



MODEL PAY CLAIM 2008

Using This Model

This model provides a framework for you to use in developing your own pay and conditions claim. Feel free to add or delete sections as required.

Text in square brackets is for guidance. It provides blanks for you to fill in (for example, the name of your employer) and suggests different options, depending on your circumstances. Bracketed text will also tell you where to find the information included in the claim and how to update or adapt it. **These guidance notes are for your use only. Ensure that you delete them from the final version of the claim that you submit to your employer!**

While it is always good to have a well researched, professional looking claim, the most important thing is to use pay negotiations as an organising and recruitment opportunity. Make sure that you involve as many of your members as possible in preparing for negotiations. Hold meetings to consult on the content of the claim. Set up a working group to research the issues and develop bargaining proposals. Use the issues raised in your negotiations to recruit new members. You will be most effective if your employer knows that the membership is fully involved and solidly behind their negotiators.

Support material for drawing up a local claim can be found on the UNISON Bargaining Zone of the UNISON website: www.unison.org.uk/bargaining. Full details on help available from Bargaining Support can be found at the end of this document. Further Information about bargaining and organising in the Community and Voluntary sector can be found on: <http://www.unison.org.uk/voluntary/index.asp>

Please send the finished version of your claim to Bargaining Support, along with any comments you have on the model. This will help us to keep improving the claim. Share information on the outcome of your negotiations by filling in the Bargaining Information System pay questionnaire at <http://www.unison.org.uk/acrobat/W1381.doc>, and emailing this to bsg@unison.co.uk.

Advice Notes on Drawing Up a Pay Claim

I. Planning

Plan in advance, consult fully with the members. The starting point should be approximately 3 months in advance of the annual settlement date – also it is a good idea to have an input into the annual budget setting exercise.

It would be useful to read these notes in conjunction with the **UNISON Guide to Local Bargaining**. Stock reference number 1801, <http://www.unison.org.uk/acrobat/11251.pdf>



2. Information in the Claim

A pay claim should take account of the following – details are available on all these elements from UNISON Bargaining Support Unit or found on the Bargaining Zone.

- **Current pay awards in the sector**
- **Average Earnings figures and forecasts**
- **Inflation – for more information on using RPI in pay bargaining see <http://www.unison.org.uk/acrobat/B262.pdf>.**
- **Economic Indicators**
- **Background information on conditions issues, such as annual leave, travel allowances and family friendly provision.**

Information you can seek from your Employer

- **Last Year's Pay Award**
- **Turnover and profit projections (in the private sector)** - Where profit and/or shareholder dividends are rising it is not sufficient for the living standards of the workforce to remain static. Tabling a 'share of success' element puts the UNISON agenda forward.
- **Impact of restructuring/reorganisation**
- **Paybill and Gender Breakdown** - refer to Code of Practice on Equal Pay available from UNISON stock no 1840. Pay arrangements are frequently complicated and features, which can give rise to sex discrimination, are not always obvious. A pay systems review provides the opportunity to investigate the amount of information employees receive about their pay. The Equal Opportunities Commission recommends that a pay systems review should undertake a thorough analysis of the pay system to produce a breakdown of all employees, which covers for example, sex, job title, grade, whether part-time or full-time with basic pay, performance ratings and all other details of remuneration. Much more detail is provided in the above guide.
- **Details of Budget Setting Timetable** - any budgetary staffing provisions should be done with full consultation with the representative trade union. Ensure that you are consulted on this because they very clearly impact on pay negotiations.
- **Annual Accounts**
- **Directors Pay Awards Emoluments**

Your rights to information

- You can request information directly from the employer, and if you have recognition the employer has a legal duty to provide bargaining information including on pay, conditions of service, staffing levels and financial information. See the ACAS code of practice on http://www.acas.org.uk/media/pdf/2/q/CP02_1.pdf.



- If the details are not forthcoming, then you can resort to the powerful Freedom of Information Act. This applies to all public authorities, and covers almost all recorded information that they hold including contracts, reports, minutes and correspondence. See UNISON's guide to the Act at www.unison.org.uk/acrobat/BI959.pdf or get a hard copy – stock number 2437 from UNISON communications.
- Finally, the Information and Consultation of Employees (ICE) Regulations can give workers the right to be informed and consulted about an employers current situation and future plans. A factsheet on the ICE regulations is available on www.unison.org.uk/acrobat/BI462.pdf.
- UNISON's Bargaining Information System (BIS) holds a wealth of information on the background and finances of UNISON employers. Further details can be requested from the Private Companies Unit at Mabledon Place. Ask your Regional Organiser to help you access those services.

