Trade Union Side of the National Joint Council for Local Government Services: England, Wales and Northern Ireland

NJC PAY CLAIM 2027-29

This NJC pay claim for 2027-29 is made by the Joint Trade Union Side (UNISON, GMB and UNITE) to the NJC National Employers.

Our claim is for:

- **Year 1:** An increase of 8% or £3,000, whichever is greater, on all spinal column points, underpinned by a minimum hourly rate of £15
- **Year 2:** An increase of RPI + 3.6% or £3,000, whichever is the greater, on all spinal column points

In addition:

- A jointly agreed review of the NJC pay spine.
- An end to term-time-only contracts for employees who wish to move to year-round contracts.
- An additional day of annual leave, applied pro rata to part-time employees.
- A two-hour reduction in the standard working week, with no loss of pay and applied pro rata to part-time employees.

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1. KEY POINTS IN OUR CLAIM

MULTI-YEAR SETTLEMENT

- Our claim is for a two-year settlement:
    - **Year 1: 8% or £3,000, whichever is greater, on all spinal column points, underpinned by a minimum hourly rate of £15**
    - **Year 2: RPI + 3.6% or £3,000, whichever is the greater, on all spinal column points**
- The settlement must include a jointly agreed review of the NJC pay spine.

ECONOMIC BACKGROUND

- Between the start of 2010 and the end of 2025, RPI rose by **89.9%**, while NJC pay increased by only **39.6%**. This represents a real-terms loss of approximately **30.2%**, worth over **£12,400** to the average NJC worker.
- Although headline inflation has fallen, earlier price increases have not been reversed. Housing, energy, transport and other essential household costs continue to place severe pressure on workers.
- Increasing local government pay would support local economies and return a significant proportion of its cost to government through higher tax receipts and lower benefit expenditure.

COMPARING NJC PAY

- NJC pay continues to carry the legacy of prolonged public-sector pay restraint and has not recovered the value lost since 2010.
- The lowest NJC rate is £13.28 an hour, only 57 pence above the statutory National Living Wage of £12.71. Four NJC spinal column points are below the UK real Living Wage of £14.10.
- Compression of the pay spine has weakened the financial recognition attached to skills, experience, qualifications and additional responsibility.

ACHIEVING A £15-PER-HOUR MINIMUM RATE

- The claim would establish a minimum NJC rate of no less than **£15 an hour in Year 1**.
- This would provide a significant increase for the lowest paid, help tackle in-work poverty and maintain meaningful headroom above the statutory minimum.
- The £15 minimum would operate as an underpin to the general increase, requiring an additional **£326** at SCP 3 above the £3,000 award.

RECRUITMENT AND RETENTION CRISIS

- Recruitment and retention problems remain widespread, with **94% of councils** reporting difficulties.
- Councils have approximately **59,000 vacancies**, while around **77,000 employees leave each year**.
- Only 3% of council employees are aged under 25, while 31% are aged 55 or over, creating a major succession and workforce-planning challenge.
- Fair and competitive pay is essential to reducing vacancies, retaining skills and limiting reliance on agency and temporary staffing.

PAY-RELATED CONDITIONS OF WORK

- A jointly agreed review of the NJC pay spine.
- An end to term-time-only contracts for employees who wish to move to year-round contracts.
- An additional day of annual leave, applied pro rata to part-time employees.

- A two-hour reduction in the standard working week, with no loss of pay and applied pro rata to part-time employees.

EQUALITY IMPACT

- Women make up 73% of the local government workforce and remain concentrated in lower-paid, historically undervalued roles.
- Women are particularly concentrated in schools and adult social care, where low pay and term-time-only working are widespread.
- Black, Asian and Mixed ethnicity workers are disproportionately represented in adult social care, which has low pay, high turnover and demanding working conditions.
- Meeting this claim would particularly benefit these groups and help ensure that traditionally undervalued work is properly rewarded.

2. CONTEXT OF OUR CLAIM

Local government workers deliver services our communities depend on. They support children, care for older and disabled people, protect public health, maintain neighbourhoods, administer benefits and sustain local infrastructure. Yet their pay has been steadily eroded for more than a decade.

Between the start of 2010 and the end of 2025, RPI increased by **89.9%**, while NJC pay rose by only **39.6%**. This represents an estimated real-terms loss of **30.2%**, worth over **£12,400** to the average NJC worker. Although bottom-loaded awards have provided some protection to the lowest paid, workers across the pay spine remain worse off than if pay had kept pace with inflation.

The easing of headline inflation does not mean the cost-of-living crisis has ended. Earlier price rises have not been reversed, and workers continue to pay substantially more for housing, energy, food, transport, childcare and other essentials. A pay award matching current inflation would do nothing to repair losses built up since 2010. The bottom of the NJC pay spine is also under increasing pressure from statutory wage increases. The National Living Wage rose to £12.71 an hour in April 2026, compared with the lowest NJC rate of £13.28. Four NJC spinal column points are below the UK real Living Wage of £14.10. Further compression weakens recognition of skills, experience, qualifications and additional responsibility.

These pay problems contribute directly to the sector's recruitment and retention crisis. Ninety-four per cent of councils report difficulties, with approximately 59,000 vacancies and 77,000 employees leaving each year. Shortages affect social work, social care, planning, environmental health, legal services, finance, digital and IT, alongside many frontline and support roles. Persistent vacancies increase workloads and reliance on expensive agency and temporary staffing.

The workforce is also ageing. The mean age of council employees is approximately 47, only 3% are under 25 and 31% are 55 or over. Councils risk losing substantial skills and experience while failing to recruit the next generation of workers.

Low pay also has a significant equality impact. Women make up the majority of the local government workforce and are heavily represented in lower-paid and historically undervalued services, particularly schools and social care. A substantial, bottom-loaded award would provide the greatest percentage increases to the lowest paid and help reduce pay inequality.

The Trade Union Side is therefore seeking a two-year settlement combining immediate restoration with longer-term protection. In Year 1, our claim is for an increase of 8% or £3,000, whichever is greater, underpinned by a £15-an-hour minimum. In Year 2, our claim is for RPI + 3.6% or £3,000, whichever is greater, on all spinal column points.

This would provide the largest percentage increases to the lowest paid while beginning to restore pay across the spine. A two-year agreement would provide greater certainty for councils and employees, supporting workforce and financial planning. Linking Year 2 to RPI would protect employees against fluctuating inflation.

There is also a strong economic case for investment. Higher pay generates additional tax and National Insurance receipts, reduces expenditure on in-work benefits and supports local economies. Our analysis shows that central government would recover **53.3%** of the cost of meeting this claim.

This claim is a fair and necessary response to the erosion of NJC pay, the pressures facing workers and the urgent workforce challenges confronting local government. It would help tackle low pay, improve recruitment and retention, and protect the services on which communities depend.

3. MULTI-YEAR SETTLEMENTS

This year's headline claim is for a two-year pay settlement. This reflects a broader shift in public sector financial planning, particularly the Government's commitment to multi-year funding settlements for local authorities. In this context, it makes sense for NJC pay arrangements to align with longer-term budget planning.

A multi-year pay deal would offer greater certainty over staffing costs, enabling better workforce planning, and potentially reducing the administrative burden of annual negotiations. However, such arrangements must also protect the interests of staff, ensuring that pay keeps pace with inflation and economic conditions.

