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November 30: You were magnificent!

Around 300,000 public service workers in Scotland stood up to fight the UK government's malicious and unnecessary pensions cuts on 30 November. Rallies across the country underlined the resolve of public service workers to stand up for fairness - and to defeat the myths and lies peddled by the government and big business.

At the Edinburgh rally, Rodney Bickerstaffe, President of the National Pensioners Forum and ex UNISON General Secretary, roused the 10,000 strong crowd and told young people "You have a legal right and a moral duty to stand up to bullies and diktat". At a pensions strike rally in the Barrowlands Ballroom in Glasgow, UNISON Scottish Secretary Mike Kirby hailed the 'solid strike' and told members "The real pensions' crisis is in the private sector – where two thirds of employers do not pay a single penny towards their workers' pensions."

News, pictures and videos of the day can be viewed on our [website](#). The huge amount of effort members, activists and staff put into the day of action is evident in these pictures.

UNISON Scottish Council in December had a full debate on the dispute. Delegates highlighted the organisational success and debated the way ahead. There was a clear view that we had to maintain the momentum of the campaign for pensions justice as negotiations develop both at UK and Scottish levels.

Serious negotiations have resumed at UK level and will continue into the new year, after ministers withdrew their deadline demanding agreement by the end of this year. Scheme level talks are continuing through December and into the new year, and the negotiators are co-ordinating among themselves, while more central negotiations take place with the Treasury and Cabinet Office. Service groups will be meeting early in the New Year to review progress and consider the next steps.

Scottish pension schemes in surplus

In response to claims by UK ministers that pensions are running out of cash, UNISON Scotland published [research](#) that shows payments into local government pension funds in Scotland are £299.944million more than being paid out to pensioners. This figure does not include income to the pension funds from investments. The NHS scheme is also £2bn in surplus across the UK.

While this is only a snapshot, actuarial valuations for the LGPS funds in Scotland are reporting a strong funding position. We also have a cost sharing agreement (see over) that addresses future pension costs.

NHS Employee contributions increase

The Scottish Government is [consulting](#) on its proposal to albeit reluctantly implement the UK ministers cash grab on NHS pension contributions. The UNISON Scotland response sets out in detail our objections to these increases as ultimately these are a tax on hard pressed NHS workers who in many cases cannot afford to contribute more to their pension. These proposals and potential further contribution proposals for 2013 and 2014 risk mass opt-outs which will only serve to increase dependency on the State.

We appreciate that the Scottish Government is only proposing these increases due to financial pressure from the UK Government. However, we believe the Scottish Government has other options to fund the cost. These should be pursued in partnership through the Scottish Terms and Conditions Committee and the Scottish Pensions Group. The UNISON Scotland response can be viewed on our website.

Local Government Pension Scheme – Scotland update

Cost Sharing

A key element of the new 2009 LGPS (Scotland) was a commitment to cost sharing. This would reflect real cost increases in the scheme such as longevity. This contrasts with the artificial cash grab being planned by UK ministers that has nothing to do with real pension costs. The LGPS Scotland negotiating body SLOGPAG has been progressing the detailed work on how a cost sharing scheme could work. This task has been delayed by the actions of UK ministers because Scottish ministers need to take account of developments that might impact on the Scottish schemes. The latest LGPS scheme valuations are important to this work and they are currently being finalised. This should enable further progress to be made in the New Year.

Governance

The new 2009 LGPS Scotland agreement set out plans to encourage good practice in governance arrangements around advisory, consultation and communication arrangements for the Local Government Fund Authorities. In April 2011 guidance was issued to all administering authorities in Scotland setting out compliance standards against which LGPS administering authorities were asked to measure their governance arrangements. SPPA have now prepared a 'comply or explain' report to members of SLOGPAG on the fund authorities' compliance/non-compliance with the Governance guidance. Our initial analysis of this report indicates that insufficient progress has been made, although a number of funds are still finalising new arrangements. UNISON's position is that even full compliance would not meet the legal requirements of the EU directive, so this limited progress is disappointing and we will be discussing this further at the next SLOGPAG meeting.

Shared services

CoSLA leaders have received a report from consultants on the prospects for sharing services or merging LGPS funds in Scotland. UNISON commissioned its own report on this issue that reaches somewhat different conclusions. We agree that scheme administration needs to be kept local, but believe that fund management fees could be cut and investment performance improved. We will be continuing discussions these issues in the New Year.

Ill Health review

The 2009 provisions on ill health retirement are due to be reviewed. A key element of the review is collecting data on how the new scheme is being applied. This is proving challenging and progress has been slow. However, a specification is being discussed with councils and we hope to make progress early next year.

More information at:

Scottish Pension Web Pages: <http://www.unison-scotland.org.uk/pensions/index.html>

UK Campaign Web Pages: <http://www.unison.org.uk/pensions/protectour.asp>

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