



To: COSLA SJC Joint Secretary c.c. COSLA Leaders

Date: 25th January 2024

Subject: SJC Pay Claim 2024

Colleagues,

SJC Pay Claim 2024

The pay claim outlined below is submitted by UNISON and Unite for Local Government workers covered by SJC conditions for the period 1 April 2024 to 31st March 2025.

Summary of claim

Our claim is for:

- A one year settlement that runs for the period 1 April 2024 to 31 March 2025.
- For those on the lowest pay an above inflation increase in line with the aspiration, agreed with UNISON in November 2023¹, to achieve implementation of a minimum rate of pay for all Local Government workers of £15 per hour by 1 April 26.
- An increase of 7% to all spinal column points (or an increase of £1.60 to the hourly rate whichever is greater) and related allowances.
- Urgent progress to be made on 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.
- A review of the scope and level of the Distant Islands Allowance.
- 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 5.2%²;

• The last two years have seen the steepest rises in the cost of living facing workers in over 40 years;

• The Treasury average of independent forecasts states that RPI inflation will average 4.4% over 2024³;

• Appropriate reward is needed to sustain the morale of staff in their crucial role of delivering high quality services at a time of increased workload and stress placed on staff against a background of unprecedented changes in working practices, financial pressures and high vacancy rates.

Detail of the claim

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

¹ <u>https://unison-scotland.org/wp-content/uploads/23-11-03-SJC-Pay-2023-24-1.pdf</u>

² Office for National Statistics, Retail Price Inflation, 17th January 2024

³ Source: HM Treasury Forecasts for the UK Economy, November 2023

1. A settlement that runs for the period 1 April 2024 to 31 March 2025.

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

2. A headline increase which delivers:

a) For those on the lowest pay we expect an above inflation increase in line with delivering the aspiration, agreed with UNISON in November 2023⁴, to achieve implementation of a minimum rate of pay for all Local Government workers of £15 per hour by 1 April 2026.

The Trade Unions note that the median annual earnings for full time workers in Scotland as at November 2023⁵ was £35,518 per annum and that the vast majority of local government workers in Scotland currently earn below this.

The trade unions therefore expect an above inflation increase for those on the lowest pay in line with delivering the aspiration to achieve implementation of a minimum rate of pay for all Local Government workers of £15 per hour by 1 April 2026. We expect the taskforce, comprised of representatives from both the employer and the SJC trade unions, that will develop the principles and plans for how and when this will be achieved to be established as soon as possible and for the Scottish Government to be called on to provide financial support this aim.

b) An increase of 7% to all spinal column points (or an increase of £1.60 to the hourly rate whichever is greater) and related allowances.

In terms of the wider workforce our claim seeks an increase of 7% to all spinal column points, or an increase of £1.60 to the hourly rate whichever is greater, and related allowances. This is based on a cost-of-living increase equivalent to RPI plus a contribution to salary restoration.

The falling value of pay

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.

The last two years have seen the steepest rises in the cost of living facing workers in over 40 years - 11.6% across 2022 and 9.7% across 2023⁶ and inflation is expected to continue to rise at the substantial rate of 4.4% across 2024⁷.

For the value of staff wages not to fall back even further, they must at least keep pace with rises in the cost of living, which currently include⁸:

- A 44% increase in mortgage interest payments;
- An 8% increase in food prices;
- An 8% 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.

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

⁴ https://unison-scotland.org/wp-content/uploads/23-11-03-SJC-Pay-2023-24-1.pdf

⁵ UK full-time annual salary by region 2023 | Statista

⁶ Office for National Statistics, UK Consumer Price Inflation: December 2023

⁷ HM Treasury, Forecasts for the UK Economy, November 2023

⁸ Office for National Statistics, UK Consumer Price Inflation: December 2023 for food and mortgage interest payments - HomeLet Rental Index, December 2023, for rental prices

	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%
2023	7% (this was the paybill increase – the award was differentiated)	11.3%

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. Urgent progress to be made on 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.

There has been insufficient progress to the review, established as part of our 2021 settlement, to look at how we achieve a no-detriment reduction in the working week to ensure members are able to achieve abetter work-life balance.

This issue is being brought into sharp focus as members take on even greater responsibility and are under ever increasing pressure as budgetary constraints have left jobs unfilled or cut completely from the staffing complement.

4. A review of the scope and level of the Distant Islands Allowance

We believe the current Distant Islands Allowance would benefit from review to ensure the scope and level reflect the changing circumstances of our members employed on our islands.

5. 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 reiterate our position that COSLA needs to enforce this policy and that SJC workers deserve no less than parity with colleagues in other Local Government bargaining groups.

6. 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.

The protracted process of pay negotiations of previous years cannot be allowed to continue. 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 and after members have had to take industrial action.

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 2024 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 your full consideration of this claim and early engagement in negotiations.

Best wishes,

Johanna Baxter	Graham McNab
Joint Secretary	Joint Secretary
UNISON	UNITE