

The state of pay in the civil service

November 2023



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Foreword



Civil service pay is broken. The consequences of over three decades of neglect and over a decade of pay restraint has left civil servants demoralised and the civil service in a perilous state.

Our public services are run by people. The civil service must be able to recruit and retain the skilled and talented individuals it needs to run the public services we all rely upon. No public sector worker starts their career in search of riches, they just want to be treated fairly. Unfortunately, the civil service pay structures no longer do that.

This report presents a stark picture - the vast majority of our members do not feel the pay structure is fair and equitable; they do not feel there is a link between their pay and their skills, experience and knowledge. As a result, nearly a third of respondents to our survey are currently looking for a job outside the civil service because of pay.

It will be devastating for our public services if we lose the talented and hard-working civil servants who deliver them. Our permanent, impartial civil service is consistently seen as the best in the world precisely because we retain a breadth and depth of experience, knowledge and institutional memory ready to serve the government of the day.

We want to work with the civil service to reform pay and reward structures. We know that meaningful reform will take time but, as this survey unequivocally demonstrates, the consequences of the long-term neglect of civil service pay are showing themselves in the here and now. As such, there must be immediate action taken to address some of the short-term issues, namely a fair and reasonable pay award in the next year.

I want to thank every FDA member that took part in this survey and urge the civil service and ministers to listen to their workforce, pay attention to these findings and work with us to find solutions.

Dave Penman

General Secretary



Executive summary

Civil service pay structures have remained largely unreformed for three decades and, added to this, since 2010 we have seen pay restraint across the public sector which has held down civil servants' pay.

The last decade has seen civil service pay decline in value by 20 per cent and this has left civil servants ill-prepared for the current financial crisis and a looming staffing crisis in the civil service with intense recruitment and retention pressures for employers. The civil service pay structure must be reformed to enable the civil service to recruit and retain the skills, talent and expertise needed to run our vital public services.

The current civil service pay structures and processes prevent individual employers developing a strategic approach to their pay and reward, which is a real barrier to delivering whole civil service workforce strategies and reform. Continued pay restraint and no pay progression in the vast majority of civil service employers for over a decade has left them with little room to make strategic or meaningful changes to their pay systems.

This report details findings from the largest survey of FDA members in the union's history. Over 4,700 civil servants completed the survey (nearly a third of FDA members in the civil service) detailing the impact that pay restraint is having on them. They were unambiguous in their dissatisfaction with the pay system and that this is having a devastating impact on their morale and motivation and intention to stay in the civil service.

Members told us they are feeling overwhelmingly dissatisfied with their pay. They feel they are undervalued, unappreciated, and their skills go unrewarded; particularly when compared to their private sector colleagues.

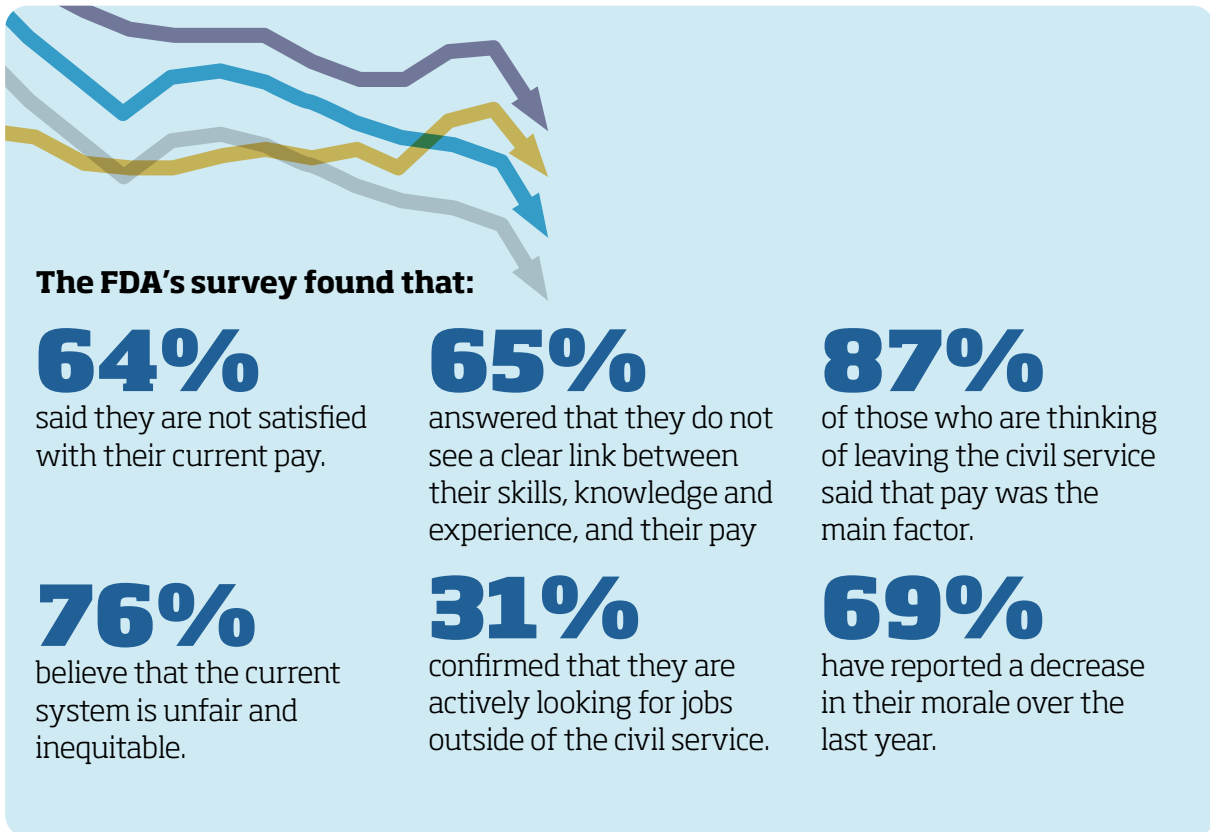
They said they feel they have few other options but to look for alternative employment outside of the civil service. The civil service is already experiencing the highest turnover it has seen for a decade and the survey indicates this could just be the start. If more is not done to address the falling value of pay and the inadequate pay structure, we will likely see more and more civil servants leave the civil service. This will be devastating for the running of our public services which rely on the skills, knowledge and expertise of our talented and experienced civil servants.



