

6 February 2024

PCS calls on government to address systemic vast civil service pay inequality

MPs on the parliamentary public accounts committee questioned the Cabinet Office Permanent Secretary Alex Chisholm on pay during an oral evidence session yesterday.

The PAC is currently holding an inquiry into the civil service workforce, looking at how the government recruits, pays and performance manages its staff.

[PCS has submitted written evidence](#) (opens as a PDF) to the inquiry raising concerns about the vast differences between departments that staff are paid for doing broadly the same job. We also highlight the impact that consistently below inflation pay rises are having on our members' lives.

Our submission also emphasised how low pay and workload pressures due to understaffing are contributing to failures in staff recruitment and retention. We also gave details of our survey on the impact of the Cabinet Office's drive for 60% office attendance, which showed that 39% of our members said that this move would make them consider leaving the civil service.

These were all issues raised by MPs at Monday's evidence session.

At the hearing, MPs on the committee put questions to Sir Alex Chisholm, Cabinet Office permanent secretary; Fiona Ryland, chief people officer at Cabinet Office; Mark Adam, chief people officer at Ministry of Justice; and Esther Wallington, chief people officer at HM Revenue and Customs.

Responding to the evidence session, PCS General Secretary, Fran Heathcote said: "We welcome questions from MPs addressing the absurdity of civil servants in the same grade getting wildly different rates of pay depending on which department they work in. PCS believes that the government must take steps to eradicate the current system which, in its current form, only promotes discriminatory practices and vast pay inequality across the civil service.

“Alex Chisholm admitted pay is a common factor in failed recruitment campaigns and described low pay as being a chronic problem. However, discredited policies such as performance-related pay which has been proven to be discriminatory are not the cure. The only remedy for the problems stored up by years of real-term pay cuts, is to reward our hardworking members with the pay rises they deserve.”

Wide variances

The National Audit Office (NAO), in a [report](#) comparing how government recruits, pays and performance manages its staff, found wide variances on pay between departments.

The report found that different departmental pay structures mean some departments pay significantly more than others for staff at the same grade. Within individual grades, departments’ pay bands are set at different rates. For example, for the higher executive officer (HEO) grade, at the Department for Environment, Food and Rural Affairs (Defra) the pay band is £30,317 to £32,803, while HMRC’s pay band is £34,404 to £36,985. This means the highest HEO salary in Defra’s pay structure is £1,601 less than the lowest HEO salary HMRC offers.

Analysis of salary data from also indicates there are departmental variations in pay for staff at the same grade. For instance, as at March 2022 senior executive officer (SEO) median salaries varied by up to £6,100 across departments. DWP had the lowest SEO median salary of £37,000 and the Foreign, Commonwealth & Development Office (FCDO) had the highest at £43,100.

During yesterday’s evidence session, MP Peter Grant questioned how it could be right that even within the same civil service pay grade there are some departments that are paying more than 10% less than others.

The permanent secretary said that because there had been “a delegated grade structure for pay since 1996 differences have developed over time.”

[Watch the evidence session](#)