

## **LOCAL GOVERNMENT SERVICES 2002 PAY CLAIM**

### **1 SUMMARY**

- 1.1 This reports updates Members on the possibility of industrial action by the Public Sector Unions as a result of the non-settlement of the Local Government Services 2002 Pay Claim.

### **2 INTRODUCTION**

- 2.1 The National Joint Council for Local Government Services, comprising both employer and employee representatives, has so far failed to settle on the 2002 pay claim. The Employers' side has offered 3% but this has been refused by the Unions. Their national pay claim is for an increase of 6% or £1,750, whichever is the greater. The main public sector unions, that is Unison, GMB and TGWU, are now balloting their members with a view to commencing industrial action in support of their claim and rejection of the employers' offer. The balloting will take place from 10<sup>th</sup> June to 5<sup>th</sup> July, with the possibility of any initial industrial action taking place from 15<sup>th</sup> July.

### **3 IMPLICATIONS FOR THE COUNCIL**

- 3.1 In terms of the Council's own directly employed staff, approximately 35% are members of one of the public sector unions. With regard to those services out to contract – leisure management, refuse collection, street cleansing and grounds maintenance - union membership is minimal.
- 3.2 Union membership within the Council is clustered within certain sections – building control, document production, parts of housing management, parts of contracted services, and within environmental health. Consequently, to minimise the impact of any industrial action within these areas, Heads of Service have been instructed to draw up contingency plans.
- 3.3 In addition, Heads of Service have been instructed not to grant annual leave/flexi leave for staff who apply to take time off on the day/period of the strike within two weeks of that date, unless there are exceptional circumstances. For those staff who participate in any industrial action, a pay deduction will be made.

- 3.4 The Employers' side have put together an information pack on the issue and a copy is attached as an Appendix. Any further update on the situation will be given by officers at Committee.

#### **4 RESOURCE IMPLICATIONS**

- 4.1 The District Council has already made provision within its 2002/2003 budget for a 3% increase in staffing costs. This equates to over £150,000. Each additional percentage point increase would equate to approximately £50,000. To meet the 6% or £1,750 claim in full would cost this Authority an additional £350,000. This sum is for both Housing Revenue Account and General Fund costs. The impact on the General fund equates to an increase on the Council Tax of £10.65 for a Band D property. Clearly, to fund any additional settlement over and above the 3% would need to be offset by savings elsewhere. Given the structure of the Council's budget, this could only be achieved through looking at the salary budget head as a whole and achieving savings over the year through additional slippage, over that already included within the budget, and/or non replacement of staff. However, the pay award has an impact from 1<sup>st</sup> April each year whereas any vacancies will occur throughout the year. This therefore results in uncertain savings but also accelerated targets for numbers of posts the later in the year vacancies occur.

#### **5. RECOMMENDATION**

It is proposed that the Committee **RESOLVES** to endorse the actions already taken by the Chief Executive in the context of the possible strike action and should the industrial action proceed, requests that the Chief Executive keeps the Council updated on a regular basis.

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Chief Executive

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