

FAO Scottish Joint Council Trade Union Side Joint Secretaries

21 September 2023

Dear Johanna, Graham and Keir,

#### Scottish Joint Council Pay Negotiations 2023/24 – Employers' Side Pay Offer

Following COSLA Special Leaders meeting on the 21 September, it was agreed to mandate Cllr Katie Hagmann, COSLA Spokesperson for Resources, to make the following best and final offer in response to your pay claim. This offer is conditional upon you taking this to your members for their consideration and that you suspend strike action.

The offer is for a minimum full year £2006 increase in annual salary for those on the Scottish Local Government Living Wage and a minimum full year of £1929 for all those above from 1 April 2023.

This means the Scottish Local Government Living Wage of £10.85 will go to £11.89, a 9.59% increase. A full-time employee on a 37-hour week would see a salary rise from £20,933 to £22,939.

COSLA Leaders recognise and support the aspiration to progressively move towards a £15 minimum rate of pay for the Scottish Local Government workforce.

Leaders are committed to establishing an advisory group comprised of COSLA Officers, their professional advisors and Trade Union colleagues prior to the next SJC AGM that will recommend a route map to achieving a minimum £15 per hour, reporting on progress to Leaders and the Scottish Joint Council. The group's remit will actively consider the union ask of achieving this minimum rate of pay, fully consolidated, by 31st March 2027, and that the rate should be achieved before the date when it would be reached if future pay increases are aligned to inflation or uplifts in the Living Wage Foundation's recommended real living wage. The group is further to include in any route map target dates for implementing £15, with milestones and waypoints linked to economic and funding forecasts.

Leaders have, in discussions with the Scottish Government agreed that, taking account of the Public Sector Pay Strategy for 2023-24 and the principle therein to protect those on lower incomes, we continue the journey towards pay restoration for the lowest paid

and recognise recruitment and retention concerns. The work of this advisory group will take account of and feed directly into the STUC/Scottish Government strategic forum focused on issues beyond pay negotiations, to ensure the best interests of Scottish Local Government are represented and understood as the largest public sector employer.

Leaders believe this offer, which meets the ask of Trade Unions to uplift in full those on the lowest pay points from 1 April 2023, utilises all the funding available to Local Government and demonstrates the absolute value of our employees at all levels.

In detail the offer is for:

#### From 1 April 2023

- For employees paid the Scottish Local Government Living Wage and National Spinal Column Points (SCP) 19 to 23: an increase in the hourly rate of £1.04.
- For employees on all other SCP an increase in the hourly rate of £1.00 or a 5.5% increase in their pay, whichever is worth more.

#### From 1 January 2024

 At any SCP where the 1 January 2024 hourly rate in the offer made on 3rd April 2023 is greater than the hourly rate in effect from 1 April 2023 will receive a further uplift to achieve the full rate in the 3 April 2023 offer.

This means that from 1 April 2023 at every SCP there is an increased offer; at every SCP there is a significantly greater increase of the in-year value; and taking account of the differentiated percentage uplifts in the April 2023 offer, an adjustment is made to ensure that the SCP hourly rates in that offer are reached in full.

We recognise that the SJC unions' pay claim includes other elements which we have highlighted in bold and address item by item below.

Yours sincerely

Simon Cameron

Juan aucum

Employers' Side Joint Secretary

A settlement that runs for the period 1 April 2023 to 31 March 2024.

Agreed.

# Early commencement of negotiations with a clear expectation of settlement implementation by 1 April review date.

Leaders share the aspiration of an early settlement. Based on discussions with Unions, we made the best offer possible in April within the funding framework available and have continued to work to identify improvements in the light of the fiscal environment.

An increase of 12% or £4000 whichever is the greater to all spinal column points (based on a nominal 35 hour working week). This would equate to a £2.20 increase on the hourly rate.

Please see the offer outlined above.

#### No less than parity with other local government bargaining groups.

It is the view of Leaders that the following offer meets your request for "no less than parity with other local government bargaining groups".

#### An underpinning minimum rate of pay of £15 per hour.

Leaders share this aspiration and have mandated actions as above.

#### An increase to the mileage rate to ensure parity with NHS colleagues.

There is no national mileage allowance policy in the Red Book. Mileage and expenses policies are agreed via local collective bargaining to ensure that they meet the needs of the workforce and services provided there.

# A no compulsory redundancy agreement.

There is no national redundancy policy in the Red Book. Redundancy and voluntary severance policies are agreed via local collective bargaining to ensure that they meet the needs of the workforce and services provided.

Completion of the review, established as part of our 2021 settlement, of professional fees (beyond the SSSC fees which are now paid for local government workers) incurred by members in the course of their employment.

The SJC working group on professional fees continues to actively investigate the landscape of professional fees across councils. It is the employer's expectation that the group will be able to report findings to the SJC and Leaders in due course.

Early completion of 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.

The working group made a report to the Scottish Joint Council's Annual General Meeting on 12<sup>th</sup> December 2022. The Employer's side propose that the group should undertake further work taking account of aspirations in the Scottish Government's Public Sector Pay Strategy on the length of the working-week, the right to disconnect, and to develop work already conducted by the group to further investigate and share the practices and policies from across councils that are promoting a better work-life balance.

In recognition of the challenges to achieving a reduction in the working week already reported, the group should also investigate and establish evidence to better lobby Government on the funding required to work jointly towards these shared aspirations.

# Agreement to change the national calculator for the normal working week to 35 hours.

The SJC pay scales use hourly rates of pay rather than salaries. There is no national calculator. These rates are converted to annual salaries by individual councils taking account of their working hours, pay scales, and the requirements of the payroll systems in use. Councils have a range of working-week lengths characterised locally as "full-time".

The employers' side are happy to continue to provide guides for union colleagues during pay discussions that show indicative annual salaries based on any working week lengths requested.

## **Fair Funding for Local Government**

We agree that the economic context within which Local Government is entering these pay negotiations is more challenging than ever and we welcome the recognition of the SJC Trade Unions that Scottish Local Government is in urgent need of greater

empowerment and investment if it is to continue to deliver locally-required essential services.

### **National Partnership Agreement**

Taking into account the financial context and restrictions that Scottish Local Government continues to operate in, we are keen to develop a national partnership agreement to mirror local agreements that are in place between councils and unions. This will set out how Scottish Local Government and the SJC Trade Unions can establish a joint position to effectively lobby the Scottish Government for fair funding and to work positively together in delivering the other non-pay elements of this offer.