



Officers' Side of the Joint Negotiating Committee for Chief Officers of Local Authorities: England and Wales

JNC PAY CLAIM 2024/25

The JNC Officers' Side is submitting the following pay claim for our members covered by the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities:

- **An increase that is no less favourable to Chief Officers than the NJC claim (of 10 per cent or an equivalent lump sum) as a step towards pay restoration.**
- **Action to close the gender, ethnicity and disability pay gaps.**
- **Joint work on model national overtime working and mental health policies.**

Key points from our claim

Chief Officers deserve a pay rise

- The pay of Chief Officers has fallen in real terms by approximately **35 per cent** since April 2008 while comparable private sector rates have increased.
- Local authority senior managers and leaders remain in short supply. Nine out of ten councils face capability gaps in their senior management teams, and half of county councils say that they are experiencing difficulties when recruiting finance officers.

Cost of living

- The January 2024 12-month RPI rates is **4.9 per cent** and the CPI 12-month rate is **4 per cent**.
- A typical long-serving Chief Officer who earns below £100,000 will have received an average annual increase of just 1.2 per cent since the start of pay austerity. By contrast, RPI has risen by 4.5 per cent a year and CPI has risen by 3.3 per cent on average over the same period.
- The OBR forecasts that inflation will remain heightened in 2024 (with RPI averaging 5.1 per cent and CPI averaging 3.6 per cent).

Overtime and wellbeing

- Our members report extremely high rates of unpaid overtime working, alongside the strain of stress and anxiety associated with leadership during a time of great financial pressure.

Chief Officers' pay has been eroded and is no longer competitive with external rates for equivalent roles. The Trade Union Side calls on JNC employers to recognise this contribution and make our members an offer that is no less favourable to our members than the NJC Green Book claim.

Link to the NJC Green Book claim

The Officers' Side sees a close connection between the NJC and the JNC claims. We aim to secure justified increases for Chief Officers and Green Book staff in tandem, not at the expense of the other.

As the LGA has previously said, there is significant value to be had from treating Chief Officers with 'the same or very similar to those given to rank-and-file staff. This promotes a single organisational ethos.'¹

We ask that this claim be read in conjunction with the arguments put forward in the main NJC claim, and that an offer is made that is no less favourable to Chief Officers than Green Book workers.

Pay comparability

Chief Officers' pay has fallen behind comparable public and private sector rates. This dynamic is not new – the gap has only widened since the Communities and Local Government Select Committee said a decade ago that that:

*'Salary levels for local government sector posts are significantly lower than those in the private sector ... even taking account of enhanced pension provision, packages remain much lower for a top council post when compared to the packages on offer for top private sector staff.'*²

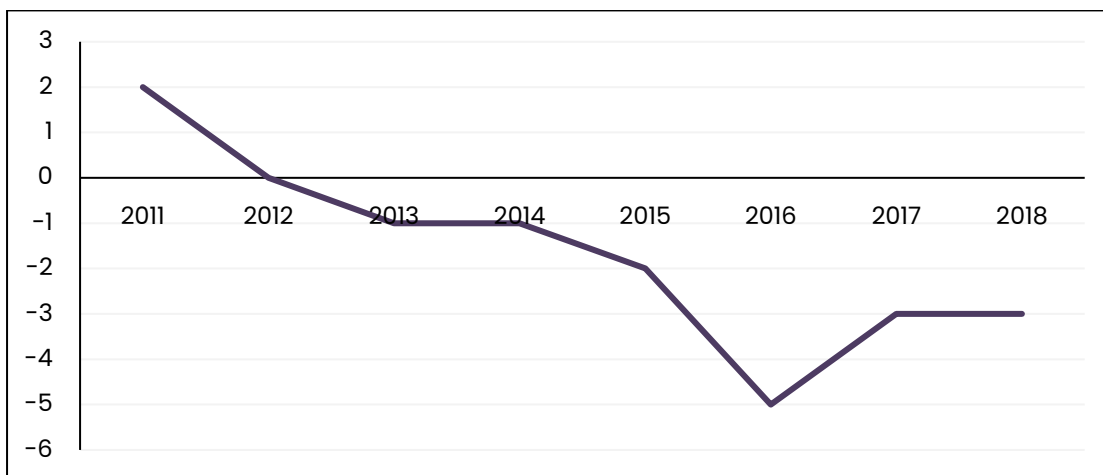
The LGA's own publication, the 'Chief executive and chief officer pay survey,' suggests that Chief Officers' pay is substantially below equivalent NHS and Further Education rates.³ Although the survey has not been repeated since 2018, despite the LGA's intentions,⁴ an uprating of the average figures contained in that survey by JNC settlements suggest that Chief Officer salaries are paid approximately 50 per cent less than their counterparts in the wider public sector.

