

At a meeting of the PERSONNEL COMMITTEE held in the CIVIC CENTRE on THURSDAY, 1ST OCTOBER, 2009 at 5.30 p.m.

Present:-

Councillor M. Smith in the Chair

Councillors Allan, Fairs, M. Forbes, Gofton, J. Walton, Trueman, S. Watson, A. Wilson and T. Wright

Part I

Apologies for Absence

An apology for absence was submitted to the meeting on behalf of Councillors P. Watson and A. Wright.

Receipt of Declarations of Interest

The following Councillors declared Personal Interests in the undermentioned reports as members of the body indicated:-

Item 5 – Local Government Pension Scheme – Delivering Affordability, Viability and Fairness – Informal Consultation	Councillors: Allan Fairs Gofton Trueman	Member of Local Government Pension Scheme
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Report of the Meeting of the Personnel Committee

The report of the meeting of the Personnel Committee held on 3rd September, 2009, Part I (circulated) was submitted and consideration given thereto.

(For copy reports – see original minutes).

1. RESOLVED that the report of the meeting be noted, confirmed and signed as a correct record.

Report of the Meeting of the Joint Consultative Committee

The report of the meeting of the Joint Consultative Committee held on 1st July, 2009, Part 1 (circulated) was submitted and consideration given thereto.

(For copy report – see original minutes).

2. RESOLVED that the report of the meeting be noted for information.

Local Government Pension Scheme – Delivering Affordability, Viability and Fairness – Informal Consultation

The Director of Financial Resources and the Director of Human Resources and Organisational Development submitted a joint report (circulated) to inform the Personnel Committee of specific informal proposals, for the purposes of consultation, relating to possible ways to ensure the Local Government Pension Scheme (LGPS) funding was stable, viable, with initial focus on the 2010 Scheme Valuation exercise, and also aligned to earlier proposals on cost sharing.

(For copy report – see original minutes).

The Head of Financial Management advised that whilst this debate on affordability was welcome, it was suggested that it should not take place on a 'knee jerk' basis. Given the imperative to make substantial reductions to public expenditure, and the steps that had been taken in the private sector to reduce the cost of pensions through the removal of final salary schemes, the move to defined contribution schemes, and the reduction in pension benefits, another fundamental review of the Local Government Pension Scheme was now required. Such a review should provide options for employees to contribute significantly greater sums of their earnings to secure pension benefits of the current level, or a higher level should they so wish, but should also provide options for lower level contributions to secure lower order pension benefits in the future. Consideration should also be given to removing the final salary scheme for new employees and placing new employees on defined contribution schemes – again, at varying levels of contribution by the employee – in order to seek to secure a variable level of benefits when realised.

By taking a considered rather than 'knee jerk' reaction to reform and considering the full range of potential scheme designs, it would be possible to achieve cost savings and reduce the uncertainty of pension costs for Council Taxpayers whilst maintaining a decent level of retirement benefits for Members.

Upon consideration, it was:-

3. RESOLVED that the contents of the report, together with the response to the informal consultation (required by 30th September, 2009) be noted.

Local Government (Access to Information) (Variation Order) 2006

At the instance of the Chairman, it was:-

4. RESOLVED that in accordance with Section 100(A)4 of the Local Government Act 1972, the public be excluded during consideration of the remaining business as it is considered to involve a likely disclosure of exempt information relating to an individual or information which is likely to reveal the identity of an individual or information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matters arising between the Authority and its employees (Local Government Act 1972, Schedule 12A, Part I, Paragraphs 1, 2 and 4).

(Signed) M. SMITH,
Chairman.

Note:-

The above minutes comprise only those relating to items during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.