



PAY CLAIM FOR 2022
SUBMITTED BY UNISON TO SURREY COUNTY COUNCIL (SCC)

1. INTRODUCTION

This pay claim is submitted by UNISON on behalf of staff working for **SCC**.

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

- **Employees of Surrey County Council have not received a cost of living award equal to inflation for nearly 15 years.**
- Inflation is now rising sharply and increases in taxes, fuel prices and housing costs are making life very difficult for the lowest paid workers.
- The chancellor has announced the 'end of the public sector pay freeze' and stated that public sector workers will receive fair pay increases this coming year.
- Annual pay statistics, published 26th October by the Office for National Statistics (ONS), show that real median earnings have only just returned to their 2009 value. In the 12 years from 2009 to 2021, the real value of median pay has not increased. This compares to an increase of 24% for the prior 12 years.
- 1997-2009: real pay grew by 24% (£96 a week)
- 2009-2021: real pay grew by 0% (£0 per week)
 - Substantial increases in the cost of living over recent years have significantly reduced the value of staff wages and the difference between the majority of local government workers' pay, terms and conditions and those in Surrey gets wider every year;
 - There is a particular issue with the cost of living in Surrey and the proximity to London (where a London Weighting allowance may be paid by local authorities and where the UK Living Wage Foundation recognises a significantly higher minimum wage is needed);

- Appropriate reward is needed to sustain the morale and productivity of staff in their crucial role of delivering high quality services;
- Appropriate reward is needed for the increased workload and stress placed on staff during the pandemic and against a background of unprecedented changes in working practices – including agile working and working from home;
- The national and local ‘green’ agenda, including less travelling to offices.
- Average pay settlements across the economy have been running ahead of those received by **SCC** staff over recent years, increasing the likelihood of recruitment and retention problems in the long term;
- Nobody should be paid less than the nationally recognised UK Living Wage Foundation rates, which have become a benchmark for the minimum level of decent pay across the UK and is now paid by large sections of the public services and many major private companies.
- Many of the lowest paid workers in Surrey are only surviving through their entitlement to benefits, universal credit or second and third jobs.
- Surrey County UNISON have surveyed our members in advance of presenting this claim, with around 400 members taking part. This claim is based on the feedback from that survey, combined with current figures.

2. SUMMARY OF CLAIM

We are seeking:

- A 10% across the board pay increase to bring salaries closer to what they would have been if they had kept up with annual inflation figures over the past 15 years. This percentage claim mirrors the current National Joint Council (NJC) claim for 2021.
- A £12 per hour minimum wage to begin to tackle in-work poverty at SCC.
- A commitment from the council to peg future annual pay awards to the national local government (National Joint Council) awards – to save time, energy and resources of local council officers and UNISON reps and to ensure SCC do not fall behind national average local government pay settlements.
- A move to a shorter working week – supporting employees to have a better work-life balance, improving morale and performance. Recent research and trials into a 4-day, 32-hour week by some major companies have shown increased productivity and a happier, more committed workforce. Any reduction in working hours must not, however, mean a drop in pay levels and workloads would need to be appropriately adjusted.
- A clear, negotiated and agreed, working from home policy must be introduced. Where the council and the employees agree that working from home would be advantageous, suitable contracts should be drawn up making the worker's home their 'workbase' for expenses purposes and including payment for extra costs (such as utilities).
- An increase in annual leave entitlement based on long service.
- A fair resolution to the current negotiations on unsocial hours payments – to be applicable to all SCC staff and ensure fair recompense/incentive for working nights, weekends and bank holidays.

3. FALLING VALUE OF PAY

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

	SCC cost of living pay increases	Rise in cost of living¹ (as measured by Retail Prices Index)
2010	0	4.6%
2011	0	5.2%
2012	£350 or £500 if <£21,000 consolidated lump sum	3.2%
2013	£500 or £750 if <£21,000 consolidated lump sum	3.0%
2014	£250 consolidated lump sum	2.4%
2015	£300 consolidated lump sum	1.0%
2016	£150 non-consolidated payment	1.8%
2017	0	3.6%
2018	0	3.3%
2019	New pay points (ave 2%)	2.6%
2020	2%	1.5%
2021	£350 consolidated lump sum if <PS7 (point 4)	2.9% current

This means that, while the cost of living has risen by over 35% over the last decade, pay in **SCC** has risen by just **a fraction of that amount**. Thousands of pounds have been cut out of the value of staff wages.

