

WEST DUNBARTONSHIRE COUNCIL

Report by the Chief Executive

Council Meeting: 17 December 2008

Subject: National Pay Award - Local Government Employees

1. Purpose

- 1.1** The purpose of this report is to seek Council approval to implement the National Pay Award, as recommended by the Employers Secretary of the Scottish Joint Council (SJC) for Local Government Employees. The Employers offer was the subject of a Trade Union membership ballot and was accepted by Unison.

The effect of the award is:

- 3% increase on all SJC points and on all SJC scales for the year 1st April 2008 – 31st March 2009
- 2.5% increase on all SJC points and all SJC scales for the year 1st April 2009 – 31st March 2010

2. Background

- 2.1** National Pay Awards are usually agreed by the Scottish Joint Council for Local Government Employees which is comprised of employer representation from across the Scottish Councils appointed by Cosla and Trade Union representation from Unison, GMB and Unite.
- 2.2** The Employers function initially proposed a 2.5% increase for a period of three years however the local government unions claimed an increase of 5% or £1,000 (whichever was the greater), from 1 April 2008. The dispute over pay included two days strike action with the likelihood of further targeted industrial action. In October an improved offer was made by the Employer's function of 3% for 2008/9 and 2.5% for 2009/10. The Trade Unions were advised that this offer was at the limit of affordability for Scottish Councils however it also confirmed the commitment to establish an SJC working group to consider trade union assertions of low pay in Scottish local government.
- 2.3** On the basis of this offer the three trade unions agreed to suspend industrial action and to consult their members by ballot. This process is now complete and has resulted in Unison accepting the offer by a narrow margin but the GMB and Unite. (TGWU) rejecting the offer by a substantial majority of those voting. However, the offer was to the joint Trade Unions and a joint response is required to collectively effect the award by means of a nationally agreed circular. So far a joint position between the Trade Unions and with the Employer's Function has not been reached.

- 2.4** The Employers' Secretary wrote to the Trade Unions on 26 November 2008 seeking a joint position and received replies from each of the three unions indicating their individual positions. It was clear from these that there was no unanimity amongst the unions which would enable the SJC to reach a joint agreement on implementation at this time. Faced with this situation a number of councils took the decision to implement the terms of the offer without a national agreement and in the light of this Employers' Advice was issued detailing the proposed new salary scales.
- 2.5** The Employers' Function remains in dialogue with the Trade Union Secretaries in this regard and has written again on 3 December 2008 to the Trade Union Joint Secretaries repeating the Employers' final offer and providing additional information on how the agreed SJC working party on alleged low pay could be taken forward, subject to the offer being accepted by the Joint Trade Unions. The Trade Unions were also reminded that this was not a healthy position for the SJC and did not reflect well on both sides of the SJC. An offer was made in this context to meet the Joint Trade Union Secretaries to seek to resolve the matter for the present and to jointly determine how agreed commitments can be taken forward.

3. Main Issues

- 3.1** The key issue for the Council is that a number of councils, including Glasgow City Council, Renfrewshire and South Lanarkshire, have taken operational decisions to immediately make payment to their workforce in respect of the Employer's Offer of 3% from 1st April 2008 and 2.5% from 1st April 2009.
- 3.2** The Council is therefore asked for approval to make payment to our workforce on the basis of the Employer's Side offer, as soon as is administratively practicable and in accordance with local payroll systems and frequencies.
- 3.3** While Unison have accepted this offer at a national level all three Trade Unions have been advised at a local level of our intention to seek Council approval for implementation in the absence of a national agreement.

4. Personnel Issues

- 4.1** This decision affects all local government employees (APT&C and Manual Workers) whose pay rates are determined by the Scottish Joint Council. The award would be backdated to 1st April 2008.

5. Financial Implications

- 5.1** Budgets have already been determined on the basis of the Employer's Offer of 3% for the period 2008/9 and 2.5% for the period 2009/10. There are no further financial implications associated with this decision.

6. Risk Analysis

- 6.1** The risk associated with failure to approve implementation of the national pay award as recommended by the Employer's function is that West Dunbartonshire Council pay rates will be lower than those of neighbouring Councils until such time as there is a national agreement on the uplift. There is no guarantee that there will be a national agreement in the near future, if at all, and staff are now eight months into the financial year with no resolution to their pay claim despite acceptance by the majority Trade Union.
- 6.2** There is a risk that GMB and Unite will continue their pay dispute and pursue industrial action in respect of the percentage uplift.

7. Conclusions

- 7.1** The majority of Council's across Scotland are now acting on the recommendation of the Employer's Secretary with regard to the percentage uplift to national pay rates for SJC staff for 2008/9 and 2009/10. Given that this position has been agreed by the largest Trade Union, Unison, it would appear prudent for the Council to proceed with implementation in this regard and resolve outstanding concerns for staff who have not yet received a pay uplift for this financial year. Approval of the recommendation at this time would allow staff to see the benefit of the uplift in January salaries.

8. Recommendations

- 8.1** Council are asked to approve implementation of the National Pay Award as recommended by the Employers Secretary of the Scottish Joint Council (SJC). The effect of the award is:
- 3% increase on all SJC points and on all SJC scales for the year 1st April 2008 – 31st March 2009
 - 2.5% increase on all SJC points and all SJC scales for the year 1st April 2009 – 31st March 2010.

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David McMillan
Chief Executive
Date: 11 December 2008

Person to Contact: Tricia O'Neill, Head of Human Resources & Organisational Development - Corporate Services -
Tel: 01389 737584
Email: Tricia.O'Neill@west-dunbarton.gov.uk

Appendices: None

Background Papers: None

Wards Affected: No wards are affected