

**PAY CLAIM FOR [INSERT YEAR]**

**SUBMITTED BY UNISON TO [NAME OF ORGANISATION]**

**1. INTRODUCTION**

This pay claim is submitted by UNISON on behalf of staff working for **[organisation]**.

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

* Substantial increases in the cost of living over recent years have significantly reduced the value of staff wages and the rise in prices facing workers has been running at a 40-year high;
* 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;
* Average earnings and pay settlements are rising at relatively high levels across the economy, adding to the problem of rates running ahead of those received by **[organisation]** staff over recent year and increasing the likelihood of recruitment and retention problems in the long term;
* Nobody should be paid less than the nationally recognised Living Wage rate, which has 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. [The claim may alternatively specify a minimum rate such as £15 an hour, which is UNISON’s target for the National Minimum Wage]

**2. SUMMARY OF CLAIM**

We are seeking:

* A **[\_\_%]** increase on all salary points and allowances [If you are seeking an increase in line with a related public sector bargaining group, contact the Bargaining Support Group at bsg@unison.co.uk for the latest figures]
* An additional increase in rates for staff at the bottom of the pay scale to bring their pay up to the level of the Living Wage. [The claim may alternatively specify a minimum rate such as £15 an hour, which is UNISON’s target for the National Minimum Wage]
* [Any other additions to payments or improvement to conditions – UNISON guides on typical additional components, such as unsocial hours payments, vehicle allowances, reductions in hours, home working supplements, additional leave, workload controls, gender and ethnicity pay gaps can be found on the [bargaining guides](https://www.unison.org.uk/get-involved/learning-development/activists/bargaining-guides/) web page. This page also carries guidance on locational pay supplements and sets out arguments for their defence if employers attack supplements because of increased post-pandemic homeworking arrangements]

**3. FALLING VALUE OF PAY**

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

|  |  |  |
| --- | --- | --- |
| Year | **[Organisation]** pay increases | Rise in cost of living[[1]](#footnote-1)(as measured by Retail Prices Index) |
| 2010 | **[Insert pay rise]** | 4.6% |
| 2011 | **[Insert pay rise]** | 5.2% |
| 2012 | **[Insert pay rise]** | 3.2% |
| 2013 | **[Insert pay rise]** | 3.0% |
| 2014 | **[Insert pay rise]** | 2.4% |
| 2015 | **[Insert pay rise]** | 1.0% |
| 2016 | **[Insert pay rise]** | 1.8% |
| 2017 | **[Insert pay rise]** | 3.6% |
| 2018 | **[Insert pay rise]** | 3.3% |
| 2019 | **[Insert pay rise]** | 2.6% |
| 2020 | **[Insert pay rise]** | 1.5% |
| 2021 | **[Insert pay rise]** | 4.1% |
| 2022 | **[Insert pay rise]** | 11.6% |
| 2023 | **[Insert pay rise]** | 9.7% |

This means that, while a wage keeping pace with the cost of living each year would have risen by 74.9% since 2010, pay in **[organisation]** has risen by just **[x%]**, resulting in the cutting of thousands of pounds from the value of staff wages[for assistance in calculations relating to this table, contact Bargaining Support on bsg@unison.co.uk]

The last two years have seen the steepest rises in the cost of living facing workers in over 40 years - 11.6% in 2022 and 9.7% in 2023[[2]](#footnote-2).

Inflation is till runnng at the substantial rate of 4.5%, led by major jumps in housing costs over the last year - mortgage interest payments surging by 37% and private rent rising 9%[[3]](#footnote-3).

Furthermore, the last decade has seen enormous jumps in the basic costs shown below[[4]](#footnote-4).

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Expenditure Item | House prices | Bus & coach fares | Electricity | Gas |
| Price rise 2009 - 23 | 65% | 93% | 180% | 144% |

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.

**4. FALLING BEHIND AVERAGE PAY RATES**

The ability of **[organisation]** 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 demonstrates how **[organisation]’s** pay settlements have fallen behind economy averages over a sustained period.

|  |  |  |
| --- | --- | --- |
| Year | **[Organisation]** pay settlements | Average pay settlements  |
| 2010 | **[Insert pay rise]** | 2.0% |
| 2011 | **[Insert pay rise]** | 2.5% |
| 2012 | **[Insert pay rise]** | 2.5% |
| 2013 | **[Insert pay rise]** | 2.5% |
| 2014 | **[Insert pay rise]** | 2.5% |
| 2015 | **[Insert pay rise]** | 2.2% |
| 2016 | **[Insert pay rise]** | 2.0% |
| 2017 | **[Insert pay rise]** | 2.0% |
| 2018 | **[Insert pay rise]** | 2.5% |
| 2019 | **[Insert pay rise]** | 2.5% |
| 2020 | **[Insert pay rise]** | 2.3% |
| 2021 | **[Insert pay rise]** | 2.0% |
| 2022 | **[Insert pay rise]** | 4.0% |
| 2023 | **[Insert pay rise]** | 5.6% |

While average pay settlements have seen salaries grow by 44.1% since 2010, **[organisation]** increases have only amounted to **[x%]** across more than a decade, so **[organisation]** pay has lost more than **[x%]** of its value against average pay over the period. [for assistance in calculations relating to this table, contact Bargaining Support on bsg@unison.co.uk].

