Scottish local authorities plan compulsory redundancies

Stephen Alexander 19 February 2011

The Scottish National Party (SNP) government's budget for 2011-12 was approved by parliament last week. It sets out ?1.3 billion, or 3.6 percent, in public spending cuts. This includes the slashing of ?450 million from the Local Government Financial Settlement, which constitutes an average 2.6 percent cut for each local authority.

As well as cuts to local government, college and university funding has been slashed, a public sector pay freeze has been put in place, while ?800 million in cuts are to be made under the guise of 3 percent efficiency savings across the public sector. Despite having its budget ring-fenced, the National Health Service will have to make 36 percent in savings, or over ?280 million, in order to maintain current levels of service, according to Audit Scotland.

As local authorities move to finalise their budgets, a detailed picture is emerging of the social devastation that will be wrought over the next year by what are only initial austerity measures.

According to the latest calculations of the GMB trade union, based upon advance redundancy notifications, 15,362 council jobs are to be axed across Scotland. Most of these will go by the end of March as councils move to meet constrained budgets by the beginning of the new financial year. This follows a reduction of 3,600 posts, 1.4 percent of the local government workforce, in the year ending June 2010.

Local authorities have, up to this point, used voluntary redundancies, early retirement and the non-renewal of vacancies to cut the workforce. Many of the authorities that have released draft budgetary figures have said compulsory redundancies cannot now be ruled out.

Earlier this year, the SNP/Liberal Democrat-led Aberdeen City Council announced plans to make ?120 million savings, including compulsory redundancies for 900 full-time equivalent posts. The council moved to

compulsory redundancies after workers voted to reject a five percent pay cut for those earning more than ?21,000, which it intended to use to pay for severance packages.

Under pressure from the central leadership of both parties, whose intention is to defer the most politically damaging cuts until after the May Scottish Parliamentary elections, the council leadership has agreed to fund another round of voluntary redundancies.

A council statement warned that "without significant improvement in the council's funding compulsory redundancies may be required in future."

Over the past two years the Aberdeen City Council workforce has been cutback through 1,000 voluntary redundancies.

Labour-led Glasgow City Council plans to cut ?60 million in the next financial year. Over the next three years, 2,600 workers are to be axed through voluntary redundancy and early retirement, while the contracts of the remaining employees are to be renegotiated to save ?5 million.

Edinburgh City Council, controlled by the Liberal Democrats and the SNP, is looking to make ?90 million in savings over the next three years, and axe 1,200 full-time-equivalent posts over the next year.

Other substantial layoffs have been announced in Fife (1,800), the Highlands (1,000), North and South Lanarkshire (1,000), Aberdeenshire (900), and North Ayrshire (300). Patt Watters, the president of COSLA, the representative body of Scottish local authorities, warned, "I don't imagine there will be an authority in Scotland that will not have some level of job losses."

The axe is also likely to be taken to council pensions. According to the Accounts Commission, a local authority watchdog, the council pension deficit has grown from ?3.8 billion to ?9 billion in the year leading up to April 2010. Future liabilities have grown 53 percent due to the offloading of workers through early retirement and the

aging population.

Local government is embarking upon a wholesale rationalisation, which will see the merging of public bodies as well as shared services between neighboring authorities. Locally delivered services will be drastically curtailed, while others will disappear altogether. Countless new user charges are to be introduced, and many existing charges will be increased.

A recent survey of 110 councils across England, Scotland and Wales, carried out by the Chartered Institute for Public Finance and Accountancy, found that two-thirds plan cuts of between five and 20 percent in human resources, finance, and IT departments. Nearly half plan cuts of more than ten percent to libraries, the arts and museums and 28 percent plan cuts to leisure, parks and sports.

Moray Council in the North of Scotland is typical. User charges for sports facilities, community centres, swimming pools, and community halls, will be increased by 15 percent. Trust status is to be sought for all public facilities, meaning that they will be publicly owned but opened up to private management. Street cleaning will be reduced by 25 percent, while the maintenance budget will be reduced by five percent.

Primary and secondary education, which account for around half of local government spending, will be the focus of some of the most severe cuts.

Labour-led North Ayrshire council has been looking at efficiency measures such as reducing the school week from five to four days and increasing the starting age for primary school pupils by one year, to six-years-old. Although the shorter week proposal has now been shelved, council leader David O'Neil said a later start to education "is an idea which is more likely to be explored."

Argyll and Bute council is in the process of shutting 20 schools, as it looks to slash ?10.4 million from its education budget. It has also removed teachers and council staff from protection from compulsory redundancies.

In the Highlands 156 full-time equivalent classroom assistants—342 jobs when part-time positions are included—are to go. The posts are to be replaced with 60 full-time equivalent lower paid learning support auxiliaries. The SNP-controlled Renfrewshire council is looking to replace 60 primary school teachers with lower paid non-teaching staff to cover 2.5 hours of the school week.

The 2001 McCrone deal, which secured a 23 percent

pay rise, a 35-hour limit on the working week and 12 hours for marking and preparation, is to be dismantled. The Secretary for Education, Mike Russell, has tasked a committee, to be chaired by Professor Gerry McCormac of Stirling University, to "examine the cost and size of the teacher workforce in the context of the current financial climate." The review will report in June, and its findings implemented in August 2012.

In the face of such devastating attacks, the trade unions are seeking to channel all opposition behind the very political parties that are carrying them out in authorities across Scotland.

On February 11, Scotland's largest teaching union, the Education Institute of Scotland, launched its "Manifesto for Education." Its express aim is to ensure "every teacher, lecturer, parent and student plays their part in speaking up for education and challenging every political party to deliver the best for the future of our education system."

Unison, the biggest public sector union in Scotland, launched its "Manifesto for Public Services". It claims to outline a "real alternative to the cuts," which the union intends to use "to lobby political parties standing in the forthcoming Scottish Parliament elections."

The fraudulent character of these proposals is summed in commentary by the political editor of the *Scotsman*, Eddie Barnes, in an article published February 6: "...it is the case that after the election, all bets are off... a raft of reforms can be expected from next autumn, starting with a blank sheet of paper." He continued, "...with this just the first year of what could be up to a decade of year-on-year cuts to budgets. It is only the start."



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