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Pensions Campaign

Attacks on public service pension schemes in Scotland continue unabated. The usual business financed pressure groups attack our members pensions schemes to cover the cuts in their own schemes, whilst company directors enjoy the real 'gold plated' pension schemes.

Whilst we continue to respond on a national basis it is important that branches answer local attacks and engage with members. We have therefore produced new materials to support the campaign.

Please find attached P&I Briefing 228 and a handout version that sets out our case and deals with the common myths. These can also be used in branch newsletters. The handout includes a recruitment form and in addition there is a short recruitment leaflet.

Quality pension schemes exist because UNISON has fought for them over many years. There are few better examples of the benefits of union membership.

These and other materials are available on our pensions page:

<http://www.unison-scotland.org.uk/pensions/index.html>

LGPS Update

The Scottish Local Government Pension Advisory Group (SLOGPAG) met recently to consider a range of issues in relation to the Scottish local government scheme. This bulletin updates branches on developments.

Governance

As part of the agreement reached on the new LGPS a Governance Sub-Group was established to develop proposals for statutory guidance to support good practice in open and transparent governance arrangements in Scottish funds. Progress has been slower than planned, but a draft consultation paper is being finalised for consideration by SLOGPAG.

Affordability

Another Sub-Group was established to look at cost-sharing mechanisms in time for the 2011 valuation. In addition the Treasury have announced provisions for a cap on employer contributions. The LGPS is a devolved issue in Scotland and employer caps are not a feature of the agreement reached on our new scheme.

The sub-group have reached agreement on the principles of cost sharing and narrowed down the range of options for assessing changes in cost. Further meetings are planned in April.

Admission Bodies

There have been some representations from admitted bodies, primarily in the voluntary sector, regarding the cost of employer contributions. It is important that good employers are not penalised for providing decent pension provision. However, this is primarily a procurement issue and contract specifications should provide for a level playing field under the s52 guidance. These provisions were designed to end the two-tier workforce on pensions and other conditions. The focus should therefore be on ensuring that contracting authorities correctly include these provisions in contracts to ensure a level playing field.

Pension Regulations

The SPPA are preparing a number of regulations that will be out for formal consultation in the Autumn. Some of these are technical changes and others deal with staff transfers from the civil service scheme into the LGPS as a consequence of NDPB mergers, including those in the Public Services Reform (Scotland) Bill. Other regulations seek to clarify the interpretation of important provisions including certificates of protection. We will publish further details on this when the consultation paper is available.

Pension Fund Shared Services

SLOGPAG received an update on the pathfinder scheme looking at the prospects for shared services and/or mergers across the Scottish funds. The project is about to enter Phase Two and will examine a range of options for how investment management and administration might be better organised. This phase of the work is scheduled to run until March 2011 and there will be engagement with the trade unions because of the impact on the work around cost sharing and governance. In addition there may be an impact on UNISON members who work in the funds.

This project is still at an early stage and the scope of a future work plan will be considered in April.

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