

Heather Wakefield, Brian Strutton, Peter Allenson
Trade Union Side Secretaries
NJC for Local Government Services
UNISON Centre
130 Euston Road
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28 February 2012

Dear Heather, Brian and Peter

ARBITRATION

When we met last week the National Employers informed you that they were unable to make a pay offer in response to your 2012 pay claim. The Trade Union Side subsequently made a formal request that the matter be referred to arbitration. I have now had the opportunity to consult the Employers' Side and am writing to confirm that they cannot accede to your request.

Arbitration can take place only where both parties are prepared to commit themselves to accepting that the outcome is binding. The National Employers are not able to give such an assurance as it would be irresponsible to leave councils exposed to potential expenditure that they have told us they could not afford. It would be equally unfair to raise the expectations of the workforce that there might be a pay award for 2012 when that is not the case.

The difficult decision to not make a pay offer was made in response to the unprecedented financial situation facing councils. Nevertheless the Employers are keen to stress how much they appreciate the hard work and commitment of the local government workforce and understand that asking them to accept a third year without a nationally-determined pay increase will come as a disappointment.

As we explained when we met, the National Employers are keen to avoid a fourth year of a pay freeze in 2013 and therefore wish to begin discussions with you now rather than wait until the autumn when you next submit a pay claim, and to that end we shall be in touch in the next few days to make arrangements for a meeting.

Yours sincerely,



Sarah Messenger
Employers' Secretary