These dynamics are even more stark when compared to the private sector. According to KPMG's monitoring of FTSE companies, median pay rates 'other executive director' and finance directors are at least three times their Chief Officer equivalents. These figures are for base pay alone and they do not take substantial bonus schemes into account. Pay increases for these roles continue to outstrip local government, as base pay for these roles increased on average by 5 per cent across the FTSE 250 last year.⁵

The most recent statistical modelling on pay for comparable jobs remains the ONS modelling published in September 2020, which found that when the differential for pay, including overtime and bonuses was estimated, overall public sector wages were 3 per cent lower than comparable private sector rates (when controlled for employee characteristics).

The assessed differential is even less competitive for senior and/or highly skilled staff in large organisations (those employing more than 500 people): the wage differential for ‘upper skill groups’ was estimated to be -10.5 per cent, and for ‘upper-middle skill groups’ the differential was estimated at -14 per cent. The median hourly pay rate for ‘Managers, directors and senior officials’ was 14.8 per cent lower in the public sector.

ONS modelled estimate of the public/private percentage pay differential – gross pay including overtime and bonuses⁶



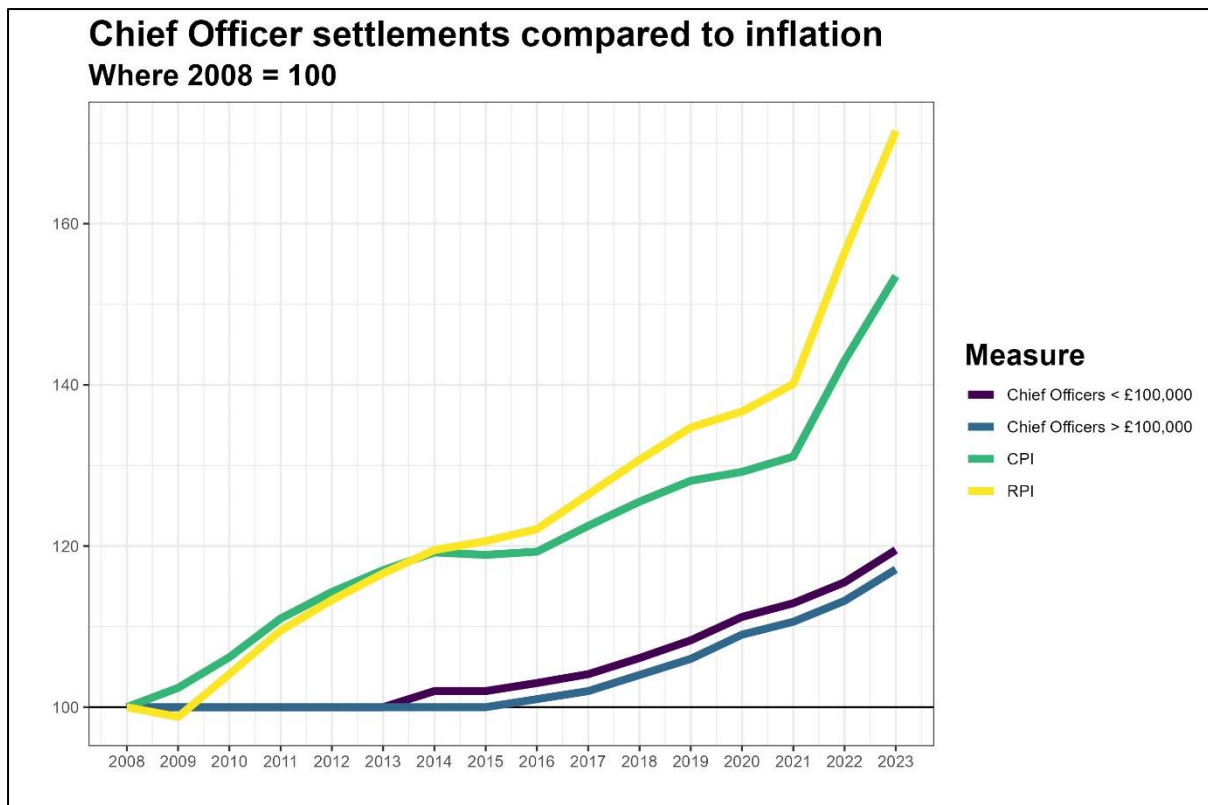
Equality impact

The Trade Union Side is disappointed that only limited progress has been made since the Employer Side undertook to conduct joint work on narrowing the gender pay gap in response to the 2020 claim. Pay gaps are not limited to gender. Only 6.8 per cent of Chief Officers were identified as non-white at the time of the last LGA workforce data summary report.⁷ The extent of the disability pay gap is unclear as the LGA did not collect figures on this characteristic. However, the Trade Union side has is concerned that disabled workers are underrepresented in Chief Officer grades.

