

LG/51/2010

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To: Secretaries of Local Government Branches in England, Wales
and Northern Ireland (Scotland – for information)
Regional Heads of Local Government
Registered Professional/Sectional Bodies - for information

3 August 2010

NJC Pay 2010/11 and 'Reducing Workforce Costs' – Unions Register a Formal Dispute

This circular outlines the reasons why the NJC trade unions have registered a formal dispute with the employers. It highlights what this means and the issues branches should now raise with their councillors and managers

The Issues

At a Joint Secretaries meeting on 14 July the NJC trade unions raised deep concerns over a number of issues with the employers, including:

1. Failure of the Employers' Side to make a pay offer for 2010/11 in the context of continuing high inflation, with RPI in June at 5% and 5.1% in May. The inequity of the situation is compounded when we can see pay rises going through in other parts of the public sector, including:
 - NHS –2.25% increase on national salary scales, with a flat-rate rise of £420 on points 1-12
 - Teachers – 2.3%
 - Police Officers – 2.55%
 - MPs – 1.5%
2. Failure of the Employers' Side to apply the £250 increase to those earning below £21,000 within local government, as announced by the Chancellor in June in reference to public sector workers
3. Failure of the employers to consult and subsequently circulate the 'Reducing Workforce Costs' document (see **LG/36/2010**). They also

failed to withdraw the document after being asked by the NJC trade unions to do so. Issuing the advice encourages local authorities to break the sector wide collective agreement in the Green Book and to negotiate locally to reduce pay and conditions.

The Action

Due to the above issues not being resolved a formal dispute was registered with the employers on 26 July under paragraph 17 of the Green Book constitution which states:

17. Arbitration

In the event of a dispute over terms and conditions of employment arising between the two sides of the Council the dispute shall, if requested by either side, be referred for settlement by arbitration. The arbitration award shall be accepted by both sides and shall be treated as though it were an agreement between the two sides.

The Effect of the Action

Lodging a formal dispute under Paragraph 17 means that the three matters under dispute, referred to above, will be referred to ACAS for arbitration. The dispute is not linked to industrial action. We hope that the employers will honour their commitment to the Green Book and engage constructively in the arbitration process to resolve the dispute.

Branch Action

Branches are asked to note in detail the 'Reducing Workforce Costs' document (LG/36/2010) and resist any attempts to reduce part 2 conditions, which are core conditions designed to apply to all local government workers. Any attempts to do so by your employer should be reported to your regional office and to NJCPay2010@unison.co.uk

It is clear that the employers are pushing to negotiate locally on all parts of the Green Book. Branches should also note that Reducing Workforce Costs calls for HR and finance staff to whom it is primarily aimed - to "*engage trade unions and employees in constructive talks at an early stage*" in local initiatives to reduce workforce costs.

Branches need to ask your employers if or how they are considering 'reducing workforce costs' and insist on being fully engaged in discussions as early as possible. Bargaining guidance is being prepared and will be issued to branches in August. Until then, all the advice and suggested actions included in LG/36/2010 still apply.

With best wishes,

A handwritten signature in black ink, appearing to read "Heather Wakefield". The signature is written in a cursive, flowing style.

Heather Wakefield
National Secretary
Local Government Service Group