

Workforce Board – report by Cllr Jim McMahon (Chair)

Pensions

1. The Government published a consultation on structural reform: 'Local Government Pension Scheme: Opportunities for collaboration, cost savings and efficiencies' in last month. It includes a number of options which seek to reduce investment costs in the LGPS in England and Wales while retaining existing levels of return including the creation of Common Investment Vehicles (CIVs) and the greater use of passive asset management. The LGA is fully supportive of initiatives which seek to provide a more affordable and sustainable LGPS and will consider the proposals in the consultation carefully before responding.

Pensions Act 2014 receives Royal Assent

2. The Pension Act 2014 received Royal Assent last month and legislates for a fundamental change to the provision of state pension in the UK alongside a number of significant changes for private pensions. The changes to the State Pension herald the abolition of contracting out for Defined Benefit schemes from April 2016 which will mean an increase in the amount of National Insurance contributions paid by both employers and employees in the LGPS. The LGA lobbied for the monies lost by LGPS employers through the ending of contracting out to be recycled into LGPS funds. Without committing that such recycling would occur, the Chief Secretary to the Treasury wrote to the LGA to confirm that officials could meet to discuss how this could be achieved. The LGA will resume discussions with the Government in the next Parliament on the extent that any recycling of monies lost could take place via an agreed methodology.

Local Government Pay 2014

3. UNISON, GMB and Unite are conducting industrial action ballots, following their rejection of the final pay offer from the national employers. In the event of the ballots returning a 'yes' vote the unions have announced that they will be holding a one-day strike on Thursday 10 July.
4. The LGA has developed guidance with regard to a wide range of issues on strike ballots and strike action which is available through the LGA website (requires log in). The Employment Advisers are also able to provide guidance on specific issues authorities are facing (eru@local.gov.uk). Further guidance on seeking exemptions from the strike will be issued if this becomes necessary.

School Teachers

5. The School Teachers' Review Body's 24th Report on the 2014 school teachers' pay award has been submitted to the Secretary of State, who will respond shortly. This will signal the start of a consultation on the recommendations, to which NEOST and other statutory consultees will respond. Specifically the STRB made recommendations on: (a) what adjustments should be made to salary and allowance ranges and scales for classroom teachers, unqualified teachers and school leaders to reflect the 1 per cent pay award for public sector workers; and (b) what adjustments should be made to salaries and allowances in payment.

Single Fraud Investigation Service (SFIS)

6. As plans proceed for the phased transfer of staff to the new national fraud investigation service (SFIS), the workforce team has been in intensive dialogue with DWP and the trade unions. Our basic principle, following the precedents set during the Public Health transfer is that staff leaving Local Government should be treated no less favourably than staff joining. The Department of Work and Pensions set up a national workforce contact group including the unions on our recommendation and the group has been working in detail on key documents such as the statutory transfer scheme and the proposed variations in non-contractual terms and conditions for staff. The documents that have now been presented are greatly improved and the work is on-going.

The Standards for Employers of Social Workers

7. The Standards for Employers of social workers have been re-developed to give social work employers and those working in social work access to a pool of professional resources and information that incorporates the essentials of what supports good social work practice. The Standards bring together an updated set of core values that are shared across local authorities, health and social care partners, ensuring that social workers can expect the same levels of support across all social worker roles in all organisations. They are aimed at enabling social workers to do their jobs more effectively and supporting them in today's changing landscape of social services.

Workforce Board

8. A motion was passed at the special meeting of the LGA's General Assembly in January concerning changes to the governance arrangements within the LGA. One of the changes is the creation of a new Resources Board which will incorporate the activities and responsibilities of the Workforce Board, Finance Panel and European and International Board. The new Board comes into effect in September 2014 and will have a Lead member for Workforce issues. As Chair of the Workforce Board, I have emphasised the need to ensure that workforce issues are considered by all boards as part of their policy remit and that LGA Boards should continue to work together as appropriate to ensure workforce issues are integrated into all our thinking and decision making on policy issues."

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