The NJC Trade Union Side is seeking the following structure for a two-year agreement:

- **Year 1: 8% or £3,000, whichever is greater, on all spinal column points, underpinned by a minimum hourly rate of £15**
- **Year 2: RPI + 3.6% or £3,000, whichever is the greater, on all spinal column points**

We would also seek guarantees that a multi-year settlement would be accompanied by a review of the NJC pay spine being completed and agreed by all parties. This is long overdue.

Calculation of RPI for Year 2
For the purposes of the Year 2 pay increase, RPI will be calculated as the average of the 12 monthly RPI inflation rates covering the year immediately preceding the relevant pay year.

The increase for 2028/29 will therefore be based on the mean of the 12 monthly RPI inflation rates published by the Office for National Statistics for April 2027 to March 2028 inclusive. The resulting average will be used to calculate the RPI + 3.6% element of the increase applying from 1 April 2028, subject to the £3,000 minimum.

This approach avoids reliance on a single month's figure or a forecast and provides a more representative measure of inflation over the preceding year.

Joint campaign for proper funding
A fair pay settlement must be supported by sufficient additional funding from central government. Councils should not be forced to choose between paying their workforce fairly, protecting jobs and maintaining essential services.

The NJC Trade Union Side therefore calls on the National Employers to join the unions in campaigning for proper, additional and ongoing government funding for pay across the local government workforce. A united approach would send a clear message that investment in the workforce is essential to the financial sustainability of councils and the future of local public services.

Safeguards and Review Mechanisms
Any multi-year agreement must include safeguards to protect against unforeseen economic developments. The NJC Trade Union Side has included RPI inflation as part of the formula for our claim in year two specifically so that any agreement is protected against such economic developments. If a multi-year offer is made without a link to RPI inflation, the NJC Trade Union Side would require a reopener clause, allowing for a return to meaningful negotiations in the event of:

- Significant economic instability
- Volatile or unexpectedly high inflation

4. ECONOMIC BACKGROUND

4.1 Cost of living crisis continues

Despite inflation falling back from the exceptional peaks seen in 2022 and 2023, the cost of living continues to place significant pressure on household budgets. RPI inflation stood at 3.4% in August 2026[1], following an average increase of 4.1% over 2025. The cost of living, as measured by RPI, has now risen by 40.6% between the start of 2020 and the end of 2025[2].

Many essential household costs are rising considerably faster than the headline inflation rate. Over the year to August 2026, petrol and oil prices increased by 23%, vehicle tax and insurance by 10.8%, gas prices by 8.7%, water charges by 7.4%, phone charges by 6.5%, mortgage interest payments by 5.6%, council tax and rates by 5.1%, and rents by 4.4%[3]. By comparison, the 2026 NJC pay award was 3.3%.

Housing costs remain a particular pressure, with average private rents reaching £1,400 a month[4] and average house prices across Britain standing at £328,000[5]. Childcare costs have also continued to increase, with costs for three- to four-year-olds across Great Britain rising by almost 5%. Increases have been sharper for some age groups in Scotland and Wales.

These pressures are not expected to disappear. Independent forecasts cited in the guide predict that RPI will average 3.7% across 2026 and 3.8% in 2027, meaning that continuing pay increases will be necessary simply to prevent the real value of wages falling further. Over the same period, NJC pay rose only 3.3%, as shown in the graph below:

[1] Office for National Statistics, *UK Consumer Price Inflation: August 2026*, published 16 September 2026.

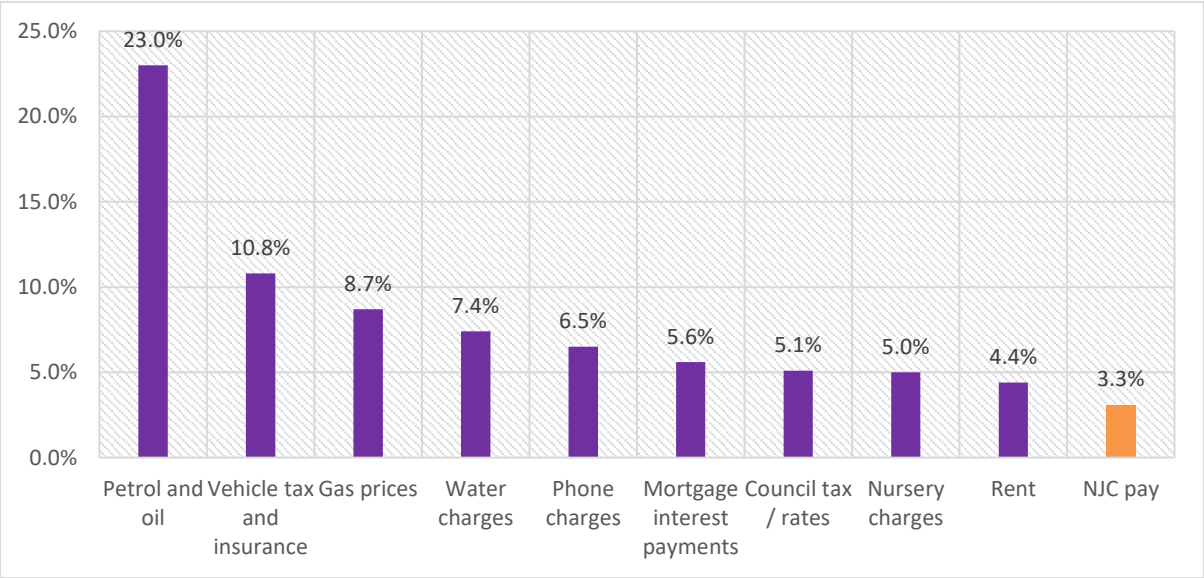
[2] Office for National Statistics, *UK Consumer Price Inflation Reference Tables: December 2025*, published January 2026; cumulative increase calculated from the RPI all-items index.

[3] Office for National Statistics, *Consumer Price Inflation Reference Tables: August 2026*, published 16 September 2026.

[4] Office for National Statistics, *Private Rent and House Prices, UK: September 2026*, published October 2026.

[5] e.surv, *Acadata House Price Index: September 2026*, published October 2026.

Graph 1: Selected annual cost increases to August 2026 compared with 2026 NJC pay award



4.2 Value of NJC pay

When measured against the overall rise in inflation since 2009/10, NJC staff are losing out. On average, staff have lost approximately 30.2% from the value of their pay since 2010, worth (on average) more than £12,400[6].

When analysed by job role, even those on lower incomes (who have benefited from bottom loading in some pay awards) are worse off than they were in 2009/10.

Table 1: Real (RPI) changes to selected spine points 2009/10 to 2026/27*

Real (RPI) changes to selected spine points 2009/10 to 2026/27					
Occupation	**Old Spine Point**	**2009/10**	**2026/27**	**New Spine Point**	**Real change (%)**
Admin Officer	10	£13,874	£25,614	3	-4.0
Customer Services Officer	11	£14,733	£25,614	3	-10.5
Refuse And Recycling Collector	13	£15,444	£26,016	4	-14.0
Library Assistant	16	£16,440	£26,847	6	-17.6
Teaching Assistant (Level 2)	17	£16,830	£26,847	6	-20.4
Crematorium Officer	18	£17,161	£27,274	7	-20.9
Qualified Residential Care Worker	21	£19,126	£29,071	11	-26.4
HLTA	28	£23,708	£34,811	22	-30.8
Librarian	31	£26,276	£37,563	25	-34.4
Environmental Health Officer	34	£28,636	£40,444	28	-36.0

[6] Trade Union Side calculations using NJC salary scales for 2009/10 and 2026/27 and Office for National Statistics RPI all-items index data.

