



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

**JNC PAY CLAIM 2023/24**

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 of RPI + 2% for all Chief Officers covered by JNC terms and conditions**
- **An additional day of annual leave for all Chief Officers to be implemented from 1 April 2023**
- **An additional day of annual leave for personal or well-being purposes**

## Key points from our claim

### Chief Officers deserve a pay rise and an extra day's annual leave

- The pay of Chief Officers earning below £100,000 has fallen in real terms by **40 per cent** since April 2008 while comparable private sector rates have increased.
- Local Government Chief Officers have shouldered an exceptional burden during the pandemic and the ongoing retrenchment in local government services. This has inevitably taken a toll on the mental and physical health of our members that should be reflected in additional respite time.
- The labour market is exceptionally tight and local authority senior managers and leaders are in short supply. Nine out of ten councils face capability gaps in their senior management teams, and a real-terms increase is necessary to re-establish the competitiveness of local government pay.

### Cost of living

- The December 2022 12-month RPI rates is **13.4 per cent** and the CPI 12-month rate is **10.5 per cent**. By contrast, a typical long-serving Chief Officer who earns below £100,000 will have seen a cash increase in their wages of just 12 per cent over fifteen years.
- The OBR forecasts that inflation will remain heightened in 2023 (with RPI averaging 10.7 per cent and CPI averaging 7.4 per cent).

### Overtime and workload

- Our members continue to report dangerous workloads, which in some cases have increased significantly over the last 12 months. It is important that the advice and guidance on addressing excessive workloads is progressed in the coming year.

**Chief Officers' pay has been progressively devalued and senior officials have made enormous personal sacrifices during the pandemic. The Officers' Side calls on JNC employers to recognise this contribution and make our members an offer in line with 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.

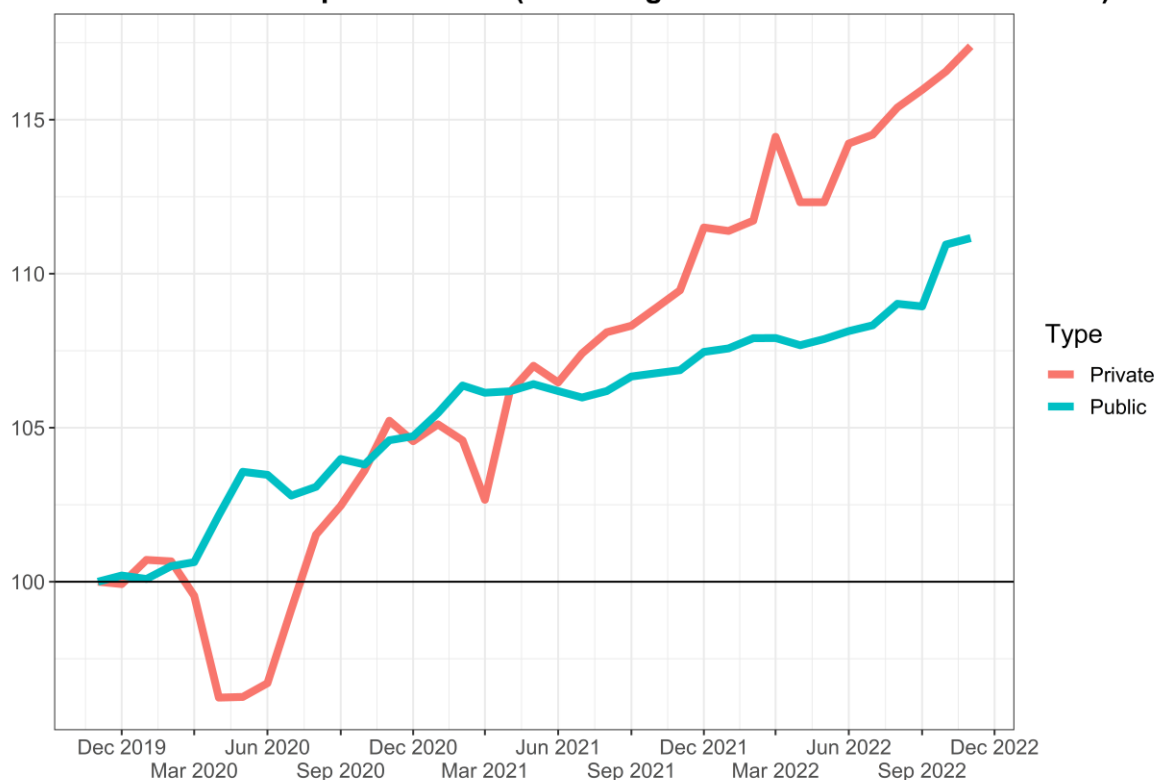
As the LGA has previously said, there is significant value to be had from treating Chief Officers with 'the same or very similar to those given to rank-and-file staff. This promotes a single organisational ethos.'<sup>1</sup>

We ask that this claim be read in conjunction with the arguments put forward in the main NJC claim.

