

NORTH YORKSHIRE COUNTY COUNCIL

20 FEBRUARY 2008

STATEMENT OF THE CORPORATE SERVICES PORTFOLIO HOLDER (Corporate Affairs, Performance Management, Procurement, Asset Management and Finance)

COUNTY COUNCILLOR CARL LES

A New Look for the Local Government Pension Scheme

In April 2008, the Local Government Pension Scheme (LGPS) becomes the New Look LGPS 2008. Although still a first class, guaranteed, final salary pension scheme for local government employees, there will be some important changes both for new and existing members and for the County Council as an employer.

The main provisions of the new look scheme includes significant changes, notably;

- An improved accrual rate of 1/60th rather than the current 1/80th for each year of service
- No automatic lump sum but the right to 'exchange' pension for a tax free lump sum
- Employees will pay contributions based on their full-time equivalent pay rather than at a flat rate of 6%; ranging from 5.5% up to £12,000 pa to 7.5% for £75,000 or more. Average contribution is assessed at 6.3%
- Normal retirement age remains 65; more use of flexible retirement from age 55
- A 2, or possible 3 tier, ill health retirement provision

A 'cost sharing' mechanism comes in from April 2010 whereby employee contributions will more accurately reflect actual costs of the scheme and employer contributions may be subject to a cap. Further consultations and details are awaited throughout 2008 and 2009.

The County Council, along with the North Yorkshire Pension Fund, has submitted a strong response to the Government against the imposition of a proposed 'lower' tier of ill health retirement benefits. The costs of this proposal are as yet unquantified but if implemented may lead to many employees, who are unable to continue working for the County Council on health grounds, but who do not qualify for ill health retirement, receiving a temporary pension funded by the County Council. This would be paid until they take up further employment of more than 30 hours per week. The cost of such a change could be significant as well as being administratively cumbersome and bureaucratic.

liP (Investors in People)

The County Council has now received feedback from liP assessors on its application for re-accreditation. The outcome has inevitably identified a small number of areas for improvement including:

1. Consultation, engagement and planning
2. Managers' role in introducing change

3. Role and development of managers
4. Formulating new learning and development plans
5. Managers' role in further developing the culture of the organisation

These areas are already work in progress and will be included in an action plan agreed with liP for completion by December 2008. The County Council retains full liP accreditation while undertaking this action plan.

Changing and Improving – Service Restructurings

Structural changes continue across most Directorates.

There are a number of reviews in Childrens and Young Peoples Service at present including both professional and support staff. Areas covered include the provision of SEN and Behaviour, Local Education Office functions, Music Service, Integrated Youth Support and Children's Social Care Admin review and Learning Support North Yorkshire review.

Major restructure exercises are continuing in Adult & Community Services. With regard to Adult Social Care Operations, staff have now gone through suitability interviews for recruitment to posts in the new structure. A number of staff have been displaced as a result of this and will be accommodated in posts at a lower grade. The structure was implemented on 1st February 2008. This new structure will provide a more efficient approach to assessment for social care service as well as providing 23 teams based in communities and therefore closer to the people for whom services are provided.

In order to support the operational staff, the Directorate has also gone through a process to restructure the Resources function. This new structure has also been implemented in February 2008.

Skills Pledge

A Learning and Skills Council Broker has now been allocated to the Council to work with an expanded Skills for Life group. This group is co-ordinating the identification of priority areas of skills needs to access "Train to Gain" funding. Initial focus is on skills areas of health and social care, children and young people, information technology and customer care. Funding provided via the LSC will enable County Council staff to access training at NVQ levels 2 and 3 in these areas.

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