

PERSONNEL COMMITTEE

28-March 2012

CABINET

11 April 2012

UNISON – LOCAL PAY CLAIM

REPORT OF HEAD OF ORGANISATIONAL DEVELOPMENT

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This Report contains proposals in response to a local pay claim from Unison for 2011/12. The proposal is for a £250 one off payment to be made to all Permanent & Fixed Term posts employed under NJC terms and conditions at 31 March 2012, with a Full Time Equivalent annual salary of less than £21,000 per annum.

RECOMMENDATIONS

To Personnel Committee:

1. That the proposal to make a one off payment of £250 to all permanent and fixed term employees on NJC terms and conditions at 31 March 2012, with a full time equivalent annual salary of less than £21,000 be agreed.

To Cabinet:

1. That a supplementary estimate of £42,000 be approved for the General Fund

PERSONNEL COMMITTEE28-March 2012CABINET11 April 2012UNISON – LOCAL PAY CLAIMREPORT OF HEAD OF ORGANISATIONAL DEVELOPMENT.DETAIL:1. Background

- 1.1 Unison has said that the Chancellor George Osborne had made a commitment in his 2010 Budget to protect local authority workers earning less than £21,000 from the upcoming two-year public sector pay freeze. He had promised a £250 flat pay rise to "the 1.7 million public servants who earn less than £21,000".
- 1.2 In the 2011 Budget, it was revealed that the pay rise would only apply to the armed forces, prison service, NHS, teachers and civil servants. As a result Unison has requested that the Chancellor should be putting more pressure on councils to protect low paid staff.
- 1.3 In February, Local Government Employers rejected a pay claim from unions for a pay rise of £250 for all council employees in England, Wales and Northern Ireland. However, some unions and councils have already negotiated a pay rise for low paid staff at a local level. In Southampton for example, where higher earners face pay cuts of up to 5%, all employees earning less than £21,000 will receive a flat £250 pay rise.
- 1.4 A spokesperson for the Treasury has said: "We have made clear that we expect local government to show restraint on pay in line with the rest of the public sector as well as seeking to provide the lower paid with some protection from the impact of pay restraint."
- 1.5 Winchester City Council has received a formal request from the Local Branch of Unison to formally consider a payment of £250 for all employees earning less than £21,000 (see Appendix 1).
- 1.6 Following discussions with the Corporate Management Team, it is proposed to request that Members consider making this payment on a one-off basis to provide some protection to the lower paid from the impact of pay freezes.

- 1.7 The proposal is to make a one off payment of £250 to all permanent and fixed term employees on NJC terms and conditions at 31 March 2012, with a full time equivalent annual salary of less than £21,000.

2 Consultation

- 2.1 The Union has been consulted on these proposals and they are in favour of the Council providing this one-off payment to eligible staff.

OTHER CONSIDERATIONS:

3. SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 3.1 The need to make the best use of all available resources by continued clear financial planning within the City Council is an integral part of the Community Strategy. This proposal would assist with our objectives to be an employer of choice.

4. RESOURCE IMPLICATIONS:

- 4.1 Based on current information this would provide an award to a total of 191 staff, with total estimated costs as follows:

| | <u>No.</u> | <u>One-off pyts</u> | <u>Employer's on costs</u> | <u>Total cost</u> |
|----------------------------|------------|-------------------------|--------------------------------|-------------------|
| | | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| General Fund | 138 | 35 | 8 | 42 |
| Housing Revenue Account | 53 | 13 | 3 | 16 |
| Total | 191 | 48 | 10 | 58 |

- 4.2 The Council already seeks to manage expenditure on staffing through our vacancy management process. It is proposed that the costs of implementing the proposal are funded by budget Virements for the Housing Revenue Account. A Supplementary Estimate is requested for the cost to the General Fund.

5. RISK MANAGEMENT ISSUES

- 5.1 There are no risks identified with these proposals.

BACKGROUND DOCUMENTS:

Papers held in Organisational Development & Financial Services.

APPENDICES - None