Access to Housing Officer	38	£31,754	£44,253	32	-37.8
Social Worker	36	£30,011	£42,123	30	-36.8
Accountant	41	£34,549	£47,665	35	-39.2
Children's Residential Manager	46	£38,961	£53,051	40	-41.1

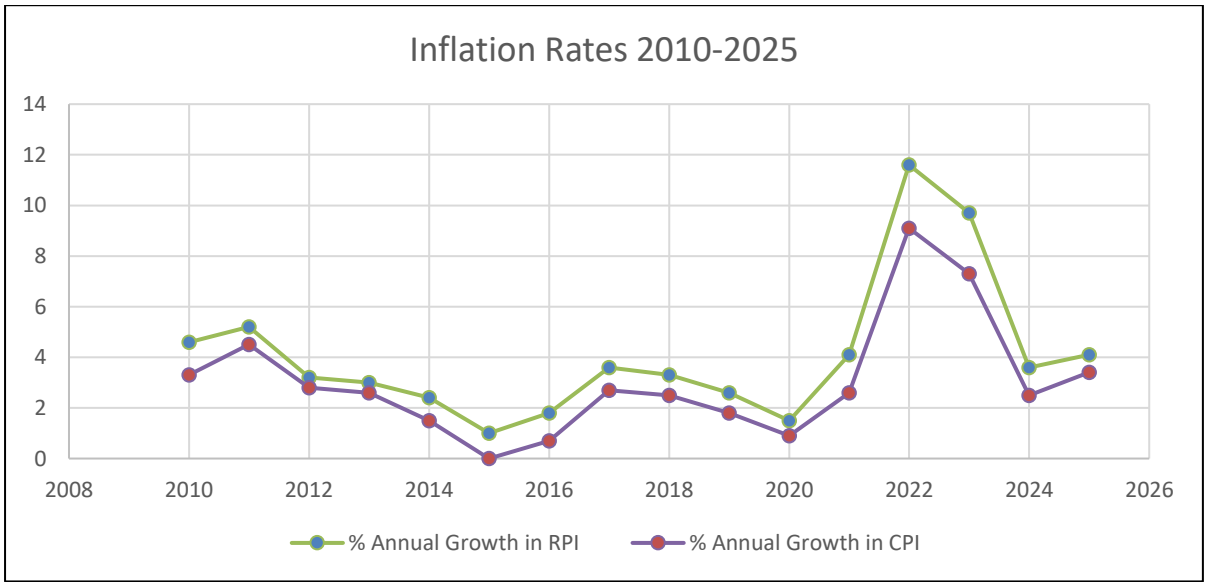
**A full version of this table (for all SCPs) is included as appendix 1.*

4.3 Falling value in NJC Pay

Inflation rose sharply over 2021 and 2022, reaching the highest rates seen across the economy in four decades. Rates subsequently declined through much of 2023 and into 2024, before rising again during 2025. By August 2026, inflation stood at 3.4% for RPI, 3.1% for CPI and 3.3% for CPIH[7].

Between the start of 2010 and the end of 2025, the cost of living, as measured by the Retail Prices Index, rose by **89.9%.** Over the same period, NJC pay rose by **39.6%[8].**

Graph 2: Annual UK Inflation Rates 2010-2025[9]



4.4 Impact on real wages

Recent years have seen the steepest rises in the cost of living facing workers in over 40 years, with RPI increasing by **11.6% in 2022 and 9.7% in 2023[10]**. Although inflation has fallen substantially from

[7] Office for National Statistics, *UK Consumer Price Inflation: August 2026*, published 16 September 2026.

[88] Office for National Statistics, *UK Consumer Price Inflation Reference Tables: December 2025*, published January 2026; cumulative increase calculated from the RPI all-items index.

[9] Office for National Statistics, *UK Consumer Price Inflation Reference Tables: December 2025*, published January 2026.

[10] Office for National Statistics, *UK Consumer Price Inflation Reference Tables: December 2025*, published January 2026.

these peaks, those increases have not been reversed and have accelerated the longer-term decline in the real value of NJC pay.

NJC workers have seen a **30.2%** decline in the real value of their wages since 2010, which means that 2025 wages were worth approximately **£12,400** less than in 2010[11].

Table 2: NJC Pay Awards Vs Rise in cost of living (RPI)[12]

Year	Annual Growth in RPI	NJC Pay Award
2010	4.60%	0.00%
2011	5.20%	0.00%
2012	3.20%	0.00%
2013	3.00%	1.00%
2014	2.40%	1.10%
2015	1.00%	1.10%
2016	1.80%	1%
2017	3.60%	1%
2018	3.30%	2%
2019	2.60%	2%
2020	1.50%	2.80%
2021	4.10%	1.80%
2022	11.60%	7.00%
2023	9.70%	6.40%
2024	4.30%	3.60%
2025	4.10%	3.20%
2026	3.10%*	3.30%

**OBR forecast for 2026*

4.5 Main factors affecting inflation

The changes in the price of components of the Retail Prices Index over the year to August 2026 are shown in the table below.

Table 3: Price changes to RPI commodities over the year to August 2026[13]

Item	Average % increase to August 2026
Personal expenditure	4.6
Housing and household expenditure	3.7
Consumer durables	3.6
Alcohol and tobacco	3.2

[11] Trade Union Side calculations using NJC salary scales and Office for National Statistics RPI all-items index data.

[12] RPI figures: Office for National Statistics, *UK Consumer Price Inflation Reference Tables: December 2025*, published January 2026. NJC pay awards: NJC national pay agreements.

[13] Office for National Statistics, *Consumer Price Inflation Reference Tables: August 2026*, published 16 September 2026.

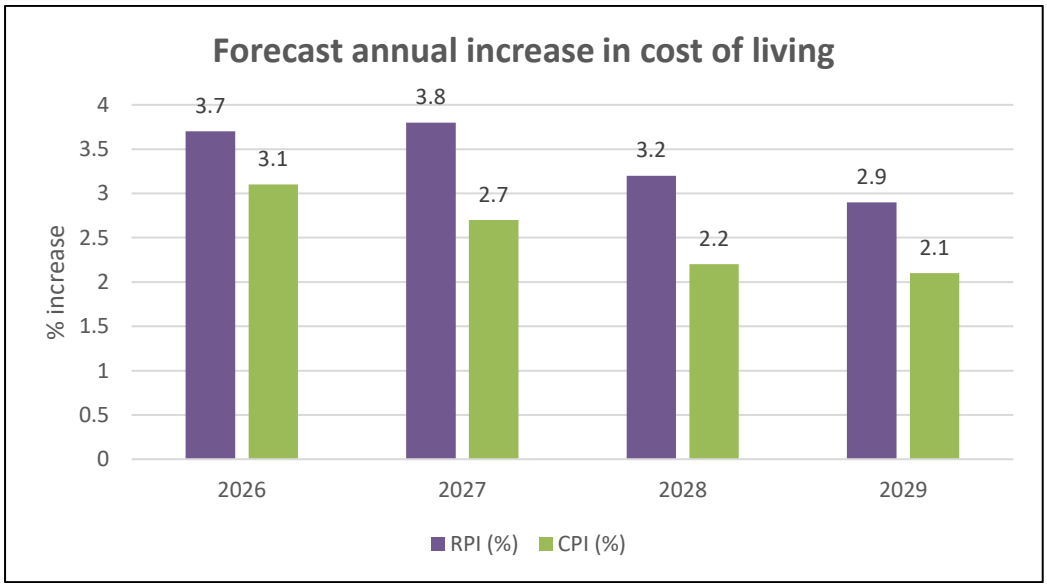
Travel and leisure	3.1
Food and catering	2.3
All goods	3.5
All services	3.4
All items	3.4

The headline figures mask significantly larger increases in a number of essential household costs. Over the same period, petrol and oil prices rose by 23%, vehicle tax and insurance by 10.8%, gas prices by 8.7%, water charges by 7.4%, phone charges by 6.5%, mortgage interest payments by 5.6%, council tax and rates by 5.1%, and rents by 4.4%.

