



## **Environment Agency Pay Claim 2024**

This is the agreed pay claim of the Environment Agency's four recognised unions: UNISON, Prospect, Unite, GMB.

The claim seeks substantial increases to reverse the long-term trend of accumulated significant successive real terms pay cuts relative to inflation which have resulted in erosion of around 30% for some colleagues. The continued erosion of pay is unsustainable for Agency staff and sufficient funds are required to maintain salary differentials and also ensure salaries remain competitive. To attract and retain staff salaries for skilled roles in a competitive market for talent must be increased and have a progressive pay structure.

Our claim is submitted ahead of the Cabinet Office Pay remit that has been delayed for the 2024 pay round. The joint unions argue the case that all staff deserve a consolidated pay award that both keeps up with inflation and helps redress the pay drift over the past 12 years.

### **Details of the claim for 2024/2025 are as follows:**

- 1. The meaningful, fully funded, consolidated pay increase of 9.1% relative to inflation (average RPI over 12 month May23-May24 PLUS 2.5%) for all staff grade and field ops colleagues, irrespective of grade or position within the pay scale and maintaining grade differentials.**

**We expect the Agency to secure sufficient additional funding to make this possible and to explore accreditation as a Real Living Wage employer.**

- 2. To uphold the commitment given in the 2023/24 pay offer to follow closely and be an early adopter of proposals to reintroduce pay progression mechanisms back into pay systems.**

**This should take the form of a reintroduction at the earliest opportunity of non-discriminatory fully funded pay progression so that staff can expect to progress from the minimum to the maximum of their grade in a timescale of not more than 3-5 years. This should be a transparent mechanism for progression within pay scales.**

**The joint TUs are seeking a joint Employer – TU pay and reward project working group established to take this vital piece of work forward.**

- 3. The harmonisation of incident call-out rates between field ops and staff colleagues for those undertaking the same incident response roles and**



exploration of how field ops roles can be harmonised to the same terms and conditions as staff grades.

4. **A commitment to no further expansion of the use of MFF's – either in terms of revalorising existing MFFs or introducing new ones unless these are fully funded out of funds additional to the standard pay remit cap figure.**
5. **Introduction of a 4 day working week with no loss of pay.**

### **Rationale for claim**

The pay claim is based upon a close understanding of the position and views of members, including pay surveys conducted in 2024. High numbers of members took part in the survey, and this gives us confidence that the results are robust and reflect the experience of members.

Average pay settlements across the economy have been running at 5.2%<sup>1</sup> potentially increasing the likelihood of recruitment and retention problems returning. Indeed, these problems are already becoming apparent. The response from the member survey indicates that respondents are seriously considering leaving the Agency in the next 12 months and yet again stated that salary is the main reason for doing so.

We are committed to exploring a range of solutions which could include an underpin to address the issues raised in this claim.

### **Rationale – Falling real wages at the Agency Context**

Members are acutely aware that the cost of living has increased significantly over recent years, especially for unavoidable purchases such as energy and food, which has led to rapid erosion of the value of members' take-home wages.

Though the Retail Price Index rate of inflation dipped to 3% in May (CPIH was 2.8%, CPI 2%), the last two years have seen the steepest rises in the cost of living facing workers in over 40 years - 11.6% in 2022 and 9.7% in 2023<sup>2</sup>. (CPIH was 6.8% in 2023, 7.9% in 2022, while CPI was 7.3% in 2023, 9.1% in 2022).

Within the general inflation figure, some costs are rising significantly faster, with mortgage interest payments leading the way in jumping by 34% over the past year. [there is no equivalent figure for CPIH and CPI].

The Resolution Foundation estimated that annual repayments for those re-mortgaging in 2024 are set to rise by £2,900 on average<sup>3</sup>.

