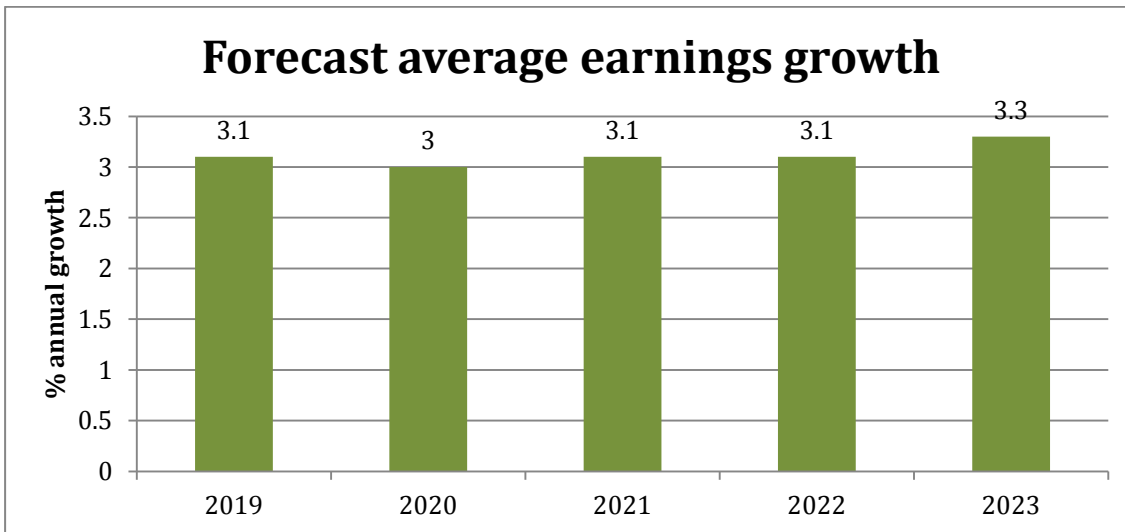
**Table 7**



Source: Office for National Statistics, Labour Market Overview UK, May 2019

Forecasts of average earnings predict that growth will average 3% in 2020 and then run in excess of 3% over the following three years, as per the pattern below [\[6\]](#).

**Table 8**



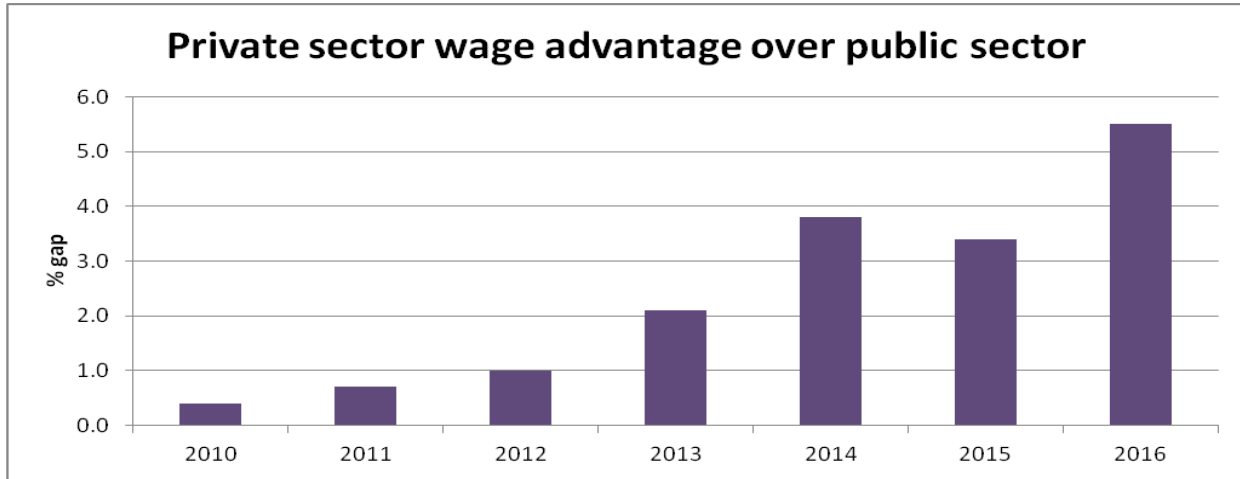
In other words, a significant above inflation pay rise is required to address local government workers' fall in living standards since 2010 and to avoid suffering damage to recruitment and retention.

**Note on comparisons between public and private sector**

The campaign by the government and much of the media to paint public sector workers as overpaid relative to private sector workers is not currently running at the pitch it was. However occasional ill-informed media outbursts happen. These, wrongly, use unweighted average earnings as the basis for making this false assertion.

However, ONS analysis, which took into account region, occupation, gender and job tenure, found that the average public sector worker was paid 1% less than a private sector worker in 2016.<sup>13</sup> And if organisational size is taken as a factor in the comparison, the gap grows to 5.5% (the graph below shows how the differential calculated on this basis has favoured the private sector since 2010).

**Table 9**



The Treasury also estimates that public sector pay dipped below equivalent private sector rates in 2016, according to papers obtained by GMB under the Freedom of Information Act (unlike the ONS study, the HMT figures did not take organisation size into account and the negative differential would have been higher if this factor had been considered).<sup>14</sup>

Basic pay for most local government roles is well behind private sector comparators. A recent benchmarking exercise<sup>15</sup> commissioned by UNISON showed that from a total of 25 jobs, from across the spectrum of wages, 19 roles showed pay at lower levels than in the private sector, with 16 of these at significantly lower levels.