4.6 Forecast inflation rates

The latest summary of independent forecasts cited in the bargaining guide predicts that **RPI inflation will average 3.7% over 2026 and 3.8% over 2027**. CPI is forecast to average **3.1% in 2026 and 2.9% in 2027**[14]. These annual rates illustrate the scale of pay increases required simply for wages to maintain their value against forecast increases in the cost of living.

Graph 3: Forecast Annual increase in cost of living



4.7 Economic benefits of increasing local government pay

Research conducted by Landman Economics finds that the gross cost to local government of meeting the two-year 2027/28 and 2028/29 NJC pay claim is **£3.323 billion** in total. This includes **£2.890 billion** in salary costs, plus an additional cost of **£433 million** in higher employer NICs.

Central government would receive the additional employer National Insurance contributions and benefit from higher employee National Insurance and income tax receipts, alongside reduced expenditure on benefits, tax credits and Universal Credit. The analysis estimates central government savings of approximately **£720 million in Year 1** and **£756 million in Year 2**, equivalent to approximately **£1.476 billion across the two years**.

[14] HM Treasury, *Forecasts for the UK Economy: August 2026*, published 19 August 2026, median of independent forecasts.

The net cost to the public sector as a whole, before indirect taxation is taken into account, is estimated at approximately **£1.847 billion** over the two-year period. Once the additional indirect taxes generated by increased disposable income are included, the estimated net cost falls to approximately **£1.552 billion**.

In total, **53.3% of the cost to local government would accrue to central government** through increased tax and National Insurance receipts and reduced social security expenditure. This means that more than half the initial cost would return to the Exchequer

Table 4: Cost of meeting the 2027-29 NJC pay Cost/Saving[15]

Item	Cost/Saving		
	Year 1: 2027/28	**Year 2: 2028/29**	**Total**
Gross salary cost to local government	£1,417m	£1,473m	£2,890m
Employer's National Insurance	£213m	£221m	£433m*
Total cost to local government	**£1,629m**	**£1,694m**	**£3,323m**
Employer's National Insurance	£213m	£221m	£433m*
Employee's National Insurance	£91m	£89m	£180m
Income tax	£344m	£384m	£728m
Reduced benefit/tax credit/Universal Credit expenditure	£73m	£62m	£134m*
Total central-government savings	**£720m**	**£756m**	**£1,476m**
Net public-sector cost before indirect taxes	**£909m**	**£938m**	**£1,847m**
Indirect taxes	£146m	£150m	£296m
Net public-sector cost after indirect taxes	**£764m**	**£788m**	**£1,552m**

(Note - totals may not equal the sum of their constituent figures because calculations used unrounded values before being rounded to the nearest £1 million.)

This research demonstrates the significant savings to government of increasing local government workers' pay[16]. Increased tax contributions along with reduced benefit expenditure result in central government recovering around half of the cost borne by local government.

With over half the cost of this pay claim recouped by the government, the logic in properly funding local government pay is clear. This reinforces our calls for proper local authority funding for pay from central government.

[15] Landman Economics, 2026

[16] Calculations have been adjusted to account for school support staff transferring from NJC coverage to the School Support Staff Negotiating Body from April 2027.

5. COMPARING NJC PAY

5.1 Pay settlements

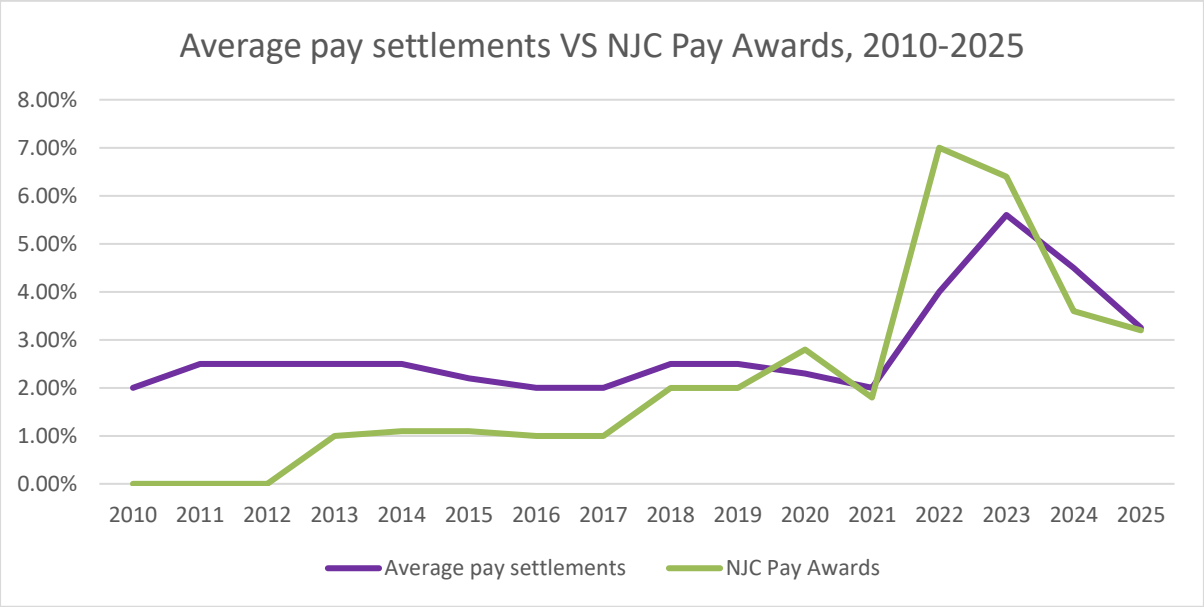
Pay settlements in the private sector have run ahead of the public sector for most of the period since 2010. While the public sector pay freeze was in place in 2011-12, the private sector saw average rises of around 2.5%, and the private sector continued to outpace the public sector by at least double the public sector rate during the subsequent period of the 1% pay cap between 2013 and 2017.

From 2018 the gap began to close, and in 2020 the public sector overtook the private sector for the first time in approximately a decade. The imposition of a further public sector pay cap pushed the public sector rate back down to around half the economy average in 2021. Since then, public and private sector settlement rates have maintained approximate parity.

The latest data show average pay settlements of 3.5% across the economy, with the private sector, public sector and not-for-profit sector all recording an average of 3.5% in the year to September 2026[17].

