



16 May 2025

Pay Remit 2025

We recently attended an initial NTUC meeting for preliminary discussions about the Pay Remit Guidance (PRG) for 2025 for delegated grades.

At the meeting the Cabinet Office invited trade unions to identify key areas we wished to focus on and both Prospect and FDA made our contributions. We were invited to re-iterate points in writing or make additional comments, which we welcome.

We have listed our immediate priorities below.

Governance

- 1. A timescale for PRG publication.
- 2. A clear set of milestones that includes opportunities for meaningful trade union engagement.
- 3. A clear commitment to timely payment of pay awards, once agreed through local collective bargaining. Some of our reps have advised that Arm's Length Bodies have reported delays in processing payments from sponsoring departments, and we are asking that steps are taken to ensure that delegated sign off is not unnecessarily delayed in particular for smaller organisations.

The PRG

4. A percentage award reflecting that delegated grades in the civil service deserve an at least inflationary pay rise and that this should be no less than other public sector workers, including those that have pay progression systems in addition to a pay award.

This is particularly important given the significant civil service reform agenda.

5. We need to see evidence of a desire to push on with longer term pay reform discussions, to qualify - while recognising the desire to keep delegated pay and SCS pay awards aligned, that it is a blunt tool to use SSRB recommendations (which

consider only recruitment/retention/morale issues for the SCS cohort) as a decision making mechanism for what the pay award figure should be for delegated grades which experience a different set of challenges.

6. We continue to believe that the lack of an annual, not automatic pay progression mechanism in parts of the civil service is unacceptable, and this being prohibited is not only wrong, but increases the risk of equal pay cases.

While our preferred route to resolve this would be a new pay framework introduced following extensive consultation, this is a medium-term objective, so introducing a short-term mechanism for this through pay flex cases and/or accepting that recycled savings could be used for this purpose in 2025/26 would demonstrate an understanding of the issue and some progress.

- 7. We seek a reviewed streamlined business case process with flexibility on criteria that is fit for purpose.
- 8. Linked to this, on Capability-Based pay frameworks, last years' PRG committed that in 2024/25, work will be undertaken to analyse the impact of these arrangements where they have been implemented. Following this, further guidance will be given in future versions of the Pay Remit Guidance in relation to the implementation of capability-based pay frameworks as part of multi-year pay flexibility cases.'

We have not seen evidence of this work but would want to see the PRG updated to reflect the opportunity to introduce pay progression through a pay range, potentially using a capability-based model that is clear, consistent, and transparent.

9. We continue to believe that uncompetitive specialist pay in comparison with external competition causes recruitment and retention issues, as has been clearly identified in many cases - including the data and digital roles which the government is seeking to expand significantly. For the PRG to have credibility, a process for reviewing and enabling this gap to close is vital.

We look forward to engaging with you and your team over the coming weeks over these items and those that the Cabinet Office wishes to bring into the discussion.

Yours sincerely

Steve Thomas

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