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<sup>1</sup> Labour Research Department Payline Database

<sup>2</sup> Office for National Statistics, Consumer Price Inflation Reference Tables, December 2023

<sup>3</sup> [Resolution Foundation analysis](#)



The price of housing remains one of the biggest issues facing employees and their families and though the rate of increase in house prices has slowed, private rental prices have seen average monthly rent jump 8.7% over the year to June 2024<sup>4</sup> and new tenancies averaged £1,299<sup>5</sup> per month across the UK in June 2024.

The cost of childcare was revealed by the annual Coram Family and Childcare Survey published in March 2024, which found that the average cost of a part time (25 hours a week) childcare place for a child under two in a nursery in Britain has risen 7.4% to £7,569 per year, while for a two-year-old that cost has jumped 6.2% to £6,264 per year.

In addition, subsistence rates are insufficient, and staff are regularly subsidising business costs.

The table below (Table 1) shows that the Environment Agency pay settlements have not only been running behind economy averages this year, but they have also been growing steadily more uncompetitive over a sustained period.

**Table 1**

Year	Average pay settlements across economy (%)	Average Environment Agency pay settlements (%)	Difference (%)
2010	2.0	0.0	-2.0
2011	2.5	0.0	-2.5
2012	2.5	1.0	-1.5
2013	2.5	1.0	-1.5
2014	2.5	1.0	-1.5
2015	2.2	1.0	-1.2
2016	2.0	1.0	-1.0
2017	2.0	1.0	-1.0
2018	2.5	1.3	-1.2
2019	2.5	2.0	-0.5
2020	2.3	2.5	+0.2
2021	2.0	0.0	-2.0
2022	4.0	3.0	-1.0
2023	5.6	6.35	-0.75

Source: *Incomes Data Research Pay Benchmarker*

The cumulative impact of this pay growth elsewhere has been to raise average pay by 44.1% since 2010. In contrast, Environment Agency pay has risen by only 23.2%. We seek an increase in basic pay of 10% which is very reasonable by comparison, modest compensation for the years of pay constraints. Many staff will eventually receive an

<sup>4</sup> Office for National Statistics, Private Rent and House Prices UK, June 2024

<sup>5</sup> HomeLet Rental Index, February 2024



Agency pension and the value of this is also being hard hit by pay erosion. Environment Agency pensions will be anything, but gold plated.

There is a compelling case for addressing the widening pay gap between the EA and other public and private sector organisation. As well as the obvious unfairness to loyal and hardworking staff, we are already seeing the highest turnover and vacancy rates, which are adding to the pressure on staff and ultimately impact the organisation's ability to respond to incidents and protect people and the environment.

### **Staff morale and the effectiveness of the agency under threat**

The lease car eligibility review has impacted on staff household finances and mental health resulting in increased stress and rock bottom morale amongst those affected. The morale of the rest of the workforce is also at significant risk and poses a long-term threat to the Agency's ability to provide a consistent quality of service alongside the ever-increasing impacts of climate change. The lengthy EA pay dispute 2022 / 2023 highlighted the loss goodwill on which it heavily depends to remain an effective Category 1 incident responder, and this is challenging the EA's resilience.

It is already becoming apparent that parts of the business are recruiting external candidates on enhanced salaries than the 'spot' grade rate where many long serving staff sit and are blocked from any pay progression. This illustrates how far behind Agency salaries have fallen compared to other employers seeking the same skill sets and is highly demoralising for existing staff with years of experience and commitment behind them.

Staff attempts to secure better pay now appear only to be through promotion, assignments etc. driving exceedingly high levels of internal churn and making it extremely hard for some parts of the business to deliver their outputs efficiently and effectively. The effects of pay erosion are being felt far beyond the personal circumstances of individual officers.

### **Conclusion**

There can be no doubt that all the Agency staff have seen the value of their earnings fall disastrously, with evidence suggesting that they are also falling behind pay settlements for comparable jobs.

Therefore, this pay claim represents a very reasonable estimate of the reward staff deserve for their dedication, skill, and hard work. It is the minimum consolidated award improvement in pay needed to maintain workforce morale for delivering a consistently high-quality service for the environment