"We have fallen so far behind inflation that our buying power is reduced, and [we] are paid much less than equivalent workers in private practice such that other benefits, such as the pension, do not compensate."



"My salary has stagnated for almost ten years. The pay rises that I have had do not match inflation or increases in food and fuel costs, mortgage interest rates, council tax hikes and water rate increases. I am left poorer each month."



“It is a shame but I cannot ignore it anymore. I am being treated with total contempt and disrespect with constant real-terms pay cuts... Enough is enough.”

“It is difficult to imagine being able to buy a house or raise a family, particularly in London, on a civil service salary. It is also just not economically rational for me to continue working somewhere which will underpay me for my skills.”

Recommendations

The FDA wants to work with the civil service to reform its reward structure so that it is fit for purpose and values increased skills, knowledge and experience, to ensure the civil service can recruit and retain talented staff to run our public services.

In the meantime, civil service employers must make sure that civil service pay awards do not continue to fall in value and that civil servants are treated fairly and in line with the rest of the public sector.

Introduction



The past year has seen a rapid increase in the number of UK-based trade unions taking industrial action over pay, not just in the civil service but across the public and private sector. Public sector pay restraint has led to the longest squeeze on wages since the Napoleonic wars, leaving workers in all industries ill-prepared for the sustained period of high inflation and rising interest rates that we are currently experiencing.

The FDA conducted this survey to provide the civil service with the most detailed look at the impact of pay restraint on civil servants. While civil servants have received the best pay rise this year for over a decade, it is still below the rate of inflation, so the value has still declined and it goes no way to correct the chronic underlying issues in the pay system. Looking at the wider policy context, we can see a growing pay gap between the public and private sector, rapidly declining morale and motivation and a growing crisis in recruitment and retention in the civil service.

Civil servants have long reported being unhappy with their pay. However, within the past year, dissatisfaction in the civil service has reached a record high. The value of civil servants' wages has been declining and all civil servants have got in exchange is increased workloads and a culture that has led many to feel undervalued and unappreciated.

While pay may not be the only source of members' dissatisfaction, the survey results show that dissatisfaction with pay can, in fact, be proven as the main driver behind low morale, high turnover, and the feeling that civil servants are unfairly treated.

The results of the survey show detailed insight into civil servants' experiences and how they view their prospects of continuing a career in the civil service. The FDA gave members the opportunity to write detailed comments and received thousands of responses.

From these responses, the picture of civil service pay is overwhelmingly negative. Civil servants are highly dissatisfied with pay and they take particular issue with its unfairness, inequality, and inability to offer meaningful pay progression linked to increased skills, knowledge and experience. These issues feel particularly relevant in the current economic context, with a large number confirming that it has made them reconsider a civil service career. The survey identifies pay as the key driving factor behind the decision to leave the civil service.

The survey analysis shows that the government needs to urgently address the issue of pay in order to correct years of unfair pay and ensure that public services are run by talented, dedicated civil servants.



Background and economic context

How is civil service pay determined?

The vast majority of civil servants employed in UK departments and agencies are covered by the pay remit guidance. Each year the Cabinet Office sets the annual pay remit guidance. The pay remit acts as a ceiling for the maximum permitted pay rise each year that departments are allowed to spend. The exception to this is the Senior Civil Service (SCS), which has an independent pay review body, the Senior Salaries Review Body (SSRB), to advise the government on their pay each year.¹

Once the pay remit has been established, departments can begin negotiations with the recognised trade unions on the precise details of the pay award. If departments wish to spend more than the pay remit guidance allows, they can submit a business case to the Treasury, but these must be cost neutral, so departments need to show they have made efficiency savings (normally through reform of civil servants' terms and conditions) or productivity gains.

The pay remit process does not apply in the devolved administrations where civil service pay arrangements are determined by the respective governments and executives. Ministers in Wales, Scotland and Northern Ireland set their own public sector and civil service pay policies taking into account their respective budgets and political priorities, although Wales usually follows a model where civil service pay is 'analogued' to the UK pay remit, meaning pay is mostly the same.

The devolved administrations have chosen to retain pay progression. This means that a civil servant will normally progress to the top of their pay scale within a set timescale, usually no more than five years, in contrast to civil servants working in Whitehall departments who often have no mechanism for reaching the maximum of their pay range.

There are other UK-wide civil service employers who fall outside the remit; normally these are arms-length bodies. However, these employers tend to reflect the awards in the remit guidance.

Civil service pay since 2010

Since 2010, public sector pay has gone through several freezes and caps. This has been motivated by desires to cut public spending, particularly through the years of austerity policy that followed the 2008-9 financial crash and recession.

In 2011, former Chancellor George Osborne announced a two-year public pay freeze and a 1 per cent cap on pay awards in the public sector.² Despite his recognition that public sector workers work incredibly hard, "they must share the burden as we pay to clean [the recession]



up”.³ After two years of frozen pay, the policy was replaced with another 1 per cent cap for two years.⁴ In 2015’s Summer Budget, the 1 per cent cap was to remain in place for another four years.⁵

After the 1 per cent cap was lifted in 2017, pay was again frozen in 2021. While some workers with a salary of under £24,000 were given a pay rise of at least £250, this was still a real terms pay cut when adjusted for inflation.⁶

It was not until 2021 that the government committed to giving public sector workers fairer pay rises across the 2022 - 2025 period. In the Autumn Budget of 2021, the government pledged that “public sector workers will see pay rises over the next three years as the recovery in the economy... allows a return to a normal pay setting process”.⁷

As of 2023, the pay remit of 4.5 per cent has been set in recognition of soaring inflation and the compounding effects of the cost-of-living crisis. While undoubtedly a step in the right direction, it does not undo the years of pay restraint that has meant that civil servants’ median salaries at each grade have reduced in real terms by between 12 per cent and 23 per cent since 2010.⁸

The government’s response in 2023

Earlier this year, the FDA announced that it would ballot members in employers covered by the UK Civil Service Pay Remit Guidance for industrial action, following the publication of the 2023 pay remit, which recommended awarding 4.5 per cent to delegated grades with an additional 0.5 per cent for lower paid staff. This would have been the union’s first national ballot for industrial action over pay for over forty years. The Cabinet Office met with the FDA, and other civil service trade unions, to avert the proposed industrial action and amended the remit to include an additional £1,500 non-consolidated payment for delegated grades.

