

LOCAL GOVERNMENT **pay** **NEWS** **BULLETIN**

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**For local government branches in England, Wales and Northern Ireland only
(Scotland – for information)**

NJC PAY UPDATE

A full meeting of the NJC went ahead today. Members of the Trade Union Side, insulted by the employers' 0.5% pay offer and the threat to withdraw it unless accepted by 1 June, made forceful arguments for the employers to think again.

What we said

The Trade Union Side firmly rejected the offer and said that we would not be constrained by the employers' deadline of 1 June for acceptance. Many members did not think the offer worth accepting, so would not be bullied into acceptance. We also stated firmly that we want to see a quick, negotiated settlement and expect to meet them again in the very near future to commence negotiations.

Our main arguments were:

- 'Affordability' has to be measured by councils' budgets for pay this year, already submitted to the Department of Communities and Local Government (CLG)
- The average is 2.25%, so there is a credibility gap between the offer and what councils are prepared to pay
- This is a 'political' offer, made with local elections and a general election in mind, designed to keep Council Tax low and attract votes
- A decent pay increase is vital to the health of local economies, dependent on the earning power of council workers – especially in a recession. Councils' ability to secure the 'wellbeing' of their areas also rests on it
- Pay increases across the rest of the public sector are running at above 2%, without exception. Local government workers in Scotland will get 2.5% this year, NHS staff 2.4% and police support staff 2.6%

- Supermarkets like Tesco are making offers in excess of 3%
- Food inflation, transport costs and gas and electricity prices are running high. Our members are struggling now. This offer will make things worse
- Recruitment and retention problems in local government remain and will be made worse by this offer
- The crisis in social work is partly a reflection of low pay
- The cost to our members of Independent Safeguarding Authority registration next year will be at least £69 – more than the annual 0.5% increase for members on the lowest pay points
- Councils can't blame Single Status and LGPS contributions for the offer. They have had 34 years to bring in equal pay and pension contributions are high because of employers' past pension 'holidays' or reduced contributions
- Our members have delivered significant improvements to councils. Many work regular unpaid overtime to deliver
- This offer is demoralising. If the employers want to be 'employers of choice' as they claim, they should make an improved offer which respects our members' contribution to local communities

What the employers said

The employers outlined their rationale for the offer, relying heavily on 'affordability' arguments. Their arguments were that:

- They "can only afford to offer what local authorities can afford"
- Councils' budgets for pay represent 'prudent accounting', not what is affordable!
- Councils' finances have been hit by a fall in income from car parking and planning applications
- Councils have had to increase Council Tax by an average of 3% and would be capped if they tried to raise it beyond 5%
- The cost of the LGPS and equal pay have placed a heavy burden on councils, alongside 'pay drift'
- Over-the-top efficiency savings have been "put into increasing front-line services" and are not available for pay!

Further negotiations

We will let you know when we have a date for further negotiations. In the meantime, please keep members up to date and recruit as many non-members as possible.