



Victory for millions of low paid public sector workers as exit cap regulations withdrawn

12 Feb 2021

Ministers forced into change following Judicial Review brought by GMB Union

GMB Union, which represents more than 300,000 workers in local government and the wider public sector, has welcomed the Government's decision to withdraw its exit cap regulations.

The Government's u-turn means that the perverse regulations that have hit low paid workers the hardest will now be revoked.

In the middle of a pandemic, when public sector workers have put themselves in harm's way, the union said that Ministers have been forced to back down from a further cut to low-paid workers' terms and conditions.

The Government had claimed the regulations would prevent excessive payments to the highest earners, long-serving local government workers who earned just £23,500 and were made redundant were affected by the cap, according to employers.

“ Today's announcement is a victory for millions of public sector workers, but once again it proves that this government is not on the side of our invaluable public sector workers who have put themselves in harm's way throughout the pandemic.

Rehana Azam, GMB National Secretary

The Government has said that, following an ‘extensive review,’ Ministers concluded that the cap ‘may have had unintended consequences and the Regulations should be revoked.’

The decision followed a Judicial Review application brought by GMB with the support of Thompsons solicitors and Oliver Segal QC.

GMB argued the Regulations would have a disproportionate impact on workers who share protected characteristics, including women workers, older workers, and disabled workers.

The implementation of the Regulations represented a breach of Ministers’ Public Sector Equality Duty under the Equality Act, the union said.

Employers should now repay any sums that were ‘capped’ under the Regulations between 04 November 2020 and 12 February 2021, the Treasury said.

Rehana Azam, GMB National Secretary, said:

“GMB has fought hard to protect our members against this pernicious policy.

Let there be no mistake – this victory has been won because the union was about to expose the unjustness of this policy in court.

“Today’s announcement is a victory for millions of public sector workers, but once again it proves that this government is not on the side of our invaluable public sector workers who have put themselves in harm’s way throughout the pandemic.

“At a time when we should be protecting our public sector workforce, the Government has been hell-bent in attacking their hard-fought terms and conditions.

“GMB will be working hard to assist members who were affected by this unjust cap and will stand vigilant against any attempt to reintroduce these cruel and flawed plans.”