While this is a welcome difference to the previous 1 per cent pay rises, it does little to correct the decades of damage done to real wages, particularly in the current economic climate.

Similarly, in 2021, the government’s declaration of government reform set out several goals for reforming the civil service through the three strands of people, performance, and partnership.⁹ In order to achieve this, the specific goals include focusing recruitment outside London, investing in training, and redefining outcomes and targets for roles.¹⁰ While it does mention rewards and bonuses, there is no attention given to pay levels and the effect this could be having on high staff turnover.

The devolved administrations in Scotland and Wales have fared better over the past few years when compared to UK departments, but they have still experienced a loss of real-terms value in pay. Civil servants employed in the Northern Ireland Civil Service have suffered greatly from the collapse of power sharing and from tough funding settlements.

Ultimately, as the survey results show, the civil service is in a state of crisis after decades of low pay and low satisfaction. Moreover, the last year has seen particularly volatile domestic and international politics, which has led to short term fixes rather than a focus on long-term, meaningful pay reform.¹¹ Civil servants deserve strategic, radical reform of a broken pay system.¹²



Civil servants’ dissatisfaction with pay is a chronic problem

In the context of high inflation and record price rises, it is not surprising that dissatisfaction with pay has reached some of the highest levels recorded.

However, statistics from the Civil Service People Survey shows that in 2022 only 30 per cent of respondents were satisfied with their pay.¹³

“[Pay] has made justifying staying in the civil service harder, even if you love your work and want to contribute to improving the UK.”

“It is not feasible to stay in a career in which your pay is falling in real terms every year.”

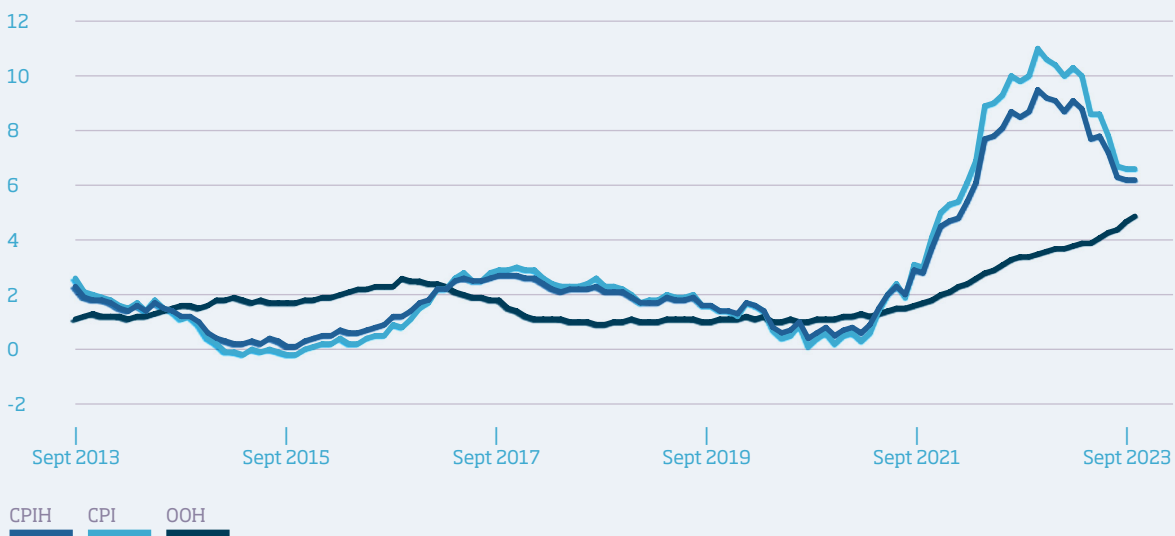
“In real terms, our salary hasn’t increased for many years. We are, in effect, doing more for less money.”

Inflation and the cost-of-living crisis has eroded civil servants’ real wages

The issue of civil service pay reform is particularly crucial in the current economic context. As the economy still shows “stubborn levels of hardship”, prices have risen across almost all areas of life.¹⁴ At the time of writing, workers are still experiencing the highest rise in core consumer price inflation since March 1992.¹⁵

Annual CPIH and CPI inflation rates increased at the same rate as in August 2023

CPIH, OOH component and CPI annual inflation rates for the last 10 years, UK, September 2013 to September 2023



