

National Executive Report



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From John Holmes – National Executive member
District 10 - City of Derby, Derbyshire, Nottingham City and Nottinghamshire

Special Pensions Edition January 2012

The National Executive held a Special Meeting on Thursday 12th January to consider the position after the talks in December. I give below a summary of where we are now and the text of the resolution passed by the Executive. Be in no doubt that only members' willingness to take action has moved the Government from its entrenched, pre November position.

On Friday 16th December at a meeting with civil servants unions were told that a proposal to allow teachers to have a Normal Pension Age (NPA) of State Pension Age (SPA) minus 3 was off the table and that there was no longer any possibility of any move on the total cost ceiling of the Teachers' Scheme. **Civil servants had first raised this formula, saying that the Treasury had accepted it as a method that did deal with their concerns about longevity risk.** Michael Gove had also told the unions that he would attempt to get extra money to achieve a solution.

The civil servants then suggested another formula - that the years of early retirement before age of 68 would be made a little more affordable by using a 3% early retirement reduction factor for the years from 68 to 65 – instead of the current 5% actuarial reduction factor. **This was clearly much worse than what we understood to be on offer.**

On Monday 19th December the teacher unions were presented with a draft "heads of agreement" document – which contained accruals at 1/59 (**slight improvement from 1/60**) and revalorisation at CPI + 1.6%. (**much worse than the 'average earnings increase' that had previously been offered.**)

During the day the Treasury officials agreed to move the accrual rate slightly to 1.57.1. (**another slight improvement, but nowhere near the current Civil Service rate of 1/43. Career average pensions would therefore be much lower.**)

There was huge pressure on the unions to sign up to the "reference scheme" or it would be imposed.

the NUT negotiators had suggested that there should be no pressure to agree to a document before the imposed deadline of 2pm on Monday 19th – the civil servants said they already had instructions from the Treasury not to agree to any change of deadlines.

At the discussion on Monday 19th the position the Union took, because of the absences of important paragraphs and annexes, was to reserve its position on the grounds that the document was incomplete as well as unacceptable. The NASUWT, UCU and UCAC also took that position.

The Executive endorsed the steps taken by the negotiating team on 19 December. They further agreed to RECOMMEND

a) that the Union cannot agree to the "heads of agreement" document because there has been no movement on any of the key areas the union has identified:

- Normal pension age will still rise to 68 or higher
- Contributions will still increase by 50%, or more
- The change to CPI will remove a further 15% of scheme value
- The introduction of career averaging will lead to further cuts in pension value for most teachers.
- There has been no movement on the cost ceiling.
- It contains no reassurances that teachers in Independent schools will continue to have access to the pension scheme.

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- b) that the Union seek a meeting with Michael Gove and other willing unions in particular to press on the contributions and the age of retirement in particular.
- c) that the Union appeal against the high court ruling on CPI/RPI (maximum potential cost in region of £50,000)
- d) that the Union immediately begin to enact the other points from the decisions of the December executive – polling members via email on their view of the Government offer – following materials from the Union indicating that the Union’s position is that it does not go anywhere near far enough.
- e) that the Union urgently write to school reps informing them of the details of the offer – and the other points in these recommendations and urging them to call school meetings to discuss it and ask members to respond to the NUT on-line survey.
- f) that the Union start preparations for a ballot for non-strike sanctions and that this be on a wider basis than pensions alone – including workload and the threats to worsen the performance management arrangements.
- g) that the Union propose to other unions a joint program of publicity and action to continue to campaign for improvements in the pension including by putting forward a petition on the Government website calling for teachers and other public sector workers not to be expected to work to 68 years.
- h) that the Union continue to work with the NPC, public sector and private sector unions and through both the PSLG and TUCG to develop the campaign around fair pensions for all.
- i) that the Union seek urgent talks with other unions that have not signed up to the heads of agreement to press the case for joint campaigning and further strike and non-strike action;
- j) that the Executive assess all aspects of the campaign at its meeting on January 26th, including the possibility of identifying dates for further strike action in conjunction with other unions;
- k) that a divisional secretaries meeting be held on 2nd February to discuss the developments in the pensions campaign and the campaign around performance management and other workload issues and to take reports from divisions on any meetings that have been held prior to this.

These last three were added by an amendment which replaced two earlier ones.

Along with a significant group of other Executive members, I supported a slightly different version which called for a meeting of the other unions which had rejected the ‘heads of agreement’ to **consider** a proposal to take a further day of action in February and possible further action in March. In my view it is important to keep the momentum going if

possible, especially as the Government has moved so little. The majority of the Executive chose to stick to the version you see, **which in no way prevents further action** – decisions will be made on 26th January after an email survey of members and further talks with the other unions and with The Government if it agrees to do so.

I cannot emphasise how important this campaign is. We already have a fall of more than 15% in applications for training and many courses are not reaching anywhere near their capacity. This is not just about the pensions of those teaching already – it is partly about the future of the profession. Without significant improvements to what is currently proposed it will become increasingly difficult to recruit young teachers. We owe it to those who follow us to keep the campaign going.

Please email or call and let me know YOUR view.

Don't forget... ... contact me if you need further information or want to let me know what you think.

Email: j.holmes@executive.nut.org.uk

Office 01629 536086 Home 01332 843570