**Table 10**

| Job title                           | LG rate £pa | Rest of public sector median basic £pa | £ var  | Var % |
|-------------------------------------|-------------|--|--------|-------|
| Library Assistant                   | £17,840.00  | £21,764.00                             | -3,925 | -18   |
| Librarian                           | £25,463.00  | £30,930.00                             | -5,467 | -17.7 |
| IT Worker (project management)      | £29,646.00  | £36,625.00                             | -6,979 | -19.1 |
| Social Worker (children's services) | £34,406.00  | £36,644.00                             | -2,238 | -6.1  |
| Policy Officer (principal)          | £35,123.00  | £39,612.00                             | -4,489 | -11.3 |

<sup>13</sup> ONS, Analysis of factors affecting earnings using ASHE 2016, October 2016

<sup>14</sup> The Observer, Austerity puts public workers' wages below private sector, 21 October 2017 <https://www.theguardian.com/society/2017/oct/21/austerity-public-sector-pay-private>

<sup>15</sup> IDR NJC benchmarking May 2019

|  |            |            |        |       |
|--|------------|------------|--------|-------|
| Engineer                                 | £35,824.00 | £36,565.00 | -741   | -2    |
| Trading Standards Officer                | £36,630.00 | £40,283.00 | -3,653 | -9.1  |
| Building Control Surveyor (case officer) | £38,791.00 | £44,735.00 | -5,944 | -13.3 |
| Engineer (higher)                        | £43,269.00 | £46,116.00 | -2,847 | -6.2  |
| Solicitor                                | £45,240.00 | £54,625.00 | -9,385 | -17.2 |
| Accountant /Finance Manager - Senior     | £50,358.00 | £56,761.00 | -6,403 | -4    |

### 3. COMPARING NJC PAY

#### 3.1 Pay at the bottom

A £10 an hour minimum wage has cross party support. Across the political spectrum, politicians see it as a common sense solution to the unsustainable problem of topping up low pay via tax credits - a cost to the Treasury that has now ballooned to £30bn a year.

Since May 2018, Labour Party policy has been to establish £10 an hour as the minimum wage for all workers, regardless of age. The Conservative Party has made it plain that it is considering setting two-thirds of average earnings as the next target for the National Minimum Wage. If adopted, this target would be expected to rapidly close on a £10 an hour rate.

Establishing a £10 minimum hourly rate in this pay round enables the NJC to build in some headroom now and avoid skirting a new legal minimum wage as has happened in the past. There is also good reason to call on the Government to fund an NJC pay rise. Analysis by the IPPR, which was sponsored by GMB, found that 43% of the cost of raising public sector pay would be returned to the Treasury through taxation and lower social security costs.<sup>16</sup> The macro-economic benefits of moving to two-thirds of average earnings, in terms of generating employment through the multiplier effect and increased government revenue, have been set out in a report commissioned by UNISON as evidence to the Low Pay Commission.<sup>17</sup>

If scp 1 was increased to £10 an hour (an 11% increase) then a 10% general increase would protect the new differentials established in the last pay settlement

#### 3.2 Across the pay spine

Pay in local government is still among the lowest in the public sector. When an average pay rate was last reported by the LGA, it was 19% below that of the public sector as a

<sup>16</sup> IPPR, Uncapped Potential: The Fiscal and Economic Impact of Lifting the Public Sector Pay Cap, November 2017, <https://www.ippr.org/files/2017-11/uncapped-potential-november2017.pdf>

<sup>17</sup> <https://www.unison.org.uk/content/uploads/2019/06/Supplementary-Evidence-2019-Landman-Economics-Report.pdf>

whole.<sup>18</sup> Benchmarking analysis<sup>19</sup> of 24 roles for UNISON found that 15 of them were behind other public sector comparators for basic pay.

**Table 11**

| <b>Job title</b>                         | <b>LG rate £pa</b> | <b>Private median basic £pa</b> | <b>£ var</b> | <b>Var %</b> |
|--|--------------------|---------------------------------|--------------|--------------|
| Library Assistant                        | £17,840.00         | £21,378.00                      | -3,539       | -16.6        |
| Librarian                                | £25,463.00         | £29,790.00                      | -4,327       | -14.5        |
| IT Worker (project management)           | £29,646.00         | £41,074.00                      | -11,428      | -27.8        |
| Social Worker (children's services)      | £34,406.00         | £41,227.00                      | -6,821       | -16.5        |
| Policy Officer (principal)               | £35,123.00         | £37,286.00                      | -2,163       | -5.8         |
| Engineer                                 | £35,824.00         | £38,310.00                      | -2,486       | -6.5         |
| Trading Standards Officer                | £36,630.00         | £49,005.00                      | -12,375      | -25.3        |
| Building Control Surveyor (case officer) | £38,791.00         | £50,000.00                      | -11,209      | -22.4        |
| Engineer (higher)                        | £43,269.00         | £51,706.00                      | -8,438       | -16.3        |
| Solicitor                                | £45,240.00         | £77,407.00                      | -32,167      | -41.6        |
| Accountant /Finance Manager - Senior     | £50,358.00         | £65,510.00                      | -15,152      | -23.1        |

All of this has happened against a backdrop of increased job insecurity and increasing workloads. In the field of social care, for example, the number of people in the UK aged 80 or over increased by 11% between 2010 and 2017.<sup>20</sup> Our members describe being trapped in a vicious cycle as cuts to services lead to greater long-term demands on the workers who remain.

NJC workers are the poor relations when compared with equivalent roles under the NHS Agenda for Change pay structure. With transfers within the public sector becoming more common, NJC workers now often find themselves moving to a new employer and working alongside someone doing the same job but for a higher salary. This is unfair and discriminatory, is no way to motivate staff and has real implications for recruitment and retention in local government. We believe NHS pay rates are far more reflective of the value of the jobs concerned and that NJC workers' pay should be lifted to at least the same rates. Wages should reflect the job, not the employer.

<sup>18</sup> HM Treasury, Whole of Government Accounts, : year ended 31 March 2015, section 5.14  
<https://www.gov.uk/government/publications/whole-of-government-accounts-2014-to-2015>

<sup>19</sup> IDR NJC benchmarking May 2019

<sup>20</sup> ONS, mid-year estimates of the population for the UK, England and Wales, Scotland and Northern Ireland,  
<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>

Mass redundancies have inflicted misery on the workers who lost their jobs, and also on their families. It has also led to an explosion of pressure on the remaining workers who are constantly expected to do 'more with less.' Measures that were supposed to reduce the impact of cuts to funding and staffing levels have not delivered. A recent academic study found that the move to shared services did not cut the cost of delivery.<sup>21</sup> It has however left many of our members with higher workloads, more complex duties, and longer commutes.

## **4. PAY RELATED CONDITIONS**

### **4.1 Allowances**

In an attempt to save costs, for the last nine years councils across the board have shredded working conditions. Our union surveys have repeatedly shown that conditions like unsocial hours, overtime and car allowances have been cut. This has a real impact on pay packets.

Over 50% of the workforce is made up of part-time employees, working regular unpaid overtime. Many workers are dependent on additional payments to make ends meet. The workforce is made up of over three quarters women, many are low paid and in low paid households and are single parents.