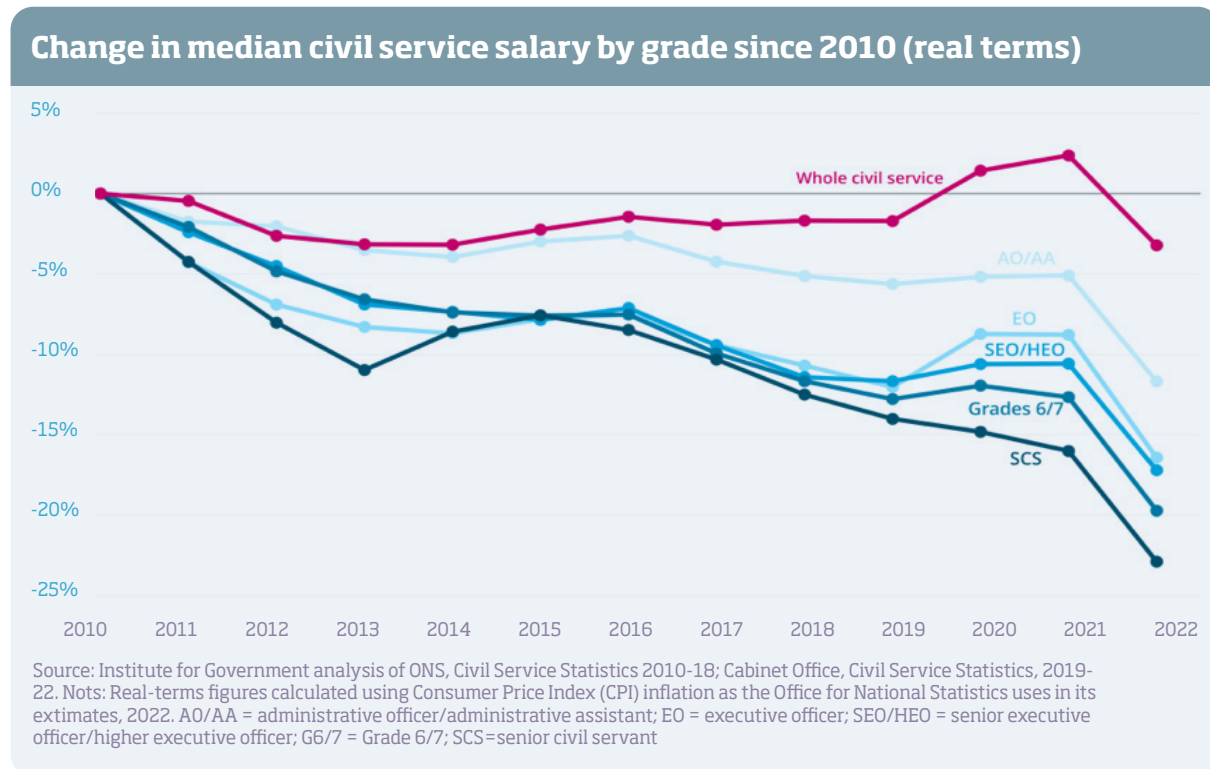
Source: Consumer price inflation from the Office for National Statistics



There has been much talk about continuing with pay restraint in an attempt to control inflation. However, research commissioned by the FDA and Prospect conducted by Incomes Data Research (IDR) shows there is no evidence to suggest that public sector pay increases cause inflation.

Additional analysis from IDR illustrates that wages follow inflation, rather than the other way around.¹⁶ When the Treasury uses the wage-price spiral to justify holding down public sector wages, they make assertions that “are at best partial and tend to favour one side of the employment relationship over the other, and at worst do not take proper appreciation of the various economic mechanisms involved in the recent upturn in the rate of increase in prices”.¹⁷ For example, it is clear that the current rise in inflation has not been caused by increased wages, but a wide range of geopolitical factors and price increases being passed on to the consumer.¹⁸

The FDA’s pay survey shows that the cost-of-living crisis is a major concern for civil servants, with a huge majority struggling to deal with price rises with a fallen real wage. Further research by the Institute for Government (IfG) confirms this sharp decline in civil servants’ wages since 2021, as well as the general downward trend we have already seen.¹⁹



This clearly illustrates the degradation of civil service wages across all grades since 2010. The sharp drop in real wages in 2022 is stark, and it clearly shows that record inflation has significantly eaten into civil servants’ ability to handle increases in the cost of living. The already lowest-paid civil servants have lost 12 per cent of their pay since 2021. It also shows that being promoted to senior grades does not protect civil servants from real terms pay cuts, as they have suffered the largest drop in pay.



The civil service is experiencing record turnover

Firstly, the record level of turnover has mirrored record dissatisfaction with pay. In the case of internal turnover, which is movement between departments, it was five times higher in 2022 than in 2021.²⁰ This year's rate of 4.8 per cent is almost double the level of pre-pandemic turnover, which stood at 2.5 per cent.²¹

Internal turnover has been recognised as harmful to productivity and disruptive to major projects and policy goals, as it limits the amount of institutional knowledge that can be kept in a department.²² In addition, rapid changes within teams means that civil servants are often ill-equipped to advise ministers and enact crucial decisions.²³

Secondly, the number of those leaving the civil service altogether also spiked by around 3 per cent in 2022.²⁴ With both types of turnover combined, civil servants are leaving their roles at the highest level in over a decade.²⁵

Ultimately, the data so far points to 2022-2023 as a period of record dissatisfaction with pay, record levels of inflation, and record levels of staff turnover. As the FDA's survey results show, pay is, in fact, the largest contributing factor to leaving the civil service altogether. This highlights the urgency needed to tackle the problems with civil service pay.



"I want to stay in the civil service as I enjoy my role and am proud to, but the numbers have to make sense. If they stop making sense, I'll have to look elsewhere."



"I want to work for the civil service because I want to make a difference and improve the lives of people in the UK. However, ministers have made it clear, both through their actions on pay and through comments in the press, that they do not value civil servants and the work we do."



Survey background

The survey was sent to FDA members, which includes just over 16,000 civil servants, the majority of which are grades 6 and 7. The union’s civil service membership was asked to give their honest thoughts, experiences, and expectations surrounding pay.

The survey was conducted over a two-week period in July 2023. In this short time, a total of 4,729 responses were received.

This is the FDA’s largest response rate ever and it has captured nearly 30 per cent of the union’s total civil service membership. This demonstrates the level of attention and urgency required to address the issue of pay.

The survey identifies that civil servants are overwhelmingly dissatisfied with pay. This includes how much they are paid in relation to the private sector and how they are paid in relation to performance. This is having a direct effect on their morale and wellbeing, particularly in the context of the cost-of-living crisis and other factors, such as increased stress and difficult working culture. Unsurprisingly, the survey also identifies that many are considering leaving the civil service altogether because of their pay.

“Totally dissatisfied, totally demoralised and disillusioned. I joined government because I care about making a real difference to improve people’s lives, but if nothing improves properly on pay very soon then I will go into the private sector where I’ll be paid what I’m worth and treated fairly and with respect.”

“If the continuing barrage of slamming civil servants in the media... continues along [with] meagre pay rises, we will lose key talent we have in the civil service who will go look for jobs elsewhere. I have seen more colleagues leave for the private sector, driven by pay, this past year than I have ever before.”

“I feel materially insecure for the first time in many years, and that’s on top of feeling like I’m reaching the end of my ability to withstand the insane expectations and poor treatment in the department.”