However, this recent convergence does not repair the cumulative loss experienced by NJC workers over the preceding years. NJC pay continues to carry the legacy of prolonged public sector pay restraint and the subsequent surge in the cost of living. Restoring the value of NJC pay therefore requires pay awards that do more than simply track current inflation.

Graph 4: Average Pay Settlements since 2010[18]



The table below shows how average pay settlements compare with NJC pay awards. Between 2010 and 2019, NJC pay awards fell significantly behind average pay awards across the whole economy. There was some improvement after this, specifically in 2020, 2022 and 2024 - but has not been enough to recover the cumulative loss endured between 2010 and 2019.

[17] Incomes Data Research, pay settlements database, settlements in the year to September 2026.

[18] Incomes Data Research, pay settlements database, annual whole-economy settlement medians, 2010–25.

Table 5: Average pay settlements VS NJC pay awards, 2010-2025

Year	Average pay settlements	NJC Pay Awards
2010	2.00%	0.00%
2011	2.50%	0.00%
2012	2.50%	0.00%
2013	2.50%	1.00%
2014	2.50%	1.10%
2015	2.20%	1.10%
2016	2.00%	1%
2017	2.00%	1%
2018	2.50%	2%
2019	2.50%	2%
2020	2.30%	2.80%
2021	2.00%	1.80%
2022	4.00%	7.00%
2023	5.60%	6.40%
2024	4.50%	3.20%
2025	3.25%	3.20%

5.2 Average earnings

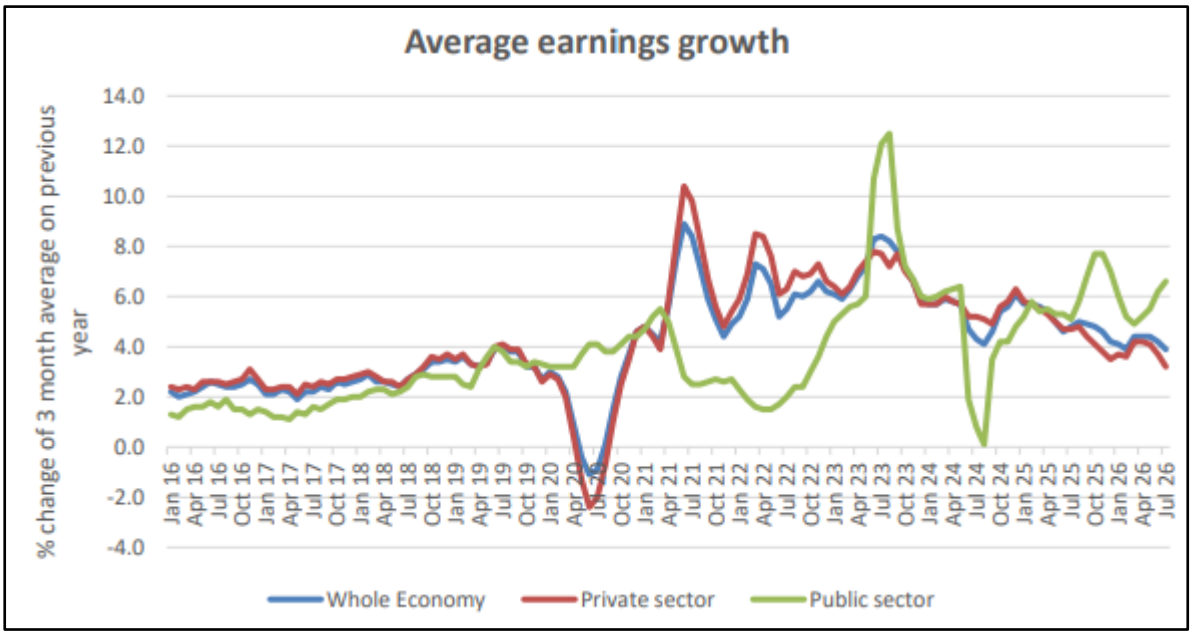
Since 2021, average earnings growth has been running at relatively high rates. The latest figures show that **average earnings across the economy were growing by 3.9% in July 2026.**

As with pay settlements, differences between public and private sector earnings growth have been a persistent feature of the economy for more than a decade. The latest figures show **private sector earnings growth at 3.2% and public sector earnings growth at 6.6% in July 2026**[19]. However, the Office for National Statistics warns that public sector annual pay growth continues to be affected by variations in the timing of pay awards, meaning the current public sector figure is likely to overstate the underlying position.

The latest independent forecasts cited in the bargaining guide estimate that **earnings growth will average 3.7% over 2026 and 3.3% over 2027**

[19] Office for National Statistics, *Labour Market Overview, UK: September 2026*, published 15 September 2026.

Graph 5: Average earnings growth 2016-2026[20]



5.3 NJC pay vs the wider labour market

The UK economy is expected to continue growing only modestly, with GDP forecast to grow by **1.1% over 2026 and 1.2% over 2027**[21]. Recruitment and retention pressures have generally eased from the particularly acute levels seen in recent years, but significant pressures remain in parts of the labour market important to local government and public services.

The unemployment rate has increased from its recent low of 3.6% in 2022 to **4.9% in the three months to July 2026**, while the number of unemployed people per vacancy has risen to **2.5**[22]. Forecasts put average unemployment at **5.1% over 2026 and 5.2% over 2027**[23].

Meanwhile, the vacancy rate across the economy has continued its decline from 4.1% in 2022 to **2.1% in the three months to August 2026**[24].

Sectoral analysis shows vacancy rates of **2.5% in human health and social work, 1.9% in public administration, 1.5% in education, 2.2% in electricity and gas, and 2.3% in water supply**.

[20] Office for National Statistics, *Labour Market Overview, UK: September 2026*, published 15 September 2026; average weekly earnings series.

[21] HM Treasury, *Forecasts for the UK Economy: August 2026*, published 19 August 2026, median of independent forecasts.

[22] Office for National Statistics, *Labour Market Overview, UK: September 2026*, published 15 September 2026.

[23] HM Treasury, *Forecasts for the UK Economy: August 2026*, published 19 August 2026, median of independent forecasts.

[24] Office for National Statistics, *Labour Market Overview, UK: September 2026*, published 15 September 2026.

Significant recruitment and retention problems persist in social care. The adult social care sector has recorded a **vacancy rate of 6.8% and a turnover rate of 23%**[25], while the NHS vacancy rate in England stood at **6.7%**[26].

The impact of better pay and terms and conditions can be seen particularly clearly when local authority social care is compared with outsourced provision. The **mean hourly pay for local authority care workers was £13.55 in 2025, compared with £12.18 in the outsourced sector**. Local authority turnover was **12.5%**, around half the **24.7%** recorded among outsourced adult social care providers[27].

Across the economy, **48% of employers expect problems filling vacancies over the next six months**, although only 14% expect significant problems. Recruitment difficulties are particularly concentrated in health, where **23% of employers in both "care, social work and other health activities" and "human health activities" expect significant problems**[28].

Turnover rates averaged **12.2% across the economy in 2025**[29].

5.4 National Minimum Wage

The legally enforceable National Minimum Wage sets the floor for any pay scale. The following rates came into force on **1 April 2026**:

Table X: National Minimum Wage rates from 1 April 2026[30]

	Rate from 1 April 2026	Increase on 2025
National Living Wage, age 21 and over	**£12.71**	**4.1%**
18-20 year-old rate	**£10.85**	**8.5%**
16-17 year-old rate	**£8.00**	**6.0%**
Apprentice rate	**£8.00**	**6.0%**

The **£12.71 statutory minimum for workers aged 21 and over is now above the £12.65 hourly rate previously represented by NJC SCP 2**. This underlines the continuing pressure that increases in the statutory wage floor are placing on the bottom of the NJC pay spine, and the importance of ensuring that NJC pay maintains meaningful headroom above the legal minimum.

