

Pensions Ballot: Local Government

Thursday, 20 October 2011

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Some HR managers representing employers with members in the LGPS are circulating information that claim that the grounds for a dispute in the LGPS 'lack clarity'. This is not the case as the grounds for the dispute have been set out clearly to all employers.

Please see below a rebuttal note that deals with the main points.

Blog. <http://unisondave.blogspot.com> <<http://unisondave.blogspot.com/>>

Web. www.unison-scotland.org.uk UNISON Scotland Pensions Ballot: Local Government Some local authority HR managers have been circulating their own view of the pensions ballot issues. These vary slightly but the broad position statement is as follows: 1. members of the Local Government Pension Scheme in Scotland are not affected by UK Government proposals to increase employee pension contribution rates; 2. the change from the Retail Price Index (RPI) to the Consumer Price Index (CPI) for the indexing of pensions is not a matter over which local government in Scotland has any control whatsoever and that the decision to switch has already been made by the UK Government; and 3. the Scottish Government has made no formal proposal or decision as yet over the implementation of recommendations contained in the final report of the independent Public Service Pensions Commission chaired by Lord Hutton. Our response to these points is as follows: 1. LGPS members in Scotland are not affected at present by the proposals to increase employee contributions. UNISON has made this clear in our publications and in the supplementary ballot materials that have gone to every member. We also welcome the supportive position of the Scottish Government and CoSLA on this issue. However, we should remember that changes in local government funding in England, as a consequence of changes to the English LGPS, could change the position in Scotland for future years. 2. The switch from the RPI to the CPI for the indexing of pensions means that on average LGPS members will face a 15% cut to their pension benefits. The fact that this has been implemented by UK Ministers and that local government in Scotland had no control over this is irrelevant. Our dispute on this issue is with UK Ministers. 3. The Scottish Government has not made a formal proposal on the Hutton recommendations. However, despite our request they have not given assurances that they won't implement these recommendations. In addition, it is clear in a letter from the Treasury to Scottish Ministers that UK Ministers are planning primary UK legislation on these issues. This would be binding on Scottish Ministers and the LGPS in Scotland. This leaves the very real prospect that LGPS members would have to work longer for a smaller pension. LGPS members in Scotland are making a long term investment when they join the pension scheme - it is deferred pay. Equally this dispute is about protecting that investment when members retire. Local government workers across Scotland are also suffering a pay freeze, redundancies, cuts in pay and conditions and cuts in the services they deliver. This attack on their pension is the final straw. They are taking a stand across Scotland and the UK to say enough is enough. Other arguments are set out in the resource pack sent to branches and the materials on our web sites. For further information contact: Dave Watson, Scottish Organiser (Bargaining & Campaigns) d.watson@unison.co.uk