



NORTHUMBERLAND COUNTY COUNCIL

WORKPLACE NEWS

BULLETIN – AUTUMN 2010

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LOCAL GOVERNMENT PAY DISPUTE FORMALLY LODGED - ARBITRATION NEXT?

GMB local government members will know that there has been a pay freeze this year. The National Employers have refused to hold any negotiations with us at all and won't even meet to discuss pay. Furthermore, the Employers have declined to apply the £250 announced by the Chancellor in his budget to the three quarters of the NJC workforce earning below £21,000, forcing them even further behind the pay rates of other groups of Public Sector workers. This is insulting to staff and is totally unacceptable to GMB and the other unions.

To make matters worse, the employers have also produced a guidance book on how to cut staff pay and conditions and sack people cheaply. It really is the most damning indictment of council employers and their total lack of any respect for employees.

In July GMB, Unison and Unite have registered a formal dispute over these matters and have written to the Secretary of the NJC, setting out the complaints. The dispute is registered under clause 17 of the NJC agreement which calls for the dispute to be referred to ACAS.

This is absolutely the right step to take and the employers should agree to the ACAS process forthwith. They can make their case to ACAS based on what they say is their shortage of funding - we can make our case based on the hard working council staff who deserve a pay rise. ACAS can help broker a deal or can decide for us, the trade unions will honour any outcome. Now it's time for the employers to show some leadership and do likewise.

Your Branch will keep you informed of any further developments.

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Join online at www.gmb.org.uk/join

BUDGETARY CUTS & POSSIBLE REDUNDANCIES

Following the Coalition Governments announcements of ongoing cuts to the Public Sector budget of £6.2 billion, with approximately £1.2 billion coming from Local Authority Grant reductions, we have met with Keith Ireland and Senior Management to discuss the impact on Northumberland County Council and how this affects our members.

The current in-year impact to Northumberland is that they are expecting to lose approximately £10 million pounds from both their revenue grants and capital grants.

The Chancellor, George Osborne, will reveal the Coalition Governments spending plans for Local Government for 2011 to 2015 on 20th October, with a strong possibility of a further 25% reduction in budgets over that period.

Numbers of potential redundancies as a result of the existing cuts in grants are being considered by management and the Joint Unions continue to be consulted regarding avoiding any compulsory job losses. To date there have been 569 requests for voluntary redundancy, 146 of which have been rejected. We are receiving weekly updates from management on how many volunteers continue to come through and be accepted, rejected or pending.

We continue to receive departmental staffing reviews, from the service reorganisations and we will continue to consult with management and members to avoid compulsory redundancies wherever possible.

The GMB will keep you updated as to the progress of these negotiations as, and when, things become clearer, please contact your local rep or the Branch if you have any queries.

SCHOOL SUPPORT STAFF NEGOTIATING BODY – UPDATE

Following on from the General Election, and the election of the new Government, we are yet to find out whether the constant torrent of cuts are going to affect the introduction of the SSSNB which would negotiate the Terms and Conditions of all school support staff.

Philip Ashmore, the independent Chair of the SSSNB, on behalf of the Joint Trades Unions wrote to Michael Gove, Secretary of State for the Department of Education, on 14th July, complaining about the lack of information from the Government about the future policy for support staff, and asking for a statement on the new Governments future intent for the SSSNB.

The Trades Unions have concerns that the new Coalition Government may axe this body in order to achieve potential future savings, and there is still much work to do if a new pay and conditions framework is to be agreed and implemented by the target date of April 2012, if the SSSNB is to remain in it's current form.

The Joint Unions are yet to receive a reply from Michael Gove to this letter, but when there are any future developments we will advise our members accordingly, at the appropriate time.

SINGLE STATUS UPDATE

Following the Coalition Governments announcement to cut the County Council's budget in May, Single Status consultations with the Unions have failed to take place, due to the work involved with the numerous restructures that continue to filter through.

However the Joint Trades Unions and management are due to resume new weekly meetings from 30th September, to the end of the year, and collectively we aim to resolve all outstanding matters as quickly as possible. We also continue to discuss "Part 3" terms, such as overtime rates, allowances and other payments with a view to harmonising those conditions to prevent potential discrimination.

At the end of the consultations the Joint Trades Unions will convene mass meetings across the County, prior to holding a ballot of all members on the final proposals.

Where the newly announced restructures have an impact on Job Descriptions, the new ones that are produced, if there is significant change, will have to be re-evaluated and should be agreed first with the postholder(s) affected.

If you have not been consulted on your job description, or if you are not happy with the content of it please contact your Branch Office immediately and we will arrange to visit you to resolve your concerns.

If you have any other questions or queries about the Single Status process, or if you want the GMB to visit you at your workplace, please contact the Branch Office as soon as possible.