Survey results

Civil servants are dissatisfied with their pay

Firstly, when asked: ‘Do you feel satisfied with your pay?’, the answer was a clear no.

- **64 per cent of respondents answered that they were either not satisfied or not satisfied at all.**
- **Just 4 per cent answered that they were very satisfied.**

We can also see some variation by country .

While each region of the UK reported being dissatisfied with pay, Scotland has the highest levels of satisfaction. In addition, Northern Ireland and England report similar levels of dissatisfaction, but Northern Ireland has a higher level of satisfaction.



We received over 2,500 comments detailing the ways in which low levels of pay have created feelings of dissatisfaction and being unappreciated:

“I worked hard to have a decent standard of living. It has been steadily eroded by below inflation pay rises or just keeping even pay rises.”

“It is very demoralising to have no possibility of a pay rise without having to apply for a new job... What, therefore, is the point of working hard or being good at your job when this is not rewarded?”

“The erosion of pay in the time I have been in my role is insulting to the hard work my team and I put in every day.”

“For at least the past decade, pay has been frozen or increased at a rate below inflation. Year on year, the value of my salary, and hence also my pension, has decreased.”

“With a decade of lower than inflation pay rises, and a further lack of recognition from ministers in the recent years, the worth of pay has decreased considerably. The quality of life now afforded by current pay levels is considerably lower than previous years.”

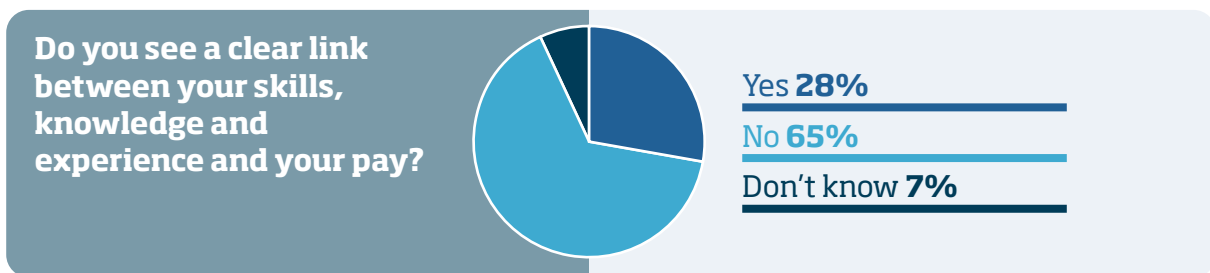


These experiences illuminate the real effects of years of little to no real pay rises. As well as directly affecting civil servants' standard of living and purchasing power, they feel undervalued and overlooked for their contributions.

Current pay arrangements do not recognise the skills and experience of civil servants

When thinking about how low levels of pay have affected civil servants, respondents to the FDA's survey reported feeling that their knowledge and talent are not rewarded.

65 per cent answered that they do not see a clear link between their skills, knowledge and experience, and their pay.



FDA members' comments show that there are issues surrounding pay progression, as civil servants take on additional responsibilities and knowledge with no real pay rise.

“I feel like I am unlikely to gain a promotion which means there is very little chance within the civil service to increase my pay, despite getting good performance reviews.”

“I have been at my current grade for four years now, progressively improving in skills, knowledge and experience - and yet due to consistently below-inflation pay rises, my real-terms pay is lower than it was in 2019.”

“For at least the past decade, pay has been frozen or increased at a rate below inflation. Year on year, the value of my salary, and hence also my pension, has decreased.”

“With a decade of lower than inflation pay rises, and a further lack of recognition from ministers in the recent years, the worth of pay has decreased considerably. The quality of life now afforded by current pay levels is considerably lower than previous years.”



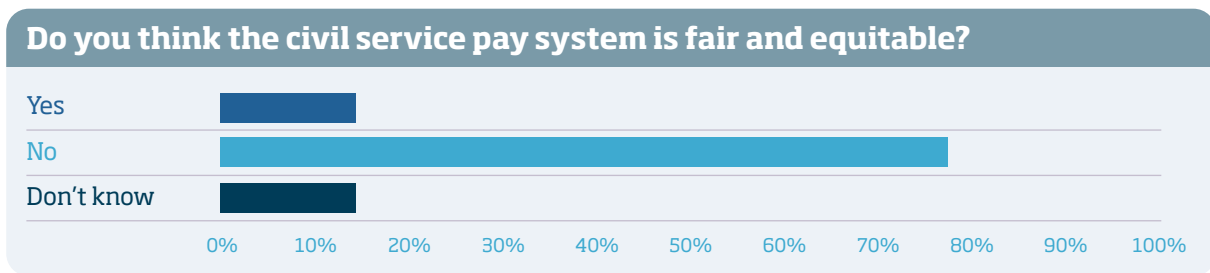
Over a decade ago pay progression was frozen in UK civil service departments while the devolved administrations kept their progression arrangements in place.

This has led to differences by country in responses to this question, as those with clearly defined pay progression are more likely to see a link between their skills, knowledge, experience and their pay:

- **Scotland: 49 per cent agreed that they do see a link between skills and pay.**
- **England: 67 per cent said they do not see a link between skills and pay.**
- **Wales: 59 per cent said they do not see a link between skills and pay.**

Civil servants do not think the current system is fair or equitable

When asked whether they think the civil service pay system is fair and equitable, a huge 76 per cent of survey respondents said no.



When considering what makes a fair pay system, we would expect to include factors such as being paid fairly for knowledge and expertise, being recognised through promotion, and being remunerated in a similar way to peers in other sectors. From what we have seen so far, a majority civil servants feel that their employer does not offer this.

In terms of equitable pay, members’ comments referred to several inequalities in pay amongst colleagues.

Firstly, due to differences in policy over time, many experienced civil servants noted they were paid less than new starters. This difference is increased when the new starters were hired externally, as there is often a higher starting salary for external candidates.

“Civil service pay rules mean I am paid less than those doing the same role and more junior roles.”

“Different people are paid different amounts for the same work, either because they came from different departments or because of recruitment.”

“I am aware of at least one manager who says that they have managed agency staff who are on a greater salary than them.”

