



Scottish Campaign Bulletin

Feb 2005(3)

Write to your MSP - Respond to the Consultation

As UNISON ballots 90,000 Scottish Local Government Pension Scheme members on strike action, The Scottish Public Pensions Agency(SPPA) is starting formal consultation on changes to the NHS scheme in Scotland.

A number of the proposals are similar to the attacks on the LGPS - including proposals to increase normal retirement age to 65 and cut benefits for anyone retiring early. These use the same spurious arguments about life expectancy as in the LGPS. Working for the NHS is physically, mentally and emotionally demanding

Dave Prentis, UNISON's General Secretary said. "To suggest that an NHS worker should be forced to work until they are 65 is living in cloud-cuckoo land. 73% of paramedics are forced to retire through ill-health before they



reach 60, let alone carry on to 65." Mental Health Officers also face major detriment - these proposals could increase their retirement age by 10 years!

Enclosed in this bulletin are draft letters for MSPs. Please use arguments from these letters to write your own letters to appropriate MSPs. They must be clear that

they have a role in setting these conditions. Any changes to the NHS scheme in Scotland will need to be approved by Scottish Ministers and agreed by the Scottish Parliament.

No to 'Career Average' scheme

UNISON will also fight the proposed move away from the 'final salary' to a 'career average' scheme - which is likely to further reduce pension payments.

Mike Kirby, UNISON's Scottish Convenor, said "This will take away incentives for staff to take on extra responsibilities - just as the NHS is introducing better training and career opportunities."

Consultation - make sure you respond

The Scottish Pensions Review Group - set up as part of the Human Resource Forum - has put out a consultation paper. All NHS staff should have been notified of this in their last pay notice. Some key points to make are outlined overleaf.

The summary document and response form is at www.scotland.gov.uk/about/FCSD/SPPA/00019089/SPPASummary.pdf

The main document is at www.scotland.gov.uk/about/FCSD/SPPA/00019089/SPPAMainConsultDoc.pdf

A briefing on the Review is on the Scottish UNISON minisite. www.unison-scotland.org.uk/briefings/pensions110.html

Use meetings and letters to make sure they know your anger

A series of meetings are planned to highlight the details proposed for NHS pensions. Organised by the Scottish Pensions Review Group the arrangements will be as follows:-

Thurs 17 Mar - Dunfermline, Halbeath Centre 10.30 1.30

Fri 18 Mar - Glasgow, Beardmore Hotel 10.30 1.30

Mon 21 Mar - Aberdeen, Patio Hotel 10.30 1.30.

Overleaf there is draft letter to your MSP. Use arguments from it to lobby or write to your **MSP** yourself. In addition we have listed some of the key response we want members to make to the SPPA/Pensions Review Group consultation (see box above

for details.)

This bulletin and other resources are on the Scottish Pensions Minisite www.unison-scotland.org.uk/pensions/index.html. It also has links to the UK site. Other materials - Posters, leaflets and postcards (stock no's 2386, 2387 and 2370) are available from the on line catalogue www.unison.org.uk/catalogue.

Model Letter to MSP's protesting at proposed changes to the NHS Pension Scheme

[Your address and phone number]

[the date]

To: [Your local] MSP

Dear Mr/Ms [your local/regional] MSP,

Proposed changes to the NHS Pension scheme

I am writing to express my deep concern regarding government proposals to amend the rules on retirement age in the NHS Pension Scheme in Scotland from 2006. I am also deeply concerned at the proposal to move the scheme to a 'career average' scheme from its current status as a 'final salary' scheme. The Consultation Paper currently being circulated by the Scottish Pensions Review Group requires responses by April 25 2005.

The Government is proposing to raise to 65 (from 60) the age at which NHS scheme members are entitled to an unreduced pension. Benefits paid before this will be reduced as they are being paid early, increasing the likelihood that they will be forced to depend on means-tested benefits to survive in retirement

A move to a 'Career average' scheme will almost certainly result in more reductions to pension benefits, and put a barrier in the way of staff who want to take on extra responsibilities and improve their careers.

Scottish public authority pension schemes are devolved, but in the case of the Local Government scheme, the Scottish Public Pensions Agency has said Scotland must follow UK government policy. It has yet to decide that they will do so on the NHS scheme.

These changes will have a seriously detrimental effect on many long serving members of the scheme, especially the low paid and women. Many who are 'burning out' due to work pressures will now have to work for five more years to retire with a pension above the poverty threshold. 73% of paramedics are currently forced to retire through ill-health before they are 60 - let alone 65. Other proposed changes could force members into alternative jobs if they cannot continue in their existing post.