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 put at least at 2% per year for the next 4 years.

¹ Office for National Statistics, Consumer Price Inflation Reference Tables.

4. FALLING BEHIND AVERAGE PAY RATES

The ability of **SCC** to attract and retain staff in the long term will be damaged if the pay of its staff falls behind the going rate in the labour market.

The table below shows that pay settlements have not only been running behind economy averages this year, **SCC**'s pay rates have been growing steadily more uncompetitive over a sustained period.

Year	Average pay settlements
2010	2.0%
2011	2.5%
2012	2.5%
2013	2.5%
2014	2.5%
2015	2.2%
2016	2.0%
2017	2.0%
2018	2.5%
2019	2.5%
2020	2.0%
2021	2.5%

Source – Labour Research Department

Though the Covid-19 pandemic slowed down growth in average earnings across the economy over 2020, economic growth is forecast to resume at 2.4% in 2021, putting **SCC again** at a disadvantage in the recruitment and retention of staff if it fails to match general rates.

5. UK LIVING WAGE FOUNDATION LEVELS BECOMING STANDARD MINIMUM PAY BENCHMARK

The UK Living Wage has become a standard benchmark for the minimum needed for low-paid staff to have a “basic but acceptable” standard of living.

SCC is now competing in a labour market where the Living Wage of £9.50 an hour outside London and £10.85 an hour in London (we would argue that Surrey costs of living compare with London) has become an increasingly common minimum point in the pay scale. These rates are reviewed annually each November.

Studies supported by Barclays Bank have shown that Living Wage employers report an increase in productivity, a reduction in staff turnover / absenteeism rates and improvements in their public reputation.

Consequently, there are now over 8,500 employers accredited as Living Wage employers by the Living Wage Foundation, including some of the largest private companies in the UK, such as Barclays, HSBC, IKEA and Lidl.

Across the public sector, minimum rates at or above the Living Wage have been established over recent years for all staff covered by NJC Local Government, NHS Agenda for Change in Britain, all Scotland’s public sector organisations, Further Education colleges in Wales and all UK universities (for staff on a 35-hour week). Support staff in more than 12,000 schools across the UK are also paid the UK Living Wage as a result of national agreements.

Although, through negotiation, SCC have managed to keep their core staff being paid on or above the outside London rate, SCC have thus far been unwilling to consider using the London rate as a benchmark nor to formally become a Living Wage employer.

Given the hugely inflated cost of living in Surrey, we are calling for the SCC minimum wage to be increased to £12ph.

6. MORALE UNDER THREAT

Working against a background of tight budgets and the unprecedented demands of the Covid-19 pandemic, staff have been facing greater workload pressures. The resulting increased stress puts the morale of the workforce at risk and poses a long-term threat to **SCC's** ability to provide a consistent quality of service. Looking properly at agile and flexible working, a fair and consistent home working policy and reducing the working week are all ways in which the council could improve the working lives of its staff – and by default, their performance and productivity.

9. CONCLUSION

There can be no doubt that all **Surrey County Council's** staff have seen the value of their earnings fall considerably over recent years and evidence suggests that they are also falling behind pay settlements for comparable jobs.

Combined with these developments, the last two years have seen intensified pressures placed on staff against the unprecedented background of the Covid-19 pandemic.

Staff have had to adapt to new ways of working during the pandemic, placing significantly increased stresses on all staff. Many staff have also faced the pressure of juggling their workload with extra demands in their private life, particularly where they have been caring for children or elderly relatives.

Nonetheless, the dedication of staff over the pandemic has enabled **SCC** to maintain and adapt its services throughout this unprecedented period.

Therefore, we believe this pay claim represents a very reasonable estimate of the reward staff deserve for their dedication, skill and hard work and the minimum improvements in pay, terms and conditions needed to maintain workforce morale for delivering consistently high-quality services.

Paul Couchman

On behalf of the Surrey County UNISON Pay Team