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of work for good

# **Public services workforce for the future**

**TUC response to the House of Lords  
public services committee inquiry**

## Introduction

The Trades Union Congress (TUC) is the voice of Britain at work. We represent more than 5.5 million working people in 48 unions across the economy. We campaign for more and better jobs and a better working life for everyone, and we support trade unions to grow and thrive.

Our affiliated trade unions represent full-time and part-time staff who provide public services, although they may be employed in both the public and private sectors. Unions play a key role in ensuring that the rights and interests of public service workers are represented and recognised. For example, we advocate the importance of strong collective bargaining rights, appropriate regulation and enforcement to ensure the protection of employment rights, as well as equality of treatment for all, regardless of factors such as race, religion, age, gender, disability, sexuality and access to financial resources.

We welcome the opportunity to respond to the House of Lord's public services committee inquiry. Public sector workers have gone above and beyond to keep essential services going during the pandemic. But they went into the crisis in a weakened position following a decade of cuts and government-imposed pay restraint.

TUC believes that the safety and security relies on strong, resilient and properly staffed public services, as confirmed during the pandemic. The best way to ensure this and deliver decent work in the public sector, is through collective bargaining between workers and employers – an effective way to drive up conditions, discuss recruitment and training, and ensure fair pay.

The TUC's response to the inquiry will focus on recruitment, retention and training. A summary of our recommendations can be found below.

## Summary of recommendations

To build a robust and resilient public service workforce fit for the future, government should take action to:

1. Ensure workers across the public sector are awarded a pay rise in 2022 and beyond that keeps pace with the cost of living and begins to reverse a decade of lost pay. This should be reflected in government submissions to the independent Pay Review Bodies as well as its own pay remit for central government departments.
2. Work with TUC and unions in the sector to develop a fully-funded, long-term workforce strategy with equitable access to training opportunities and a plan for direct public sector job creation.
3. End the out-sourcing of secure, good quality public sector jobs, making public ownership and in-house provision the default setting for public services.
4. Create a National Skills Taskforce that would bring together employers, unions and other key stakeholders along with government to take a long-term strategic approach to life-long learning.

5. The Prime Minister and his cabinet must publicly condemn the practice of briefing against civil servants when they occur and treat anonymous briefings in the same manner as leaks, including launching inquiries and taking action against perpetrators as necessary.

## TUC response

### Fixing the immediate retention crisis

After a decade of government imposed-pay restraint, public sector workers find themselves at the sharp end of the cost-of-living crisis. In the 2020/21 spending review, the chancellor imposed a one-year public sector pay freeze, affecting all public sector workers except NHS staff and low paid directly employed workers. However, once inflation was taken into account, this was still a pay cut in real terms for many workers.

TUC analysis of ONS data<sup>1</sup> shows in 2021, public sector workers fared the worst of any sector in terms of pay growth, with real pay down 1.6% in health, 4.6% in education and 4.2% in public administration (on CPI).

Low pay and excessive workloads are driving a recruitment and retention crisis in the sector. Vacancy rates in health and social care have reached record highs, 10.5 per cent<sup>2</sup> and 9.5 per cent<sup>3</sup> respectively. In education, retention rates have reached a historic low - just two-thirds of early-career teachers (67 per cent) remain in the profession after 5 years<sup>4</sup>.

Staff shortages put huge strain on those who remain as they try to plug the gaps, fuelling excessive workloads and long-working hours. This undermines the quality of our public services, and leads to high attrition and absenteeism rates.

To enable employers in the public sector to hold on to the staff it desperately needs, public service workers need pay rises that keep pace with the soaring cost of living and reverse a decade of lost pay. This should be reflected in government submissions to the independent Pay Review Bodies as well as its own pay remit for central government departments.

