

Council – 16 September 2019

Notice of motion – A fully funded, proper pay rise for Council and school workers

A notice of motion has been received from Councillors Nawaz, Hussain, Jeavons, Burley, Underhill, Gultasib and Worrall:

This council notes:

- Government has endured central government funding cuts of nearly 50% since 2010.
- Between 2010 and 2020, councils will have lost 60p out of every £1 they have received from central government.
- The 2019 LGA survey of council finances found that 1 in 3 councils fear they will run out of funding to provide even their statutory, legal duties by 2022/23. This number rises to almost two thirds of councils by 2024/2025 or later.
- The LGA estimates councils will face a funding gap of £8 billion by 2025.
- Faced with these cuts from central government, the local government workforce has endured years of pay restraint with the majority of pay points losing 22 per cent of their value since 2009/10.
- At the same time as seeing their pay go down in real terms, workers experience ever increasing workloads and persistent job insecurity. Across the UK, an estimated 876,000 jobs have been lost in local government since June 2010 – a reduction of 30 per cent. Local government has arguably been hit by more severe job losses than any other part of the public sector.
- There has been a disproportionate impact on women, with women making up more than three quarters of the local government workforce.

This council believes:

- Our workers are public service heroes. They keep our communities clean, care for those in need, and keep our towns and cities running.
- Without the professionalism and dedication of our staff, the council services our residents rely on would not be deliverable.
- Government funding has been cut to the extent that a proper pay rise could result in a reduction in local government services.
- The government needs to take responsibility and fully fund increases in pay; it should not put the burden on local authorities whose funding been cut to the bone.

This council resolves to:

- Support the pay claim submitted by Unite, GMB and UNISON to central government on behalf of council and school workers for a £10 per hour minimum wage and a 10% uplift across all other pay points in 2020/21.
- Call on the Local Government Association to make urgent representations to central government to fund the National Joint Council (NJC) pay claim.

- Write to the Chancellor and Secretary of State to call for a pay increase for local government workers to be funded with new money from central government.
- Meet with local NJC union representatives to convey support for the pay claim.
- Communicate with all local government workers encouraging them to join a trade union.

Response:

NJC Unions (Unison, GMB, Unite) submitted the following claim to the LGA on 24 July 2019:

- A real living wage of £10 per hour to be introduced for NJC scp 1 and a 10% increase on all other NJC/GLPC pay points
- A one day increase to the minimum paid annual leave entitlement set out in the Green Book
- A two hour reduction in the standard working week as set out in the Green Book
- A comprehensive joint national review of the workplace causes of stress and mental health throughout local authorities

The annualised pay bill for the workforce affected taking into account including employers NI and pension contributions totals approximately £204,800,000. The financial effect of the pay claim would increase the pay bill to approximately £237,568,000, an increase of £32,768,000.

The government has recently announced its spending review. No new money has been set aside for this level of claim. Prior to the budget announcement, the Council's medium term financial outlook indicated a shortfall of approximately £20,000,000 for 2020/21. If this pay claim is accepted, by the Council, the shortfall would increase to £52,768,000.

The Council is legally obliged to set a balanced budget each year. Without additional government funding it would be not be possible for the Council to do so without extensive reduction in statutory services and subsequent job losses, or an increase in Council Tax of c30%, which would trigger a Council Tax referendum.

- Walsall council has **reduced its headcount by 2,980** (2221.07 FTE) between **June 2010 and June 2019**.
- This provides for a **reduction of 29.82%** in headcount (29.72% FTE) over the same period. This is broadly comparable to the national reductions.
- Of these, **71% of compulsory redundancies were women** over this period.
- Women remain **68.51% of the headcount** (as at end of March 2019). This is slightly below the national figure, but has remained broadly constant for a long period (women having held 69.2% of the headcount in 2014/15).

- The Council's has for a number of years ensured that all employees are paid on or above the National living wage.

On 17 September 2019, Walsall Council will attend the national roadshow (briefing and discussion) hosted in Birmingham by West Midlands Employers. This is the Council's opportunity to contribute to the National Employers Pay Consultation for the West Midlands and is open to Council Leaders, Cabinet Portfolio Holders and senior council officers to influence the approach taken by the National Employers in relation to forthcoming pay negotiations.



James Walsh
Executive Director, Resources and Transformation
6 September 2019