

Item 4h

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

Pensions

Proposed increase in LGPS pension contribution rates / reduced pension accrual rate

1. DCLG issued a consultation paper on 7 October 2011 setting out two options for short-term changes to the LGPS (over the period to 2015). The consultation paper also included the LGA proposals:
 - 1.1 no increase in employee contributions for staff with full-time equivalent earnings of less than £15,000, a moderate increase for those earning between £15,000 and £21,000 of 1.5 per cent and an increase of between 2 per cent and 2.5 per cent for those earning over £21,000
 - 1.2 choice for employees, by giving those with full-time equivalent earnings of £15,000 or more who feel they cannot afford an increase in contributions the option of taking a reduced pension accrual rate instead (1/68th) for future service from April 2014
 - 1.3 raising the normal pension age from 65 to 66 for benefits built up from April 2014. Benefits built up prior to then would retain a normal pension age of 65.
2. The closing date for responses to the consultation paper is 6 January 2012.

Proposed increase in teachers' pension contribution rates

3. On 28 July 2011 DfE issued a formal consultation on increases to teachers' pension contribution rates. The LGA has responded to the consultation after seeking views from the National Employers' Organisation for School Teachers.

New look LGPS and new look Teachers' Pension Scheme

4. DCLG and DfE are holding meetings with employer organisations and trade unions concerning the design of the new look LGPS and the new look TPS. The target date for DCLG and DfE to submit high level scheme designs to HM Treasury is the end of October 2011. The new look schemes are due to come into operation from April 2015.

Strike action

5. Unions are balloting for strike action over the proposed changes to the public service pension schemes with a day of action planned for 30 November 2011. The LGA issued leaflets on 24 October to the Regional Employer organisations and to LGPS Pension Fund administering authorities. Primarily, the leaflets explain that, whilst changes to the LGPS are being proposed, nothing has been decided yet and the scheme is still a valuable part of an employee's remuneration package. There is a range of guidance material available on the LGE website to assist employers who are facing industrial action.

Pay briefings

6. A reminder, that the National Employers will be holding Regional Pay Consultation Briefings during November. The briefings will give councils the opportunity to discuss first-hand the approach they would like the Employers to take in next year's pay round. For the date, time and venue of your local briefing please contact your Regional Adviser.

Reviewing local reward strategies

7. Following earlier discussions at the Workforce Programme Board, the LGA is publishing advice and guidance recommending that councils should review their local approaches to pay and rewards. We believe that the time is now right to take a look at the reward structures that are needed in changing organisations. Further support will be offered by the LGA but the immediate aim is to spark a healthy debate in the sector.

Public health workforce issues

8. The national Concordat covering the overall requirements for fair treatment of staff in the upcoming transfer of public health functions to local government has now been finalised. The LGA is a co-signatory to the document.
9. To assist local government HR departments advice will be developed with the Trade Unions and will emphasize the need for local flexibility and discretion. The LGA is involved also in separate strands of work on appointing Directors of Public Health and dealing with pensions issues.

Social Workers

10. The final report of the NJC working party on Social Work careers and progression has now been delivered. The report includes a suite of benchmark role profiles for use in developing local approaches. These profiles will be published shortly.

School teachers

11. LGA officers and NEOST have recently considered new Government proposals for the prohibition (barring) of school teachers in cases of serious misconduct (not including child safeguarding issues). These proposals are due to replace

the sanctions currently administered by the General Teaching Council for England (GTCE) after it closes on 31 March 2012. The LGA has responded to the Government consultation in this respect, which ended on 12 October.

Fire

12. The cost ceiling in respect of fire service pension schemes has not yet been announced in order that Government can consider 'special factors' such as firefighter capability in the context of an increased retirement age. The Fire Brigades Union has therefore chosen not to ballot its members with a view to taking industrial action at this time.

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