## Background

Our claim is submitted against a backdrop of strong growth in average private sector pay rates. Across all roles, private sector pay growth has consistently outstripped the public sector since early 2021 – a trend that has further weakened local government employers' ability to recruit and retain staff.

### Changes in Average Weekly Earnings (Total Pay) Private sector and public sector (excluding nationalised financial services)



Source: ONS, EARN01: Average weekly earnings, 17 January 2023

These dynamics are replicated across senior manager roles. According to KPMG's monitoring of FTSE companies, 'other executive director' pay increased by between 6 and 7 per cent on average in 2022. Finance director pay increased by between 7 and 13 per cent last year.<sup>2</sup> By contrast, most of our members received a pay increase in the range of 1 to 2 per cent.

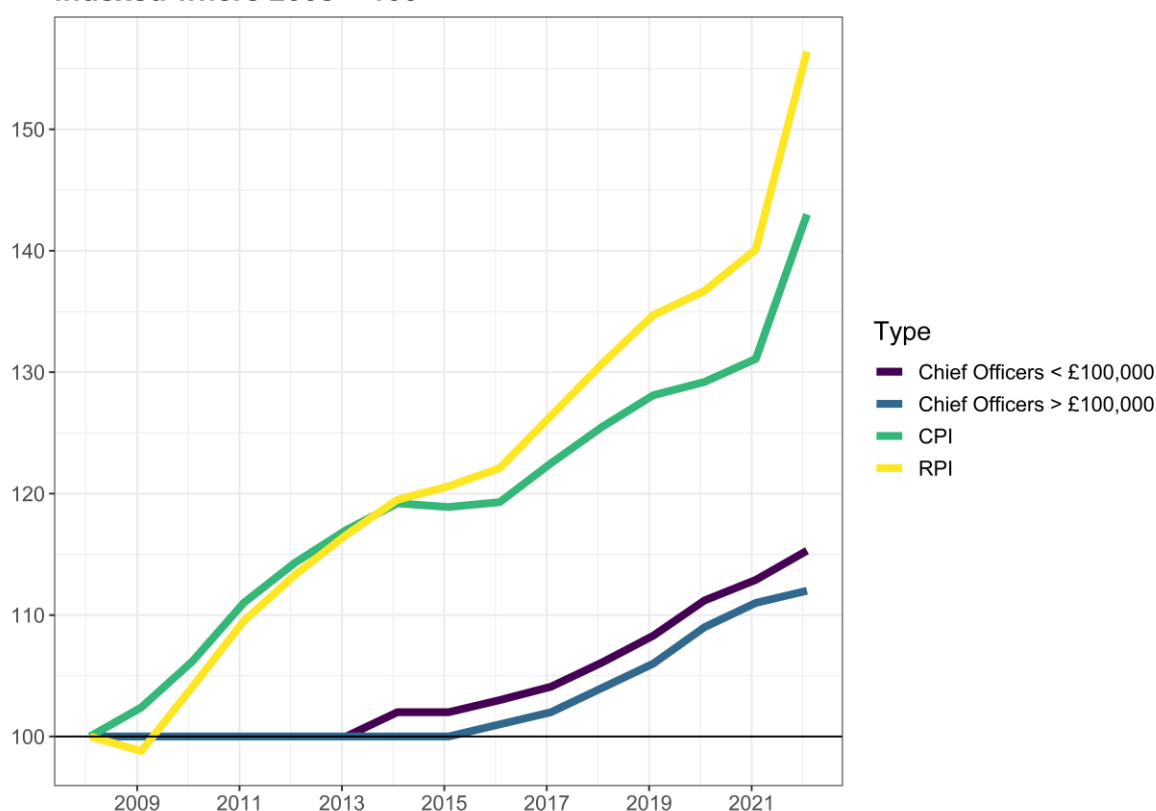
The LGA's own research shows that executive pay in local government is substantially lower than comparable private sector rates and other public sector comparators (and the gap has widened since that research was conducted).<sup>3</sup> We note that the LGA's aspiration to conduct its survey of Chief Officer earnings 'regularly,' which would allow for more timely benchmarking, has not been met.<sup>4</sup>

## Chief Officers' pay

Chief Officers' pay was frozen for five years following the imposition of pay constraints in local government and pay has subsequently been severely eroded.

