

**To: Chief Executives in England, Wales and N Ireland
Leaders, Elected Mayors and Portfolio Holders
(additional copies for HR Director and Finance Director)
Members of the National Employers' Side
Regional Directors**

14 April 2016

Dear Chief Executive / Leader,

**PAY NEGOTIATIONS: UPDATE and
SUGGESTED COMMUNICATION TO STAFF**

I wrote to you on 1 April to update you on the current position in this year's pay round. Since then the three local government trade unions (UNISON, GMB and Unite) have met again to consider their positions.

GMB remains resolutely in favour of reaching a deal on the two-year pay offer that its members have voted to accept.

UNISON's Industrial Action Committee met yesterday to consider a request from its Local Government Committee to conduct a ballot for strike action. However, we understand that the matter was referred back to the Local Government Committee for them to oversee a further consultative ballot of UNISON members to ask them if they would support strike action or whether they wish to accept the Employers' final two-year pay offer.

The outcome of this ballot would be reported back to the Industrial Action Committee who would make a final decision on whether there is sufficient support to proceed with a formal ballot for industrial action.

Unite has indicated that it is not in favour of all-out action but will instead consider on 21 April whether to proceed with balloting for targeted strike action.

You will no doubt share the National Employers' deep frustration that UNISON and Unite are intent on further delaying the pay increase that employees were due to receive with effect from 1 April.

Since we made our full and final two-year pay offer on 9 December the National Employers have not wavered from the belief that it is fair to employees and represents the limit of what is affordable, and councils have given their continued solid support for the position that we have taken.

We do not believe that UNISON's and Unite's decision to prolong this year's pay round will change the clear view of councils that the Employers should stand firm.

You will be aware that two-year pay agreements have recently been reached for local authority Chief Executives and Chief Officers; your employees are probably wondering why they are still waiting to receive their own pay increase.

You may wish to suggest that they raise their concerns with their local UNISON or Unite representative and explain that the National Employers are currently unable to advise councils to implement the pay award until we have reached agreement with all three unions.

It is important that the workforce understands why their pay increase is being delayed. We have prepared the following FAQs that you may wish to use in communications with your staff:

I was due to receive a pay increase with effect from 1 April 2016. Where is it?

Your pay is negotiated by the National Employers and UNISON, GMB & Unite who together make up the National Joint Council (NJC) which covers councils in England, Wales and Northern Ireland. The negotiating process is known as "collective bargaining" which means that the National Employers represent councils, and the three unions represent their members. The National Employers need to be able to reach a formal agreement with all three unions before local councils can increase your pay.

On 9 December the National Employers made a final two-year pay offer of 1.00% increases in 2016 and 2017 for employees on pay points 18 and above.

However, over that same two-year period employees on pay points 6 to 17 would receive increases in pay of between 10.28% and 2.30%. The increase on the bottom pay point 6 would produce an hourly rate of £7.52 this year and £7.78 in April 2017; some way above the new National Living Wage of £7.20.

UNISON and Unite conducted ballots of their memberships through their local branches and recommended that the offer be rejected, which it duly was, albeit on apparently low turnouts.

However, GMB conducted a secret postal ballot of its individual members and the offer was accepted by a majority of 9:1 on a 23% turnout.

UNISON now plans to conduct a further ballot to see if there is support for strike action or whether its members wish to accept the Employers' final two-year pay offer.

Unite is meeting on 21 April to decide its next steps.

The National Employers share your frustration that because of UNISON's and Unite's decision we are unable to get the extra money you deserve into your pay packet.

I am a GMB member and voted to accept the two-year pay offer. Why can't I get my pay increase now?

Employees in councils are subject to the collective bargaining process and agreements reached by the NJC. Your local employer can only apply the pay award once the NJC has reached agreement and for this to happen UNISON and Unite now need to accept the pay offer. The National Employers cannot reach an agreement with just GMB.

I am not a union member. Why can't I get my pay increase now?

For the same reason that GMB members can't receive the pay increase; your local employer can only apply the pay award once the NJC has reached agreement and for this to happen UNISON and Unite now need to accept the pay offer.

I shall continue to keep you informed of developments.

Yours sincerely,



**Sarah Messenger
Head of Workforce**