



Councillor David Bick
Leader of Norfolk County Council
Sent via email

Thursday 4 June 2026

Dear Councillor Bick,

Re: Norse Group — Pay Arrangements for Low-Paid Contract Workers

I am writing to you in my capacity as Member of Parliament for Norwich South regarding the conduct of Norse Group, the Local Authority Trading Company wholly owned by Norfolk County Council.

I have been contacted by Barnet UNISON, the trade union representing workers employed by Norse Group on the cleaning contract for the London Borough of Barnet.

Having reviewed the evidence they have provided, I am writing to ask Norfolk County Council, as Norse's sole shareholder, to use its ownership powers to direct Norse to change a pay arrangement that is causing genuine hardship to some of the lowest-paid workers in public services.

The Pay Arrangement

Norse Group operates a pay system under which workers complete a four-week working period and then wait a further 12 days before receiving their wages. This is not a transitional issue affecting only new starters. Norse's own 2025/2026 pay schedule — obtained by Barnet UNISON — shows a uniform 12-day gap between the end of every pay period and every payday, without a single exception across all 17 pay periods in the year.

These workers are employed on the London Living Wage — the minimum wage floor for workers in the capital. They work in one of the most expensive cities in the world. By the time they receive each month's wages, they are already nearly a fortnight into their next working period. At any point in the year, Norse is in possession of approximately six weeks' worth of earned wages that belong to these workers.

The practical consequences are serious and concrete:

- Workers cannot meet rent payments, travel costs, and household bills on the dates they fall due, because money they have already earned remains with Norse
- Workers claiming Universal Credit face significant disruption because the pay timing distorts their UC assessment periods, causing chaotic fluctuations in the welfare payments they depend upon
- Workers are forced into overdrafts, credit card debt, and high-cost borrowing to cover basic living costs in the gap between earning and receiving their pay — effectively paying interest on money that is already theirs

These are not well-paid workers with savings buffers. They are London Living Wage earners in a city where the average rent for a single room exceeds £1,000 per month



Anticipating Norse's Response

I anticipate that when this matter is raised with Norse, the company will offer a number of responses that I wish to address directly.

"Workers are paid on a regular, predictable four-weekly cycle."

This is true but entirely beside the point. The issue is not the frequency of payment — it is the 12-day lag between the end of the period worked and the date of payment. A worker paid regularly every four weeks but always 12 days in arrears is a worker whose earned wages are permanently withheld. Predictability of delay is not the same as prompt payment.

"The arrangement is necessary for HMRC National Minimum Wage compliance."

This argument does not withstand scrutiny. Norse has sought to justify the pay lag by reference to the NMW framework's classification of "time work." The NMW classification of time work determines how minimum wage compliance is calculated within a pay reference period. It says nothing whatsoever about how many days after a period ends an employer may delay payment. Thousands of hourly-paid workers across both the public and private sectors — classified identically as time workers — are paid within five days of period end as a matter of routine. The 12-day lag is a commercial and administrative choice, not a legal requirement. HMRC has confirmed no such requirement exists.

"New starters can access credit union loans to bridge the initial gap."

Barnet UNISON has rightly rejected this with contempt, and I share that view entirely. The suggestion that workers on the London Living Wage should take on debt in order to access wages they have already earned is not a mitigation — it is an indictment of the arrangement. It is also worth noting that the pay schedule confirms the 12-day lag is not merely an initial transition issue. It is the permanent, ongoing structure of every pay period throughout the year.

"Changing the arrangement would require additional payroll resource that cannot be absorbed within the contract."

Norse has acknowledged in correspondence that reducing the pay lag would involve additional cost. I understand that Norse operates within commercial constraints. But I would ask the Council to consider what this acknowledgement reveals: the company has structured a contract in which the financial cost of paying workers promptly has been transferred, in effect, to the workers themselves. The lowest-paid workers on the contract are subsidising Norse's payroll operation with 12 days of their earned wages per period. That is not an ethical business model, and it is not consistent with the values that a publicly owned company ought to embody.

The Wider Picture

I draw the Council's attention to the fact that Norse's own correspondence to Barnet UNISON states that 1,725 employees across the organisation are paid on this same



four-weekly cycle with the same 12-day lag. This is therefore not a Barnet-specific issue. If this arrangement is causing hardship to workers in London, it is causing the same hardship to Norse workers across Norfolk and wherever else the company operates. I would ask the Council to satisfy itself as to whether this is consistent with the Group's stated People Strategy and its commitment to investing in its workforce.

Norse Group describes its mission as improving people's lives while generating a sustainable, ethical profit for the public sector. I do not believe that a company which permanently withholds 12 days of earned wages from its lowest-paid workers, and responds to trade union challenge by offering those workers a loan, is living up to that mission.

What I Am Asking

I am asking Norfolk County Council, as Norse Group's sole shareholder, to:

1. Direct Norse Group to reduce the pay lag for all workers across all contracts to a maximum of five working days from the end of the pay reference period, in line with standard payroll practice across the public sector
2. Require Norse Group to report to its shareholder on the steps taken to implement this change and the timeline for doing so
3. Review whether the current pay arrangement across all Norse contracts is consistent with the company's stated People Strategy and the Council's own ethical procurement and social value standards
4. Consider whether the Barnet cleaning contract, when it expires in 2027, should be structured in a way that ensures directly employed workers benefit from Barnet Council's own employment standards — including prompt payment of wages

I recognise that operational decisions rest with Norse management. But ownership carries responsibility. Norfolk County Council created Norse Group, owns it entirely, and receives an annual shareholder rebate from its operations.

The workers in Barnet — and the 1,725 workers across the organisation subject to this same arrangement — are working for a company that exists because of public ownership. They deserve to be treated accordingly.

I would welcome a meeting with the relevant Cabinet member or the Norse Group board to discuss this further. I would also be grateful for a substantive written response to the points raised in this letter.

Yours sincerely,

Clive Lewis MP
Norwich South