

TITLE OF REPORT: PENSIONS AND NATIONAL PAY BARGAINING UPDATE

REPORT OF THE CORPORATE HUMAN RESOURCES MANAGER

National Pay Bargaining

The Trade Union side submitted the following claim for a pay increase for 2014 - 2015:

A minimum increase of £1 an hour on scale point 5 to achieve the Living Wage and the same flat rate increase on all other scale points.

Following the pay claim, the Local Government Employers carried out Regional Pay Briefing workshops to set out the details of the pay claim, along with data provided by the Employers and to seek views from local authorities about what they have budgeted for, or consider is affordable.

At these workshops they set out their concerns about how the pay freeze has drawn the lowest national pay points very close to the minimum wage.

The Employers decided to wait until the minimum wage changes were made in April before they responded to the pay claim and this has led to the Trade Unions registering a dispute.

On 28th February, the Employers were advised (informally) that the trade union side are undertaking preparations for a ballot on industrial action on pay.

Unison have now balloted their members and the ballot closes on 23rd June.

A day of wider public sector industrial action is expected on 10th July and it is thought the first strike day may coincide with that. Trade Unions must provide 7 days notice of a strike.

Services have been alerted to this and advised to start planning for this eventuality.

A Pay claim has also been submitted for Chief Officers and the Employers expect that will follow the same timetable as the general pay bargaining for all grades.

Pensions**New LGPS CARE Scheme from 1st April 2014**

An extensive amount of communications has been underway to ensure staff are aware of the changes to the Local Government Pension Scheme (LGPS) that came into effect in April 2014. The key impact for staff is that some will have had changes to their contribution rates.

Auto Enrolment

There was also lots of detail about our auto-enrolment start on 1st April. This has two main changes that will impact on some staff. For those that have already elected to opt out of the LGPS, they were automatically re-enrolled into the scheme again in April. They can opt out of the scheme by contacting the London Pension Fund Authority.

One of the changes to the LGPS from 1st April 2014 is the 50/50 option. Staff can elect to stay in the scheme but cut their contributions by half in return for 50% benefits accrual. There was quite a lot of interest in this option for some staff were auto-enrolled back to the scheme from April.