[25] Skills for Care, *The State of the Adult Social Care Sector and Workforce in England*, October 2025.

[26] NHS Digital, *NHS Vacancy Statistics, England: April 2015 to June 2026*, published 2026.

[27] Skills for Care, *The State of the Adult Social Care Sector and Workforce in England*, October 2025.

[28] Chartered Institute of Personnel and Development, *Labour Market Outlook: Summer 2026*, published August 2026.

[29] Brightmine, *Labour Turnover Rates 2025*, published 2026.

[30] UK Government, *National Minimum Wage and National Living Wage rates*, rates applying from 1 April 2026.

Looking ahead, the Low Pay Commission's central projection is for the rate applying to workers aged 21 and over to reach **£13.18 an hour from April 2027**, equivalent to a further 3.7% increase. This remains a projection rather than the confirmed 2027 statutory rate[31].

5.5 The Real Living Wage

The real Living Wage has become an important benchmark for the minimum level of pay needed to meet the actual cost of living. Unlike the statutory National Living Wage, it is calculated independently according to living costs. The current rates are **£14.10 an hour across the UK and £15.45 an hour in London[32].**

More than **16,000 UK employers** are accredited Living Wage Employers[33]. The Living Wage Foundation states that this means **one in seven workers now works for a Living Wage Employer**, with accredited organisations including half of the FTSE 100 as well as major employers such as Nationwide and Google.

The real Living Wage is also significant to the wider debate about low pay. There were **4.4 million jobs, or 14.6% of employee jobs, paid below the real Living Wage in 2025[34]**.

Within the public sector, the real Living Wage has long been established as the minimum pay rate across Scotland's public sector organisations and has also been extended to social care workers in Scotland's private and voluntary sectors. The Welsh Government has similarly supported a real Living Wage minimum in social care.

There are currently 4 NJC SCPs that fall below the latest real living wage rate, shown in the table below. If our claim was answered in full, NJC pay would meet the Real Living Wage.

Table 6: NJC SCPs Vs the Real Living Wage

2026/27		
SCP	01-Apr-26 per annum	01-Apr-26 per hour
3	£25,614	£13.28
4	£26,016	£13.48
5	£26,427	£13.70
6	£26,847	£13.92
	Current Real Living Wage:	£14.10

[31] Low Pay Commission, consultation on National Minimum Wage rates for 2027, published 2026, central projection for the National Living Wage from April 2027.

[32] Living Wage Foundation, *What is the real Living Wage?*, 2026/27 rates, announced October 2026.

[33] Living Wage Foundation, accredited Living Wage Employer data, accessed November 2026.

[34] Living Wage Foundation, *Employee Jobs Paid Below the Real Living Wage 2025*, published 2026.

6. ACHIEVING A £15 PER HOUR MINIMUM RATE

Years of rampant inflation and cost of living rises to core household outgoings (including food, housing and energy) mean that calls for a £15 per hour minimum rate are stronger than ever[35]. For local government workers, this would bring many benefits, including a significant boost to those struggling with low pay, lifting people out of in-work poverty and providing a direct boost to the lowest paid workers.

Our claim includes a minimum hourly rate of no less than **£15 in Year 1**. This will operate as an underpin to the proposed increase of **8% or £3,000, whichever is greater**, ensuring that no employee is paid below £15 per hour following implementation of the award.

Under the general increase, the lowest spinal column point (SCP 3) would remain slightly below £15 per hour (see appendix 2). The minimum-rate underpin is necessary to deliver the claim's objective of raising the NJC pay floor to at least £15 per hour.

The table below illustrates how the underpin would apply to SCP 3:

Table X: Calculation to achieve £15 per hour for SCP 3 in year 1[36]

Calculation for SCP 3	Annual amount	Hourly rate
Current 2026/27 rate	£25,614	£13.28
Year 1 rate following the £3,000 increase	£28,614	£14.83
Minimum salary required to deliver at least £15 per hour	**£28,940**	**£15.00**
Additional minimum-rate underpin required	**£326**	**£0.17**
Total Year 1 increase for SCP 3	**£3,326**	**£1.72**

The precise annual equivalent of £15 per hour, based on the standard NJC working week of 37 hours, is approximately **£28,939.29**. This has been rounded up to **£28,940** to ensure that the resulting hourly rate is no less than £15.

Accordingly, where the general increase does not produce an hourly rate of at least £15, the relevant annual salary will be increased to the level required to meet that minimum. For SCP 3, this means an additional underpin of **£326 above the £3,000 general increase**, producing a total Year 1 increase of **£3,326**.

[35] Trades Union Congress, *Raising Pay for Everyone: A Plan for a High-Wage Economy and a £15 Minimum Wage*, 23 August 2022.

[36] NJC rates from the National Joint Council for Local Government Services pay agreement 2026. Annual and hourly figures following implementation of the claim are Trade Union Side calculations based on a standard 37-hour working week.

7. RECRUITMENT AND RETENTION CRISIS

7.1 Scale of the crisis

Local authorities continue to face serious and widespread recruitment and retention difficulties. The latest workforce data shows that **94% of councils experience recruitment and retention problems**. Councils are carrying approximately **59,000 vacancies, equivalent to a vacancy rate of 9%**, while around **77,000 employees leave each year, representing annual turnover of 12%**[37].

These difficulties extend across a wide range of essential occupations, including social work, adult social care, planning, environmental health, legal services, finance, digital and IT roles, and frontline and support services[38].

The pressures are particularly acute in social work[39]. Eighty per cent of councils report recruitment difficulties in children's social work and 77% in adults' social work.

Adult social care also continues to experience severe workforce pressures. The sector has a vacancy rate considerably above the wider economy and turnover remains high. Around 45% of workers have been in the same role for at least three years, while up to 470,000 additional posts may be needed by 2040 to keep pace with demographic change[40].

Persistent vacancies undermine councils' ability to maintain resilient services and meet the needs of residents. They also increase pressure on the remaining workforce, contributing to the workload and stress problems addressed in Section 8 of this claim.

7.2 Reduced workforce capacity and reliance on temporary staffing

Recruitment and retention problems are taking place against the backdrop of a substantial, long-term reduction in workforce capacity. There were approximately **1.15 million directly employed council staff in England at the end of 2025, equivalent to around 899,000 full-time-equivalent posts**. This represents a reduction of approximately **143,000 full-time-equivalent posts, or 14%, over the previous decade**[41].

Councils are therefore attempting to respond to increasingly complex demands with significantly fewer directly employed staff. At the same time, the latest capacity data records approximately

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[37] Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026; recruitment and retention figure from the LGA Workforce Strategy Survey 2024/25 and vacancy, leaver and turnover figures from LGA Workforce Capacity Metrics 2024/25.

[38] Local Government Association, *Recruitment and Retention Resource: Skill Shortage Areas*, accessed November 2026.

[39] Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026, drawing on the LGA Workforce Strategy Survey 2024/25.