Their incomes are vital to the well being of their families and these additional payments are a lifeline. This makes these workers and their families especially vulnerable to any change in their financial circumstances, such as withdrawal of regular enhancements to their pay for working nights and unsocial hours.

While allowances are not covered by the NJC agreement it is clear that there has been a quiet campaign of cutting back on these locally negotiated terms and conditions. The decision to allow locally determined allowances under the NJC has led to a "licence to freeze" over the last few years and this needs to end.

Union members report attacks on overtime, allowances, standby payments, annual leave, sick pay and weekend working, while many have mentioned that their roles have been downgraded through restructuring and many employers have continued to use unpaid shut down days over Christmas or other public holidays.

Unite's recent survey highlighted examples of standby payments frozen for many years with members not receiving any increases alongside the annual pay award. Unite members have reported standby payments frozen for between 6 and 10 years in some places. There are even reports of management avoiding paying standby altogether.

Members have additionally reported the loss of shift allowances worth up to £2000 a year. Members in social work reported a locally determined restructure of shift work that resulted in the removal of unsocial hours payments and an increase in late night shifts and on call working.

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<sup>21</sup> Dixon and Elston, LSE British Politics and Policy Blog, Austerity in English local government: why collaboration was not the answer after all, 19 March 2019 <https://blogs.lse.ac.uk/politicsandpolicy/councils-austerity-collaboration/>

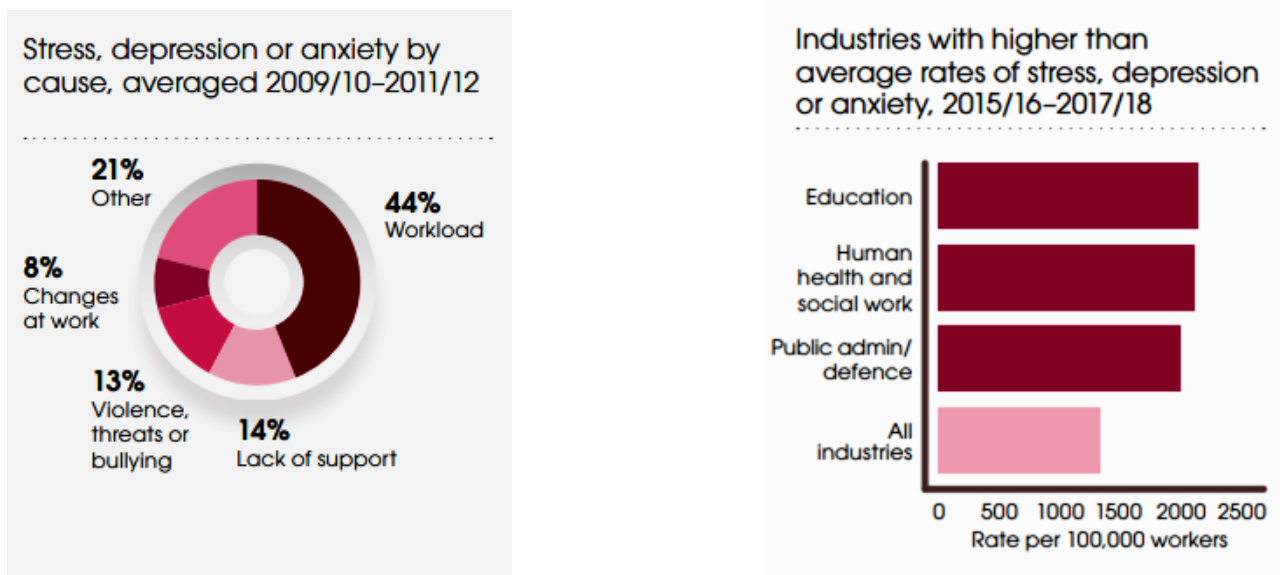
We believe that some of this has been due to employers opportunistically clawing back cost savings in response to pay rises that workers have received. NJC pay increases cannot and must not be met by slashing locally determined conditions and the joint unions are calling for the LGA to support statements confirming that.

## 4.2 Sickness, stress and absences

The UK is suffering from an epidemic of stress and anxiety. Work-related stress, depression, and anxiety now account for 57% of all sick days<sup>22</sup>. 15.4 million working days were lost due to work-related stress, depression or anxiety in 2017/18. One in four sick days in the UK is the result of workload<sup>23</sup> – the biggest single cause of sick leave by some distance.

Analysis by the Health and Safety Executive (HSE) of Labour Force Survey statistics shows that this is an acute issue within local authority services with human health and social work, public administration and education all accounting for the highest levels of average rates of stress, depression or anxiety.<sup>24</sup>

**Table 12**



**Source:** ONS Labour force survey

This is recognised in union surveys, for example in the recent Unite survey 75% of members reported experiencing work-related stress in the last 12 months, and 61% said that stress was one of issues they were most concerned about at work (second only to pay).

<sup>22</sup> [http://www.hse.gov.uk/statistics/causdis/stress.pdf?utm\\_source=govdelivery&utm\\_medium=email&utm\\_campaign=digest-8-nov-18&utm\\_term=report&utm\\_content=stress-stats](http://www.hse.gov.uk/statistics/causdis/stress.pdf?utm_source=govdelivery&utm_medium=email&utm_campaign=digest-8-nov-18&utm_term=report&utm_content=stress-stats)

<sup>23</sup> [http://www.hse.gov.uk/statistics/causdis/stress.pdf?utm\\_source=govdelivery&utm\\_medium=email&utm\\_campaign=digest-8-nov-18&utm\\_term=report&utm\\_content=stress-stats](http://www.hse.gov.uk/statistics/causdis/stress.pdf?utm_source=govdelivery&utm_medium=email&utm_campaign=digest-8-nov-18&utm_term=report&utm_content=stress-stats)

<sup>24</sup> <http://www.hse.gov.uk/statistics/overall/hssh1718.pdf>



Sickness absence levels can be seen as a proxy indicator for the wellbeing of staff and this has been recognised by the LGA in its Workforce Focus report<sup>25</sup>.