### Chief Officer settlements compared to inflation

Indexed where 2008 = 100



We recognise that the last group of settlements was targeting at lower-earners. The value of the Chief Officers settlement – which was in the 1 to 2 per cent range for most of our members - was rapidly overtaken by inflation. A long-serving Chief Officer will have received a pay increase of between 12 and 15 per cent over 15 years. This compares to RPI inflation of 56 per cent and CPI inflation of 43 per cent

over the same period. 67 per cent of Chief Officers disagree with the statement that they are well paid – up from 42 per cent the year before.

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 between 36 and 39 per cent 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 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

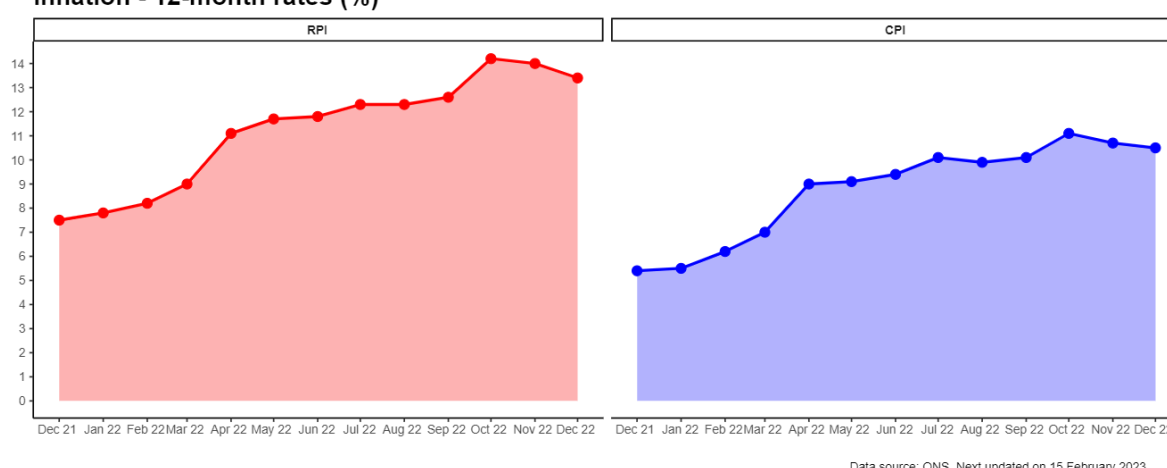
Cost of living pressures will continue to rise in 2023/24. The OBR forecasts that prices will grow by 12.4 per cent cumulatively over the calendar years 2023 and 2024, while private sector pay growth is expected to remain strong.<sup>5</sup> Similarly, according to the Treasury's summary of independent forecasts, market expectations are that price inflation will remain in the 7 per cent range at the end of this year.

### ***HMT 3-month average of new panel forecasts, fourth quarter (percentage)***

	RPI	CPI	Average earnings
End of 2022 (Q4)	14	10.8	5.9
End of 2023 (Q4)	7	5.1	4.5

Source: Treasury, [Forecasts for the UK economy: a comparison of independent forecasts](#)  
Published 21 December 2022

**Inflation - 12-month rates (%)**



Data source: ONS. Next updated on 15 February 2023

Even this reduction in the headline growth rate in prices would represent a return to the historically very elevated inflation rates at the beginning of 2022. The cumulative rise in prices has had a devastating effect on the already much-reduced value of our members' earnings.

## Pay comparability

Chief Officers regularly work beyond their contractual obligations and contribute significant goodwill in the form of unpaid overtime to local authorities. Contrary to some claims in the press, Chief Officers pay rates are below comparable private sector rates. The Communities and Local Government Select Committee found in 2014 that:

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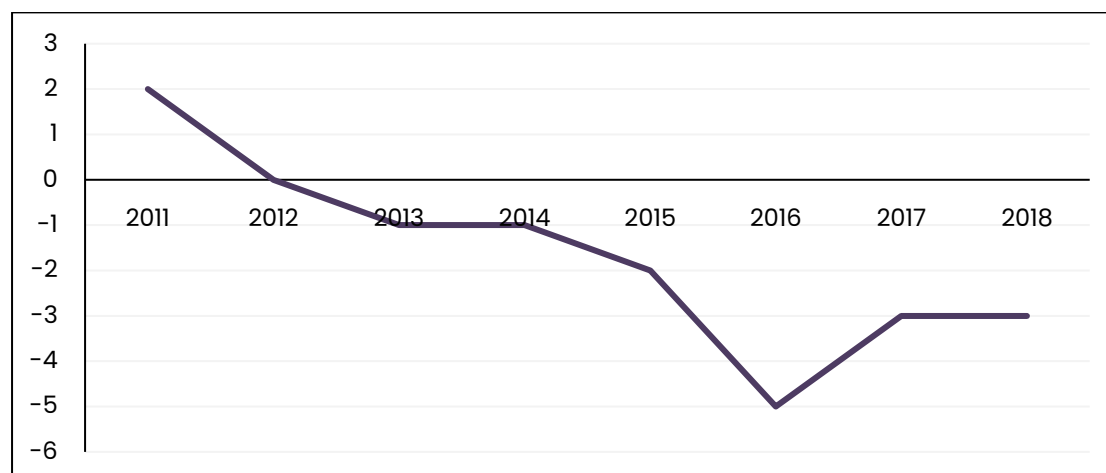
*‘Salary levels for local government sector senior posts are significantly lower than those in the private sector ... even taking account of enhanced pension provision, packages remain much lower for a top council post when compared to the packages on offer for top private sector staff.’<sup>6</sup>*

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As we warned in our last claim, local government is falling ever further behind on pay for comparable senior roles. The most recent 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 bonuses<sup>7</sup>**



## **Workload and work-life balance**

A decade of austerity has significantly added to the stress levels and workload burdens of Chief Officers. 919,000 jobs were lost in local authorities across the UK between June 2010 and September 2022 – a fall of 32 per cent – despite a heavy increase in demand on services, which has been particularly pronounced in specialisms such as adult social care, housing services and SEND. Unlike some other parts of the public sector, there has been no increase in staff numbers in local government during the pandemic.<sup>8</sup>

The long hours worked by Chief Officers are reflected in official data. ONS Labour Force Survey data suggests 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. This unpaid overtime is essentially a goodwill contribution to ensure the effective running of public services. Chief Officers who regularly worked unpaid overtime contributed, on average, an additional 10 hours each week.<sup>9</sup> The Labour Force Survey is believed to underestimate overtime working, and UNISON's 2023 survey results indicate that Chief Officer extended overtime working may be more extensive still. An overwhelming majority (68 per cent) of Chief Officers have no access to a system for reclaiming additional time worked.

The labour market remains extremely competitive: there were 1.2 million vacancies in November 2022, compared to 800,000 before the pandemic. The vacancy rate is not softening in public administration, in contrast to the wider economy. These vacancy pressures are replicated for Chief Officers. 90 per cent of councils said in last year that they face capability gaps in their management teams.<sup>10</sup> According to UNISON's 2023 Chief Officers' survey, half of respondents (49 per cent) said that Chief Officer pay was a recruitment issue at their local authority.

The extraordinary pressures associated with the Covid-19 response has compounded the existing strains on Chief Officers. Academic research has found that overseeing restructures during the pandemic 'significantly predicted distress, anxiety, and depression for managers at the highest level (board members).'<sup>11</sup> The emotional pressures of administering essential services during a time of threat to life comes on top of the existing strains of delivery against a backdrop of falling resources and elevated demand.

## Annual leave

The 2022 NJC pay claim called for an extra day of annual leave for NJC staff. This was agreed by the employers and will be implemented from 1 April 2023. In some local authorities the additional day of annual leave was also implemented for Chief Officers. This Chief Officer pay claim calls on the employers to ensure that where local authorities have not extended the additional day of annual leave entitlement to Chief Officers that this should be done so with effect from 1 April 2023 thereby ensuring parity in the increase in annual leave for Chief Officer JNC staff.

The 2023 NJC pay claim calls for an “Additional day’s annual leave for personal or Wellbeing purposes.” Chief Officer members, the same as NJC members, are reporting high levels of stress, burnout, and poor work/life balance. We therefore call on the Employers’ Side to establish a new entitlement for an additional day of annual leave for all staff for personal or well-being reasons as set out in the headline claim.

## Conclusion

Chief Officers, alongside other local government workers, have endured years of real-terms pay cuts that have bitten with an unprecedented severity in 2022/23. The relative value of Chief Officers’ pay has been cut even more deeply than other groups of workers. In this context, we believe that a claim for equivalent (and no less favourable treatment than) the approach to NJC Green Book workers is both reasonable and restrained.

