

MOTION ON NOTICE NO 2 (12/13)

REGIONAL PAY

Plymouth City Council notes the announcement by George Osborne of plans to widen the system of local public sector pay structures and his request to pay review bodies to report on the issue from June 2012.

The Chancellor has stated that public sector pay should mimic the private sector and be more reflective of local economies.

Plymouth City Council believes that a move to regional or local pay schemes will lead to a large reduction in pay and spending power and ultimately a skills drain out of Plymouth. For highly skilled people Plymouth will become a less attractive destination and this will inevitably make it more difficult for local organisations to recruit the talent required to lead and overcome the high and immediate challenges facing the public sector.

With Plymouth highly dependent on the public sector for employment, any attempt to drive down wages in local public sector organisations can only be considered counter productive and will have profound consequences for the local economy. Limiting people's spending power will reduce demand in the economy and will come as a bitter blow to local businesses.

Plymouth City Council therefore resolves to resist any attempts to introduce local or regional pay schemes and ask the Leader of the Council to write to the Prime Minister, the Chancellor, Plymouth's MPs, pay review bodies and local public sector employers setting out the council's opposition to a regionalised pay and the severe consequences that any such scheme will have on the economy of Plymouth.

Proposed by Councillor Peter Smith

Seconded by Councillor Jon Taylor