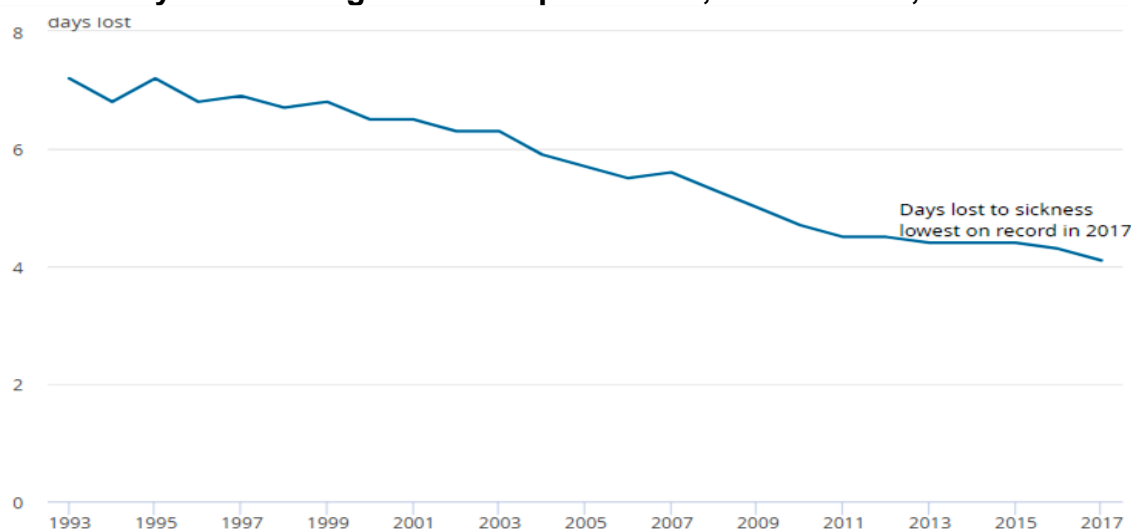
This highlights that:

- On average in 2016/17, 4.3% of days were lost due to sickness and 8.7 days per FTE employee.
- By comparison in 2015/16, 4.9% of days were lost due to sickness and 8.8 days per FTE employee.
- The earliest available comparable figures are for 2011/12 when on average 4.2% of days was lost, 8.4 days per FTE employee.
- The most common cause of sickness absence in 2016/17 was 'stress, depression, anxiety, mental health and fatigue' (28.9% of days lost).

Across the whole economy, as a rough comparison the average number of days lost per FTE in 2018 across the whole economy was 4.1. This means that local authority sickness rates are over double those for the economy as a whole.

In contrast to local authority statistics, the Labour Force Survey shows that economy-wide sickness absence has broadly been falling over the last two decades.

**Table 13**  
**Number of days lost through sickness per worker, 1993 to 2017, UK**



**Source: Labour Force Survey person datasets, ONS**

The 2017 *Stevenson / Farmer review of mental health and employers*<sup>26</sup> for the government found that the cost of poor mental health to Government is between £24 billion and £27 billion which includes the costs of providing benefits, falls in tax revenue and costs to the NHS. One of its core recommendations to employers is for them to “*provide employees with good working conditions and ensure they have a healthy work life balance and opportunities for development*”

<sup>25</sup> [https://www.local.gov.uk/sites/default/files/documents/11%20170%20Workforce%20Focus\\_03\\_web.pdf](https://www.local.gov.uk/sites/default/files/documents/11%20170%20Workforce%20Focus_03_web.pdf)

<sup>26</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/658145/thriving-at-work-stevenson-farmer-review.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/658145/thriving-at-work-stevenson-farmer-review.pdf)

The Trade Union Side therefore calls for a comprehensive joint national review of the workplace causes of stress and mental ill health throughout local authorities.

### 4.3 A culture of long hours

The negative impacts of long hours and high workloads are well documented. Long hours can lead to serious and long term mental and physical ill health, stress, fatigue and increases in workplace accidents<sup>27</sup>. For example researchers that studied<sup>28</sup> the work habits of more than 600,000 people in the US, UK, and Australia, found that people who work more than 55 hours a week are 33% more likely to suffer a stroke and have a 13% greater risk of heart attack than those who work 35-40 hours weekly.

Research also shows the impact that long hours can have in decreasing productivity within organisations<sup>29</sup>, lowering morale and leading to increased staff turnover<sup>30</sup>.

In contrast studies have found that reducing working time and taking holidays is extremely good for morale and health - it can even prolong lives<sup>31</sup>. Researchers who studied 974 vacationers from the Netherlands discovered that even planning for a holiday makes people happier before they go<sup>32</sup>. Researchers have also shown that more time off improves productivity and is therefore good for employers and the economy as a whole.<sup>33</sup>

Reducing working time has wider societal benefits too. It give staff more time to contribute to society, supporting family and friends, volunteering or getting more involved in the wider community or politics. The New Economics Foundation (NEF)<sup>34</sup> has pointed to studies that show that reducing working time is also better for the environment<sup>35</sup> and good for gender equality given women shoulder more than 60% of unpaid work<sup>36</sup>.

Working time practices and norms have not stayed static over time, and it is right that they should be reviewed and updated. NEF modelling has shown that UK working time has lagged behind long term national trends over recent years. If average hours had continued to fall at post-war levels after 1980, then the UK should be on target to reach a 30-hour working week by 2040<sup>37</sup>.

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<sup>27</sup> [http://www.hse.gov.uk/research/hsl\\_pdf/2003/hsl03-02.pdf](http://www.hse.gov.uk/research/hsl_pdf/2003/hsl03-02.pdf)

<sup>28</sup> [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(15\)60295-1/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(15)60295-1/fulltext)

<sup>29</sup> <http://ftp.iza.org/dp8129.pdf>

<sup>30</sup> <https://www.employment-studies.co.uk/system/files/resources/files/352.pdf>

<sup>31</sup> [https://www.eurekalert.org/pub\\_releases/2018-08/esoc-tav082318.php](https://www.eurekalert.org/pub_releases/2018-08/esoc-tav082318.php)

<sup>32</sup> <https://link.springer.com/article/10.1007%2Fs11482-009-9091-9>

<sup>33</sup> <https://hbr.org/2015/06/are-we-more-productive-when-we-have-more-time-off>

<sup>34</sup> <https://neweconomics.org/2018/11/five-reasons-why-nef-supports-the-4-day-week-campaign>

<sup>35</sup> [https://www.researchgate.net/publication/323366145\\_Working\\_hours\\_and\\_carbon\\_dioxide\\_emissions\\_in\\_the\\_United\\_States\\_2007-2013](https://www.researchgate.net/publication/323366145_Working_hours_and_carbon_dioxide_emissions_in_the_United_States_2007-2013)

<sup>36</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/womenshouldertheresponsibilityofunpaidwork/2016-11-10>

<sup>37</sup> <https://neweconomics.org/2019/03/average-weekly-hours-fell-faster-between-1946-and-1979-than-post-1980>

The Global Workforce Happiness Index<sup>38</sup> that studies workplace wellbeing also found that the top ten countries make work-life balance a priority with employers enacting strategies to ensure their staff achieve this.

