Joint Negotiating Committee (JNC) for Local Authority

Craft and Associated Employees

PAY CLAIM 2025

This JNC craft pay claim for 2025/26 is made by the Joint Trade Union Side (GMB and UNITE) to the Local Government Association.

Our claim is for:

- **An increase of at least 9% for craft rates taking into account NMW rate for Apprentices, differentials and cost of living challenges**
- **Pro rata Increase to all other allowances and plus payments**
- **A reduction in the working week to 35 hours with no loss of pay.**
- **An additional 2-days of annual leave**

February 2025

CONTEXT OF OUR CLAIM

Local Government craft workers continue to see a reduction in the value of their pay.

Previous settlements have meant real terms pay cuts for workers. This has impacted expendable income, exacerbated by a prolonged cost of living crisis, food price hikes, housing costs spiralling, and energy prices rises now baked into the cost of living; from which local government craft pay has offered inadequate protection.

The craft trade unions are unanimous in our defence of the JNC agreement as the national agreement that applies to the unique working environment of craft workers. These workers undertake skilled work, which is both physically demanding and carries a high safety risk, therefore requiring a unique collective negotiating structure.

The Trade Union side believes that maintaining the Red Book remains the only way to effectively guarantee that the vast number of employment matters, specific to local authority craft workers, is addressed in a standardised manner within this specific context.

The increase in minimum levels of pay in the National Minimum/Living Wage and the Apprenticeship Rate of pay will have an impact upon the pay rates of craft workers in the agreement. The actions of central government in raising levels of pay must act as a wake-up call to LGA to act.

It is not sustainable for the LGA to set a rate for apprentices within the national collective bargaining arrangement at the legal minimum. Implementing the NMW rate for apprentices in April 2025 will see an increase of at least 9% increase to the craft rate. It cannot be the ambition of the LGA to have young workers on poverty pay in the craft agreement.

The trade union side demands the apprenticeship rate is set above the minimum wage level, with agreed differential increases applied to all craft rates to ensure continued progression through apprenticeships and taking into consideration current inflationary pressures and cost of living increases.

The trade union side are clear that the current provisions of the National Agreement set the value of pay for apprentices measured in percentage terms against a craftsperson.

The trade union side claim this year in terms of pay is to ensure that the differentials between apprenticeship pay and that of craft is reflected in the employer pay offer.

The table below is self-explanatory

Age	Year of Apprenticeship	Uk Gov't Minimum Apprenticeship Rate (April 2025)	Percentage of craft rate (Red Book conditions)	New Building Craft Operative (adjusted 37hr)	Percentage increase to Building craft Operative rate
16/17	**1st**	**£7.55**	**55%**	**£507.90**	**9%**

The offer from local government employers must recognise that the housing and construction services provided by local government craft workers depends on investing in apprentices and attracting highly competent tradespersons and the labour market tightening around these sought after craft skills.

The trade union side is clear that local government craft worker pay must increase to maintain the integrity of the national agreement. This means an increase of 9% in pay with all other trade rates increased by the same.

Paying local government staff, a proper wage is an investment – not just in the workforce but also in the local services they provide and the local economies they support.

We believe our claim is fair and appropriate and in response expect the employer side to continue to show their commitment in the terms and conditions of the agreement by implementing the differential.

In response to the claim and the need for stability in the arrangements within our agreement around differentials and rates we believe that it is of critical importance that industrial relations are reset and that the employer side commences face to face negotiations to discuss the key elements of the claim.

Cost of Living

At the time of writing this claim the rate of ***UK RPI inflation measured by the ONS is 3.5%.***

However, while inflation rates help to provide a snapshot of the total cost of goods and services increases across the economy, there is a wider sustained rise in the cost of living severely impacting on the value of wages and salaries in the building and engineering services industry.

We must contextualise the current pressure on wages and relative growth in pay in terms of the significant price rises of everyday goods and services which led to the most severe cost of living increases in the last 50 years.

The most indicative examples of these are food prices and energy costs where increases are now baked into workers expendable incomes reducing the value of wages.

Food prices

In terms of an example that best establishes the reality of increasing prices lowering the value of pay, the fact that over three years between **May 2021 and May 2024 food prices rose by 30.6% best identifies the challenges facing workers and families**, it **previously took over 13 years, from January 2008 to May 2021**, for average food prices to rise by the same amount.

Energy costs

While the energy prices have stabilised following the huge increases in 2022, these falls fail to return prices to those prior to increases in 2021 and 2022, meaning that the

quarterly cap from July 2024 will be still be around £350 or 29% above their summer 2021 levels.

The energy price cap increased by a further 10% in October when the **annual energy bills for a typical dual-fuel household paying by direct debit were forecast to be around £1,717**.[1] A further change to the price cap from January 2025 – which sets a maximum rate per unit and standing charge that can be billed to customers for their energy use – **will see bills rise by £21 for an average household per year or around £1.75 a month.** [2]

Similarly to food prices these are increases in payments which are unavoidable and increase pressures on budgets, lessening the value of workers' pay.

Housing costs

Average weekly mortgage payments across England increased significantly (by £71 for London and £47 for the rest of England) and the average weekly rents increased by £36 for private renters and £16 for social renters[3].

