



Scottish Local Government Pensions - Killer stats

General

75% of local government pensions pay less than 5,000 pounds pa - under £96 a week – Hyman Robertson

The average LGPS pension is 3,800 pounds pa

Many LGPS members are low paid. Eg over 250,000 are part time earning 6.00 pounds an hour or below.

The average **pay** of members of the scheme in 2004 was 20,000 pounds pa for men and 12,300 pounds pa for women.

The LGPS is open to employees across local government, schools and in some private companies and the voluntary sector, police, fire and rescue support staff, officers in housing associations, higher and further education, Scottish central agencies – Scottish Water, SEPA, the Care Commission; the Meat Hygiene Service, Scottish Water

Half the people eligible to join the LGPS work in 12 occupations, including – Classroom assistants, care assistants and home carers, school mid-day assistants, catering assistants, cleaners, nursery nurses. (new policy institute report) (others are clerical officers, social workers, school secretaries, Youth and Community workers, Housing and welfare officers, and general office assistants.)

If there were no LGPS, and its members relied on state pension/pension credit, the Government would be 2bn pounds a year worse off.(new policy institute report)

This is half of the total the LGPS paid out last year.(npi report)

There are around 216,000 LGPS members in Scotland.

We balloted around 106,000 UNISON members

Particular effect on Women

Women (the majority of most local government scheme members – 72%) have an average pension of 1,616 pounds pa - just £31 a week.

75% of women have a pension below 3,600 pounds pa

66% of women are covered by the Rule of 85

Women do a range of emotionally, mentally and physically demanding jobs – classroom assistants, home care workers, social workers, police and fire control room staff, school meals workers, cleaners, etc etc.

Most women's pensions fall below the government's minimum earnings guarantee and Pension Credit level. If they are paying into the LGPS but getting no more basic pension than they would if they relied on the state. They are contributing to their own pension rather than relying on the state – but the choice is a tough one.

Independent Actuaries' Report

UNISON commissioned independent actuaries AON to look in to the cost of protection and the amount of savings that would be available from the 25% lump sum commutation and removal of the 85 Rule.

The report suggests that there will be enough savings to protect existing members and improve the scheme for the future.

AON also pointed out that removing the 85 Rule would result in greater inequality in pensions based on age because of the actuarial reductions that would apply before 65.

They also stated that the failure of many women to comply with the 85 Rule is a direct result of past Government discrimination in barring part-time workers, who could only join the LGPS in 1993.