We call upon the Employer Side to undertake meaningful joint work with the Trade Union side to assess the extent of, and then agree steps to close, the gender, ethnicity, and disability pay gaps in Chief Officer grades.

Chief Officers' pay

Chief Officers' pay was frozen for five years following the imposition of pay constraints in local government and the gap has never been recovered. While the Trade Union side recognises that settlements have been targeted at lower-paid local government workers, the real-terms erosion of Chief Officer rates has been severe. Our members in these grades have experienced the sharpest real-terms cuts in local government, which is already the lowest-paying part of the public sector.



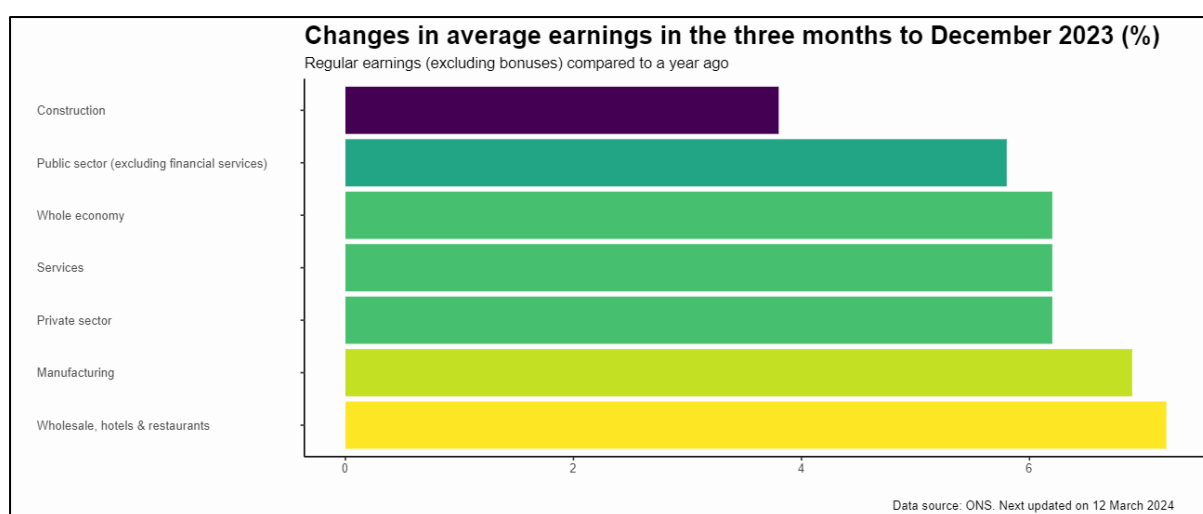
Last year's settlement of 3.5 per cent was an example of Chief Officer pay increases that haven't matched exceptionally high rates of inflation. The RPI 12-month rate stood at 11.3 per cent last April and CPI stood at 8.7 per cent. This erosion of real pay helps to explain why the share of UNISON's members who said that they do not feel valued by their employer rose by 15 percentage points over the last year.

The gap in lost earnings between Chief Officers and the Green Book workforce has widened substantially over the last year. Compared to the RPI inflation measure, a Chief Officer will have lost around 35 per cent of their earnings in real-terms since the start of pay austerity in local government. Even when measured against the lower CPI rate, which is known to underestimate changes to the cost of living, Chief Officers' earnings have fallen significantly during fifteen years of austerity and pay constraints. There is a strong moral and operational case for the first restorative (above-inflation) pay settlement in almost two decades.

Cost of living

Cost of living pressures will remain elevated in the year ahead. The OBR forecasts that prices will grow by 7.8 per cent cumulatively over the calendar years 2023 and 2025, while private sector pay growth is expected to remain strong.⁸ Despite some falls in inflationary pressure, price growth remains strong and the Government's preferred measure of CPI has not fallen since October 2023.

