



## **Joint Further Education Trade Union Pay Claim 2017/18**

Traditionally the Joint Trade Unions (JTUs) have submitted a claim in two parts; a pay award and conditions of service to be considered by the national negotiating structure for the sector in Wales. Given the work still being done by WNCFE and the requests by JTUs in terms of amending the national workload agreement for lecturers and national agreement disciplinary procedure, this claim is dealing with the pay award only.

The most recent RPI figure, for February 2017 and published in March 2017 is 3.2%. It is forecast that RPI will rise by 3.6% over 2017 and by 3.4% in 2018.<sup>1</sup> RPI is then expected to remain in excess of 3% every year until 2021. The OBR anticipates that RPI will peak at over 4% during 2017<sup>2</sup>.

Over the last year, some costs have shown particularly sharp increases, most notably:

- The price of housing also remains one of the biggest issues facing employees and their families. Across the UK, house prices rose by 6.2% in the year to January 2017, taking the average house price to £218,000<sup>3</sup>;
- Private rental prices paid by tenants in Great Britain rose by 2.2% in the 12 months to January 2017, in parts of southern England rents rose by as much as 3.3%. In the previous year they rose by more than 2.2% (in the first quarter by 2.6%) showing that the previous wage increase was significantly below rental increases<sup>4</sup>.
- Travel costs through bus and coach fares jumped 15.9%, while petrol and oil prices rose by 19.4%.
- Childcare costs represent a key area of expenditure for many staff (UNISON surveys have consistently found that around a third of staff have child caring responsibilities). Therefore, it is worth noting that the annual Family & Childcare Trust survey<sup>5</sup> for 2016 found that the cost of a part-time nursery place for a child under two has been growing by an average annual rate of 5.3% since 2010 and it now costs £6,072 per year to place a child in nursery care for 25 hours a week.

In addition, current inflation rates can mask longer term changes in the cost of living that have taken place since 2010. For instance, food price inflation has increased significantly

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<sup>1</sup> [HM Treasury, Forecasts for the UK economy: a comparison of independent forecasts \(March 2017\)](#)

<sup>2</sup> <http://cdn.budgetresponsibility.org.uk/March2017EFO-231.pdf>

<sup>3</sup> Office for National Statistics, House Price Index Summary March 2017

<sup>4</sup> Office for National Statistics, Index of private housing rental prices (IPHRP)

[www.ons.gov.uk/economy/inflationandpriceindices/bulletins/indexofprivatehousingrentalprices/jan2017#english-regions-rental-prices-in-south-and-east-rise-faster-than-in-north](http://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/indexofprivatehousingrentalprices/jan2017#english-regions-rental-prices-in-south-and-east-rise-faster-than-in-north)

<sup>5</sup> Family & Childcare Trust, Childcare Costs Survey 2016

in recent months due to increased import costs resulting from the declining value of the pound.

The JTUs therefore have no option but to ensure that their member's pay stays in line with inflation. We know that the impact of cuts to the sector over the last five years resulted in a fall in staff numbers by 16.9%<sup>6</sup> and your staff have maintained and in many cases improved the quality of the provision they deliver, they deserve a decent pay award in line with the increases senior staff get within the sector in Wales.

### **The claim**

The unions make it clear that they expect the employers to offer a pay award which reflects the increase in the cost of living which FE workers have faced during the past twelve months, together with the forecast increase in inflation for 2017/18. This necessitates a substantial increase above current inflation levels to all salaries for the FE workforce.

The unions' position is that, as a minimum, this must be 3.2% plus 1% or £800, whichever is the greater.

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<sup>6</sup> Welsh Government oversight of further-education colleges' finances and delivery Welsh Audit Office 28 February 2017