## National Employers for local government services

To: Chief Executives in England, Wales and N Ireland (to be shared with HR Director and Finance Director)
Members of the National Employers' Side
Regional Employer Organisations

8 March 2023

Dear Chief Executive,

## **LOCAL GOVERNMENT PAY 2023**

I wish to update you on important developments in the local government pay round for 2023.

Having received on 23 February the <u>employers' pay offer</u> (see **Annex 1**), the unions requested a meeting with the National Employers. That meeting took place earlier today, at which the unions sought a 'significant improvement' to the £1,925 / 3.88 per cent headline offer. The National Employers rejected the unions' request and reaffirmed their offer as full and final.

The employers explained to the unions that they believe the offer is fair to employees, given the wider economic backdrop. By way of an example, if the offer were to be accepted by the unions, an employee on the bottom pay point in April 2021 (earning £18,333) will have received an increase in their pay of £4,033 (22.0 per cent) over the two years to April 2023. For an employee at the mid-point of the pay spine (pay point 22), their pay will have increased over the same period by £3,850 (13.99 per cent).

However, notwithstanding their belief in the fairness of the offer, the employers emphasised that the offer would need to be paid for from existing budgets, meaning more pressure on already hard-pressed finances, especially for those councils and schools with large numbers of employees on the lower pay points.

The employers also explained how they took a number of factors into consideration before making the pay offer: how to meet the challenge of the National Living Wage (as set out in the employer circular dated 23 February); tackling recruitment and retention issues (hence the 3.88 per cent offer for those NJC employees who are paid above the top of pay spine); as well as presenting an offer that would hopefully avoid ballots for industrial action, meaning that employees would receive their pay award much closer to the traditional implementation date of 1 April than has been the case in recent years.

However, we now know that the national committees of all three unions have rejected the employers' final offer. UNISON has announced a ballot for industrial action, whilst GMB and Unite members will be consulted on the basis of a recommendation that the offer be rejected.

The employers are particularly disappointed that UNISON's timetable for its ballot means it will not get underway until mid / late May. The reason UNISON has given for the delay before balloting starts, is that it needs to cleanse its member data records in order to ensure it meets its legal obligations of conducting an industrial action ballot. The law requires that there is a ballot of employees in accordance with strict legal requirements before industrial action is called for or endorsed. Only where such a ballot produces a majority in favour of industrial action and at least 50 per cent of those eligible to vote have voted, will the action be lawful. The ballot will only be effective for and mandate industrial action that takes place within six months, beginning with the date of the ballot (which is the date the ballot closes).

UNISON has confirmed it will be balloting on a disaggregated basis. This means that action could be taken at each individual council / school where a turn-out of over 50 per cent is secured (if members vote in favour strike action).

If UNISON meets the threshold for lawful industrial action to take place, its timetable means such action may not start until September, more than six months after the employers' offer was made. This potential very lengthy delay is hugely frustrating and will mean many months of uncertainty for employers and employees, whom I am sure you will agree, deserve their pay award as soon as possible.

GMB has announced it will conduct a consultative ballot of its members with a recommendation that the offer be rejected. It will explain that by rejecting the offer, its members will be indicating their willingness to participate in future industrial action. GMB's consultation is likely to run for six weeks from the end of this month. If its recommendation is supported by its members, it is likely a formal industrial action ballot would follow.

Unite has announced it will recommend rejection of the offer by stating, "Local government employers need to enter into full pay negotiations and make a decent pay offer if industrial action is to be avoided." Unite's consultation is also likely to run for six weeks from the end of this month.

As you know, the National Employers moved very quickly this year to consult on and respond to the unions' pay claim. The claim was received on 30 January; regional pay briefings took place between 6 and 15 February, ahead of the employers making their full and final offer on 23 February. Part of the reason for the employers' swift actions was to try and avoid another prolonged pay round process, such as we have seen in recent years.

Despite the prospect of a very lengthy delay before this year's pay can be settled, the National Employers advise very strongly against imposing the pay offer before the collective bargaining process has concluded. To do so would not only fragment the unity of the employers' position but would also leave councils vulnerable to questions being asked by auditors as to why expenditure has been unnecessarily incurred in the absence of a national collective agreement. In addition, councils would need to consider very carefully the wider legal issues, including those arising out of the cases of *Kostal UK Limited v Dunkley* (as explained in <u>Advisory Bulletin 696</u>) and *INEOS Infrastructure Grangemouth Limited v Jones & others* (as explained in <u>Advisory Bulletin 704</u>).

Finally, I remind you about our comprehensive <u>quidance on managing industrial action</u>, along with associated <u>FAQs</u>.

Please share this letter and subsequent updates on pay, with your colleagues in HR and Finance, and with elected members, as appropriate.

I shall continue to keep you informed of developments.