“I do question whether an equal pay issue arises where external candidates are able to negotiate their salary level, but internal candidates cannot.”



These practices of “leapfrogging”, when external candidates and lower grades can earn more than their managers, show that experience is not rewarded fairly.

Secondly, members referred to a persistent gender pay gap, which undermines any claims to an equitable pay system.

The most recent reporting on the civil service gender pay gap was in 2022, which shows a median gender pay gap of 11.3 per cent overall.²⁶ Again, this varies between departments, with the Treasury showing the highest gap of 17.1 per cent.²⁷

Lastly, we received comments about the race and ethnicity pay gap, with black and minority ethnic civil servants feeling particularly discouraged from seeking promotion.

While more focused research is needed to analyse the differences in pay across protected characteristics, the survey responses undoubtedly show that a huge majority of civil servants feel that the current pay system is unfair and unequal. This view is particularly relevant when considering another, larger, pay gap between the public and private sector.

Civil service pay does not match up to the private sector

We have already seen the widening gap between public and private sector pay created by years of pay restraint.

When asked: “Do you feel that your pay is fair compared to similar roles in other sectors (outside the civil service)?”, 74 per cent answered no.

Do you feel that your pay is fair compared to similar roles in other sectors (outside the civil service)?



Yes **12%**

No **74%**

Don't know **15%**

Nearly all comments we received had anecdotal evidence of friends and family in similar private sector roles, often with less stress, receiving substantially more pay. Some also reported being approached by the private sector with opportunities that offer up to double their current salary.



This has left civil servants feeling that their hard work in the public sector has gone unrewarded:

“I just have to laugh at the fact that I am still paid significantly less than I was paid in my private sector firm that I left over 20 years ago. I am now, despite being very senior, paid less than a trainee at that firm.”

“External bodies pay much more for my skills, and knowledge. When representing my Department, I am often pitted against individuals on more than double my salary.”

“We’ve been taken for granted - I am too old now to look elsewhere but it has reached the point that I would no longer advise a young graduate to consider a Civil Service career.”

“I have always earned less than similarly talented, educated friends operating at a similar level of responsibility in the private sector, but I now earn less than much younger, less talented/ experienced and more junior contacts in almost any sector.”

It used to be the case that some would argue that the civil service pension arrangements bridged the pay gap between public and private sector pay.

However, that was before the erosion of the value of civil service pay which now means the calculation doesn’t add up. Many civil servants made the point that deferring money to a later point in life means that the money cannot be used now and the pension does not make up for current, real terms pay losses:

“Before the pension is mentioned, I can’t eat my pension. I can’t fix my roof with my pension, I can’t buy a house with my pension. Because my wages are less and less each year the value of my retirement income when I eventually retire is less and less each year. I need my pay to reflect my skills and knowledge today, not in the future.”

“I accept that we have a good pension in the public sector... That’s the trade-off. However, average private sector pay increased by 7 per cent in the year to January 2023. I feel our pay increases should match that of the private sector equivalents, so that the difference in base pay doesn’t become unreflective of the aforementioned ‘trade-off’.”

“Pay is significantly higher for equivalent roles in the private sector. Although the Civil Service pension makes up for this to some extent, I’ll need to wait at least 42 years before I see this, and it does nothing to address the impacts of unaffordable house prices and rapidly rising rents.”



Civil servants are sending a clear message that they feel underpaid and undervalued compared to their peers. As we have seen the pay difference between the two sectors, it is hard to argue with these experiences. In the current economic context, the pay gap continues to widen, with civil servants bearing the combined weight of soaring inflation and years of real terms pay loss.

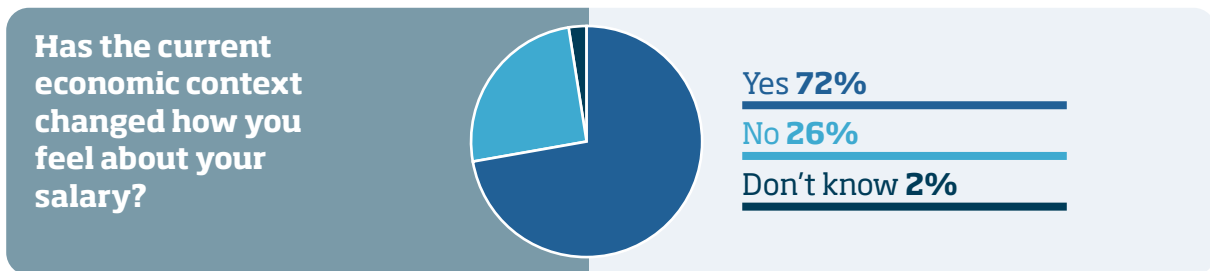
Civil servants are hit hard by the cost-of-living crisis

Workers and families in the UK are currently suffering the effects of record levels of inflation and the cost-of-living crisis.

Since the initial rise in inflation in 2021, costs have risen by almost a fifth in two years; this includes energy prices that have more than doubled and food prices that have increased by over 25 per cent.²⁸

For civil servants, these economic factors have severely affected their pay and disposable income.

A huge 72 per cent of civil servants agreed that the current economic context has changed how they feel about their salary.



FDA members show a clear sense of urgency and despair when explaining how the cost-of-living crisis has impacted their lives. In addition, they also identify that the situation has been made much worse through years of preceding pay freezes:

“It has made 12 years plus of austerity and worsening terms and conditions much, much worse, so the three promotions I have had in my career have effectively had zero impact on my standard of living.”

“I think it has really highlighted how pay has stagnated for over a decade... It now seems clear that [pay freezes] hadn't been necessary, but an easy target for cutting budgets. Now it is really stark that my pay should not be at the level it is now.”

“I feel that the government persistently uses the economic context to wage its ideological war against the civil service. First it was 10 years of austerity, now it's inflation.”

“When I look back at what colleagues of my grade could have afforded 20 or even 10 years ago, it is clear that deep real terms wage cuts, combined with soaring house prices, mean we are hugely disadvantaged compared to previous generations of civil servants, and compared to our peers in other sectors. The situation is not sustainable.”



As a result of past and current pay problems, 78 per cent of civil servants confirmed that while they may be managing, they are struggling financially.

