

25 July 2024

Government says that civil servants will be valued and properly rewarded

The new Labour government told MPs it would end the ideological obsession with outsourcing and promised to value and properly reward civil servants.

This comes just a week after a PCS delegation met with the Cabinet Office for the first time since the Labour government was elected on 4 July – in the first of three scheduled meetings to discuss the 2024-25 pay remit guidance. And only a day after PCS General Secretary Fran Heathcote met new government ministers and pressed our case on pay, jobs and industrial relations.

At last week's meeting, PCS highlighted the chronic low pay suffered by tens of thousands of our members and the need for all PCS members to have a sharp increase in living standards.

This morning in parliament, Labour MP Mary Glendon asked the chancellor of the Duchy of Lancaster, Pat McFadden, who has oversight of all Cabinet Office policies, whether his government supports consolidated pay bargaining, a long-standing demand of PCS, across the civil service.

"In 14 years," she said, "the Tory government did nothing to tackle the ludicrous situation whereby there are over 200 pay bargaining units for civil servants across all government departments and agencies, a highly time-consuming and inefficient process that generates unfair pay disparities between people doing near-identical jobs in different government offices."

In response, the minister, who noted that he wishes "for a fruitful dialogue" with PCS over pay, said that his government does "value civil servants, and of course we want all public servants to be properly and fairly rewarded".

While he cautioned that "civil service pay has to be balanced against other priorities and fair to taxpayers as a whole", he said that individual departments

“do have flexibility on pay” and that his government “will have more to say about civil service pay before the summer recess”.

An end to outsourcing

Labour MPs Jon Trickett and Kim Johnson posed questions to minister Ellie Reeves about whether the prime minister intended to insource facilities management services within government departments and agencies.

Trickett pointed out the many problems with outsourcing: that outsourcers “drive down pay and conditions for the workforce, thereby creating a two-tier workforce”; are “not properly accountable to ministers”; and are “exempt from freedom of information requests”.

Replying to Trickett, the minister said that the government’s plan is “to make work pay” – an approach which includes ending the Tories’ “ideological approach to outsourcing and ensur[ing] that decisions are based on robust assessments of value for money, service quality, social value and, crucially, delivering the best outcomes”.

Johnson highlighted how the outsourcing of facility management services roles such as cleaning, catering and security has “disproportionately impacted women and black workers, who have suffered a reduction in their pay, terms and conditions”.

Reeves said that outsourcing’s “race to the bottom on standards and pay” would not be the government’s approach and that the disproportionate impact on ethnic minorities and women will in part be tackled by introducing an equality bill “to enshrine in law the right to equal pay for ethnic minorities and disabled people, and introduce mandatory ethnicity and disability pay reporting”.

[PCS has launched an e-action](#) which follows the tabling of an early day motion – on our behalf by Labour MP John McDonnell, Green party MP Carla Denyer and others – which [calls on the government to implement without delay](#) the manifesto commitment to review the use of outsourcing in government departments.

[Email your MP](#) to support the early day motion calling for an end to outsourcing.