[I myself am a —— [Occupation], working for —— [Employer]. I have worked for the NHS for —— years and the commitment to a decent pension was an important factor in my joining and remaining in Scotland's public service, and carrying out this important job.]

Although most public sector pensions are not large, one of the benefits of working in the public services has been the security of having a decent pension. Now the Government threatens to break its commitment to public sector workers. The agenda for changing my scheme should not be driven by political considerations, or by alleged 'pension envy' from the private sector. Another concern is the likely increased risk to patients - if people are not eligible for ill-health retirement but have their capability compromised - they may continue to work in vital occupations. This cannot be right.

My union supports a positive agenda which would offer people the choice to work on through a flexible retirement age. I want them to engage in a constructive debate with government on how best to modernise the scheme. The unfair proposed changes to the retirement age and the threat to the final salary scheme make such a debate difficult.

The Scottish Government needs the goodwill of public service workers. The proposed increase in public sector scheme retirement ages, and threats to the NHS scheme is already causing widespread anger and resentment amongst my colleagues. Can I ask you to use your influence to ensure these threats are lifted so that Government and the trade unions can work constructively together on this extremely important issue.

I hope I can depend on your support in this matter. I look forward to your response.

Yours sincerely,

(A UNISON member)

Key points for you to make to the Response Form

These are suggested answers to key points in the consultation paper put out by the Scottish Pensions Review Group - part of the Human Resource Forum. The summary document and response form is at www.scotland.gov.uk/about/FCSD/SPPA/00019089/SPPASummary.pdf

Question 1

Your views are sought on the UK Government's intention to increase the normal pensions age for public service workers and it's appropriateness for the NHS. How, in your view, could the NHS retain its older workforce and what issues need to be addressed in doing so. (page 5)

Suggested Answer 1

I am opposed to an enforced increase in pension age, and the use of actuarial reductions or other punitive methods to achieve it. Whilst life expectancy has increased significantly for the highest socio-economic groups, life expectancy gains experienced by public service workers have been much smaller.

The best way to increase retirement ages is to address the factors that cause people to want to give up work. The UK Government, the Scottish Executive and employers should focus on tackling work-related reasons why public service workers do not always work on until the age of 65.

Question 4

Views are sought on which of the two alternative defined benefit options are favoured: the retention of final salary pensions or the introduction of career average pensions in the new scheme. (page 8)

Suggested Answer 4

It is my view that the new scheme should be based on:

- a. Final Salary
- ~~b. Career Average Revalued Earnings~~
- ~~c. Don't know~~
- d. Other comments

I believe that we should retain the Final Salary nature of the NHS scheme in Scotland. It is clear, understood and valued by employees. Moving to a Career Average scheme, will almost certainly result in more reductions to pension benefits, and put a barrier in the way of staff who want to take on extra responsibilities and improve their careers

Question 8

Your views are sought on the recommendation that the new scheme should provide partner pensions (page 9)

Suggested Answer 8

- a. I agree that the scheme should provide pensions for surviving partners

YES

- b. Other Comments

My union, UNISON Scotland has campaigned for a number of years to ensure that public sector pension schemes should provide partner pensions.

Question 20

Your views are sought on whether scheme coverage should be extended for both the new and existing schemes. Views may also inform the wider debate on public service scheme coverage. (page 13)

Suggested Answer 20

- a. Do you consider that staff of non NHS employers should be given access to the NHS pension scheme if carrying out work for the NHS ?

YES

- b. Other comments

It is invidious that employees who have been transferred out of NHS employment via CCT or PFI/PPP, lose their NHS pension whilst still carrying out work for the NHS. Other employers' staff, such as GPs staff have access to the NHS scheme. Staff of non NHS employers should have access to the NHS pension scheme Other public sector schemes have the facility for admitted body status for outside organisations, there is no reason why this should not apply to the NHS.

In the 'Any other views' section (after Q 28), we suggest the following points

It is outrageous that government values public service workers so little. Working for the NHS is physically, mentally and emotionally taxing. Forcing staff to work till they drop will a) increase the number of ill-health retirements, costing the NHS more, and b) increase the risk to patients. I urge you not to tear up the contract you made with us when we joined, but to sit down and enter a meaningful dialogue.



Karen would have been surprised at the number of people who turned up for her leaving do...



Don't let them work you till
you drop –

Fight to defend your
pension



NHS pensions are not a king's ransom. Many pension scheme members do stressful jobs, or jobs that carry heavy physical demands. 73% of paramedics for example, have to retire due to ill-health before they are 60 - let alone 65. Government proposals will force people to choose between working till they drop, and taking a cut in their pension.

For further information please contact your local steward, or Branch Secretary. To join UNISON phone UNISONDirect 0845 355 0845

