



Submission by Civil Service Pensioners' Alliance (CSPA) for the N.I.Assembly DFP Committee

1. About CSPA.

The CSPA is a voluntary independent non-party-political body which campaigns, lobbies and acts on behalf of pensioners from the civil service and related bodies throughout the UK and in Malta. CSPA has approximately 65,000 members of which nearly 4,000 reside in N.Ireland. The Alliance is a constituent member of the Public Service Pensioners Council, which represents some 1.5 million public service pensioners. It is also a leading member of the National Pensioners' Convention and a member of the governing body of Age UK. CSPA is also affiliated to AGE European Platform, the European organisation representing the interests of 150 million older people in the European Union. CSPA is recognised by the Cabinet Office as the organisation which it consults on issues which may affect civil service pensioners.

2. Equal Pay Settlement in NICS for AAs, AOs and EO2s in 2010

As we understand it, the Trade Union Side and the Management Side of the NICS (DFP) had been in dispute for many years about the salaries payable to Administrative Assistants(AA), Administrative Officers(AO) and Executive Officers Grade 2(EO2), on the grounds that their work matched the quality of certain technical grades who were paid more. A number of AAs, AOs and EO2s lodged claims with the Industrial Tribunal under Equal Pay legislation in support of their contention that their jobs were undervalued. Following protracted negotiations a settlement offer was made to the T.U.Side at the end of 2009. After consulting its currently serving members the T.U.Side accepted the offer at the beginning of 2010 and the settlement was subsequently implemented.

Under the terms of the settlement compensation was paid to serving staff based on salaries they would have earned from 1 February 2003 had the revised salary scales been in payment. So far as retired staff in these grades were concerned nothing was payable if they had retired between February 2003 and 1 August 2008 unless they had lodged a claim with the Industrial Tribunal within 6 months of retiring.

3. The Issue :- The treatment of retired staff

In our view this settlement, which excluded the vast majority of staff who retired between 2003 and 2008 from benefiting from it, was unfair, unreasonable and morally indefensible. The Minister defends the Management Side's position on the grounds that, using Equal Pay Legislation as a Frame of Reference, he has no legal obligation to pay the pensioners who fell outside the terms of the settlement. We do not accept this as an adequate reason to withhold compensation from retired staff who had clearly been underpaid during their employment on an apparent legal technicality and we have the following observations to make.

3.1 Consultation.

Despite the fact that it must have been clear to both parties that this settlement would have a major detrimental affect on a considerable number of retired staff, at no time were their representatives consulted. It should be clearly understood that the T.U.Side have negotiating rights for pay and conditions which includes pensions, which are regarded as deferred pay. But the T.U.Side **do not** represent **retired** staff, they represent **existing** staff. **Moreover** the

negotiations were conducted in the utmost secrecy and we, as representatives of the pensioners, were unaware that a settlement was imminent until it emerged into the public domain. By that time it was, of course, too late for the majority of pensioners to lodge claims with the Industrial Tribunal to comply with the terms of the settlement. We consider that this situation would be entirely unacceptable to any fair-minded independent observer. Despite making representations to the Minister as soon as we became aware of the settlement, and despite supportive exhortations to the Minister from a number of MPs and MLAs, and despite receiving a sympathetic hearing from the DFP Committee of the previous administration, the Minister appears adamant that he will not change his mind to pay the pensioners the compensation that we believe is rightfully theirs

3.2 Legal Frame of Reference.

On a number of occasions the Minister has defended the exclusion of pensioners from this settlement by referring to Equality Law which he maintains he used as a "legal basis" leaving him, apparently in his view, no room to manoeuvre. Our understanding, however, is that the Minister's refusal to compensate the pensioners is a matter entirely within his discretion and that the terms of Equality Law do not, in fact, prevent him from doing so.

3.3 The Moral Position.

It is always difficult to mount a moral argument when dealing with pay and conditions simply because what appears to be fair and reasonable to one person may seem to be precisely the opposite to another. However, in this particular case, we believe the evidence of unfair and unjust treatment is overwhelming.

Firstly, the pensioners concerned (and their representatives) were kept completely in the dark whilst negotiations were being undertaken and then, when it was too late, they were told they did not comply with the terms of the deal. They were never consulted nor were they given the opportunity to participate in the ballot of those affected by the deal.

Secondly, these pensioners had given loyal service to their Departments over many years. Many of them had served in difficult postings right through the "Troubles". For a number of years they had served alongside the serving officers covered by this settlement, doing precisely the same work, and being underpaid in precisely the same way. They simply did not deserve to be treated in this way.

Thirdly, they were members of the lowest grades in the administrative civil service, which means that they are in receipt of the lowest pensions. They would be in that part of the population that are most vulnerable from a financial perspective. In an Administration that claims to value older people and to be protective of the most vulnerable their situation should have been given priority.

4. Next Steps.

Although CSPA have had no success so far in persuading the Minister that this matter needs to be resolved we have not given up, and we propose to continue our campaign. At the Pensioners' Parliament in Blackpool on 15 June 2011 the National Pensioners Convention agreed to support the NICS pensioners and will be raising the issue with the Minister shortly. We hope that the present DFP Committee will also support our view that our pensioners have been treated unfairly in this instance. We hope that you will ask the Minister to use his discretion to find a way to rectify the situation. We believe the numbers involved to be relatively small (around 800) and the cost of a compensation package modest in comparison with the total settlement.