Information you need to seek from your members

Draw up a survey and find out what sort of award they would like i.e. percentage, flat rate or a mixture of both. You could also find out if there are any recruitment and retention problems.

Find out what are the major key issues they are concerned about i.e. are they facing increased pressure to meet targets and performance indicators. They might also need to deal with unplanned major changes in the workplace or in working practices or recruitment and retention problems. Additionally the members may want to see other areas covered under the pay negotiations or alternatively negotiated separately this could include paid parental leave/ carer leave, increases in working time.

Generally though it is better to keep the pay claim simple and to deal with other issues under separate negotiating headings.

3. Consultation with Members

Above all keep the members informed and on board – this strengthens your position. You can involve members in negotiations by setting up a working group to carry out research (for example, finding out about comparable settlements in other companies) and put forward negotiating proposals. Use the pay consultation as an opportunity to recruit new members!

4. Training

Training on negotiating skills is available via your regional office!

5. Key resource: UNISON Bargaining Support Group

UNISON's Bargaining Support Group (BSG) provides information, advice and guidance on a wide range of negotiating issues, including pay, conditions, companies and contracts in the workplaces where we organise.



The BSG collects key statistics to back up pay and conditions bargaining. BSG can provide model agreements, advice on best practice and up-to-date information and statistics. BSG provides factsheets and bargaining guides on a wide range of topics.

In addition, the Bargaining Information System (BIS) has extensive information on the employers UNISON deals with in all sectors, their contracts and agreements. BSG produces profiles of private firms and voluntary organisations of interest to regions and branches. BIS can produce reports on pay settlements in your sector.

All Bargaining Support material can be found on the Bargaining Zone on the UNISON website (www.unison.org.uk/bargaining) Try the pay zone, conditions zone and equalities zone for specific bargaining resources. If you're dealing with contractors or non-profit-making organisations then look at the private, community & voluntary zone. A range of model claims and agreements can be found in bargaining tools. If you need further help, you can email your question or comments direct from the site. You can submit information on your pay settlement by downloading and filling in the BIS questionnaire at: <http://www.unison.org.uk/acrobat/W1381.doc>, or requesting a copy of the questionnaire from Mike Short, m.short@unison.co.uk.

Join the Bargaining Support mailing list to get Bargaining Update, Companies Update, TUPE Update and Key Statistics. These monthly email updates give you up-to-date bargaining news and statistics, and the latest on private companies and contracts.

If you would like to use any of the services provided by the BSG or want further information please contact us at 1 Mabledon Place, London WC1H 9AJ. Tel 020 7551 1155, Fax 020 7551 1274 or by e-mail to bsg@unison.co.uk .



MODEL PAY CLAIM 200[8]

1. INTRODUCTION

This pay claim is submitted by UNISON on behalf of its members employed by **[Organisation]**.

UNISON's claim seeks to achieve the following:

[The branch should have consulted the members on the content of the claim – please see guidance above.]

- 1.1 appropriate reward for the major change our members have experienced **[type in here note any examples of restructuring, new responsibilities, etc.]**
- 1.2 reward for the increased pressure faced by front line workers arising from **[important elements of job, eg. increasing number of clients, reduced funding per client, other targets and performance indicators]**
- 1.3 compensation for falling behind other public and private sector pay awards
- 4.4 a substantial above inflation pay rise to help restore and maintain living standards of staff
- 4.5 a settlement weighted towards the lower paid members of the workforce who have done least well in monetary terms out of recent pay awards **[If you have decided to ask for a weighted claim, otherwise delete.]**

UNISON is therefore submitting the following claim for 2008 which seeks to improve and enhance the morale and productivity of these staff. Meeting our claim will give **[Organisation]** the opportunity to demonstrate its commitment to creating a workforce which is well-paid and high in morale and productivity. The claim is straightforward and realistic.

2. SUMMARY CLAIM

- 1.1 We are seeking:
 - A ___% cross the board increase on all salary points and allowances
 - **[any other additions in payments or conditions]**

3 BACKGROUND TO THE CLAIM

- 3.1 A substantial increase will help restore and maintain living standards of the staff who have seen their pay eroded considerably in comparison with those in the **[___ sector]** and



elsewhere in the public/private sector.

[Please insert details from consultation – this need only be brief and draw reference if appropriate to the previous years' pay offers if they have been low, any changes to working practices that have taken place, also again if appropriate if the settlement of the previous years award was late.]

