



To: COSLA
From: SJC Trade Union Joint Secretaries
Date: 26th January 2023
Subject: SJC Pay Claim 2023

Colleagues,

SJC Pay Claim 2023

The pay claim outlined below is submitted by the SJC Trade Union Side for Local Government workers covered by SJC conditions for the period 1 April 2023 to 31st March 2024.

1. Summary of claim

Our claim is for:

- A settlement that runs for the period 1 April 2023 to 31 March 2024.
- An increase of 12% or £4,000 whichever is the greater to all spinal column points (based on a nominal 35 hour working week). This would equate to a £2.20 increase on the hourly rate.
- An underpinning minimum rate of pay of £15 per hour.
- An increase to the mileage rate to ensure parity with NHS colleagues.
- A no compulsory redundancy agreement.
- Completion of the review, established as part of our 2021 settlement, of professional fees (beyond the SSSC fees which are now paid for local government workers) incurred by members in the course of their employment.
- Early completion of the review, established as part of our 2021 settlement, on how we achieve a no detriment reduction in the working week to enable members to achieve a better work-life balance.
- Agreement to change the national calculator for the normal working week to 35 hours.
- No less than parity with other local government bargaining groups.
- Early commencement of negotiations with a clear expectation of settlement implementation by 1 April review date.

The claim is set at a level that we believe recognises the following key points:

- The RPI rate, at the time of writing, is sitting at 13.4%¹;
- The Office for Budget Responsibility (OBR), which advises the government on its economic plans, forecasts that RPI inflation for 2023 as a whole will be 10.7%;
- Substantial increases in the cost of living over recent years have significantly reduced the value of staff wages and the rise in prices facing workers is now at a 40-year high.
- Appropriate reward is needed to sustain the morale of staff in their crucial role of delivering high quality services;
- Appropriate reward is needed for the increased workload and stress placed on staff against a background of unprecedented changes in working practices and the demands that were placed on them during the Covid pandemic.

2. The falling value of pay

Despite the employer's commitment to the Scottish Local Government Living Wage our members have not been immune to the squeeze in living standards brought about by years of austerity and pay increases which have not always kept up with the rate of inflation.

¹ Office for National Statistics, Retail Price Inflation, 18th January 2023

The table below demonstrates the major fall in living standards suffered by staff over recent years.

| | SJC pay awards | Rise in cost of living (as measured by Retail Prices Index April figures) |
|------|---|---|
| 2010 | 0.65% | 5.3% |
| 2011 | 0% | 5.2% |
| 2012 | 0% | 3.5% |
| 2013 | 1% | 2.9% |
| 2014 | 1% | 2.5% |
| 2015 | 1.5% | 0.9% |
| 2016 | 1% | 1.3% |
| 2017 | 1% | 3.5% |
| 2018 | 3.5% | 3.4% |
| 2019 | 3% | 3% |
| 2020 | 3% | 1.5% |
| 2021 | 2.86% (this was the average – the award was differentiated) | 2.9% |
| 2022 | 7.5% (this was the total increase to paybill – the award was differentiated) | 11.1% |

Inflation is currently running at 13.4% (the highest level in over four decades) and for the value of staff wages not to fall back even further, they must at least keep pace with predicted rises in the cost of living, which Treasury forecasts predict will average 10.7% for 2023.

Within these figures, some costs are rising significantly faster and staff are experiencing an enormous surge in costs², including:

- A 132% increase in gas prices;
- A 65% increase in electricity prices;
- A 38% increase in mortgage interest payments;
- A 17% increase in food prices;
- A 10% rise in the price of buying a house and 11% rise in rent for a new rental property.

The Trade Unions' are clear that this year's pay settlement must not only protect workers' pay from falling back further but should start to reverse the many years of real-terms cuts to wages through pay restoration.

This pay claim is therefore designed to protect the lowest paid workers but also start to bring workers earnings back into line with where they should be. We appreciate this cannot be done in one year but would remind you that this is a principal that has been accepted in previous pay agreements.

3. Detail of the claim

Further to the summary above additional details in relation to the different elements of the claim are below.

² Office for National Statistics, Consumer Price Inflation Reference Tables, December 2022, for electricity, gas, petrol and mortgage interest payments - Office for National Statistics, UK House Price Index: November 2022, for house prices - HomeLet Rental Index, December 2022, for rental prices

- **A settlement that runs for the period 1 April 2023 to 31 March 2024.**

Whilst the claim is for a one year settlement we are open to discussion and consideration of a multi-year deal if it helps the employers' financial planning and so long as any such deal was inflation-proofed.

- **An increase of 12% or £4,000 whichever is the greater to all spinal column points (based on a nominal 35 hour working week calculator). This would equate to a £2.20 increase on the hourly rate.**

The Trade Unions note that the median annual earnings for full time workers in Scotland as at 26 October 2022³ was £33,332 per annum. The Trade Unions have set the flat rate figure at 12% of this salary. It is noted that some members may find it beneficial for any uplift to be expressed as the uplift that would be provided to their hourly rate.

- **An underpinning minimum rate of pay of £15 per hour.**

The objective of the Scottish Local Government Living Wage has always been to ensure the lowest pay rate continues to be higher than the national living wage. In recent years the gap has continued to narrow such that the lowest pay bands are now only a few pence above the national living wage.

With the vast majority of local government workers earning below the median earnings rate for a full-time worker in Scotland low pay remains a significant issue and if employers want to plug the recruitment and retention gaps that exist across the local government workforce – notably in social care, early years, environmental health and planning – much more needs to be done to lift up wage levels whilst preserving differentials throughout the pay structures.