In 2023-24 private renters and mortgagors saw the biggest increase in those reporting difficulty affording their housing costs compared to last year (2022-23), with private renters the most likely across all tenures to be struggling (32 percent), followed by social renters (27 percent) and mortgagors the least (14 percent).

Owner occupiers' housing costs (OOH) have continued to apply upward pressure on inflation. October 2024 saw the highest annual rate for OOH since February 1992 in the constructed historical series when it rose by 7.4%, which is up from 7.2% in the 12 months to September London was the English region with the highest rents inflation, at 9.7%. This was unchanged from the 12 months to June 2024 and was below the record-high annual rise of 11.2% in March 2024.

ECONOMIC BACKGROUND

While inflation rates have fallen from the position in both 2022 and 2023, the drop has begun to level off and rates have marginally increased in recent months. This aside, the fact remains that the price of goods and services paid by workers to maintain a decent standard of living for their families remains high and impacts on household income detracting from the value of pay. While curbing high inflation rates is welcomed the increasing cost of food, energy and housing has left workers facing the harshest cost of living pressures in living memory.

---

[1] https://www.ofgem.gov.uk/news/new-energy-price-cap-level-october-december-2024-starts-today#:~:text=Energy%20price%20cap%20rates%201%20October%20to%2031%20December%202024&text=If%20you%20are%20on%20a,is%2060.99%20pence%20per%20day.

[2] https://www.ofgem.gov.uk/press-release/energy-price-cap-will-rise-12-january

[3] https://www.gov.uk/government/collections/english-housing-survey-2023-to-2024-headline-findings-on-housing-quality-and-energy-efficiency

ONS data shows that households with the lowest incomes experience a higher-than-average inflation rate, while the highest-income households experienced lower than average inflation. This disparity is due to low-income households being more affected by high food and energy prices. [4]

The table below identifies some key costs associated with family budgets and highlights huge increases which workers are faced with:

Broad Categories	% annual increase
Tobacco	9.8
Clothing and footwear	7.4
Housing	6.5
Household services	5.8
Leisure services	5.0
Catering	4.2
Personal goods and services	4.2
Alcoholic drink	2.8
Food	2.2
Leisure goods	2.2
Household goods	0.5
Motoring expenditure	-0.5
Fuel and light	-6.7
Fares	-10.0

RPI component groups rising faster than inflation (3.5%)

RPI component	annual increase %
Postage	18.8
Mortgage interest payments	17.6
Potatoes, unprocessed	16.8
Tobacco	14.7
Lamb	13.0
Dwelling insurance and ground rent	11.6
Women's outerwear	10.8
Butter	10.7
Books and newspapers	10.2
Oil and fats	9.2
Rent	8.5
Water and other charges	8.1
Cigarettes	7.6

[4] https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/householdcostsindicesforukhouseholdgroups/january2022toseptember2023#:~:text=Increases%20in%20household%20costs%20peaked,decile)%3B%20electricity%2C%20gas%20and

Television licences and rentals	6.5
Children’s outerwear	6.4
Men’s outerwear	6.1
Maintenance of motor vehicles	5.9
Tea	5.4
Council tax and rates	4.9
Rail fares	4.9
Fees and subscriptions	4.8
Eggs	4.7
Rail fares	5.4
Council tax and Rates	4.9
Take-away meals and snacks	3.7
Pet care	3.6

Source: ONS, January 2025.

WORKING HOURS

The Trade Union side are proposing a reduction of the working week from the current 36 hours in London and 37 hours in the rest of the UK, to 35 hours (34 in London), without any loss of pay. There has been no change in working hours since 1999 and bringing this group of workers in line with the average working week in the UK of 35 hours, is long overdue.

Reducing working hours can lower unemployment, increase productivity, reduce carbon emissions, and improve overall well-being. The standard working week is 37 hours (36 in London), but some local authorities have reduced this to 35 hours without negative impacts on services. Some have gone further and the introduction of a four-day working week without loss of pay, has been successful at South Cambridgeshire District Council.

The TU side recognises the complexities involved in reducing working time for some groups of staff, and we look forward to discussing them with the employers as part of meaningful negotiations. The Trade Union Side believes that now is the time for the working week and holiday entitlement of staff to be improved nationally and is therefore calling for:

- **A reduction in the working week by two hours** (with a longer-term view of supporting the 4-day working week)

- **An increase of two days annual leave days for all employees.**

CONCLUSION

The trade union side are clear that the craft JNC Red Book agreement and the terms and conditions within need to be validated, respected and maintained. This year our claim is concerned with the maintenance of the differentials between the value of an apprentice to a craft person worker in local government.

Paying local government staff, a proper wage is an investment – not just in the workforce but also in the local services they provide and the local economies they support.

The trade union side recognises that this requires adequate financial resources from central government and resources provided that respects the role of local government in our communities in service provision and establishing positive community outcomes. Only targeted funding can solve this problem – not attacks on pay and terms and conditions. We believe our claim is fair and appropriate and not to implement this would be a fundamental attack on the terms and conditions contained within the craft agreement. We expect an offer from the employer side that establishes respect for the conditions of the agreement and the skilled work undertaken by our craft members.