

Joint Negotiating Committee for Youth and Community Workers

17 June 2010

Mr Doug Nicholls
Staff Side Secretary
CYWU Unite
211 Broad Street
Birmingham B15 1AY

Dear Doug

JNC for Youth and Community Workers - 2010 Staff Side Pay Claim

Following the meeting of the JNC today, I am writing to confirm the Employers' response to the 2010 pay claim:

- **A substantial rise on all grades and allowances for the year 2010-11.**

The Employers' Side has considered your claim for a substantial rise on all grades and allowances for the year 2010-11 in the context of the detailed feedback they have received from consultation with local authorities and voluntary organisations. In the light of the clear and consistent message from that consultation process, the Employers have concluded that the financial position in local government is such that any increase would simply not be affordable. Accordingly, the Employers are unable to offer any increase for 2010/11.

The Employers' Side recognise that their decision will be a disappointment to your members, many of whom have been struggling to cope with the effects of the recession. The Employers however have also had to take into account the financial position of councils and voluntary organisations including the impact the recession has had on income and expenditure.

As you know, councils receive income from three sources: government grant, fees and charges for services and council tax. A significant amount comes directly from government grant where, in setting grant levels, government has assumed that significant efficiency savings will be made in local government. Councils have therefore had to achieve those savings simply to maintain services at existing levels.

Income from fees and charges has been severely affected by the economic recession. To take just a few examples: there has been a fall in income from planning applications as a result of reduced activity in the building industry; a fall in income from car parking, leisure centres and other council services as people have adjusted their daily lifestyles; and a fall in interest payments from council investments.

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While income has been falling, expenditure has been increasing as councils seek to protect local communities from the worst effects of the recession by, for example, helping to keep people in their own homes, offering support to the unemployed and helping small companies stay afloat.

Council tax provides the remainder of income but cannot provide any additional funding for pay as it would have to increase significantly to fund even a small pay increase. The government has also announced that council tax will be frozen for the next two years.

Neither do councils have reserves available to fund a pay increase. Councils do hold reserves but these are set at a sensible level to meet medium-term financial commitments such as gritting roads around the clock during the recent cold weather. Reserves are there for one-off items of expenditure, not recurring costs such as pay.

There also continue to be significant areas of expenditure related to the workforce. Even without a national pay increase in 2010/11, many councils' and voluntary organisations' pay bills will grow significantly as a result of meeting the cost of annual increments. The impact of recent pay reviews is that in some councils, up to 80% of employees will receive an increment in 2010/11. Employer pension contributions also remain a significant burden.

- **A joint comparative review of all London and area allowances to be completed by December 2010.**

The Employers' Side is unable to agree to undertake a review of London and area allowances within current budgetary constraints and in isolation of other terms and conditions.

- **The introduction of an on call allowance and a late night allowance as of 1 September 2010.**

Employees are not routinely required to be on call or work after 11.00 pm, the main exception being residential. The JNC has issued a joint agreement which details recommended good practice for residential, TOIL, sleeping in allowances etc. The Employers are therefore unable to agree to any additional allowances.

- **A joint working party to establish a Joint Job Security Agreement.**

To reach an agreement to protect one group of employees over another would be divisive and is neither desirable nor sustainable. The Employers do not agree to the establishment of such an agreement.

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The Employers are aware of work going on within the National Joint Council for Local Government Services to seek to agree joint guidance on handling redundancies. Once this piece of work is complete, the Employers' Side is content to issue a joint circular encouraging councils to ensure the good practice guidance is also applied to JNC employees.

- **A joint agreement to promote long term funding arrangements for voluntary sector projects.**

This element of the 2010 claim is not within the remit of the JNC.

The recession has affected us all and though the Employer' Side recognise that you and your members will be disappointed by their response to the pay claim, it will help protect vital council services and reduce the risk of job losses. This is the final position of the Employers' Side.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Allison Wheeler".

Allison Wheeler
For Employers' Side Secretary