

Our ref:KS/JJJ

Your ref:



Phil Woolas MP
Minister of State (Local Government)
DCLG
Eland House
Bressenden Place
LONDON
SW1E 5DU
L

1 Mabledon Place
London WC1H 9AJ

Tel: 0845 355 0845
Fax: 020 7551 1101

Text tel: 0800 0 967 968
www.unison.org.uk

20 December 2006

Dear Minister,

LOCAL GOVERNMENT PENSION SCHEME

The joint trade union committee met yesterday and received a report on the discussions with the LGA.

The unions believed that some progress had been made and endorsed the need for the discussions to continue. However, they asked me to write to you to emphasise two important issues identified in the joint letter.

First, the protection of existing members. The trade unions believe that existing scheme members should be fully protected with the ability to retire on an unreduced pension under the Rule of 85. The transitional protection arrangements only provide full protection to 2016 with tapering protection to 2020. The trade unions have drawn attention to the position in Scotland where full protection has been agreed to 2020. The LGA's position is that the issue of protection is one for you to determine. The trade unions strongly urge you to accept the trade unions' position on this issue and to make a further statement on the protection arrangements. These are, in any event, covered by separate Regulations and are not affected by the draft Regulations to be published on the new look scheme.

Second, the issue of ill-health retirement is a key provision for the trade unions, and you will see from the joint letter that both the employers and ourselves have identified one group of scheme member who would be disadvantaged by the proposals you announced on 23 November. The trade unions believe that in order to ensure that they are not disadvantaged the highest tier should retain a minimum enhancement of 6 & 2/3rds years so that the formula for enhancement would be at least the better of 50% or 6 & 2/3rds years.

Once again an early acceptance by you of this principal would be helpful.

Best wishes.

Yours sincerely

A handwritten signature in black ink, appearing to read "Keith Sonnet", written over a horizontal line.

Keith Sonnet

DEPUTY GENERAL SECRETARY