“I am reaching the end of my childbearing years and had hoped a career in the civil service would allow me to have a child. The lack of pay compared to cost has meant that my family is having to question whether it is possible to financially afford to have children.”

“[I] go to the food bank, cut children’s activities to just childcare necessities, less food options for children and basic food, no longer go to the hairdresser, I don’t go out and socialise.”

“I am having to use my credit card and overdraft and falling deep into debt to survive.”

The picture painted by members is overwhelmingly negative, and civil servants are uniquely hit by this cost-of-living crisis due to over a decade of low and frozen pay.

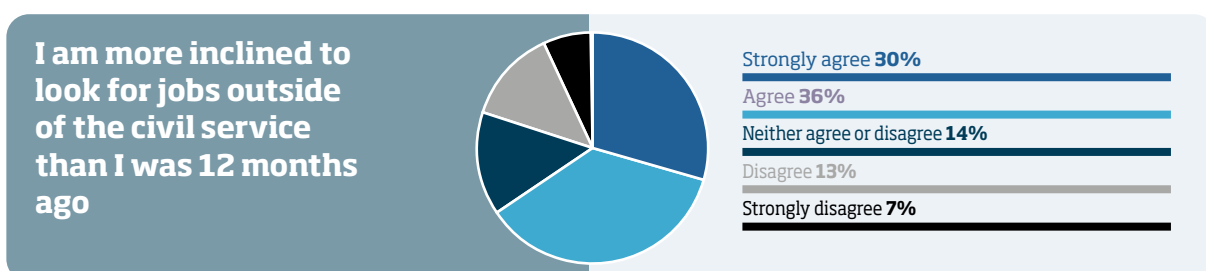
Civil servants are looking for jobs elsewhere

As we have seen, an overwhelming majority of civil servants feel that their pay is unfair compared to their peers in the private sector. This has resulted in a large proportion of civil servants looking for a job elsewhere, with a strong sense of urgency:

- **While a majority do not see themselves leaving in the immediate future, 25 per cent agreed that they would like to leave the civil service as soon as possible.**
- **31 per cent confirmed that they are actively looking for jobs outside of the civil service.**
- **34 per cent said that they could not see themselves working in the civil service in five years’ time.**

It is significant that nearly a third of respondents are actively looking for a job outside the civil service. When turnover is already at the highest it has been for a decade this indicates that this shows no signs of slowing down. If this is reflected across the civil service we could see a mass loss of skills, experience and talent.

66 per cent agreed that they were more inclined to look for jobs outside the civil service than twelve months ago.



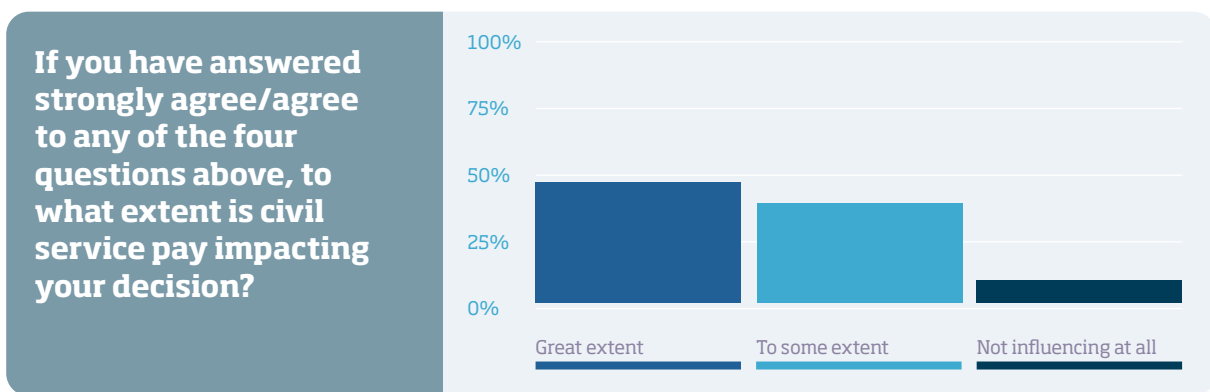


These trends are particularly worrying when members' length of service is considered.

Over half of survey respondents have worked in the civil service for ten years or more, and nearly 20 per cent have been in the civil service for five to nine years. These are senior, experienced civil servants who are deciding that a civil service career is no longer tenable.

Pay is the clear motivating force behind leaving the civil service

From the respondents who confirmed their desire to leave the civil service, a huge 87 per cent confirmed that pay was influencing this decision, either to a great extent or to some extent.



Members' comments confirmed that pay is a key driving force behind the desire to leave the civil service:

“[Pay] is my entire driver. I love this job but in this cost of living crisis I can't afford to be paid so much less than equivalent jobs in the private sector.”

“You cannot cut people's pay for 14 years in a row and expect them to stay committed... I will not continue to work where I am held in contempt rather than valued.”

“Pay is THE huge concern - pay and pension. The job is great, but we have to plan for our futures and our children's and the pay is an issue compared to the private sector.”

“I never expected to be rich as a civil servant, but I did not expect to be betrayed so many times on pensions, allowances, annual pay increments, inflation, and still be told we are lucky to have these jobs... It's too much and we should not have to take it anymore.”

The message is clear that low pay has become the deciding factor when thinking of leaving the civil service. It is clear that ignoring this problem will only encourage more civil servants to leave the sector in search of higher paying work.



Civil servants' morale is declining

We have seen that pay is greatly influencing civil servants' decisions to leave public service .

Yet, it is important to recognise that pay is not the only factor when looking at the reasons for leaving the civil service. A majority of respondents also identified a culture of overwork, poor work-life balance, and enduring disparaging comments about civil servants in the media. When these factors are combined with declining pay, many are reconsidering a civil service career.

Those that stay in their roles have reported increasing workloads and stress:

“I used to be relatively happy with the trade-off between conditions, pay, work-life balance, workload and stress. However, having now had a real-terms pay cut over a number of years as my workload [is] perpetually creeping up at the same time my team is reducing in size, I am confident that I am being underpaid and overworked.”

