



Sir Merrick Cockell  
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**The Rt Hon Eric Pickles MP**  
*Secretary of State for Communities and Local  
Government*

***Department for Communities and Local  
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Dear Sir Merrick

21 DEC 2011

**LOCAL GOVERNMENT PENSION SCHEME**

Thank you for your letter of 19 December jointly signed by Mayor Sir Steve Bullock, Heather Wakefield (UNISON), Brian Strutton (GMB) and Peter Allenson (Unite), setting out Heads of Agreement for the Local Government Pension Scheme in England and Wales, the first of a two stage process for reforming the scheme.

For the avoidance of doubt, this letter should be used as the basis for all future discussions and my letter of 20 December has been withdrawn.

I welcome the terms of these Heads of Agreement and the consensus reached between the local government unions and the LGA.

I look forward to discussions continuing and welcome the specific elements in your agreement with the trade unions regarding milestones and the Stage 2 Decision Management process. In particular, the direct, regular reporting of progress to Ministers and involvement of officials is particularly reassuring in terms of your agreed implementation plans. I remain confident of agreement being reached on a final scheme design which is fair for employees, employers and the taxpayer

I can give an assurance that no action will be taken as a consequence of the current statutory consultation, which began on 7 October, whilst the process to implement the agreement is progressing satisfactorily.

I now look forward to productive discussions continuing within the timetable you have agreed to conclude 'Stage 2' of the reform process.

Copies of this letter go to your joint signatories and to the Rt Hon Danny Alexander, Chief Secretary to the Treasury.

A handwritten signature in black ink that reads "Eric Pickles". The signature is written in a cursive, slightly slanted style.

**RT HON ERIC PICKLES MP**