Pay rates are set to fall even further behind, given that pay settlements have been averaging 6.5%[[5]](#footnote-5) and the Bank of England’s most recent survey found that companies are expecting a 5.2% increase in wages over the next year[[6]](#footnote-6).

These pay figures reflect the relatively low unemployment rates and high vacancy rates that have fuelled turnover running at almost 20% in 2023 and demonstrates the scale of alternative areas of employment available to staff.

**5. LIVING WAGE BECOMING STANDARD MINIMUM PAY BENCHMARK**

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

**[Organisation]** is now competing in a labour market where the Living Wage of £12 an hour outside London and £13.15 an hour in London has become an increasingly common minimum point in the pay scale.

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 14,000 employers accredited as Living Wage employers by the Living Wage Foundation, including almost half of the largest companies listed on the UK Stock Exchange and household names such as Aviva, Barclays, HSBC, Nationwide, Google and IKEA are among them.

The precedent of the Living Wage, in tandem with recruitment and retention pressures, has also seen Aldi, Lidl, Sainsbury’s, Marks and Spencer, Costa Coffee and Currys  all set a new minimum rate of £12 an hour over the last year. Asda and Tesco have pushed their rates just above to £12.04 and £12.02 respectively, while Amazon has raised its rate forfrontline operations staff to between £12.30 and £13 per hour, depending on location.

Within the public sector, the Living Wage has now long been set as the minimum pay rate across all Scotland’s public sector organisations and this was extended to social care workers in Scotland’s private and voluntary sector from October 2016. The Welsh Government has committed to achieving the same goal in social care by 2024.

[A listing of accredited Living Wage employers is published [here](https://www.livingwage.org.uk/accredited-living-wage-employers) and may be useful for developing a list of organisations that can put pressure on the employer by showing local or sectoral employers that are already paying the wage]

[For more detailed guidance if you wish to expand on arguments for the Living Wage, see the UNISON guide [here](https://www.unison.org.uk/living-wage-bargaining-guide/)– this includes further material on the damaging impact for employers of low pay, dispelling confusion with the government’s “national living wage” and cascading benefits up the pay scale].

**6. RECRUITMENT AND RETENTION PRESSURES BUILDING**

[Following the economic downturn triggered by the pandemic, recruitment and retention pressures are now beginning to reassert themselves on employers.

Therefore, if you can obtain figures for the organisation showing an increase in the vacancy rate (the number of vacant posts divided by the total number of posts in the organisation) or figures that are markedly worse than the 2.9% vacancy rate across the economy, set them out here.

Median turnover rates are estimated at 19.9% across the economy[[7]](#footnote-7), so if you have figures on turnover rates (calculated by taking the total number of leavers in a specified period - usually 12 months - and expressing the number as a percentage of the number of people employed during that period) that indicate the organisation is suffering higher than average turnover, insert them here. [For information on turnover rates in specific sectors, contact Bargaining Support at bsg@union.so.uk]

**7. MORALE UNDER THREAT**

Working against a background of tight budgets, 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 **[organisation’s]** ability to provide a consistent quality of service.

[Set out any evidence you can gather on the following factors:

* Increasing demands on the service;
* Reductions in staffing;
* Staff feeling greater stress;
* Staff suffering falling morale;
* The impact of these pressures showing themselves in rising sickness absence, higher staff turnover or declining service standards

It is in this area that a short survey of staff may provide the most valuable material to support the evidence. An amendable basic pay survey is set out in appendix 3 below]

**8. AFFORDABILITY**

The affordability of this claim is clear from the latest **[organisation]** accounts, which show a surplus of **[£\_]** for 2022/23, which is equivalent to a surplus of **[£\_]** for each employee.

Against this figure, the accounts suggest that a **[x%]** pay rise will cost **[£\_].**

We also note the affordability of an **[x%]** pay rise for the chief executive, taking **[his/her]** total remuneration to **[£\_]**

[For the accounts of a private or community / voluntary organisation or assistance in interpreting accounts, contact Bargaining Support at bsg@unison.co.uk]

**9. CONCLUSION**

There can be no doubt that all **[organisation]** staff 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.

Therefore, this pay claim represents a very reasonable estimate of 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.

1. Office for National Statistics, Consumer Price Inflation Reference Tables, December 2023 [↑](#footnote-ref-1)
2. Office for National Statistics, Consumer Price Inflation Reference Tables, December 2023 [↑](#footnote-ref-2)
3. Office for National Statistics, UK Consumer Price Inflation, February 2024 [↑](#footnote-ref-3)
4. Office for National Statistics, UK Consumer Price Inflation Tables, January 2024, for bus /coach, electricity and gas prices, Acadata National Historic Series for house prices [↑](#footnote-ref-4)
5. Labour Research Department [↑](#footnote-ref-5)
6. Bank of England, Decision Maker Panel, February 2024 [↑](#footnote-ref-6)
7. XpertHR, Labour turnover rates 2023 [↑](#footnote-ref-7)