### Meeting the rising need of an ageing, growing population

In order to recruit the workforce required to meet the rising needs of a growing, ageing population, the government should work with employers and unions to design and implement a fully-funded workforce strategy that restores pay, identifies current and future

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<sup>1</sup> TUC (2022) Jobs and recovery monitor, #10, 'Wage squeeze continues': <https://www.tuc.org.uk/research-analysis/reports/jobs-and-recovery-monitor-wage-squeeze-continues>

<sup>2</sup> NHS digital (2021) <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-vacancies-survey/april-2015---september-2021-experimental-statistics>

<sup>3</sup> Skills for Care (2022) <https://www.skillsforcare.org.uk/Adult-Social-Care-Workforce-Data/Workforce-intelligence/publications/Topics/COVID-19/Vacancy-information-monthly-tracking.aspx>

<sup>4</sup> Education Policy Institute (2021) <https://epi.org.uk/publications-and-research/local-pay-and-teacher-retention-in-england/#:~:text=Early%2Dcareer%20teachers%20have%20very,down%20from%2072%25%20in%202010.>

training needs, and includes a plan for direct public sector job creation. As a minimum, a plan for direct public sector job growth should create 600,000 jobs:

- 135,000 jobs in the NHS, filling 100,00 immediate hospital vacancies, making progress towards future staffing needs (an estimated staff shortfall of 250,000 by 2030<sup>5</sup>) and recruiting 5,000 GPs.
- 220,000 jobs in Social Care – 120,00 to meet immediate need and 100,000 towards longer-term need.
- 110,000 jobs in local government to respond to the 250,000 jobs lost since 2010.
- 80,000 jobs in education (20,000 secondary, 20,000 primary and 40,000 support) to meet the rapid increase in pupils.
- 50,000 jobs in the civil service, halting all planned redundancies and outsourcing programmes.

Increasing capacity in the sector will ensure our public services have the capacity to deliver on the government's net zero ambitions, clear backlogs and meet the rising needs of an ageing, growing population.

### Training and skills

Access to learning and development on a regular basis is key to supporting people to fulfil their potential and develop their career opportunities. The demands of our public services mean that it is now more important than ever for the workforce to be given regular opportunities to update their skills to support their career progression, keep pace with technology change, reskill those whose jobs are at risk, or develop new skills to support change in the workplace and productivity.

Good learning and progression practices start with organisations seeing it as an integral part of effective workforce planning, which can be strengthened with constructive trade union engagement. In the public sector, trade unions have played a major role in negotiating collective agreements on training, such as the NHS knowledge and skills framework within Agenda for Change.

The TUC is calling for a new national lifelong learning and skills strategy based on a vision of a high-skill economy, where workers can quickly gain both transferable and specialist skills to build their job prospects. The government should lead by example in its role as an employer and showcase the positive impact this can have on the workforce and the wider economy.

The focus should be on equipping workers with the digital skills needed to deliver on the government's ambition for 'digital by default' public services, providing training for those whose jobs are at risk due to automation and as we transition to net zero, and increasing access to upskilling and retraining opportunities to help more public sector workers progress in their careers.

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<sup>5</sup> Nuffield Trust (2020) <https://www.nuffieldtrust.org.uk/news-item/staffing-shortfall-of-almost-250-000-by-2030-is-major-risk-to-nhs-long-term-plan-experts-warn>

A strategic approach could be delivered at pace by a National Skills Taskforce that would bring together employers, unions and other key stakeholders along with government. There are four key areas of reform that should be at the heart of a lifelong learning and skills strategy to address these challenges:

- A significant boost to investment in learning and skills by both the state and employers is essential.
- People should have access to fully-funded learning and skills entitlements and new workplace training rights throughout their lives, expanding opportunities for upskilling and retraining.
- Expand access to high quality apprenticeships for all young people wishing to take up this option.
- Government should also restore funding for the successful Union Learning Fund.