The economy is rapidly changing as is evidenced by a recent report from the ONS that illustrated the threats automation poses to workers<sup>39</sup>, particularly women workers. Staff side unions believe that automation needs to deliver for ordinary people and that reducing working time without loss of pay is a crucial part of the necessary response to increased automation and digitalisation of the economy – an issue that the LGA and local authority employers have been actively exploring in recent years<sup>40</sup>.

Yet union surveys highlight that 10 years of austerity is taking a huge toll on local authority staff with low pay settlements, expanding responsibilities and redundancies leading to increased workloads and a culture of long hours.

For example in Unite's recent all members' survey:

- 54% of members reported frequently or always working more than their contractual hours. That included nearly a quarter who "always" did, while a further 30% said that they did so "sometimes".
- 32% reported working more than 4 hours extra a week including 10% that worked more than 8 hours extra. A further 23% worked between 2 and 4 hours extra a week and 25% said that they regularly worked up to 2 hours extra a week.
- Only 17% of Unite members reported receiving overtime rates for these additional hours with 25% reporting that they were all completely unpaid.
- 75% of Unite members reporting experiencing work-related stress in the last 12 months.
- Over 50% of members rated morale in their workplaces as either "bad" or "terrible" as opposed to only 11% that thought it was "good" or "excellent".

A GMB study found that local government workers are significantly more likely to work unpaid overtime compared to those in other occupations.<sup>41</sup> An updated analysis, based on the latest available figures, produced similar results: 28% of local government workers normally work unpaid overtime, according to the Labour Force Survey, compared to 15% of all employees. The average local government worker who worked unpaid overtime contributed an additional 6.2 hours per week.<sup>42</sup>

It should be noted that even these figures may represent an underestimate. GMB asked NJC workers in its 2019/20 members' survey if they regularly worked unpaid overtime: nearly half (48%) said that they did. The NHS Staff Survey also reports higher rates of unpaid overtime working than the Labour Force Survey.

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<sup>38</sup> <https://universumglobal.com/insights/global-workforce-happiness-index-2/>

<sup>39</sup> [https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/whic\\_hoccupationsareathighestriskofbeingautomated/2019-03-25](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/whic_hoccupationsareathighestriskofbeingautomated/2019-03-25)

<sup>40</sup> <https://www.local.gov.uk/our-support/workforce-and-hr-support/workforce-videos/working-digital-council-video>

<sup>41</sup> Civil Service World, Civil servants 'work more unpaid overtime than private sector staff,' 25 July 2017  
<https://www.civilserviceworld.com/articles/news/civil-servants-%E2%80%98work-more-unpaid-overtime-private-sector-staff%E2%80%99>

<sup>42</sup> GMB analysis of Quarter One 2019 Labour Force Survey data.

Unpaid overtime is being worked on an industrial scale. It represents an enormous goodwill contribution by a workforce that is approaching its breaking point. The Trade Union Side strongly believes that workers should be paid for all the hours they work. If full-time local government workers who regularly work unpaid overtime were remunerated for their additional hours, they would be due an immediate pay rise of 25%.<sup>43</sup>

Other analyses have shown similar trends, for example the TUC found that public sector employees disproportionately work unpaid overtime – making up only a quarter (25%) of total employees but producing more than a third (39%) of all unpaid overtime<sup>44</sup>.

The Trade Union Side is therefore calling for:

- A one day increase to the minimum paid annual leave entitlement set out in the Green Book
- A two hour reduction in the standard working week set out in Green Book with no loss of pay

#### 4.4 Exit payments

The Trade Union Side is also extremely concerned about the planned attack on our members' terms and conditions in the form of the Treasury's proposal to cap exit payments at £95,000. If implemented, the Treasury's flawed regulations will have a particular negative effect on local government workers due to its inclusion of strain costs in the cap's calculations. As the LGA has calculated, a long-serving female member of the Local Government Pension Scheme who earns £23,500 a year and is made redundant above the age of 54 could be capped.

The effects of the cap will be on low to middle paid workers will be multiplied with each year that passes due to the non-inclusion of an index link to a £95,000 figure that has not changed since 2015. The proposed cap in 2019 is already effectively worth £85,000 compared to its value in 2015.

**Table 14**

**Forecast real value of the unindexed cap (£000s)<sup>45</sup>**

|            | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------|------|------|------|------|------|------|------|------|------|
| <b>RPI</b> | 95   | 93.3 | 90.1 | 87.2 | 84.7 | 82.4 | 80.0 | 77.6 | 75.3 |
| <b>CPI</b> | 95   | 94.3 | 91.9 | 89.6 | 87.8 | 86.1 | 84.5 | 82.8 | 81.2 |

If pensions are a form of deferred pay then it is likely that implementation of the cap will give rise to demands for higher uplifts to regular pay and allowances in the future.

In the view of the Trade Union Side, this planned central government interference – which rides roughshod through past collective agreements – makes a mockery of Ministers'

<sup>43</sup> Illustrative calculation based on a local government worker who works 37 paid hours per week and 6.2 additional unpaid hours, compared to if those additional hours had been paid on time and a half.

<sup>44</sup> <https://www.tuc.org.uk/blogs/work-your-proper-hours-day-%E2%80%93-tackling-culture-unpaid-overtime>

<sup>45</sup> <https://www.gmb.org.uk/sites/default/files/exit-cap-consultation-response.pdf>

claims that they play no role in the setting of local government workers pay and terms and conditions. Consequently, in our view, the fact that the draft regulations have been brought forward strengthens the case for the provision of additional central funding to help meet the costs of this claim.

