



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

NJC PAY CLAIM 2022-2023

This NJC pay claim for 2022/23 is made by the Joint Trade Union Side (UNISON, GMB and UNITE) to the Local Government Association.

Our claim is for:

- A substantial increase with a minimum of £2,000 or the current rate of RPI - whichever is greater - on all spinal column points.

In addition:

- A Covid-19 recognition payment
- A national minimum agreement on homeworking policies for all councils and the introduction of a home working allowance
- An urgent review of all mileage rates currently applying
- A review and update of NJC terms for family leave and pay
- A review of term time only contracts and consideration of retainers
- Reduction in the working week (without loss of pay) to 35 hours (34 in London) plus one additional day of annual leave

06 June 2022

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CONTEXT OF OUR CLAIM

- Council and school workers have endured a decade of pay freezes and below average pay awards
- Local government workers have lost on average 27.5% from the value of their pay spine since 2010
- The new cost of living crisis plus a standstill on NJC conditions has devalued low pay even further
- Just over half (51%) the cost of meeting this pay claim would be recouped by the government
- Further calls to central government for new funding for pay are needed
- The TU side urges local government employers to join us in making those renewed calls

COST OF LIVING CRISIS

- A sharp rise in the cost of living is hitting our members hard
- They are experiencing the fastest fall in living standards since the 1950s
- Inflation is forecast to peak at over 10% this year
- Economic conditions are now unlikely to return to pre-Covid levels until at least 2024
- Support measures offered by the government are not enough

ECONOMIC BACKGROUND

- Over the past 12 years, most NJC SPCs have lost a third of their value
- Many of the roles hit by long-term low pay are those likely to be worst hit by the cost of living crisis
- Local government will fail to attract or retain staff if wages fall further below the cost of living
- For 10 of the last 11 years, NJC pay awards have fallen below average pay awards in other sectors
- Household debt in the UK is now rising at its fastest rate since Covid-19 began
- UK household credit card borrowing in February 2022 saw the biggest increase since records began

COMPARING NJC PAY

- NJC SCPs 1-3 now all fall below the £9.90 UK Foundation Living Wage rate
- NJC pay would need to rise by more than 4% each year over the next three annual pay awards to meet the expected minimum wage target by 2024
- Deleting pay points on a new pay spine should always be a last resort
- The NJC should seek to create some breathing room between the legal minimum and SCP 1

RECRUITMENT AND RETENTION PRESSURES

- 78% of councils are experiencing some form of recruitment and retention difficulties
- COVID-19 workforce absences have restricted the ability recruit and retain staff
- Unemployment is at a record low and local government pay is stagnating - this will only make recruitment and retention harder
- Some traditionally low-paid retail jobs have quietly overtaken local government pay at the bottom

PAY-RELATED CONDITIONS OF WORK

- Covid-19 continues to put some strain on local government services and staff – a recognition payment would go some way towards recognising this
- All councils must have a homeworking policy in place and that it should include an allowance
- HMRC millage rates which have remained unchanged since 2011-12 and do not reflect new cost of living rises to fuel – an urgent review of all mileage rates is needed ASAP
- NJC terms for Family leave and pay compares unfavourably and need a major review
- A review of term time only contracts is needed
- A reduction in the working week (without loss of pay) and an additional day of annual leave would help to offset historic low pay

1. CONTEXT OF OUR CLAIM

Since 2010, the local government workforce has suffered multiple crises. A financial crisis was swiftly followed by austerity cuts, a once in a lifetime global pandemic that stretched local government staff and resources to their limits, and now a new crisis – an unprecedented squeeze on the cost of living that has already created the fastest fall in living standards since the 1950s.

It is against this backdrop of crisis that council and school workers have endured a decade of pay freezes and below average pay awards. Local government workers have now lost on average 27.5% from the value of their pay spine since 2010 (when measured against the cost of living / Retail Price Index).

The value of NJC pay has now reached an historic rock bottom – falling well below the Foundation Living Wage, drawing level with the legal minimum and being overtaken by many high street retailers and supermarkets. In addition, the government has set a target for the national minimum to reach two-thirds of median earnings by 2024. Annual NJC pay awards would need to rise significantly higher than in previous years just to meet, what is likely to be, the new legal limit by 2024.

For a workforce who are already underpaid, overworked and tired from a decade of ongoing crises, this new cost of living crisis means that local government workers will now struggle to manage even the basics, like putting food on the table, heating their homes and paying their bills. In addition, a decline and standstill on various NJC conditions has effectively devalued their low pay even further – including mileage rates (which have been static for years) as well as family leave and pay provisions that have fallen behind those of many other employers.

Other factors continue to change the nature of how local government staff work - such as the rapid rollout of hybrid/remote working and hotdesking. These can have positive work/life balance outcomes for some staff but must not be used as excuses to reduce services (especially frontline/face-to-face services) or to heap larger workloads onto an ever-shrinking pool of staff.

Central government claim they no longer wish to see poverty pay being 'topped up' via benefits - just to cover even the basic costs of living like rents/mortgages, food and utilities. Our research shows that properly funding local government pay would achieve this – with just over half (51%) the cost of meeting this pay claim recouped by the government via increases in tax revenue and reduced benefit, tax credit and Universal Credit expenditure. The TU side would again urge local government employers to join us in making renewed calls to central government for a proper funding allocation for local government pay.

Our pay claim asks for a substantial increase - with a minimum of £2,000 or RPI on all NJC spinal column points. This would go some way to towards compensating local government workers for the 27.5% lost from the value of their pay spine since 2010. Crucially, it would restore local government pay to a competitive rate - lifting it out of bargain basement minimum wage territory - and better reflecting a workforce that has remained dedicated and hard-working in the face of the multitude of challenges thrown at them over this last decade and more.