Yours sincerely,

Naomi Cooke Employers' Secretary Mike Short, Rachel Harrison, Clare Keogh Trade Union Side Secretaries NJC for Local Government Services c/o UNISON Centre 130 Euston Road London NW1 2AY

23 February 2023

Dear Mike, Rachel and Clare

## **LOCAL GOVERNMENT PAY 2023**

Thank you for your pay claim which was received on 30 January. As you know, the employers moved very quickly to brief councils on it, with that process concluding on 15 February. The National Employers met today and agreed to respond formally to your pay claim.

The National Employers wish to make the following full and final, one-year (1 April 2023 to 31 March 2024) offer:

- With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive (the equivalent percentage increases to each pay point are shown at Annex A)
- With effect from 1 April 2023, an increase of 3.88 per cent on all pay points above the maximum of the pay spine but graded below deputy chief officer (in accordance with Green Book Part 2 Para 5.41)
- With effect from 1 April 2023, an increase of 3.88 per cent on all allowances (as listed in the 2022 NJC pay agreement circular dated 1 November 2022)

In response to other elements of your claim:

Your claim seeks, "A review of the pay spine, including looking at the top end, and discussions about the link between how remuneration can be used to improve retention." The National Employers propose that the Joint Secretaries enter into exploratory 'without prejudice' informal discussions in order to map out the practical considerations of how and when the pay spine might be reviewed once the future policy direction of the National Living Wage has been confirmed.

The employers are puzzled by the inclusion in your claim for the third consecutive year of an element that has formed part of both the 2021 and 2022 employer offers, despite which, your Side has never pursued the matter with us. I therefore remind you that the

<sup>&</sup>lt;sup>1</sup> The Green Book Part 2 Para 5.4 provides that posts paid above the maximum of the pay spine but graded below deputy chief officer are within scope of the NJC. The pay levels for such posts are determined locally, but once fixed are increased in line with agreements reached by the NJC.

employers have twice previously offered (and offer again this year) to "enter into discussions on the broader family leave and pay issues raised in your claim."

The National Employers also repeat their offers from 2021 and 2022 to incorporate into the National Agreement's Maternity Scheme, the statutory provisions that provide for an additional week's leave for each week a neonatal baby is in hospital, for up to 12 weeks, paid currently at the statutory rate of £156.662 per week (or 90 per cent of earnings, if less).

Your claim seeks, "A review of job evaluation outcomes for school staff whose dayto-day work includes working on Special Educational Needs (SEN)." The National Employers reject your request that job evaluation outcomes are reviewed, as these are matters entirely for local determination rather than by the NJC.

However, the National Employers are aware that the model profiles for school support staff roles, produced by the NJC's Job Evaluation Technical Working Group (JETWG) are now ten years' old. Three of the profiles are for different levels of Additional Support Needs Assistant roles, which cover employees with SEN responsibilities. The National Employers therefore propose that the Joint Secretaries agree that JETWG conducts a review of all the 2013 role profiles to see whether any of the terminology needs refreshing to take account of, for example, technological advances and new ways of working that may have taken place over the last ten years.

Finally, in response to the remaining elements of your claim, the employers reject the following:

- Consideration of a flat rate increase to hourly rates of pay in order to bring the minimum rate up to £15 per hour within two years
- Establishing model role profiles for school support staff jobs, with advisory banding structures
- An additional day of annual leave for personal or well-being purposes
- A homeworking allowance for staff for whom it is a requirement to work from home
- A reduction in the working week by two hours

The National Employers hope this final offer can quickly form the basis of an agreement between the two Sides so that employees, who continue to provide such critical support to their communities, can receive this award as soon as is practicable.

Yours sincerely,

Naomi Cooke **Employers' Secretary** 

<sup>&</sup>lt;sup>2</sup> Will increase to £172.48 per week, from April 2023

## **fANNEX A**

SCP	Employer offer	Equivalent percentage
1	Deleted w	ref 1 April 2023
2	£1,925	9.42%
3	£1,925	9.25%
4	£1,925	9.08%
5	£1,925	8.92%
6	£1,925	8.76%
7	£1,925	8.61%
8	£1,925	8.45%
9	£1,925	8.30%
10	£1,925	8.15%
11	£1,925	8.00%
12	£1,925	7.86%
13	£1,925	7.72%
14	£1,925	7.58%
15	£1,925	7.44%
16	£1,925	7.30%
17	£1,925	7.17%
18	£1,925	7.04%
19	£1,925	6.91%
20	£1,925	6.79%
21	£1,925	6.66%
22	£1,925	6.54%
23	£1,925	6.38%
24	£1,925	6.19%
25	£1,925	6.01%
26	£1,925	5.85%
27	£1,925	5.69%
28	£1,925	5.54%
29	£1,925	5.44%
30	£1,925	5.30%
31	£1,925	5.17%
32	£1,925	5.03%
33	£1,925	4.87%
34	£1,925	4.76%
35	£1,925	4.64%
36	£1,925	4.53%
37	£1,925	4.42%
38	£1,925	4.32%
39	£1,925	4.23%
40	£1,925	4.14%
41	£1,925	4.05%
42	£1,925	3.96%
43	£1,925	3.88%