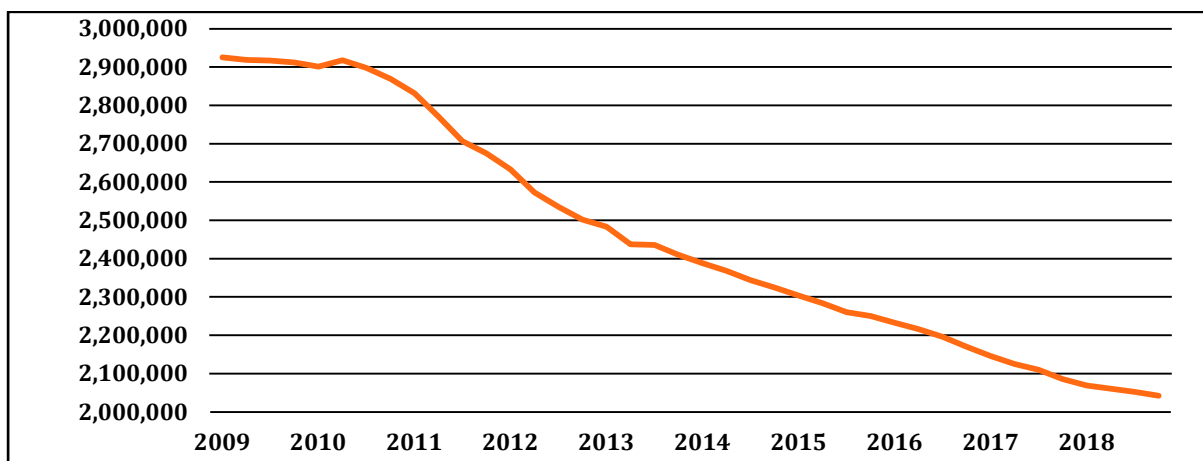
In addition, we believe that the Government's continued 'pause' in the redistribution of excess monies generated by the cost cap mechanism in the Local Government Pension Scheme in the wake of the McCloud judgement undermines government assurances and collective bargaining principles, and represents a further blow to the real take home pay of our members in local government. We further believe that the 'pause' is further evidence that Ministers continue to play an active role in the setting of pay and terms and conditions in local government.<sup>46</sup>

## 5. JOB LOSSES

Across the UK, an estimated 876,000 jobs have been lost in local government since June 2010 – a reduction of 30%. Local government has arguably been hit by more severe job losses than any other part of the public sector. But conversely, there has been no decrease in the statutory functions of local authorities - with many of these services seeing a significant increase in demand over the same period (children’s services, adult social care services and homelessness support). In addition, redundancy payments have cost councils an estimated £4 billion in England alone.<sup>47</sup>

**Table 15**

### UK local government employment (headcount)<sup>48</sup>



<sup>46</sup> For more information see: <https://www.gmb.org.uk/news/court-ruling-means-government-should-pay-24-billion-back-public-sector-workers>

<sup>47</sup> The Guardian, Redundancies have cost English councils £4bn since 2010 – study, 13 September 2018  
<https://www.theguardian.com/society/2018/sep/13/councils-in-england-spend-4bn-on-220000-redundancies-since-2010>

<sup>48</sup> ONS, Public sector employment quarterly estimates, December 2018 data  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/publicsectoremploymentreferencetable>

This loss of staffing, budgets and increased demand means that local services are suffering. For those staff who remain (predominantly women), this has increased workloads, pressure and stress - all against the backdrop of ever shrinking real-terms pay.

With considerably fewer workers to provide local services, local government staff deserve a pay rise that reflects the massive increase in their productivity. Those workers left behind are attempting to pick up the workloads of former colleagues, as well as do their own work on declining pay and conditions.

## 6. RECRUITMENT AND RETENTION

Recruitment and retention is a key priority for councils. As of 2017/18, 78% of councils are experiencing recruitment and retention difficulties, with 10% feeling forced to enact a recruitment freeze at some point during 2017/18 (LGA workforce survey 2017/18). This issue is particularly acute for a variety of professional and specialist roles, including social work, planning and building control.

Successive workforce surveys conducted by the LGA make it apparent that pressures are rising. Although there are discontinuities in the data series, it is clear that the trend is towards pressures returning to or even exceeding pre-crash levels.

Local authorities' reported average vacancy rate of 8% (rising to 9.5% for unitary authorities) is significantly higher than the averages for wider public sector and in the economy as a whole.

**Table 16**

### LGA reported recruitment and retention measures

[Note – the 2010/11 survey no longer appears to be online]

|         | <b>Vacancy rate</b> | <b>Turnover rate</b> | <b>Councils experiencing recruitment difficulties</b> |
|---------|---------------------|----------------------|---|
| 2008    | -                   | 12                   | 83  |
| 2009    | 10                  | 11                   | 52  |
| 2011/12 | 4.5                 | 13.1                 | -   |
| 2012/13 | 6.5                 | 11.4                 | -   |
| 2013/14 | 8.2                 | 11.9                 | 74  |
| 2014/15 | 7                   | 13                   | -   |
| 2015/16 | 5.4                 | 13.2                 | 71  |
| 2016/17 | 8.9                 | 13.4                 | 74  |
| 2017/18 | 8                   | 13.4                 | 78  |

Schools are also reporting that the declining real value of pay is contributing to recruitment and retention challenges for staff employed on NJC terms and conditions. Recent research commissioned by the Department for Education found that:

*'A number of sector-wide challenges ... were also reported by participating schools ... [including] low levels of TA pay due to limited funding and a lack of consistent training and career progression opportunities ... these issues, according to those interviewed, present challenges for the recruitment and retention of TAs.'*<sup>49</sup>

Brexit is also having an impact on the labour market. Around half of councils have noticed a recent reduction in the number of EU/EEA nationals applying for posts or leaving the organisation. As employers across the economy are reporting a similar impact the labour market is likely to tighten and local government employers need to meet our claim to ensure that they remain competitive.

The growing and widespread use of agency workers to fill gaps comes at a hefty cost to the public purse - with many councils already heavily dependent on temporary workers. During the last ten years, agency staff in some London boroughs have comprised up to a quarter of the total headcount. A 2018 Freedom of Information request by the Western Morning News newspaper, found that in 2017/18 Devon County Council spent a quarter (approx. £2.5m) of its total children's social work staffing spend (approx. £10.5m) on temporary agency staff – but that agency staff carried out just 8% of the work (<https://www.devonlive.com/news/devon-news/devon-county-council-spends-25m-1258468>). This picture is not uncommon, with Northamptonshire hitting the headlines last year after local media uncovered an annual spend of £1.5 million on temporary workers.

