

Chief Minister



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**Senator Kristina Moore**

Chairman, Corporate Services Scrutiny Panel  
Scrutiny Office, States Greffe  
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Dear Senator Moore,

**Public Sector Pay**

Thank you for your letter of 20 May on the above subject.

As you would expect, I share the concern expressed by the Corporate Services Scrutiny Panel that, once again, we have seen strike action by members of the National Education Union (NEU). It is of great concern to me, both as Chief Minister and as Chair of the States Employment Board, that any union feels it necessary to organise strike action. The disruption to the education of children and young people, and the disruption and cost to parents, carers and their employers is significant.

This is all the more frustrating because it is quite unnecessary. Unions generally call strike action in order to persuade a reluctant employer back to the negotiating table. But that is not the case here. SEB's negotiating team, comprising experienced pay and reward specialists, have met the teaching unions on nine occasions since 20 February: twice with NEU, twice with NASUWT and five times with both NEU and NASUWT. Six of these meetings have been held under the auspices of the Jersey Advisory and Conciliation Service (JACS), utilising the experience of JACS as an independent third-party to achieve progress through mediation. It is my strong belief, and that of my SEB colleagues, that strikes have been unnecessary and that a responsible union would suspend industrial action to enable negotiations to take place against a backdrop of calm. NEU declined to call off any of the eight days of strikes they have called so far, even though talks have been taking place across this period, and even though they have incurred strike pay costs understood to be in the region of £0.5 million.

Throughout the negotiations, SEB has authorised its negotiators to explore all reasonable steps to resolve matters. Towards the end of 2018, it became clear that unions would not accept the offer on the table for 2018 and 2019, which would have seen pay increase by 2.0% in each of the two years, with a further 1.1% of unconsolidated one-off money paid in respect of 2018 and another lump sum of 1.0% paid in respect of 2019.

SEB subsequently authorised further negotiations involving the offer of a consolidated increase of pay based on the September 2019 Retail Prices (All-Items) Index, payable from 1 January 2020.



Negotiators presented offers to the teaching unions of RPI plus 0.6%, subsequently increased to RPI plus 1.0%, and then to RPI plus 1.3%. This would give teachers – more than 80% of whom would earn £50,000 a year or more, as a result of the offer - a consolidated increase from 1 January 2020 of 4.4%, based on the current RPI forecast of 3.1%. This is for the 190 days worked by teachers in each academic year. We believe that this will compare favourably with other sectors in Jersey, but nevertheless this is an affordable and sustainable offer which, for a teacher in grade U5 is worth a permanent increase of £4,396 over the three years 2018 to 2020 plus one-off cash of £1,103. This increase goes a significant way to rectifying the below-inflation increases paid to teachers in recent years – although many other islanders outside the public sector will also have faced similar cost of living pressures, but will not be receiving RPI-plus pay rises in 2020.

Agreement has still not been reached with the teaching unions. This same core offer has already been accepted by head teachers and deputy head teachers, by nurses and midwives and by members of the Jersey Police Officers' Association. Other offers covering manual workers, doctors and hospital consultants and those in groups who accepted the Workforce Modernisation proposals in 2018, have been implemented by agreement with the respective unions. Civil Service unions representing our largest pay group are supporting an offer made to them in a ballot process over the next few weeks.

Our remaining pay groups representing prison officers and the Fire and Rescue Service have a right to progress to binding arbitration under the terms of their No Impairment of Service Agreements, under which these groups agree not to call strike action. Consequently, pay reviews for these groups will be resolved through this process and without detrimental impact on the public.

This entire pay review across many different pay groups has been subject to careful and considered strategic oversight from SEB and we have so far met 22 times to discuss pay this year. I have asked the SEB Secretariat to provide minutes of meetings from 2018 onwards in line with your request and these have been sent to you under separate cover. You will appreciate, I am sure, that pay negotiations have to be conducted in confidence and therefore SEB minutes are not open to public scrutiny; these minutes are therefore provided on the clear understanding that they are for the exclusive attention of the Corporate Services Scrutiny Panel and not for public release. This is consistent with paragraphs 40-44 of the Code of Practice for Engagement between Scrutiny Panels and the Public Accounts Committee, which specifies that the documents should remain confidential until otherwise agreed with the Executive.

You have asked a number of specific questions and I will address these in the order in which you have raised them. I hope, however, that you find the broader context I have set out above useful in appreciating the scope of work undertaken by SEB and its negotiators to resolve matters.

- I have referred to the current ballot being carried out with the Civil Service unions. Therefore, my answers below refer to ongoing talks with the two teaching unions, NASUWT and NEU. Both unions are seeking consolidated increases which equate to the value of the unconsolidated one-off lump sums paid in respect of 2018 and 2019 – in other words, RPI plus 1.3% (the current offer) plus a further 0.8%. Discussions are ongoing and SEB has authorised negotiators to advise the teaching unions that the current offer can be improved upon, so long as there are efficiencies derived from a review of education aimed at supporting the vital work of the Education Minister and her team to strengthen educational standards. This is in line with the Common Strategic Policy, which the States Assembly voted unanimously to support, not least because of our key commitment to improving the lives of our children and young people. These talks are at an advanced stage and it is entirely feasible that agreement can be reached with one or both teaching unions. This is our clear aim.



- CYPES is represented on the SEB negotiating team by the Group Director of Education through whom the Education Minister and her team are kept apprised of the content of the discussions. Any areas that impact education policy will require prior agreement with the Education Minister and I have provided clear assurance to her on this point.
- SEB has maintained an undertaking, given in respect of meetings held under the auspices of JACS, to maintain confidentiality as talks progress; it is important that we do so. Alongside this, officials responsible for Children, Young People, Education and Skills have worked tirelessly to minimise the disruption caused by industrial action. Working with head teachers and in close liaison with parents and carers, it is notable that all schools were at least partially open during the three days of strike action last week, although clearly there was some disruption which, as I have stated, SEB sees as entirely unnecessary.
- A further meeting between negotiators has been arranged, again through JACS, this Friday, 31 May. NASUWT have confirmed attendance and NEU have been invited by the employer, by NASUWT and by JACS. NEU have declined to attend any meeting prior of 5 June which I find both surprising and disappointing given the impact of the dispute on education and schools and the urgency of identifying a solution – however that is a matter for NEU. SEB have authorised negotiators to resolve the dispute within the framework I have set out above, recognising that this cannot be at any price, because uncontrolled costs place a burden on taxpayers which SEB, and indeed the Assembly as a whole, have a responsibility to avoid.
- It is not practicable to seek to quantify the costs to the economy, and disruption caused to parents and carers, their employers and of course to the education of our children and young people. However, I wish to reiterate that all of these costs and impacts are entirely avoidable. SEB is calling upon teaching unions to work closely with the employer to resolve the disputes and to avoid any escalation of industrial action so that negotiations can be finalised and a revised offer put to the unions and to their members. A settlement is within reach and SEB remains willing and keen to reach a satisfactory resolution for all parties if at all possible.

One area of observation that I would make is that, unlike NASUWT, NEU have chosen to use strike action to seek to influence the employer to make a pay award that is unsustainable and unaffordable. A higher offer can and will be made providing it is associated with a programme of reforms to improve educational outcomes.

Yours sincerely,



**Senator John Le Fondré**

Chief Minister and Chair of the States Employment Board

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