

Item 3(i)

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

Pensions

1. The Public Service Pensions Bill, which 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, has now passed from the Commons and is making its way through the Lords.
2. There are aspects of the Bill which are a cause for concern in respect of the agreement we have reached with the trade unions for the LGPS. We are currently in the process of meeting with Lords in relation to a set of proposed amendments to the Bill. We are also continuing to meet with the Bill team to try and reach agreement on government sponsored amendments.
3. Discussions are also continuing with unions and the Treasury to try and reach agreement on future cost control methodology.

Local Government Services

4. As the National Employers set out in their initial response to the unions' pay claim in October, the Employers have, over the course of the summer, along with colleagues in the Regional Employer Organisations (REOs), been discussing with councils what approach they should take in negotiations with the unions.
5. Lead Members from both sides met on 29 Nov at a meeting of the Local Government Services National Joint Council Executive. The Employers explained that they still wished to avoid a fourth year of no pay offer; however, negotiations would be taking place against a backdrop of ongoing financial difficulty for the sector. The Employers acknowledged the unions' frustration at having had no pay offer for three years and were therefore giving consideration to making a pay offer in due course in the region of 1 per cent, in the context of also discussing terms and conditions.
6. The unions responded by saying that although they were pleased at the Employers' willingness to engage in negotiations, they were disappointed that a link was being proposed between a pay offer and changes to some terms and conditions. The meeting ended amicably with agreement to continue dialogue in the New Year.

Public Health Workforce Transition

7. Intensive negotiations are underway to finalise agreement on the last element of the core national transfer scheme for public health staff. The unions are seeking greater clarity on protection of terms and conditions post-transfer. This is probably less of an issue for local authorities who are used to doing this sort of thing than it is for some of the new national bodies emerging from NHS reform. It is important to retain a consistent national position whilst preserving flexibilities for councils.
8. We are close also to finalising the position on public health pensions with some important technical issues around definitions of staff covered by various clauses to be finalised. We have just run the last of a series of joint regional road shows on public health which have been very well-received.

Fire

9. We continue to urge DCLG to progress the request made by the National Employers to put in place Regulations that would provide fire authorities with the same flexibilities in respect of redundancy terms for all staff covered by the NJC for Local Authority Fire and Rescue Services that are currently available to local authorities. The exception being control staff for which fire authorities already have the same flexibility. We understand that detailed proposals are now with the Fire Minister and, should he be content, the intention would be to shortly move to the consultation phase.

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School Teachers

10. The School Teachers' Review Body's twenty first Report was published on 5 December. The recommendations are in respect of the following issues:

- 10.1 How the pay framework for teachers should best be made more market facing in local areas;
- 10.2 How the pay scales, including the main and upper pay scales, should be reformed to effectively link pay and performance, including arrangements for progression; and
- 10.3 What other reforms should be made to teachers' pay and conditions in order to raise the status of the profession and best support the recruitment and retention of high quality teachers in all schools

11. The Review Body has proposed to retain the four pay bands (inner and outer London, the fringe and the rest of England and Wales) and not to differentiate any further by geographical area. The key recommendation is for differentiated pay progression based upon performance. The National Employers' Organisation for School Teachers (NEOST) will submit a response to the consultation on the Report, which ends on 4 January 2013.

Social enterprise/mutuals

12. We are working with the LGA programme team to deliver four regional briefings on mutuals/social enterprises spinning out from local government. We will be involving key individuals from the case studies, published on the LGA website to give delegates practical insight into the pitfalls and opportunities associated with this process. We will be leading a session at each of the four events focussing on employee engagement.

Guide for elected members on pay

13. We have produced a draft of our guide for elected members on pay policy and practice; this guide will be published shortly and contains a model pay policy statement for use in accordance with the requirements of the Localism Act. In addition, the guide contains a range of questions members will wish to consider in their role as the employer within their individual councils.

Workforce podcasts

14. The Workforce Strategy team have produced the first in a series of podcasts to discuss what impact a significant reduction in local authority funding and large-scale public sector reform could have on how we employ, organise and manage our staff.

15. Sarah Messenger, the Head of Workforce, looks at what the LGA and councils can do to ensure we have the right leadership skills, innovative approaches to talent management, robust workforce planning and recruitment and retention strategies, together with modern and flexible reward systems to manage this future workforce.

16. The final section of the podcast examines some of the legal issues surrounding the potential transfer of staff affected by the Universal Credit welfare reforms. The Workforce News podcast can be viewed on the LGA website.

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