Data obtained through freedom of information requests by the Guardian newspaper this year shows that councils spent £335 million on agency social workers in 2017/18. Some councils were employing nearly half their children's social workers through private agencies.

With many local government workers approaching retirement, there is a genuine concern over how councils will attract the next generation of young council staff if pay remains low compared to similar jobs in the rest of the public or even in the private sector.

Meeting the Trade Union Side's pay claim this year will encourage workers to apply and remain in post. With the general unemployment rate in the UK economy at its lowest level in 44 years, employers reporting that they are experiencing the strongest growth in recruitment pressures since 2001,<sup>50</sup> and vacancies escalating across the economy, competitive wages are becoming ever more crucial.

## **7. MORALE UNDER THREAT**

People working in local councils and schools are loyal, hardworking public servants, determined to give the best possible service to the public. Last year UNISON surveyed its council members on the day-to-day impact of austerity measures across local services.

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<sup>49</sup> DfE / Ask Research, Deployment of Teaching Assistants in schools, 27 June 2019, page 7 [https://www.gov.uk/government/publications/the-deployment-of-teaching-assistants-in-schools?utm\\_source=e39299c7-230c-400e-bb52-28e08a5536cc&utm\\_medium=email&utm\\_campaign=govuk-notifications&utm\\_content=immediate](https://www.gov.uk/government/publications/the-deployment-of-teaching-assistants-in-schools?utm_source=e39299c7-230c-400e-bb52-28e08a5536cc&utm_medium=email&utm_campaign=govuk-notifications&utm_content=immediate)

<sup>50</sup> Bank of England Agents' scores, recruitment difficulties measure.

Over 21,000 UNISON members replied. From refuse collectors to social workers, to senior managers; the experiences of employees at all levels in councils were represented.

Prevalent throughout the responses was the frustration that they are not able to deliver the best service possible to the public – hindered by budget cuts, staff redundancies and impossible workloads.

- 83% say that the budget cuts in the past two years have had an impact on their ability to do the best they can
- 89% say that budget cuts have had a negative impact on staff morale
- 54% say their workload is unmanageable
- 63% are concerned about the financial situation of their employer
- 73% say that jobs have been cut in their department
- 60% do not feel secure in their job
- 60% work beyond their contracted hours
- 63% identify the lack of front line staff as the top priority
- 49% are thinking about leaving for somewhere less stressful
- 43% are thinking about leaving for a better paid job

64% of respondents to GMB's 2019/20 members' survey said that they were stressed at work. Respondents who said they stressed a work further rated their stress levels at an average level of 6.5 out of ten. 5% of local government workers report that they were made ill by their work in the last year, above the average for other employees.<sup>51</sup>

According to Unite's survey only 11% of members rated morale as good or excellent in their workplace, with over 50% rating it as bad or terrible. Morale and pay seem to be strongly linked as when asked 83% said that an above inflation pay rise would improve morale in their workplace.

## **8. EQUALITY IMPACT**

Cuts to real pay, terms and conditions, and employment totals by NJC employers have had a disproportionate impact on workers who share protected characteristics as defined by the Equality Act.

For measures of protected characteristics that can be directly measured through the Labour Force Survey (LFS), it is clear from GMB analysis that local government workers are more likely to share those characteristics in every category other than race. Local government workers are much more likely to be female, and are more likely to be older, disabled, religious, and married or in a civil partnership than workers in other sectors.

It should be noted that, of the protected characteristics that are relevant to the Public Sector Equality Duty, gender reassignment, pregnancy, and sexual orientation cannot be measured by the LFS. The meaning of race and belief, within the definitions of the Equality Act, are also wider than the measures captured in table 17 below:

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<sup>51</sup> Compared to an average of 4.2% for all workers. GMB analysis of Quarter One 2019 Labour Force Survey data.



**Table 17**  
**Breakdown of LFS workforce characteristics data<sup>52</sup>**

|                               | <b>Local government</b> | <b>All workers</b> |
|-------------------------------|-------------------------|--------------------|
| Age (mean)                    | 43.3                    | 39.9               |
| Female (%)                    | 69                      | 49.9               |
| BAME (%)                      | 9.4                     | 12.3               |
| Disabled - EA10 (%)           | 13.7                    | 12.3               |
| Religious (%)                 | 56.2                    | 54.6               |
| Married/civil partnership (%) | 58.2                    | 50.1               |

The Women’s Budget Group and others have produced clear evidence that low pay and austerity are having a disproportionate impact on women<sup>53</sup> including most recently with through the disproportionate impact of the housing crisis on women<sup>54</sup>.

The Runnymede Trust and others have produced similar reports on the impacts on BME communities<sup>55</sup>.

In addition, a Treasury decision record obtained by GMB under the Freedom of Information Act reveals that in 2015 civil servants assessed that a continuation of the pay cap would lead to a worsening of child poverty rates.<sup>56</sup>

Public sector employers have a legal obligation to ‘remove or minimise disadvantages’ faced by workers who share a protected characteristic. Raising pay in real terms, after many years of decline, would be in line with at least the spirit of the Public Sector Equality Duty. In the Trade Union Side’s view, continued cuts would clearly be contrary to it.

## **9. CONCLUSION**

Local government workers face immense pressure – ever increasing workloads, deteriorating pay and conditions, and persistent job insecurity. Against the odds, they have delivered efficiency savings year-on-year, but we have reached the limit of what can be squeezed from an exhausted and demoralised workforce.

Those providing local services in councils and schools are supporting our children’s education and holding stretched communities together at a time when those services are overwhelmed by public demand and the government is cutting funding.

<sup>52</sup> GMB analysis of Quarter 1 2019 Labour Force Survey data. The local government sample is made up of respondents who described themselves as public sector workers, and who selected option 4 in response to question SECTRO03 ‘Local government or council (including fire services and local authority controlled schools/colleges).’ It should be noted that some workers who fall outside the NJC’s coverage will consequently be included within the sample. The 16 – 64 age filter has been applied due to the potential effects of outliers on the mean calculation, and as such the difference between age ranges is of relative rather than absolute value.