The greatest asset of **[Organisation]** are its employees. Staff are looking to this pay round for evidence of the value which **[Organisation]** places upon them.

3.4 This claim is both realistic and fair. The following gives full justification for the claim. UNISON hopes that the **[management/board]** will give this claim the full consideration and response which the staff expect and richly deserve.

4. COMPARATIVE PAY

The **[Organisation]** staff have endured years of comparatively poor pay settlements, as the following data clearly indicates. **[Delete if not applicable]**

COMPARISON WITH AVERAGE EARNINGS/RPI 2005-2007

	* [Organisation] pay increases	Index of [organisation's] pay increases	Average Earnings Index, (Annual average, Whole economy, excluding bonus)	RPI (Annual average)
(Base=2005)	[Enter % increases for your organisation]	100	113	181.3
2005	2.5%	102.5	122.4	192.0
2006	2.8%	105.3	127.0	198.1
2007	3.0%	108.5	133.8	210.9
Cumulative increase		8.48%	12.4%	9.3%

Source: Office of National Statistics, www.statistics.gov.uk

[When using this chart in electronic format, double click on the chart to make changes reflecting your own pay increases. This will turn it into an Excel spreadsheet, which will automatically calculate your cumulative pay increase—that is the total your pay has gone up over the three year period. Once you have finished, click anywhere else in the document. The spreadsheet will then look like an ordinary table.]

Between 2005 and 2007 pay in **[Organisation]** rose by only __%, falling behind the rise in average earnings, which grew by 12.4% and inflation which rose by 9.3%. This represents a fall in real living standards for **[Organisation]** employees.



5. Public Sector Comparators: 2007/8 [These comparators are regularly updated and can be found on www.unison.org.uk/bargaining, along with sector-specific comparators and model claims]

Bargaining Group	2008 Offer/deal
Local Government NJC (E,W,NI)	2.45
Local Government SJC	2.5
Local Government Craft workers	2.45
Youth & Community Workers	2.45
Police Officers	2.325
Prison Officers	2.2
Firefighters	2.45
Teachers	2.45
Further Education	3.2
Sixth Form Colleges	2.45
Schools Staff	2.45
Careers Service (Connexions)	2.45
OFSTED	2
CAFCASS (Children and Family Courts Advisory and Support Services)	2.6
NHS Pay Review Body	2.75
Doctors	2.2
Armed Forces	2.6

Source: Bargaining Information System, Income Data Services

6. ECONOMIC INDICATORS

[These figures are based on data up to September 2008. To update this section see the most recent **Bargaining Update** at -- www.unison.org.uk/bargaining/bargainingupdate A special section on 'economic background' can be cut and pasted directly into the claim.]

The median pay settlement level for the whole economy for the three months to the end of August 2008 was 3.5%.

Negotiations are taking place against a backdrop of stubbornly high inflation, with RPI inflation at 5.0% in September 2008. Meanwhile the unemployment rate ran at 5.7% for the three months to August 2008. The Industrial Relations Services panel predicts: "RPI will fall to 4.7% in the fourth quarter of 2008, then drop further throughout 2009, averaging 3.2% over the year."



Average earnings excluding bonuses rose by 3.6% in the year to August 2008, down from 3.7% in the previous month. Average earnings including bonuses rose by 3.4% in the year to August 2008. In the year to August, pay growth (including bonuses) in the private sector stood at 3.4% compared with 3.5% for the public sector. Excluding bonus payments, private sector growth stood at 3.6%, which is the same as in the public sector.

Source *Bargaining Update*, October 2008

Recruitment and Retention Issues

The 2007 survey by the Chartered Institute of Personnel and Development (CIPD) puts average turnover rate for all sectors of 18.1%.

High turnover is costly to **[Organisation]** **[Cite any recruitment/retention problems.]**. The Chartered Institute of Personnel and Development (CIPD) calculates the average cost of recruitment in 2007 as £4,333 per new staff member. Turnover costs (including vacancy cover, redundancy costs, recruitment/selection, training and induction costs) averaged £7,750 per leaver. These varied by occupation, ranging from £11,000 for a manager/director or professional worker to £5,000 for a service worker, administrative or clerical worker and £1,174 for a manual or craft worker.

The level of pay was the third most common reason for labour turnover, after 'change of career' and 'promotion outside the organisation'. Nearly 40% of respondents to the CIPD survey cited pay as their reason for leaving. Pay in **[Organisation]** should be set at a level that will recruit and retain high quality staff.