If you are not a member of the GMB we would advise that you join either online, by free phone 0800 731 7017, or by contacting your local rep or the GMB Branch Office.

GMB BRANCH REORGANISATION

Following the retirement of George Baker, Keven Crosby has now been appointed to the post of Branch Secretary of the GMB Northumberland Local Authority Branch.



Kevin continues to be based at the GMB Branch Office within County Hall at Morpeth and can be contacted at keven.crosby@northumberland.gov.uk

Should you require representation or advice, please contact your local representative first, however should you not have a rep or work remotely please contact the Branch Office on 01670 533 018 for the appropriate assistance.

The GMB, both locally and Nationally, produce information and bulletins on Local Government issues and we have a mailing list to email this information direct to members. Should you wish to be added to this list to receive future bulletins immediately please email Mark Wilson, Regional Officer at mark.wilson@gmb.org.uk If you wish to be a contact point for the GMB members in your workplace or are interested in becoming a GMB representative, please contact Keven at the Branch Office to arrange us to meet with you on this matter.

As predicted in previous GMB bulletins, the coalition government has lost no time in targeting public sector pensions. This update sets out what steps the government is taking and the challenges ahead.

Budget Announcement

The budget set out a change in the indexation (the amount pensions increase each year to keep up with the cost of living) of all public sector pensions. This includes all existing pensioners and deferred members as well as the past and future service of current contributing members. Historically pensions from the LGPS were increased each April in line with the previous September's RPI figure. This year, as RPI in Sep 2009 was negative; no increase was applied in April 2010. On average RPI is up to 1% higher than the new measure the government have decided to adopt for pension indexation: CPI. This means that over the course of a twenty year retirement an LGPS member could effectively lose a fifth of the pension they would have had if the Tories/Liberals had not made this change.

Hutton Review

The government has also announced that John Hutton, the former Labour Secretary of State for Pensions, is to conduct a review of all public sector pensions. In a very short timescale a request was circulated by this Independent Public Service Pension Commission for evidence to the first stage of Hutton's deliberations. GMB made a full written submission which is available online at www.gmb.org.uk/pspc and is participating in an ongoing dialogue with the Commission.

The first stage of the IPSPC's review on the potential for short term savings is due to be submitted to the government in September in time for the Spending Review in October. A second report on the longer term approach to public service pensions, including the LGPS, is due in Spring 2011.

Hutton Submissions

GMB's evidence reflected the ongoing discussions we have had with this and the previous government about reforms to the LGPS. As members will be aware we have consistently sought to retain the value of the scheme to members and make changes to ensure the continued viability of the scheme to members and taxpayers. In 2008/9 a new LGPS was introduced for all members with some key changes to benefits, contributions and the outline of a cost sharing mechanism for the future. We have urged the IPSPC and government to acknowledge the impact of these still very recent reforms and allow the cost sharing mechanism to be introduced and tested before any radical changes to the scheme are force through.

We have always recognised the need for the LGPS to be adaptable, not least to the changing shape of the workforce in local government and related employment. In the GMB submission we reiterated our call for a new member contribution rate of 10% for those earning over £100,000. We also called for the IPSPC to examine retaining the current value of the LGPS but changing the final salary basis to a career average based scheme.

Career Average

Career average schemes are an alternative form of defined benefit pension scheme to final salary schemes. Instead of your pension being based on your last year's pensionable salary it is based on the average salary you have received over your period of membership revalued to take into account the effects of inflation. Final salary schemes are designed to benefit those who get promoted during their time in the scheme, the traditional management career model. Career average generally benefits those who stay in the same job and see their pay increase only as a result of annual pay rises. This now reflects the pattern of the majority of members of the LGPS and the majority of GMB members. It is also advantageous when pay rises are below the rate of revaluation (which is usually an index based on average earnings or inflation).

In considering this option for the LGPS there are two important factors to take into account. Firstly, any change would only apply to service after the date of any change, so current members would have all their service recorded on a final salary basis up to date X and on a career average basis afterwards (as the change in accrual rate is recorded since the new scheme was introduced). Secondly, GMB's consideration of career averaging is conditional on retaining the same overall value of the LGPS not as a means to reduce costs. We would also insist on consulting members over any such proposed change.

More information on career average is available in the GMB Guide to Pensions available to GMB members at www.gmb.org.uk/pensions

Next Steps

GMB continues to discuss LGPS reform in the official Policy Review Group and challenge the many unwarranted and inaccurate attacks levelled at the scheme and its members. Material is available on the website to assist members in challenging any attacks they see in the media or from local politicians. The cut to the LGPS announced in the budget will not be the end of the attacks from the government on members' retirements and we must all work together to make sure GMB members' voices are heard.

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