

11 March 2019

Workforce Report

Purpose of report

For information.

Summary

This briefly describes the main industrial relations and pension issues at present.

Recommendation

Members are asked to note the issues set out in the paper.

Action

Officers are asked to note member comments

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Pensions

Valuation Consultation

1. HM Treasury issued a [Written Ministerial Statement](#) on 30 January 2019 stating that the cost cap rectification will be paused pending the outcome of appeals in the Sargeant and McCloud cases on transitional protections.
2. HM Treasury has now issued new [directions](#) which remove references to the cost cap mechanism, while confirming that public sector employers should continue to pay the contribution rates set by the interim valuation results from 1 April 2019.
3. The Government Actuaries Department (GAD) has now finalised the 2016 valuation. The employer contribution rates from 1st April 2019 are set out below.
 - 1992 scheme (Includes special members of the 2006 scheme) **37.3 per cent** pensionable pay
 - 2006 scheme **27.4 per cent** of pensionable pay
 - 2015 scheme **28.8 per cent** of pensionable pay

Scheme Advisory Board (SAB)

4. The SAB [benchmarking project](#) was launched in November and surveys have been sent to all Fire and Rescue Authorities (FRAs) as employers. This is an essential project for the SAB as it will enable the board to consider the future of administering the Firefighters' Pension Scheme and whether there are cost savings that can be made.
5. We received a 100 per cent response rate from all FRAs to the surveys. Aon have now commenced analysis of the responses and are due to present a draft report to the Scheme Advisory Board at their meeting in June.

Key Wider Workforce Issues

Broadening the role of the firefighter / Pay

6. The main focus of our recent fire service work has been on the 'broadening the role' negotiation.
7. A number of meetings have taken place during January and February. From an employers' perspective there have been various meetings of the Advisory Forum, lead employer members and the full employers' side of the NJC. From a joint perspective there have been various meetings of the Joint Secretariat, the joint Scoping Group and the full National Joint Council.
8. The NJC is a UK-wide body, however as far as England is concerned there has been a further meeting with Home Office officials and further contact since then.

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9. At the time of writing this report, the National Employers expect to shortly present a proposal to the employees' side of the NJC outlining its view on what could form the basis of a deal, subject to securing the additional necessary and sustainable funding.
10. Given the expectation that such information will be in the public domain by the time of the meeting, an oral update will be provided at the meeting.

Court Of Justice of the European Union - Ville De Nivelles V Rudy Matzak

11. This case concerned a 'volunteer' firefighter in Belgium. However its relevance will be felt more widely, including in the UK. In essence it determined that in this case stand-by time of a worker at home who is obliged to respond to calls from the employer within a short period must be regarded as 'working time'.
12. Through the auspices of the National Employers we have worked with a Queen's Counsel and a sounding board with a mix of HR and legal advisers from each of the UK administrations as well as one of the LGA's senior employment law advisers to inform guidance to FRAs on the judgment.
13. Information has now been provided to FRA legal advisers. In addition, one of the LGA's senior employment law advisers has attended meetings of the Fire Lawyers Network and, together with the Secretariat, the National Fire Chiefs Council (NFCC) HR Forum to discuss the outcomes. In addition we will be attending the next NFCC Council meeting in April. We can also attend a meeting of the FSMC if members so wish.

Court of Appeal – Pension Scheme Transitional Protection Arrangements Discrimination Claims

14. Members will recall that we are awaiting the decision of the Supreme Court on whether or not the fire authority application to appeal has been accepted.
15. In the interim there are no steps that fire and rescue authorities need to take, including in respect of firefighters' pensions.
16. We will continue to work closely with the Steering Committee set up by the National Employers at the start of the legal process following agreement that the LGA would represent all UK fire and rescue services on a collective, cost sharing basis. The Steering Committee has legal and HR advisers from varying types of fire and rescue services across the UK, the Advisory Forum legal adviser, employers' secretariat, and from the LGA its Corporate Legal Adviser and a Senior Employment Law Adviser.
17. In addition the FRAs still have the live and separate appeal in relation to their potential defence under Schedule 22 (which is that the FRAs had no choice but to follow the

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Government's legislation) which again was fully considered with the Steering Committee and legal representatives.

LGA Diversity Masterclasses

18. The Workforce team was involved in each of these Masterclasses for authority members, making a presentation on gender pay gap issues at each of the five events. Their presentation looked at the current position on the gender pay gap in fire authorities and went on to explore options for closing that gap, such as improving the recruitment and retention of women and encouraging culture change to further support women working in the fire service. A member of the Workforce team can also present at an FSMC meeting if members so wish.

Industrial Relations Training

19. Members may be aware that the National Joint Council secretariat can, on joint request, spend a day with a service (senior management and key local union representatives) to work with it to review its industrial relations. The day is based on the NJC's Protocol for Good Industrial Relations, recognising what is working well, and encouraging the local parties to jointly identify where improvement is required and how best to achieve it. The training is well received and during March and April we will be working with three services.

Implications for Wales

20. Each of the wider workforce matters in this report have the same implications for Wales as for England and we are working with WLGA, Welsh FRAs and FRSs as appropriate. The WLGA is one of the four employer stakeholder bodies on the NJC for Local Authority Fire and Rescue Services.
21. In respect of pensions, GAD has valued the Welsh Firefighter schemes separately and different employer contribution rates will apply.

Next steps

22. Officers to take forward members comments.