Regular earnings growth averaged 6.2 per cent across the economy in December, which was only slightly higher than in the wider public sector. Similarly, according to the Treasury's summary of independent forecasts, market expectations are that wages will continue to grow faster than inflation towards the end of this year.⁹



This claim must be read against both the immediate context of uncompetitive local government pay rates and the long-term degrading of Chief Officers' pay since 2008. The effective functioning of local government services requires dedicated senior managers, who are under exceptional strain and operating under, what is widely acknowledged as, severe funding pressures. A pay increase in line with this claim is in the wider interests of local government services.

Workload and work-life balance

Fifteen years of austerity has significantly added to the stress levels and workload burdens of Chief Officers. 915,000 jobs were lost in local authorities across the UK between June 2010 and September 2023 – a fall of 31 per cent – despite a dramatic and sustained increase in demand for local government services.¹⁰ The already severe funding pressures on local government have escalated into a national crisis as more authorities have been forced to issue Section 114 notices.

As in previous years, the Trade Union Side has analysed official data on working hours. The ONS's Labour Force Survey suggest that Chief Officers normally

contribute, on average, an additional **11 hours** each week.¹¹ This was higher than last year (10 hours), and nearly twice as high as the **6.6 hours** unpaid hours worked by equivalent staff in other sectors. These figures are consistent with the rates of unpaid overtime reported by GMB and UNISON in this year's member surveys.

The data demonstrates that Chief Officers work longer regular hours, on average, than their counterparts in other sectors, and that these hours are supplemented by very high rates of unpaid overtime working. The Labour Force Survey is also believed to underestimate unpaid overtime working. This unpaid overtime is essentially a goodwill contribution to ensure the effective running of public services.

The labour market remains highly competitive: there were 932,000 vacancies in December 2023, compared to 626,000 before the pandemic. The vacancy rate has remained stubbornly high in public administration. According to UNISON's 2024 Chief Officers' survey, two thirds of respondents said that Chief Officer pay was a recruitment issue at their local authority – up from half the year before.

The pressure of balancing competing priorities while meeting statutory duties is having a severe effect on the health and wellbeing of many of our members. Our members reported higher levels of stress than last year in both GMB and UNISON's member surveys. 80 per cent of GMB respondents said that their work was a cause of raised stress and anxiety compared to this time a year ago.

Nine per cent of respondents to the LGIU's recent survey said that their authority was expected to issue a Section 114 notice in the next year – and 51 per cent of respondents said that they expected to issue a notice in the next five years. Some two thirds of respondents said that their council was cutting services in response to current budgetary and inflationary headwinds.¹²

“Each year balancing the budget becomes more difficult, cost and demand pressures increase and funding does not match this. Protecting services to those who rely on them most is vital, so we have to take more risks.”

Chief Officer respondent to GMB 2024 survey

Our members report that mechanisms for reporting and claiming back unavoidable unpaid overtime, and for seeking mental health support, are often either inadequate or non-existent. We ask that the Employer Side work with us to establish model nation policies that can negotiated and adopted locally.

We believe that pay awards should be fully funded – while noting that up to 62 per cent of the cost of raising public sector management pay is returned to the Treasury

in the form of taxation and National Insurance.¹³ We ask the Employer Side to work with us to lobby central government for a more favourable funding settlement.

Conclusion

Local Government relies upon its Chief Officers. As the Local Government Association has said:

“Great leadership from managers ... is crucial to our shared vision for local government—efficient, accountable, reliable and changing lives for the better. So now, more than ever, we need to ensure our officers are bold and ambitious leaders; equipped to tackle these challenges and lead local government to make a difference, deliver and be trusted.”¹⁴

Chief Officers’ wages have fallen by more than one third in real terms since 2008. We are asking for an offer that is no less favourable to our members than the NJC claim as a step towards pay restoration, and action to close gender, ethnicity, and disability pay gaps.

Unpaid overtime working and the mental stress of leadership within local government during this extremely difficult time remain a primary concern for our members. We are calling for meaningful joint work to develop model policies that will help to alleviate and address these pressures.

We look forward to discussing this claim with the Local Government Employers.

Appendix – results of GMB and UNISON surveys

Below is a summary of GMB's 2024 members' survey (excluding internal questions):

Unpaid hours

- Eight out of ten GMB respondents said that they regularly work additional unpaid hours.
- Of the respondents who regularly worked unpaid hours, they reported working an average of 12 additional hours per week.

Strain

- 80 per cent of respondents said that their job had become either 'much' or 'slightly' more stressful over the last year. Only 20 per cent reported no change.