<sup>53</sup> <https://wbg.org.uk/resources/women-and-austerity/>

<sup>54</sup> <https://wbg.org.uk/analysis/reports/a-home-of-her-own-housing-and-women/>

<sup>55</sup> [https://www.runnymedetrust.org/uploads/PressReleases/1%20bme\\_executive\\_summary-A3-01.pdf](https://www.runnymedetrust.org/uploads/PressReleases/1%20bme_executive_summary-A3-01.pdf)

<sup>56</sup> <https://www.bbc.co.uk/news/uk-politics-45994303>

With the decline in the value of their pay, it is clear that staff have remained in local government and schools because they are committed to improving people's lives, supporting communities and maintaining a lasting public sector ethos against the odds. But they have bills to pay and families to support and so will be forced to look at alternative employment if the low pay in the sector continues. Staff cannot keep being asked to deliver more and more for another below inflation rise. This claim cannot and must not be funded by local attacks on locally determined conditions. Local government employees are on their knees – new money is needed.

Paying local government staff properly makes economic sense. It is an investment in both local services and the local economy. It is also unsustainable to continue to subsidise employers who pay lower wages through income support measures such as tax credits.

The Trade Union Side believes our claim is just and fair. Local government and school workers should and must get the decent and fair pay rise that they need and deserve.

We expect the LGA to enter into meaningful negotiations with us on our claim. We are concerned that their engagement with us on collective bargaining has deteriorated in recent years and has not always been in keeping with Labour Relations (Public Service) Convention, 1978 (No.15). This convention promotes collective bargaining for public employees, as well as other methods allowing public employees' representatives to participate in the determination of their conditions of employment. It also provides that disputes shall be settled through negotiation between the parties or through independent and impartial machinery, such as mediation, conciliation and arbitration...'

## **INVESTING IN THE NJC WORKFORCE IS MONEY WELL SPENT**

## Appendix A

### Changes in real (RPI) value to NJC spine points 2009/10 to 2019/20 (SCPs in cash values)

| Old Spine Point | 2009/10 | 2019/20 | New Spine Point | Change (%) |
|-----------------|---------|---------|-----------------|------------|
| 4               | £12,145 |         |                 | 2.1%       |
| 5               | £12,312 |         |                 | 0.7%       |
| 6               | £12,489 | £17,364 | 1               | -0.7%      |
| 7               | £12,787 |         |                 | -3.1%      |
| 8               | £13,189 | £17,711 | 2               | -4.1%      |
| 9               | £13,589 |         |                 | -7.0%      |
| 10              | £13,874 | £18,065 | 3               | -7.0%      |
| 11              | £14,733 |         |                 | -12.5%     |
| 12              | £15,039 | £18,426 | 4               | -12.5%     |
| 13              | £15,444 |         |                 | -14.8%     |
| 14              | £15,725 | £18,795 | 5               | -14.7%     |
| 15              | £16,054 |         |                 | -16.4%     |
| 16              | £16,440 | £19,171 | 6               | -16.8%     |
| 17              | £16,830 |         |                 | -18.7%     |
| 18              | £17,161 | £19,554 | 7               | -18.7%     |
| 19              | £17,802 | £19,945 | 8               | -20.0%     |
| 20              | £18,453 | £20,344 | 9               | -21.3%     |
|                 |         | £20,751 | 10              |            |
| 21              | £19,126 | £21,166 | 11              | -21.0%     |
| 22              | £19,621 | £21,589 | 12              | -21.5%     |
|                 |         | £22,021 | 13              |            |
| 23              | £20,198 | £22,462 | 14              | -20.6%     |
| 24              | £20,858 | £22,911 | 15              | -21.6%     |
|                 |         | £23,369 | 16              |            |
| 25              | £21,519 | £23,836 | 17              | -20.9%     |
|                 |         | £24,313 | 18              |            |
| 26              | £22,221 | £24,799 | 19              | -20.3%     |
| 27              | £22,958 | £25,295 | 20              | -21.3%     |
|                 |         | £25,801 | 21              |            |
| 28              | £23,708 | £26,317 | 22              | -20.8%     |
| 29              | £24,646 | £26,999 | 23              | -21.8%     |
| 30              | £25,472 | £27,905 | 24              | -21.8%     |
| 31              | £26,276 | £28,785 | 25              | -21.8%     |
| 32              | £27,052 | £29,636 | 26              | -21.8%     |
| 33              | £27,849 | £30,507 | 27              | -21.8%     |
| 34              | £28,636 | £31,371 | 28              | -21.8%     |
| 35              | £29,236 | £32,029 | 29              | -21.8%     |
| 36              | £30,011 | £32,878 | 30              | -21.8%     |

| <b>Old Spine Point</b> | <b>2009/10</b> | <b>2019/20</b> | <b>New Spine Point</b> | <b>Change (%)</b> |
|------------------------|----------------|----------------|------------------------|-------------------|
| <b>37</b>              | £30,851        | £33,799        | <b>31</b>              | <b>-21.8%</b>     |
| <b>38</b>              | £31,754        | £34,788        | <b>32</b>              | <b>-21.8%</b>     |
| <b>39</b>              | £32,800        | £35,934        | <b>33</b>              | <b>-21.8%</b>     |
| <b>40</b>              | £33,661        | £36,876        | <b>34</b>              | <b>-21.8%</b>     |
| <b>41</b>              | £34,549        | £37,849        | <b>35</b>              | <b>-21.8%</b>     |
| <b>42</b>              | £35,430        | £38,813        | <b>36</b>              | <b>-21.8%</b>     |
| <b>43</b>              | £36,313        | £39,782        | <b>37</b>              | <b>-21.8%</b>     |
| <b>44</b>              | £37,206        | £40,760        | <b>38</b>              | <b>-21.8%</b>     |
| <b>45</b>              | £38,042        | £41,675        | <b>39</b>              | <b>-21.8%</b>     |
| <b>46</b>              | £38,961        | £42,683        | <b>40</b>              | <b>-21.8%</b>     |
| <b>47</b>              | £39,855        | £43,662        | <b>41</b>              | <b>-21.8%</b>     |
| <b>48</b>              | £40,741        | £44,632        | <b>42</b>              | <b>-21.8%</b>     |
| <b>49</b>              | £41,616        | £45,591        | <b>43</b>              | <b>-21.8%</b>     |