

## **Workforce Programme Board – report by Mayor Sir Steve Bullock (Chair)**

### **Pensions**

#### **Proposed increase in employees' contributions to the LGPS**

1. The Secretary of State wrote to the chairman of the LG Group on 20 July inviting the Group to conduct discussions with the local government trade unions with a view to establishing, by no later than 9 September 2011, a package of measures to secure short term savings by 2014/15, equivalent to a 3.2% increase in employee contribution rates, with any necessary legislation to be in place by 1 April 2012.
2. In response, the LG Group and the unions held their first joint meeting on 27 July 2011. There were further meetings throughout August and employers' representatives met on 31 August to consider their preferred options. A further meeting with the unions took place on 2 September.
3. The Secretary of State has requested that we inform him of the outcome of these discussions by 9 September. Should it not prove possible to reach an agreement the Secretary of State will need to consider what proposals should be put out for a statutory 12 weeks consultation period. The risk remains that this will be for a 3.2% increase in employee contributions with subsequent losses of membership to the scheme.

#### **Pensions - proposed increase in employees' contributions to the Teachers Pension Scheme**

4. On 28 July 2011 the Department for Education (DfE) launched a consultation on proposed changes to the employee contribution rate for the TPS for 2012/13. r.
5. We have sought views from both our TPS Advisory and Discussion Group members on the questions that are posed in the DfE consultation document. Their views will be summarised and reported to the next meeting of NEOST on 19 September in order to inform the preparation of a response from the LG Group.
6. The DfE are also commencing discussions with employers and unions on increases in teacher contributions for 2013/14 and 2014/15 and on the longer term (Hutton) reform of the TPS. The first meeting to discuss these items is being held on 7 September.

### **Public Health**

7. It is intended that the more detailed guidance for local authorities receiving public health staff will be developed by the end of December. LG Group officers will work with the group of council representatives and the Unions on this document. The issuing of this guidance will coincide with final decisions on the

functions and budgets that will be transferring to local government and hence the staff involved.

### **Top pay**

8. I will be chairing an event on the 16<sup>th</sup> November 2011 focusing on top pay in local government. The Workforce team are currently developing the content for the event. The morning will comprise a series of presentations from keynote speakers and experts within this field from a variety of sectors. This will be followed in the afternoon by a series of workshops where delegates can address practical issues facing their Council. The full programme will be circulated shortly.

### **Equal pay**

9. As agreed at an earlier meeting of the Workforce Programme Board, the outgoing Chairman, Baroness Eaton, wrote to ministers to reiterate Group suggestions about the best ways to deal with equal pay, which are based on favouring local negotiation and agreement.
10. The reply from Lynne Featherstone MP made clear that ministers are reluctant to promote positions that may require changes in European law so action on our main recommendations is not forthcoming. However, an undertaking was given to monitor activity in County Courts and also to ask the Equalities and Human Rights Commission to give fresh impetus to its guidance that covers issues of pay protection.
11. Councillor Sir Merrick Cockell replied as incoming chair asking for assurances that the Government regards negotiation and agreement as the best way forward, rather than allowing events to be controlled by Tribunal cases. Lynne Featherstone has replied confirming that the Government agrees with this point of view and mentioning that they are seeking to control the activities of no-win-no-fee lawyers.

### **Fire service negotiations**

12. At the most recent meeting of the NJC for Local Authority Fire and Rescue Services the Employers' Side rejected a pay claim of 5.2% for 2011.
13. At the request of Government, sector specific discussions including employer and trade union representatives, are taking place in relation to public sector pension schemes. Discussions in respect of fire pension schemes are at an early stage and have so far been held in a constructive manner.

### **Social workers**

14. LG Group officers have advised on the new Employer Standards for all employers of social workers. These are now complete and will be promoted from September onwards, with the possibility of the LG Group hosting the standards on behalf of all the working parties involved (including the Department of Education) and promoting good practice.

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