[40] Skills for Care, *The State of the Adult Social Care Sector and Workforce in England 2025*, October 2025; Skills for Care, *Pay in the Adult Social Care Sector in England as at December 2025*, March 2026.

[41] Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026, drawing on Office for National Statistics Quarterly Public Sector Employment Survey data, Q4 2025.

63,000 agency workers and 34,000 temporary workers. Agency and temporary staff account for around 10% and 5% respectively of the workforce covered by those measures[42].

Temporary staffing can provide essential short-term capacity, but persistent reliance on agency and temporary workers is not a sustainable substitute for recruiting and retaining a stable, experienced and directly employed workforce. It can increase costs, weaken continuity and institutional knowledge, and contribute to further instability within already stretched services.

The sector also faces continuing uncertainty arising from financial pressures, potential restructuring and reorganisation, and the growing use of artificial intelligence and other new technologies. These changes require long-term workforce planning, investment in skills and proper consultation. Without this, uncertainty may make it still harder for councils to recruit staff and retain experienced employees.

7.3 An ageing workforce and the challenge of attracting younger workers

The age profile of the local government workforce presents a significant succession and workforce-planning challenge. The mean age of council staff is approximately **47**. Only **3% are aged under 25**, while **57% are aged 45 or over and 31% are aged 55 or over[43]**. Councils therefore risk losing considerable experience, professional expertise and institutional knowledge as employees retire, while failing to attract younger workers in sufficient numbers to replace them.

Apprenticeships and "grow your own" programmes have an important role to play in developing the workforce. There were approximately **17,600 council apprenticeship starts in 2025/26**, and 80% of councils report that apprenticeships are helping them address recruitment and retention difficulties. However, 76% of councils have allowed apprenticeship levy funds to expire since April 2019, indicating that the potential of these programmes is not yet being fully realised[44].

Training and entry routes alone will not resolve the problem. To attract and retain younger workers, local government must offer fair pay, secure employment, appropriate training, manageable workloads and clear opportunities for progression.

7.4 The role of pay

Low and increasingly uncompetitive pay remains a central cause of the recruitment and retention crisis. Local government must compete with other public services, private employers and sectors offering comparable or higher starting pay, sometimes for roles carrying fewer responsibilities and less pressure.

As demonstrated elsewhere in this claim, the erosion of NJC pay and the narrowing gap between the bottom of the pay spine and the statutory minimum have weakened local government's competitiveness as an employer. At the same time, the compression of pay differentials has reduced

[42] Local Government Association, *Local Government Workforce Data: Overview and Summary*, June 2026, drawing on LGA Workforce Capacity Metrics 2024/25.

[43] Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026, drawing on local government workforce benchmarking data.

[44] Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026, drawing on Department for Education apprenticeship data and the LGA Workforce Strategy Survey 2024/25.

the financial recognition attached to additional skills, experience, responsibilities and supervisory duties.

The problem is not confined to the lowest-paid roles. Councils are also struggling to recruit and retain experienced professional, technical and specialist employees whose skills are transferable to other sectors[45]. Inadequate pay can encourage employees to leave local government and deter others from developing their careers within the sector.

Where nationally agreed rates are insufficient, individual councils may resort to market supplements, recruitment payments and other local arrangements to fill essential posts. While such measures may provide temporary relief, they can create inconsistency, encourage competition between councils and further fragment national pay arrangements.

A substantial and properly funded increase across all NJC spinal column points is therefore essential to restoring local government's competitiveness as an employer, reducing reliance on temporary staffing and retaining the skilled and experienced workforce required to deliver vital local services.

[45] Local Government Association, *Recruitment and Retention Resource: Skill Shortage Areas*, accessed November 2026.

8. PAY-RELATED CONDITIONS OF WORK

Pay cannot be considered separately from the wider conditions under which local government employees work. Hours, leave, contractual arrangements and opportunities for progression all affect the value of employment and the ability of councils and schools to recruit and retain the workforce they need.

The Trade Union Side is therefore seeking:

- A jointly agreed review of the NJC pay spine
- An end to term-time-only contracts for employees who wish to move to year-round contracts
- An additional day of annual leave, applied pro rata to part-time employees
- A two-hour reduction in the standard working week, with no loss of pay and applied pro rata to part-time employees

8.1 A jointly agreed review of the NJC pay spine

Increases in the statutory National Living Wage, the deletion of lower spinal column points and successive bottom-loaded awards have compressed pay differentials across the NJC pay spine[46]. Although protecting the lowest paid remains essential, the narrowing of differentials has weakened recognition of additional skills, experience and responsibility and reduced the financial benefits of progression.

A review of the NJC pay spine was already agreed as part of the 2023/24 pay agreement. The NJC subsequently agreed terms of reference intended to ensure that a restructured pay spine can accommodate future increases in the National Living Wage while maintaining appropriate differentials, recognising contribution and progression, and remaining fair to employees. The review is therefore an existing joint commitment, not a new proposal arising from this claim.

The previously agreed timetable aimed for the review to conclude by 31 March 2027. The Trade Union Side expects this outstanding commitment to be progressed urgently.

The review should consider:

- The number and distribution of spinal column points
- Appropriate differentials between points
- The recognition of skills, experience and responsibility
- Opportunities for meaningful pay and career progression
- The relationship with the statutory National Living Wage and the real Living Wage
- The impact of the current structure on recruitment, retention and equality

The review should be completed within an agreed timetable. It must not delay or substitute for the pay increases sought in this claim, and no employee should suffer a reduction in pay or conditions as a result.

8.2 An end to unwanted term-time-only contracts

Term-time-only contracts result in lower annual earnings and can cause financial pressure during school closure periods. Many employees on these contracts are already among the lowest paid in

[46] National Joint Council for Local Government Services, *Local Government Services Pay Agreement 2025*, including the permanent deletion of SCP 2 from 1 April 2026; Local Government Association, *NJC Pay Spine Review: Terms of Reference*, 18 May 2026.

local government. The concentration of term-time-only employment in predominantly female workforces also gives this issue an important equality dimension[47].

The Trade Union Side is seeking an end to unwanted term-time-only contracts. Employees who prefer these arrangements should be able to retain them, but those who want secure, year-round work should have a genuine route to a year-round contract (and must be protected from detriment for requesting a year-round contract).

While a large number of school-based employees will soon be covered by the School Support Staff Negotiating Body for England instead of the NJC, school employees in Wales and Northern Ireland will remain within the NJC, along with some local authority employed term time only staff in England, and so this remains an important part of our claim.

8.3 An additional day of annual leave

Local government employees continue to deliver essential services in the face of staffing shortages, increased workloads and growing demands. An additional day of annual leave would provide practical recognition of their contribution while supporting their wellbeing.

The Trade Union Side is seeking an additional day of annual leave for all employees covered by NJC conditions, applied pro rata to part-time employees. This must represent a genuine increase in entitlement.

8.4 A two-hour reduction in the working week with no loss of pay

The Trade Union Side is seeking a two-hour reduction in the standard NJC working week, with no loss of pay. The reduction should be applied pro rata to part-time employees.

A shorter working week would recognise the growing intensity of local government work, support a more sustainable work-life balance and strengthen recruitment and retention[48]. Existing salaries must be maintained, and employees must not face workload intensification, unpaid additional hours or reductions in other conditions.

Implementation should be jointly agreed with the recognised trade unions and properly funded. It must not lead to job losses, detrimental changes to working patterns or cuts to services. Existing local arrangements that are more favourable must be protected.

