

# National Employers for Local Government Services

To: **Peter Allenson, Unite**  
**Brian Strutton, GMB**  
**Heather Wakefield, UNISON**

6 April 2009

Dear Heather, Brian and Peter

## **LOCAL GOVERNMENT PAY CLAIM 2009/10**

I am writing on behalf of the Employers' Side of the NJC to respond formally to the Trade Union Side pay claim submitted on 14 January.

We explained when we received the claim that we would be unable to respond until we had concluded our annual round of pay consultation briefings, and we couldn't start that process until we knew the outcome of the arbitration hearing on pay for 2008/09 as this would have an impact on councils' assessment of affordability for 2009/10. Those briefings are now complete and the employers have moved quickly to agree the following response to your claim.

Our primary consideration in making an offer has once again been affordability. The recession continues to have a major impact on council finances: demands on council services are increasing; income from items such as fees and charges is decreasing; and the third year of the current three-year CSR settlement is no longer guaranteed. While the latter relates to 2010/11, it is a major factor in assessing what is affordable for 2009/10. In addition councils have had to absorb the cost of the 0.30% arbitration award at a time when budgets for the coming year have already been set.

The offer also reflects the wider context of redundancies, pay freezes and even pay cuts for workers across the economy and it is important that local authorities are sensitive to public perception of the position of public sector workers. Our offer is therefore limited not only by what we can afford but what we can justify to council tax payers.

With all that in mind, the employers are prepared to make an offer of 0.50% on all points in the national pay spine. In the light of the increasingly uncertain economic climate, and in an effort to secure a relatively quick settlement, the employers have decided that this offer should be time-limited. Accordingly, if a negotiated settlement has not been reached by 1 June 2009, the offer will be withdrawn and there would be no increase this year. The employers would not implement the offer unilaterally in the absence of an agreement

We would obviously welcome the opportunity to meet you either in the full NJC, NJC Executive or as Joint Secretaries to take discussions forward.

Yours sincerely,



Sarah Messenger  
Employers' Secretary