- **An increase to the mileage rate to ensure parity with NHS colleagues.**

With the cost of fuel continuing to rise the cost of driving for work is becoming an increasing burden on many staff. The Trade Unions note that the mileage rate for workers employed in local government has not increased for many years.

We note however that other parts of the Scottish public sector have taken steps to alleviate this cost pressure on staff. In the NHS we understand that the Standard Rate of Annual Mileage up to 3,500 miles has been increased to 61p and up to 25p over 3,500 miles. If support on this issue can be provided for other public sector workers' we believe it can and should be provided for local government workers.

- **A no compulsory redundancy agreement.**

We are aware that the current economic climate and continuing pressures on local authority budgets have led some authorities to review the number of staff they employ and the services they provide.

Whilst we will play our part in lobbying the Scottish Government for additional funding, funding that protects and secures the role of local authorities as the first line of defence for our communities, we will not accept any compulsory redundancy of local government workers and would like this formalised in a 'no compulsory redundancy agreement'.

- **Completion of the review, established as part of our 2021 settlement, of professional fees (beyond the SSSC fees which have now been removed for local government workers) incurred by members in the course of their employment.**

Our 2021 settlement committed COSLA to working with us to review all professional fees incurred by our members during the course of their employment. Since then we successfully negotiated the removal of SSSC fees for local government workers as part of the 2022 pay settlement. That progress is welcome but we are conscious that the review of all other professional fees remains outstanding – this work needs to be completed as soon as possible.

³ <https://www.statista.com/statistics/416139/full-time-annual-salary-in-the-uk-by-region>

- **Early completion of the review, established as part of our 2021 settlement, on how we achieve a no detriment reduction in the working week to enable members to achieve a better work-life balance.**

Our 2021 settlement committed COSLA to exploring with us ways in which we could achieve a no-detriment reduction in the working week and our working group on this continued to meet during 2022 without a finalised position being achieved.

Given the impact of over a decade of cuts to local government and the resulting increase this has meant for those who have remained, combined with the additional workload increases and stress caused by the pandemic we believe it is important this work is taken forward quickly.

These proposals do not absolve the Employers from their Health and Safety responsibilities.

- **Agreement to change the national calculator for the normal working week to 35 hours.**

Separately to any discussions about a no detriment reduction to the working week we restate our view that the national calculator for the normal working week (against which pay is calculated) should be reduced to 35 hours. We note that we achieved a move to a 36 hour calculator in the last pay round and believe that further progress can and should be made this year.

- **No less than parity with other local government bargaining groups.**

It is COSLA policy to apply parity of pay increases across the Local Government bargaining groups. We note however that this policy has been breached in previous pay rounds, through the intervention of the Scottish Government, when additional funds were found to give larger increases to local government workers whose pay is negotiated by the SNCT.

We cannot overstate the level of anger this caused amongst our members who, understandably, felt like some workers were being given preferential treatment above others. As we have said before we will not accept a position again where SJC workers are treated as the poor relations of the Local Government workforce. COSLA needs to enforce the policy they purport to hold – SJC workers deserve no less than parity with colleagues in other Local Government bargaining groups.

- **Early commencement of negotiations with a clear expectation of settlement implementation by 1 April review date.**

This claim is submitted in good time for Leaders to consider it, alongside those of the other local government bargaining groups, and make an offer ahead of and in good time for the 1 April review date to be met. With this in mind we would expect to receive an acceptable offer by the end of February 2023.

Our members will not accept a position where yet again implementation of a pay settlement is only made a year after their claim was submitted, and some seven months after the pay implementation date, as has happened in the previous two years.

When an offer is accepted by all parties more needs to be done to ensure councils pay this to staff in a timely manner, our members are consistently faced by delays in negotiation and then further delays in application.

This not only causes financial uncertainty for these critical workers at a time when their wages are being stretched as never before – the backdating of many months of increase also causes significant difficulties for members in receipt of state benefits.

4. Fair Funding for Local Government

The economic context going into our 2023 pay negotiations is more acute than ever. Local government needs a new deal from the Scottish Government. Empowering our local councils and communities will be critical to our economic recovery. That requires investment in our local services and the key workers who deliver them.

We have supported calls for a fair funding settlement for Local Government to the Scottish Government and we will continue to press for this. But we must be clear – we will not tolerate our members being used as a political football between your two organisations. The issues they face and the services they deliver are bigger than that and they deserve better.

If, therefore, councils can't afford to meet the aspirations of the claim due to their underfunding and the austerity settlements for Local Government we would expect that COSLA would join with us in demanding that the Scottish Government improve the Local Government settlement so that an acceptable pay offer can be provided.

5. Conclusion

There can be no doubt that SJC workers have seen the value of their earnings fall considerably over recent years and evidence suggests that they are also falling behind earnings for comparable jobs.

Combined with these developments, the last year has seen intensified pressures placed on staff at the same time as greater job choices are opening up for staff in an improving labour market.

Nonetheless, the dedication of staff has enabled Local Government to maintain the services and support it has provided to our communities throughout this unprecedented period.

Therefore, this pay claim represents the reward staff deserve for their dedication, skill and hard work and the minimum improvement in pay needed to maintain workforce morale for delivering consistently high-quality services.

We look forward to the employer's full consideration of this claim and early engagement in negotiations.

Best wishes,

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Wendy Dunsmore
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