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

Pensions

1. The Public Service Pensions Bill was published on 13 September. The Bill is intended to enable the implementation of all of the new public service schemes including the Local Government Pension Scheme (LGPS) from 2014 and the Teachers Pension Scheme from 2015.
2. We are currently going through the clauses of the Bill and are seeking clarification from HM Treasury, who are the Bill sponsors, in a number of important areas. In particular those where the LGPS differs from the unfunded schemes. In light of the Bill, final discussions are now taking place between the LGA, the trade unions and Government to agree proposals in respect of future scheme governance and cost management.

Local Government Services

3. The Employers have been saying since February that they wish to avoid a fourth year of pay freeze in 2013. To that end we have over the past few months been attending regional meetings, placed articles in LGC, MJ and other media, written to Leaders and Elected Mayors and encouraged colleagues in the regional employer organisations to have discussions with councils in order to gauge authorities' views on what position the Employers should take in forthcoming negotiations.
4. There is consensus amongst senior politicians in the LGA that there should be genuine negotiations with a view to reaching agreement with the unions next year on an appropriate pay award. While progress has been slow, informal discussions have been held between the National Joint Secretaries over the summer and further meetings are planned. The Employers have not tabled any formal proposals nor discussed with the unions any specific percentage figure that may be offered in due course. However, in our discussions with the unions we have been clear that we are looking to reach agreement on a package that includes reform of terms and conditions and not just a 'headline percentage' pay increase.
5. Both sides are engaged constructively in trying to identify a potential deal on pay and reform for next year. In order to achieve an agreement next year both Sides will need to be reasonable, pragmatic and courageous during negotiations.

Fire

6. The Employers' Side of the National Joint Council (NJC) considered a pay claim seeking an increase of 3.5% when it met in June. In doing so, members were mindful of a number of issues including: the financial challenges facing fire authorities, economic pressure on the workforce, pension contribution increases applied to firefighters from April 2012, the Government's current public sector pay policy, a desire for reform of terms and conditions, and the current position for local authority employees both at national and local level. Taking all factors in to account members indicated to the Employees' Side

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that they would be minded to make some level of pay award linked to commitments in respect of reform of conditions of service.

7. Following a consultation of Fire Brigades Union members in August, a pay settlement agreement has now been reached:
 - 7.1. A pay award of 1.0%, effective from 01 July 2012;
 - 7.2. No increase to payments or allowances set at national level;
 - 7.3. Both Sides commit to work jointly on changes identified by each Side to ensure that there is a pay framework alongside terms and conditions in the fire and rescue service which reflect the responsibilities of, and current and future demands on, the service and the profession. Work will commence immediately, to conclude in time to report to the NJC in June 2013 and
 - 7.4. To engage in a shorter term joint review to consider the appropriate level for mileage rates in the fire service on a robust and objective basis. If a revision to the rates is agreed, it will be implemented with effect from 1 November 2012.

School Teachers

8. Members of the NASUWT and NUT have started a campaign of continuous industrial action short of a strike. The action is on the basis of:
 - 8.1. 'Workload pressures: damaging teachers' health and threatening educational standards;
 - 8.2. Pensions: imposing unfair contribution increases and changes to pension ages;
 - 8.3. Pay: continuing the pay freeze and proposing local pay and further performance related pay;
 - 8.4. Conditions: attacking national terms and conditions of service, including through the academisation of schools;
 - 8.5. Inspections: creating workload and stress through punitive and frequent inspections; and
 - 8.6. Job security: increasing job losses through funding cuts and curriculum reforms.
9. LGA advice has been sent to local authorities to help them respond to the action and advise schools. The advice is also available online at: <http://www.local.gov.uk/workforce-education-and-young-people>

Universal Credit

10. The Workforce Team is working closely with LGA colleagues to clarify the legal situation around the potential for transfer of displaced benefits administration staff to the Department for Work and Pensions (DWP) bodies that will administer Universal Credit. DWP's initial view – which they have communicated to councils – is that council benefits processing staff will not be entitled to transfer into the new Universal Credit delivery organisation, whether under the TUPE Regulations or by following the principles in the Cabinet Office Staff Transfers Statement of Practice (COSoP). The LGA does not agree

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with that view and we are in active discussions with DWP about it. In the course of the discussions the LGA and DWP have agreed to assess in more detail how the proposed service delivery model fits with the existing local government workforce, with a view to identifying the most appropriate way forward. However, if council staff do not transfer, we are discussing an appropriate level of provision for the redundancy costs that the Government is obliged to pay under the New Burdens principle. These discussions will be widened to include face-to-face and fraud investigation staff as the picture becomes clearer.

Standards for Employers of Social Workers

11. The LGA is launching a communications campaign to highlight the importance of the Standards for the delivery of social work this month.

Social Impact Bonds

12. The Workforce Team has been working closely with The Department of Health on a trailblazer scheme for councils adopting Social Impact Bonds as a method of funding and delivering adult social care.

Social enterprise / mutuals

13. A programme of research into the creation of new mutuals / social enterprises by local authority staff is now complete. In the next few weeks a web based resource containing eight case studies covering a range of different services will be available.

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