Local Government depends on Chief Officers’ leadership. The Local Government Association has stated that:

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*“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.”<sup>12</sup>*

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Chief Officers’ wages have fallen by between **36 and 39 per cent** in real terms since 2008. A real pay increase would represent an important goodwill gesture that would help to address some of the recruitment, retention, and morale pressures facing employers.



Our members are working very long hours. This is to the point – and often beyond – the limits of safe working. An additional day's annual leave entitlement would represent an important work-life balance measure and a recognition that the current strains on Chief Officers are unsustainable.

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

## Appendix – results of UNISON survey

Below is a summary of the results of UNISON's Chief Officers' survey carried out in January 2023.

- 67% of Chief Officers disagree or strongly disagree with the statement “I am well paid for my job”. This is very significantly higher than the figure from 2022 when 42% of Chief Officer members disagreed or strongly disagreed with this statement.
- The majority of Chief Officers (67.4%) agree or strongly agree that pay has become an increasing concern for them as local authority chief officers.
- Nearly half (49%) agree or strongly agree that the pay on offer to those in senior roles is causing recruitment and retention problems in their local authorities.

### **Hours of work**

- Most Chief Officers disagree or strongly disagree (41%) that they have a good work-life balance whilst another 25% neither agreed nor disagreed. This leaves a minority of Chief Officers who feel that they do have a good work/life balance.
- A significant majority (91%) said they regularly work more than their normal contracted hours and of these, 30.8% said they work 6–10 extra hours in a typical week, and another 43.5% work either an extra 11–15 or 16-20 hours per week.
- A majority (68.2%) of Chief Officers said there is no system in place to claim back time for the extra hours worked. For those who do claim back time this is normally as either flexi, toil, with rare cases of overtime payments.
  - *Flexi system but there are limits so some of the extra hours I do I can't claim for - about 4 hours per week.*
  - *Flexi system but do not claim back all additional hours worked.*
  - *Flexi scheme and Time Off In Lieu, though doesn't cover all additional hours.*

### **New ways of working**

- 90% of Chief Officers told us that they are now working in a more agile/ hybrid manner, with more home working than two years ago. Most agreed or strongly agreed (59%) that they are experiencing increasing costs because of increased homeworking.

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## References

- <sup>1</sup> <https://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/housing-communities-and-local-government-committee/local-government-chief-officers-remuneration/written/5649.pdf>
- <sup>2</sup> KPMG, Executive remuneration in FTSE SmallCap companies, November 2022, page 8  
<https://assets.kpmg.com/content/dam/kpmg/uk/pdf/2022/12/small-cap-survey-2022-brochure.pdf>
- <sup>3</sup> LGA, Chief executive and chief officer pay survey: Research report, Winter 2018 (published August 2019) [https://www.emcouncils.gov.uk/write/LGA\\_Chief\\_executive\\_and\\_chief\\_officer\\_pay\\_survey\\_-\\_report\\_Winter\\_2018.pdf](https://www.emcouncils.gov.uk/write/LGA_Chief_executive_and_chief_officer_pay_survey_-_report_Winter_2018.pdf)
- <sup>4</sup> <https://www.local.gov.uk/our-support/workforce-and-hr-support/workforce-blog/june-blog-numbers-game>
- <sup>5</sup> OBR, Economic and Fiscal Outlook: November 2022, page 55  
[https://obr.uk/docs/dlm\\_uploads/CCS0822661240-002\\_SECURE\\_OBR\\_EFO\\_November\\_2022\\_WEB\\_ACCESSIBLE.pdf](https://obr.uk/docs/dlm_uploads/CCS0822661240-002_SECURE_OBR_EFO_November_2022_WEB_ACCESSIBLE.pdf)
- <sup>6</sup> 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>
- <sup>7</sup> 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>
- <sup>8</sup> ONS, Public Sector Employment, Table 1  
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/publicsectoremploymentreferencetable>
- <sup>9</sup> Chief Officer side analysis of ONS Quarterly Labour Force Survey (LFS) data for July to September 2022. Chief Officers are taken to be included under 'Managers, Directors And Senior Officials' employed in local government.
- <sup>10</sup> LGA, Local Government Workforce Survey 2022, May 2022, page 10  
<https://www.local.gov.uk/sites/default/files/documents/LG%20Workforce%20Survey%202022%20-%20Final%20for%20Publication%20-%20Tables%20Hard%20Coded.pdf>
- <sup>11</sup> Graf-Vlachy et al., Predictors of managers' mental health during the COVID-19 pandemic, *European Journal of Psychotraumatology*, Volume 11, 2020 - Issue 1.
- <sup>12</sup> <https://web.archive.org/web/20150624215252/http://local.gov.uk/officer-development>