8.5 Improving the overall employment package

Together, these measures would provide fairer progression, greater contractual security and more sustainable working arrangements. They would complement the pay increases sought elsewhere in this claim and help make local government a more attractive and competitive place to work.

The Trade Union Side calls on the National Employers to enter into meaningful negotiations on all four elements and to work jointly with the unions on their implementation.

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[47] National Joint Council for Local Government Services, *Updated Green Book Part 4.12: Term-Time Only Employees*, 13 March 2024; Department for Education, *School Workforce in England: November 2025*, published 4 June 2026.

[48] University of Cambridge, "Would you prefer a four-day working week?", 21 February 2023.

9. EQUALITY IMPACT

The latest Local Government Association data show that women make up 73% of the council workforce in England. In 2025/26, the mean gender pay gap in English local authorities was 2.1% and the median gap was 0.8%.[49]

The roles that women occupy in the overwhelming majority, remain in those that have typically been undervalued, such as in schools and adult social care. Black, Asian and minority ethnic workers are also strongly represented in adult social care, a sector characterised by low pay, high turnover and demanding working conditions[50].

Whilst we recognise that progress has been made in reducing the gender pay gap, it is essential that the work that women typically do, is valued more by fulfilling the demands of this claim.

[49] Local Government Association, *The Gender Pay Gap in English Local Authorities 2025/26*, 1 June 2026; Local Government Association, *Local Government Workforce Data: Overview and Summary*, October 2026.

[50] Skills for Care, *The State of the Adult Social Care Sector and Workforce in England 2025*, October 2025, demographic characteristics of the adult social care workforce.

10. CONCLUSION

Local government workers have experienced more than a decade of pay restraint and real-terms losses. Although headline inflation has fallen from recent peaks, the higher prices created by the cost-of-living crisis remain embedded in household budgets.

The NJC pay structure is under strain at every level. At the bottom of the spine, rates are increasingly close to the statutory minimum and remain below the independently calculated real Living Wage. Across the rest of the spine, prolonged pay erosion and compressed differentials have weakened the recognition attached to skills, qualifications, experience and responsibility.

These problems are contributing to widespread recruitment and retention difficulties, persistent vacancies and greater reliance on agency and temporary workers. An ageing workforce adds further urgency. Councils risk losing experienced staff while failing to attract the next generation of local government workers.

There is also a compelling equality and economic case for action. Low pay disproportionately affects women and other groups already disadvantaged in the labour market. At the same time, a significant proportion of the cost of increasing pay would return to government through higher tax receipts, lower benefit expenditure and increased economic activity.

The NJC Trade Union Side therefore calls for a two-year settlement comprising:

- **Year 1:** An increase of 8% or £3,000, whichever is greater, on all spinal column points, underpinned by a minimum hourly rate of £15
- **Year 2:** An increase of RPI + 3.6% or £3,000, whichever is the greater, on all spinal column points

In addition:

- A jointly agreed review of the NJC pay spine.
- An end to term-time-only contracts for employees who wish to move to year-round contracts.
- An additional day of annual leave, applied pro rata to part-time employees.
- A two-hour reduction in the standard working week, with no loss of pay and applied pro rata to part-time employees.

This claim would provide the greatest immediate benefit to the lowest paid while beginning to restore pay across the NJC spine. It would improve recruitment and retention, provide greater certainty for councils and employees, and properly recognise the essential contribution of local government workers.

The Trade Union Side calls on the National Employers to enter into genuine and meaningful negotiations on a fair settlement, and to join the unions in campaigning for the additional and ongoing central government funding needed to deliver it without further cuts to jobs or services.

APPENDIX 1: NJC SPINAL COLUMN POINTS - REAL TERMS CONVERSION*

NJC SPINAL COLUMN POINTS - REAL TERMS CONVERSION*						
Old SCP	**2009/10**	**2026/27**	**New SCP**	**Old SCP if inflated by RPI to April 2027**	**Real-terms change (£)**	**Real-terms change (%)**
8	£13,189	deleted	2	n/a	n/a	n/a
9	£13,589	deleted		n/a	n/a	n/a
10	£13,874	£25,614	3	£26,649	-£1,035.33	-4.0
11	£14,733	£25,614		£28,299	-£2,685.31	-10.5
12	£15,039	£26,016	4	£28,887	-£2,871.00	-11.0
13	£15,444	£26,016		£29,665	-£3,649.00	-14.0
14	£15,725	£26,427	5	£30,204	-£3,777.00	-14.3
15	£16,054	£26,427		£30,836	-£4,409.00	-16.7
16	£16,440	£26,847	6	£31,578	-£4,731.00	-17.6
17	£16,830	£26,847		£32,327	-£5,480.00	-20.4
18	£17,161	£27,274	7	£32,963	-£5,689.00	-20.9
19	£17,802	£27,709	8	£34,194	-£6,485.00	-23.4
20	£18,453	£28,153	9	£35,444	-£7,291.00	-25.9
		£28,608	10			
21	£19,126	£29,071	11	£36,737	-£7,666.00	-26.4
22	£19,621	£29,542	12	£37,688	-£8,146.00	-27.6
		£30,023	13			
23	£20,198	£30,515	14	£38,796	-£8,281.00	-27.1
24	£20,858	£31,015	15	£40,064	-£9,049.00	-29.2
		£31,525	16			
25	£21,519	£32,046	17	£41,333	-£9,287.00	-29.0
		£32,578	18			
26	£22,221	£33,119	19	£42,682	-£9,563.00	-28.9
27	£22,958	£33,673	20	£44,097	-£10,424.00	-31.0
		£34,237	21			
28	£23,708	£34,811	22	£45,538	-£10,727.00	-30.8
29	£24,646	£35,570	23	£47,340	-£11,770.00	-33.1
30	£25,472	£36,581	24	£48,926	-£12,345.00	-33.7
31	£26,276	£37,563	25	£50,471	-£12,908.00	-34.4
32	£27,052	£38,510	26	£51,961	-£13,451.00	-34.9
33	£27,849	£39,481	27	£53,492	-£14,011.00	-35.5
34	£28,636	£40,444	28	£55,004	-£14,560.00	-36.0
35	£29,236	£41,177	29	£56,156	-£14,979.00	-36.4
36	£30,011	£42,123	30	£57,645	-£15,522.00	-36.8
37	£30,851	£43,149	31	£59,258	-£16,109.00	-37.3
38	£31,754	£44,253	32	£60,993	-£16,740.00	-37.8
39	£32,800	£45,529	33	£63,002	-£17,473.00	-38.4
40	£33,661	£46,579	34	£64,656	-£18,077.00	-38.8
41	£34,549	£47,665	35	£66,362	-£18,697.00	-39.2
42	£35,430	£48,738	36	£68,054	-£19,316.00	-39.6

43	£36,313	£49,817	37	£69,750	-£19,933.00	-40.0
44	£37,206	£50,908	38	£71,465	-£20,557.00	-40.4
45	£38,042	£51,928	39	£73,071	-£21,143.00	-40.7
46	£38,961	£53,051	40	£74,836	-£21,785.00	-41.1
47	£39,855	£54,143	41	£76,553	-£22,410.00	-41.4
48	£40,741	£55,224	42	£78,255	-£23,031.00	-41.7
49	£41,616	£56,293	43	£79,936	-£23,643.00	-42.0