



13 March 2013

Issue No.3

PUTTING PRESSURE ON LOCAL COUNCILLORS OVER PAY

Yesterday we sent an email calling on all councillors in England, Wales and Northern Ireland to do everything in their power to convince the LGE and the Local Government Association to make an offer which really does recognise the sacrifices our members have made to keep local government afloat.

We are urging branches as a matter of urgency to press local councillors, council leaders and executives to put pressure on the LGA to return to negotiations quickly. Your lobbying over the next two weeks is absolutely crucial.

The content of the email is set out below:

To all councillors in England, Wales and Northern Ireland

National Joint Council (NJC) Pay 2013 – 14

This email brings you up to date with negotiations on NJC pay and calls on you to urge the Local Government Employers (LGE) to make an improved offer to our members.

The Employers have responded to the Trade Union Side's pay claim for 2013-14 with the two options outlined below, both of which UNISON has rejected for the reasons given. We are writing to give you details of the offer and are calling on you as councillors to speak to your council leaders and chief executives and ask them to put pressure on the Local Government Association (LGA), Welsh LGA and Northern Ireland LGA to return to negotiations with an improved pay offer.

Since April 2010 the NJC workforce has been suffering the effects of a long and painful pay freeze and across-the-board job cuts. Some councils have lost over one third of all posts. UNISON believes that those who are keeping essential services going by covering for lost jobs, deserve a fair pay rise that recognises and rewards their loyalty in these difficult times.

A cut in pay of 18% in real terms

Since 2010 pay for the local government workforce has dropped, in real terms, by a staggering 18%. Our members have lost almost 1/5th of their earnings. In addition, many councils have cut unsocial hours and overtime payments, hours of work, car allowances and redundancy pay. Others have introduced unpaid annual leave and term-time only working and have cut pay and frozen annual increments. Many have also introduced car parking charges. Local government pay and terms and conditions continue to be the lowest in the whole of the public sector and continue to decline in relation to NHS staff and others. The lowest paid receive only £6.30 per hour – that's just 11p above the National Minimum Wage.

What have the Employers offered?

The Employers have offered our members a below-inflation, 1% increase in return for cuts to car allowances and replacement of the unilateral arbitration clause. In exchange they have offered an increase of 1 day on basic annual leave only, which will benefit very few employees, and an extension of continuous service provisions from 5 to 10 years. As you know, the direction of travel is sadly *out* of local government, not *in*, so this will be of little benefit. The Employers also want to draw up a list of further changes to conditions to be negotiated later, which our members view as a hostage to fortune. Local government workers already have the worst conditions in the public sector so it is an insult to seek further cuts to their terms and conditions.

In the event that this offer is not accepted, staff are then being faced with a “no strings” ‘punishment’ increase of 1% for those earning up to scale point 10 - £13,874 and an increase of just 0.6% for those earning £14,733 - scale point 11 or above.

Is there a mandate for this offer?

It is unclear where the Employers are getting their mandate for this offer from:

- Several Regional councils have publicly supported a no-strings, 1% increase in line with Government public sector pay policy – an increase that falls well short of our claim, but which is the minimum any public sector worker should receive this year according to the Chancellor
- At least 50 councils are prepared to pay, or have pledged to pay, the Living Wage. This amounts to an 18.25% increase on the lowest NJC pay rate. An increase above 1% without strings for all must therefore be affordable
- Councils not covered by the NJC who have settled pay for 2013 are paying at least 1% – some up to 2%

Low pay and poor conditions are harming morale and causing debt

We would also ask you to consider the following:

- Since 2010, over 260,000 jobs have been lost in local government through redundancies and deletion of vacant posts, leaving existing staff to cover over the cracks as demand for services increases
- A recent survey of over 14,800 UNISON members showed that more than 80% feel that workload, pressure and stress has increased since 2010 and over 70% feel that workplace stress is harming their personal and working lives
- 53% of UNISON members in our survey are in debt and over 55% of them have debts of over £5000
- Many part-time workers have lost Working Tax Credit due to the increase in the hours threshold
- Frozen pay harms the local economy. Public spending plays a crucial role in supporting economic growth and job creation. Crucially, local government workers re-spend 52.5 pence in every pound they receive in wages in their local economy

A decent pay rise is affordable – and necessary

UNISON believes that a decent pay rise for local government workers to make up for lost earnings is affordable – and necessary:

- With the number of jobs falling drastically, there has been a corresponding drop in the basic local government pay bill (excluding teachers). In 2011/12, it dropped by over 10% to £23.9 billion, when RPI inflation is taken into account - on top of a similar decrease in 2010/11
- In addition to the reduction in pay bill, councils have also taken the decision to increase the amount they hold in reserves. Non-school reserves increased to over £16 billion in England alone by 31 March 2012. Over £4 billion of this was in unallocated reserves
- Around £1 billion on the basic NJC pay bill in 2013-14 would provide our members with a pay rise which would start to make up for the dramatic drop in their earnings since 2010
- To fill the staffing gaps left by drastic cuts, councils are also increasing the amounts being spent on agency workers. Millions of pounds that could be used to secure the jobs of our members working in-house and pay them a decent wage are being wasted on costly external consultants from multi-national accountancy firms, called in to make cuts and re-organise services

- With a falling pay bill it is unclear why middle earners in local government - like nursery nurses, social workers, customer service staff and engineers - should be punished with a token 0.6% pay offer. A salary of £14,733 is still well below the government's own low pay threshold of £21,000. The local government workforce as a whole is very poorly paid – with 502,500 NJC employees – 31% of the workforce - earning less than £15,000 a year and over 1,000,000 earning less than £21,000
- Mid-point earnings in 2012 for the economy as a whole were £26,500, compared to £24,312 for local government – that's 8.26% lower. There is no public sector pay premium in local government!!

UNISON knows that times are tough and that the government has singled councils out for the harshest austerity measures within the public sector. However, councils need their employees more than ever to keep services going and retain their allegiance for the tough times ahead. It is clear that they *can* afford a higher basic pay award this year and that the loyalty of our members is severely stretched by the one that has been made.

I would urge you to do everything in your power to convince the LGE and you Local Government Association to make an offer which really does recognise the sacrifices our members have made to keep local government afloat.

I would welcome a reply from you. You can write to me at UNISON, 130 Euston Rd, London NW1 2AY or e-mail at NJCPay2013@unison.co.uk.

Yours Sincerely,

Heather Wakefield

Head of Local Government, Police and Justice