[Sources: CIPD, Recruitment, retention and turnover 2007 <http://www.cipd.co.uk/NR/rdonlyres/746F1183-3941-4E6A-9EF6-135C29AE22C9/0/recruitretntsurv07.pdf>

Cost of Living

The Retail Prices Index (RPI) has been running at well over 4% for most of 2008 and currently stands at 5%, but these figures don't adequately reflect the rise in living costs being experienced by **[Organisation]** staff.

Prices of staple items at the big supermarkets are rising by an average of 19% a year, adding up to £750 to an average family's food bill. The major energy companies increased prices by more than 15% at the start of this year.

A recent report by USwitch, an independent price comparison service, said that the average salary increase after tax in 2008 is expected to be £44 a month (£31 a month in the public sector), while above inflation increases on basics like food, fuel, energy and mortgages will push monthly household costs up by £148. That is over £100 a month that the average household will have to find from somewhere. Economists estimate that the real rate of inflation for much of the country is closer to 6%.

In addition, staff in **[the organisation]** face higher living costs than those doing similar jobs in less expensive parts of the country. According to Croner Reward, the cost of living in **[Region]** has risen by ___% in the year to September 2008 compared to 4.08% for the country as a whole. This was the **[rank]** increase in regional living costs of all regions in the UK. [<http://www.unison.org.uk/acrobat/B693.pdf>]



[If low pay is an issue, use section below]

Low Pay

It is vital that pay settlements continue to address the ongoing general problem of low pay in **[the organisation]**.

High inflation levels over the past year have been particularly hard on those at the bottom end of the pay scale because they spend a higher proportion of their salary on basics such as fuel, light and housing. While the RPI rose by 5.0% from September 2007 to September 2008, the cost of Housing, water, electricity, gas and other fuels has risen by 15% and food by 11.3%. Sharp rises in housing costs, childcare, petrol and fares are also putting enormous pressure on the budgets of ordinary families.

It is vital that pay settlements continue to address the ongoing general problem of low pay in **[the organisation]**.

Minimum Wage

The minimum wage now stands at £5.73 an hour.

This gives a minimum full time wage of £11,024 from October 2008 (based on a 37 hour week). Currently the lowest pay point in **[Organisation]** is [£]– just [£] above the minimum wage. For an employer aiming to provide high quality services, this kind of poverty pay is unacceptable. It is even more concerning that this is happening in an area with a higher-than-average cost of living.

The NJC agreement on local government in England and Wales currently provides a minimum hourly rate of £6.00 an hour or £11,576 a year. Further Education will have a minimum rate of £6.91, which is £13,288 a year. The minimum rate in the NHS will rise to £12,347 or £6.40 an hour in 2008.

LIVING WAGE

The 'Living Wage', or 'minimum income standard' is increasingly being used to determine the basic level of income required to avoid poverty and have a 'low cost but acceptable' standard of living. Most recently the Greater London Authority calculated that a living wage of £7.45 (including means tested state benefits) was needed to avoid living in poverty in London. They are ensuring that all their staff are paid above this minimum level, and that all contracts they are responsible for have staff paid above this rate.

“SHARE THE SUCCESS”

[If your employer is in the private sector, you might want to use section below]

[Private Sector Only]

Our members have also asked us to ensure that their ongoing contribution to the financial success of **[Organisation]** is recognised through a commensurate increase in pay rates.

Analysis of shareholder dividends shows they have increased well above inflation over the past twelve months. **[Organisation's]** annual report also shows a steady reduction in operating costs



and in the proportion of these costs arising from payments to employees – clear evidence of the workforce contribution to the company's success.

The annual report also highlights **[Organisation's]** achievement in reaching and in some cases exceeding targets for performance. Again, this is evidence of the sustained contribution of employees over a number of years.

Consequently it would be only proper that **[Organisation]** shares its financial success with the employees who have helped to deliver it.

CONCLUSION

There can be no doubt that all staff working for the **[Organisation]** have seen their real earnings fall in comparison both with those doing similar jobs elsewhere. To deliver a quality service the **[Organisation]** will have to rely on staff input and the retention of a specialist, skilled, experienced and dedicated workforce. Competition for that workforce from other sectors is strong.

2008 is the year in which the **[Organisation]** can begin to make a real difference to the pay of its staff. This is a fair and realistic claim which we ask the **[Organisation]** to meet in full.