Below is a summary of UNISON's 2024 members' survey:

Pay

- When asked whether they are well paid for the job they do, nearly 40 per cent disagreed (29.5 per cent disagreed and 9.1 per cent strongly disagreed).
- While 43.2 per cent of chief officers agreed or strongly agreed that they are valued by their employer, 38 per cent either disagreed or strongly disagreed. This is 15 percentage points higher than the number of chief officers that disagreed or strongly disagreed (23 per cent) with the same statement in the 2023 survey. 18.2 per cent neither agreed nor disagreed.
- The majority (72.1 per cent) of chief officers agree that pay has become an increasing concern for them as local authority chief officers (44.2 per cent agree and 27.9 per cent strongly agree). A further majority (65.1 per cent) agree that the pay on offer to those in senior roles is causing recruitment and retention problems in their local authorities (37.2 per cent agreed and 27.9 per cent or strongly agree).

Hours of work

- A majority (61.3 per cent) of chief officers disagree that they have a good work-life balance (38.6 per cent disagreed and 22.7 per cent strongly disagree). This is 20 percentage points higher than the number of chief officers that disagreed or strongly disagreed (40.9 per cent) with the same statement in the 2023 survey.

- A significant majority (88.9 per cent) said they constantly work more than their normal contracted hours. Of these, 22 per cent work 1 to 5 extra hours, 27.5 per cent work 6 to 10 extra hours, just under a third (30 per cent) work 11 to 15 extra hours, 12 per cent 16 to 20 extra hours and 7.5 per cent said that they work more than an additional 21 hours per week. This means that half (49.5 per cent) work *at least* two extra hours every day for no extra money and many Chief Officers do much more than that.
- A majority (88.2 per cent) of chief officers said there is no system in place to claim back time for the extra hours worked. This is 20 percentage points higher than the number of chief officers that said the same thing in the 2023 survey. For the chief officers (17.8 per cent) that do have a system in place, said they claim back the time as time off in lieu (TOIL).

New ways of working

- Most chief officers strongly agreed (31.1 per cent) or agreed (40 per cent) that they are now working in a more agile / hybrid manner, with more home working than two years ago and most agreed (31.1 per cent) or strongly agreed (13.3 per cent) that they are experiencing increasing costs because of increased homeworking.

References

- ¹ LGA, Written Evidence to the Housing, Communities and Local Government Committee's inquiry into Local government chief officers' remuneration, January 2014
<https://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/housing-communities-and-local-government-committee/local-government-chief-officers-remuneration/written/5649.pdf>
- ² CLG Select Committee, *Local Government Chief Officers' Remuneration*, 12 September 2014, page 9
<http://www.publications.parliament.uk/pa/cm201415/cmselect/cmcomloc/191/191.pdf>
- ³ LGA, Chief executive and chief officer pay survey: Research report, December 2018
https://web.archive.org/web/20220131232049/https://www.emcouncils.gov.uk/write/LGA_Chief_executive_and_chief_officer_pay_survey_-_report_Winter_2018.pdf
- ⁴ <https://www.local.gov.uk/our-support/workforce-and-hr-support/workforce-blog/june-blog-numbers-game>
- ⁵ KPMG, Executive remuneration in AIM listed companies, November 2023, pages 8-9
<https://assets.kpmg.com/content/dam/kpmg/uk/pdf/2023/12/executive-remuneration-aim-listed-companies.pdf>
- ⁶ ONS, Public and private sector earnings: 2019, 23 September 2020
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/publicandprivatesectorearnings/2019#econometric-modelling-of-private-and-public-sector-earnings-analysis>
- ⁷ LGA, Local government workforce summary data - November 2023, <https://www.local.gov.uk/local-government-workforce-summary-data-november-2023>
- ⁸ OBR, Economic and Fiscal Outlook: November 2023, page 148
https://obr.uk/docs/dlm_uploads/E03004355_November-Economic-and-Fiscal-Outlook_Web-Accessible.pdf
- ⁹ HMT, Forecasts for the UK economy: a comparison of independent forecasts, 17 January 2024
<https://www.gov.uk/government/collections/data-forecasts>
- ¹⁰ ONS, Public Sector Employment, Table 1
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/publicsectoremploymentreferencetable>
- ¹¹ Trade Union Sid analysis of ONS Quarterly Labour Force Survey (LFS) data for October to December 2023. Chief Officers are taken to be included under 'Managers, Directors And Senior Officials' employed in local government.
- ¹² LGIU, The State of Local Government Finance in England 2024, 28 February 2024
<https://lgiu.org/publication/the-state-of-local-government-finance-in-england-2024/>
- ¹³ IPPR 2023 estimates provided to GMB.
- ¹⁴ <https://web.archive.org/web/20150624215252/http://local.gov.uk/officer-development>