

No. 23 May 2011

# **Pensions Champions**

A steady stream of new Pensions Champions are coming in as branches register their volunteers for this important post. If your branch does not have one yet you can register your champions and contacts at: <a href="http://www.unison.org.uk/pensions/pop\_involved.asp">http://www.unison.org.uk/pensions/pop\_involved.asp</a>

Details of training courses for Pensions Champions have been circulated to branches as follows:

23<sup>rd</sup> May : Glasgow
 27<sup>th</sup> May : Edinburgh
 1<sup>st</sup> June : Aberdeen

If you want to attend one of these contact Loraine Bartlett <a href="mailto:l.bartlett@unison.co.uk">l.bartlett@unison.co.uk</a>.

A training module is also available for Pension Contacts. These can be delivered at branch level or with a grouping of branches in a half day. Contact your Regional Organiser for details.

## **Indexing Pension Increases – RPI to CPI**

The UK Government is changing the indexing of public sector pension increases each year from the Retail Price Index (RPI) to the Consumer Price Index (CPI). The effect of the change is likely to cut pension benefits by at least 15%. There are now three Early Day Motions (EDM) specifically about the change from RPI to CPI in the Pensions Increase (Review) Order 2011, no 827.

John Robertson's EDM 1032 dated 17 Nov 2010 has 129 signatures <a href="http://www.parliament.uk/edm/2010-11/1032">http://www.parliament.uk/edm/2010-11/1032</a>

Calls for change to be postponed pending assessment of effect

John McDonnell's EDM 1625 dated 17 Mar 2011 has 64 signatures <a href="http://www.parliament.uk/edm/2010-11/1625">http://www.parliament.uk/edm/2010-11/1625</a>
Calls for the order to be annulled

Ed Miliband's EDM 1629 dated 17 Mar 2011 also has 64 signatures http://www.parliament.uk/edm/2010-11/1629

Calls for the order to be withdrawn

Scottish MPs have been slow to sign up to these EDMs and we are writing again to every MP. Branches can support this campaign by writing to their local MP. A template is available at: http://www.unison.org.uk/pensions/docs\_list.asp

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### **Scottish Parliament Elections**

Thanks to those activists and members who raised pension issues at national and local hustings during the elections. There was clearly a lot of confusion over the devolved aspects of this issue amongst both politicians and commentators.

Whilst these changes have been initiated by the UK Government, the regulation of public service pension schemes in Scotland is a matter for the <u>Scottish Parliament</u>. In particular, the increase in contributions is likely to be an early matter for the new finance minister.

### Scottish Local Government Pension Scheme

The Scottish Local Government Pensions Advisory Group (SLOGPAG) met on 13 May.

The main issue was the proposed 3.2% increase in pension contributions. The trade union side made it clear that as the cost of the increase had not been scored against the Barnett Formula, there was no justification for any pension increase other than that agreed through cost sharing. Other arguments are as set out in <a href="Scottish Pensions Bulletin 20">Scottish Pensions Bulletin 20</a>. This will be a matter for the new finance minister and the trade union side will be briefing him.

The Hutton recommendations could result in negotiations over several aspects of the Scottish LGPS. These include scheme design, retirement age and governance arrangements. UK changes to the state retirement pension and the impact on NI contributions add further complications. It was agreed to give further consideration to these issues depending on the outcome of discussions at UK level.

Another Hutton recommendation covered the merging of pension funds and that has been the subject of a CoSLA/IS project in Scotland. The interim report has been finalised and will go to council leaders soon. UNISON has commissioned its own report on this issue and initial indications are that the two reports could be some distance apart. We have indicated to CoSLA that there is a need to identify the reasons for these differences before any proposals can be implemented.

## **Pensions Campaign Materials**

A further batch of campaign materials are available for download from the UK pensions web site. The main arguments are same in Scotland although these materials generally refer to the pension schemes in England. The latest factsheet explains UNISON's UK pensions strategy and is a good overview of the likely timetable of developments at UK level. It can be viewed at: <a href="http://www.unison.org.uk/acrobat/Strategy\_factsheet.pdf">http://www.unison.org.uk/acrobat/Strategy\_factsheet.pdf</a>

New Scottish pensions materials are in preparation and will be circulated to branches later this month.

#### More information at:

Scottish Pension Web Pages: <a href="http://www.unison-scotland.org.uk/pensions/index.html">http://www.unison-scotland.org.uk/pensions/index.html</a>
UK Campaign Web Pages: <a href="http://www.unison.org.uk/pensions/protectour.asp">http://www.unison.org.uk/pensions/protectour.asp</a>
Advice on Pensions: <a href="http://www.unison.org.uk/pensions/index.asp">http://www.unison.org.uk/pensions/index.asp</a>

#### **Contacts:**

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