### A diverse and world-leading workforce

The public sector has a diverse and world-leading workforce. In 2021, the public sector employed 30.3 per cent of all workers in the UK<sup>6</sup>. Historically, public sector workplaces have benefitted from high levels of unionisation and collective bargaining. This resulted in gains for the workforce in terms of pay, job security and working conditions that make the public sector a more attractive place to work.

In the public sector, trade unions negotiate enhanced workplace policies that make the world of work better for women, BME and disabled workers. This includes rights to flexible work, paid carers leave and for increased access to workplace training. As a result, the public sector remains a larger employer of women than the private sector<sup>7</sup>. Disabled people are more likely to be working in the public sector than non-disabled workers<sup>8</sup>. In almost every ethnic group, the largest percentage of workers were employed in the public sector. Black workers were the group most likely to work in the public sector, with 42.3 per cent of black workers employed in public administration, education and health sectors<sup>9</sup>.

However, these hard-won gains have been undermined by the increase in outsourcing of jobs and contracts in the sector. Across health, social care, education, the justice system and in local government, huge numbers of jobs predominantly carried out by women, disabled and BME workers have been outsourced.

Many outsourced workers in the public sector miss out on the basic rights and protections directly employed staff receive, such as the right to sick pay and secure employment. This is because cost savings are made at the expense of the workforce, managed by the outsourced contractor in ways that off-loads risk to others – through the suppression of

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<sup>6</sup> Gov.uk (2020) <https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/employment/employment-by-sector/latest>

<sup>7</sup> ibid

<sup>8</sup> ONS (2022) <https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2021/the-employment-of-disabled-people-2021>

<sup>9</sup> ibid

wages, terms and conditions of the outsourced workforce, the use of insecure forms of employment in supply chains and the almost punitive treatment of sub-contractors.

This unsustainable and highly exploitative model of public service delivery must end. The best way to ensure the public sector attracts and retains a diverse workforce is to keep jobs in the public sector and increase trade union access to workplaces so that all workers benefit from collective bargaining between workers and employers. Doing so will ensure the public sector remains a source of good quality, secure employment for women, BME and disabled workers.

### Progression and recognition for civil servants

In the civil service, the government could do more to attract and retain staff. As recognised by the senior salaries review board (SSRB), the lack of a credible and robust pay progression system has harmed recruitment and retention efforts<sup>10</sup>. Civil servants are not rewarded for increasing effectiveness, developing capability or deepening expertise. The only way to secure higher pay is to change roles, either within or outside of the civil service, creating churn. Civil service trade unions and the senior salaries review body (SSRB) have issued repeat calls for ministers to act:

*“For some years we have therefore recommended that, as a priority, the Government should invest in and implement a credible, robust and simple pay progression system to help incentivise individuals to remain longer in post so that they may build expertise and be responsible for outcomes. We are confident that this investment would pay back quickly. Our recommendation has yet to be enacted.”*

SSRB Forty-Third annual report on Senior Salaries 2021<sup>11</sup>

To date, ministers have failed to take up the recommendation. Instead, the current government has adopted a model of routinely briefing against and undermining both the civil service and its senior leadership. Anonymous briefings, providing ministers with plausible deniability, undermine not only the careers and lives of individuals who are constitutionally unable to defend themselves, but represent a serious threat to the ability of civil servants to speak truth to power. Such high-profile attacks lead to a demoralised workforce and act as a deterrent to anyone considering a career in the civil service.

Leadership on this issue starts at the very top. The Prime Minister and his cabinet must publicly and repeatedly condemn the practice of briefing against civil servants when they occur and treat anonymous briefings in the same manner as leaks, including launching inquiries and taking action against perpetrators as necessary. In doing so, they can ensure the civil service remains an attractive place to work.

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<sup>10</sup> SSRB (2021)

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1009002/Senior\\_Salaries\\_Review\\_Body\\_Report\\_2021\\_Web\\_Accessible.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1009002/Senior_Salaries_Review_Body_Report_2021_Web_Accessible.pdf)

<sup>11</sup> “

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