

29 July 2024

PCS responds to civil service pay announcement

Following today's announcement that this year's civil service pay remit is 5%, our national executive committee will meet shortly to consider its full response and the next steps in our national campaign.

Chancellor of the Exchequer Rachel Reeves today announced the headline figure, which we see as a step in the right direction as it is 3% above the current rate of inflation. But it falls short of fixing the problems with the civil service pay system, particularly low pay and lack of coherence in pay arrangements between departments.

We have met the Cabinet Office today to discuss the outcome of the remit process. We have indicated that we consider the outcome a step in the right direction, but we have also raised our continuing concerns on civil service pay. We said that there is no justification for civil servants getting less than other public sector workers who will receive 5.5% rises. We told them that we are disappointed that the opportunity has not been taken to adopt our proposals dealing with low pay and grading differentials this year; and that this remit is insufficient to allow those problems to be addressed. We said that we want immediate talks to begin to ensure that the new government addresses them in the next comprehensive spending review.

PCS General Secretary Fran Heathcote said: "Our national campaign is continuing to win concessions for our members. Having doubled the remit guidance last year; and won a £1500 lump sum; and forced the abandonment of cuts to redundancy terms; we have now won a 5% pay rise, which is 3% above the current rate of inflation.

"However, while we see this as a step in the right direction, there's no justification for civil servants getting less than some other public sector workers.

"Our hard-working members are the engine room of the country and they experience the same cost-of-living pressures as everyone else, so why should

they receive less reward?

“We’re also disappointed that the government has missed the opportunity to adopt our proposals for dealing immediately with low pay and structural problems. While we welcome the change of tone and atmosphere from the new government towards the civil service, we want immediate talks to address all of our members’ issues.”

Welcome change of tone

We welcome the change of tone and atmosphere from the new government towards the civil service. We are hoping that this creates a new environment in which we can make real progress on pay and reward issues. We also welcome the recognition by the chancellor that there is a cost to not settling industrial disputes. It is clear that PCS’s national campaign has had a serious impact on the new government’s thinking.

Our campaign has now won a range of concessions, including more than doubling last year's pay remit, winning a £1500 one-off lump sum, securing the abandonment of proposed cuts to the civil service compensation scheme and now securing a pay rise more than double this year's projected rate of inflation.

Our pay claim this year was for inflation-proofing plus restoration to compensate members for the drop in living standards that they have suffered since 2010. 5% is clearly a step in the right direction – with inflation at 2%, this remit provides for 3% restoration this year.

We will keep members fully informed of the NEC’s decision and next steps.