“I am... working very hard and doing massively extended hours to service an increased workload to certain parliamentary deadlines and to support ministers, but with no meaningful increase in pay.”

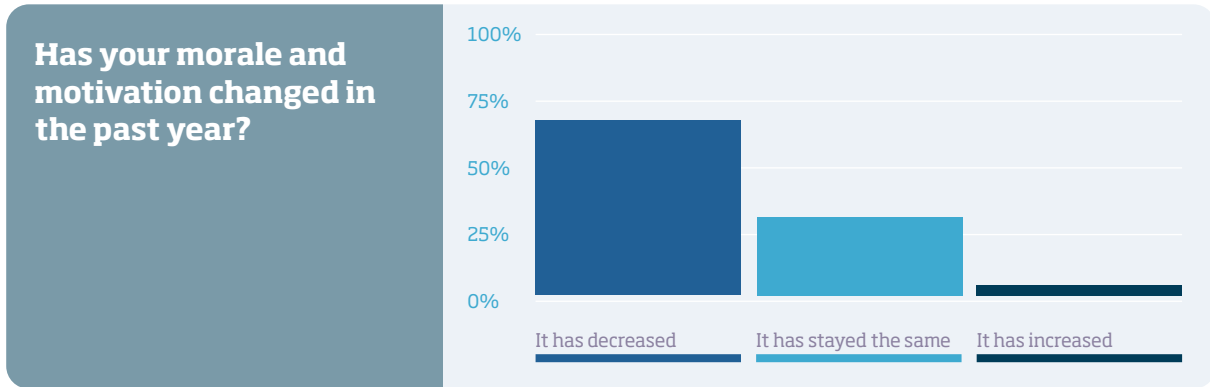
“[I am] expected to work much longer hours under more pressure because of staffing issues and recruitment and retention issues in my department... yet my pay is effectively decreasing because of inflation.”

“We are working flat out, doing unpaid overtime, working on weekends and on days off because we are so short-staffed. This is affecting our physical and mental wellbeing.”



Overall, when asked if they would recommend the civil service as a great place to work, 39 per cent said no.

We can also see more evidence of declining morale that has intensified over the past year, which correlates with increasing financial strain. 69 per cent reported that their morale and motivation has decreased in the last year.



Sadly, this has led to 38 per cent confirming that they do not feel valued at all as a civil servant.

“Pay has been below inflation every year that I’ve worked in the civil service since 2009. I have become poorer and poorer by working in the civil service... I feel so unvalued I am now looking to leave.”

“You feel that as you get more experienced, you are actually earning less per hour for better work. It’s morale draining to think you’ll just keep getting poorer.”

“My pay does not make me feel appreciated. It makes me regret going into the civil service.”

“The message which comes across from government feels like civil servants are seen as a nuisance, undervalued and treated with contempt.”

Conclusion



The FDA survey results are stark and clear; pay in the civil service is broken and must be repaired. Civil servants feel completely dissatisfied with their pay, unappreciated and they have been struggling to live on a declining real wage for over a decade.

The levels of dissatisfaction with pay had already increased dramatically in 2022, but the survey shows that it has reached new heights in 2023. A clear majority of FDA members confirmed that they are not satisfied with pay, that they do not feel that their experience and knowledge is adequately rewarded, and that they do not feel the system is fair or equal. As well as internal problems with compensating time and skills fairly, this extends to comparisons to their private sector peers; civil servants made it clear that their skills would be valued more elsewhere.

The survey also highlights the impact of the cost-of-living crisis, as a huge majority admit to struggling financially and taking on increasing debt in an attempt to compensate for lost wages. Additionally, the cost-of-living crisis can be seen as an amplifying factor that has put into perspective just how much the purchasing power of a civil service wage has decreased over the last decade.

This focus on the current economic context and the last twelve months has led to a real sense of urgency being conveyed by FDA members, as crises in retention and workplace morale were also identified. While a comfortable proportion of respondents do not have plans to leave immediately, a quarter want to leave the civil service as soon as possible, with a majority agreeing that their desire to leave has increased in the last twelve months. This is down to a few combined factors, including an increased workload due to staff turnover, criticism of civil servants in the media, and a lower quality work-life balance. However, the overwhelming, largest factor is proven to be pay.

In order to rebuild satisfaction within a broken pay system, the government should recognise that civil servants have clearly voiced their dissatisfaction for years; they are now at breaking point. Urgent reform is needed to retain quality staff to efficiently manage public services, and pay can no longer be ignored.

Methodology



The report can be broadly divided into two sections. The first corresponds to the quantitative economic data and civil service statistics, while the second corresponds to the survey results, which uses a blend of research methods.

The first section draws on statistics published by the UK government. Data from the civil service statistics and People Surveys was extracted and analysed on Microsoft Excel. This approach was occasionally repeated in the survey section, when comparisons between responses and numerical data was useful to build a full picture. In addition, the section draws on reports by the Institute for Government, think tanks, and various trade unions. Lastly, the report has been informed by data from the FDA's records of pay negotiations and the knowledge of the FDA's National Officers. The data was analysed to ascertain pay differentials over time and across departments, in order to create a fuller picture of civil service pay at the early writing stages.

The second section outlines the survey results. The survey was designed on SurveyMonkey and sent to all FDA members, and it was open for 12 working days. The survey received 4,729 responses, which is an engagement rate of 29.1 per cent of the union's total civil service membership. The survey had a total of 29 questions, divided into sections on pay, recruitment and retention, and personal details.

The quantitative survey results were calculated on SurveyMonkey and analysis across grades and regions was also done using their software. As many questions included a free text option, the complete results were extracted onto Excel and the comments were uploaded again onto Word documents. When looking at the qualitative data, the larger files were analysed by selecting a random sample due to time constraints. For the smaller files, qualitative coding was undertaken on a random sample, also due to time constraints. The coding was written inductively based on the survey themes, and subcodes were derived from collecting individuals' comments.

When presenting the survey results, the percentage results were rounded to a whole number for clarity. The comments are all direct quotes, but some punctuation was added to make them easier to read or to correct grammar errors. Some words were also omitted to protect the respondents' anonymity.

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Footnotes



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