

Public Document Pack

Cherwell District Council

Personnel Committee

Minutes of a meeting of the Personnel Committee held at Bodicote House, Bodicote, Banbury, OX15 4AA, on 7 July 2011 at 6.30 pm

Present: Councillor Victoria Irvine (Chairman)
Councillor Lawrie Stratford (Vice-Chairman)

Councillor Ken Atack
Councillor Norman Bolster
Councillor Russell Hurle
Councillor Mike Kerford-Byrnes
Councillor George Parish
Councillor G A Reynolds
Councillor Rose Stratford
Councillor Lynda Thirzie Smart
Councillor Barry Wood

Substitute Members: Councillor Douglas Williamson (In place of Councillor Alaric Rose)

Apologies for absence: Councillor Alaric Rose

Officers: Sue Smith, Chief Executive
Anne-Marie Scott, Head of People and Improvement
James Doble, Democratic, Scrutiny and Elections Manager

3 **Declarations of Interest**

There were no declarations of interest.

4 **Petitions and Requests to Address the Meeting**

There were no petitions or requests to address the meeting.

5 **Urgent Business**

There was no urgent business.

6 **Minutes**

The minutes of the meetings held on 18 December 2010 and 18 May 2011 were agreed as a correct record and signed by the Chairman.

7 **Review and Implementation of the Joint Senior Management Structure**

The Chief Executive submitted a report which provided the committee with an update on the implementation of the joint shared senior management team structure and in doing so drew the attention of the committee to the report which had been published for Joint Personnel Committee to consider at their meeting on 13 July 2011 setting out the responses to the consultation.

In the course of discussion the committee were clear that any proposed pay structures should stay within the perimeters set within the business case and that proper weight should be given to the market place as it sits today.

Resolved

- (1) That the proposal and timetable as set out within the report be noted.
- (2) That the comments from the Committee as set out above be reported to the Joint Personnel Committee.

8 **Organisational Change Policy**

The Head of People and Improvement submitted a report requesting approval for the new joint policy on Organisational Change to cover all staff employed in both Cherwell District Council and South Northamptonshire Council. It was reported that there had been an amendment to the policy, in that the decision to re-engage anyone who had left through early retirement or voluntary redundancy would be by the Chief Executive and Chairman and Vice-Chairman of the Joint Personnel Committee or Chairman of the Personnel Committees as applicable.

In the course of discussion it was suggested that at a future date the policy should be amended to read that consultation would be entered in to with a view to reaching agreement.

Resolved

- (1) That the Organisational Change Policy (set out in the annex to the minutes, as set out in the minute book) for all staff with immediate effect.
- (2) That at a future date the Joint Personnel Committee be recommended to amend the Organisational Change Policy to read that consultation would be entered in to with a view to reaching agreement.

9 **Car User Policy Update**

The Head of People and Improvement submitted a report to consider the Council's policy in relation to car and mileage allowances. It was noted that following agreement with the unions a flat mileage fee of 60p had been agreed. In place of any usage allowances, for the shared management team it was noted this would be 45p per mile.

Resolved

- (1) That the changes to the Council's car user policy (set out in the annex to the minutes, as set out in the minute book) be approved.

10 **Age Retirement Policy Update**

The Head of People and Improvement submitted a report to consider the Council's policy in relation to age retirement. The committee noted there was no choice but to withdraw this policy due to the change in legislation.

Resolved

- (1) That the Council's age retirement policy be withdrawn.

11 **Employment Statistics Quarter 3 - 2010/11**

The Head of People and Improvement submitted a report detailing employment statistics for Quarter 3 2010/11, by Directorate, for information and monitoring purposes.

Resolved

- (1) That the contents of this report be noted.

12 **Employment Statistics Quarter 4 - 2010/11**

The Head of People and Improvement submitted a report detailing employment statistics for Quarter 4 2010/11, by Directorate, for information and monitoring purposes.

Resolved

- (1) That the contents of this report be noted.

The meeting ended at 7.25 pm

Chairman:

Date:



ORGANISATIONAL CHANGE POLICY

1. PRINCIPLES

To ensure on-going efficiency and value for money, both Councils need to remain flexible and responsive to changing national and local priorities and customer needs. They must also make the most efficient use of all resources and as such it is likely that organisational change will be required. The Councils will seek to minimise the effects of any organisational change through the application of fair and equitable procedures that include restructuring, redundancy and redeployment.

Both Councils are committed to the principle of working in partnership with employees and Trade Unions in managing organisational change and will seek to achieve changes through appropriate involvement and consultation. Any final decisions will however remain with each Council.

The Councils will ensure compliance with all related aspects of employment law and will also offer all reasonable support where jobs change or disappear, or alternative employment can be considered.

Compulsory redundancies will be considered as a last resort, and where all other available options have been explored.

Minimising the Risk of Redundancies

The Councils will consider all realistic alternatives to redundancies, and will consult with staff about these where appropriate. This might include:

- reducing or eliminating overtime
- reducing or eliminating employee allowances
- restricting or freezing recruitment
- TUPE transfers
- reducing expenditure in other ways (or increasing income) wherever possible
- reducing hours
- considering retraining and/or redeployment

2. SCOPE

This policy will apply to the South Northamptonshire and Cherwell District Council Senior Shared Management Team and all South Northamptonshire Council employees and all Cherwell District Council employees, and will apply whenever organisational change is necessary. This policy will not apply to third party or partner organisations where employees are not employed directly by either Council.

3. ORGANISATIONAL RESTRUCTURING

There are two stages to any restructure:

1. The management approval process for any organisational change and restructure.
2. The implementation process once approval has been gained.

Stage 1 – Approval Process

In order to gain approval for any restructure, and prior to any implementation the following stages should be followed:

Development of business case and consideration by management team

Prior to any business case being written, the Chief Executive should discuss their proposals with the Leaders of both Councils and the Strategic Director / Head of Service should discuss their proposals with the Chief Executive /Strategic Director respectively. When an outline proposal is agreed the Head of Service/Director/Chief Executive should contact the appropriate Human Resources Manager. Outline proposals will be advised to the recognised trade union at this point too.

The business case should then be prepared for submission to the Councils' Senior Management Team. The template attached at **Appendix A** should be used to develop the business case which must consider the following areas:

- the reason for the proposed changes and the outcomes required
- the likely number of posts affected and in what way
- a financial assessment of the potential redundancy and pension costs
- an equalities impact assessment
- the lead officers for any selection and consultation
- the extent of consultation to date and future timetable
- the target implementation date

The business case should also include a draft revised structure, draft person specifications, job descriptions and where appropriate job description questionnaires. Any new posts will be subject to job evaluation and any posts that have been deemed to have had any changes will possibly be subject to job evaluation. When the business case is submitted consideration should be made as to whether job evaluation is required by those agreeing the business case.

Stage 2 - Consultation

The purpose of consultation is to provide as early an opportunity as practicable for all concerned to engage in the changes and explore the options.

- **Informal Consultation**

All consultation should be carried out by the Head of Service (or relevant senior manager), in conjunction with HR and the trade union. The first stage of

consultation will outline the change proposed to all affected staff as outlined in the business case and should be carried out on a face to face basis. This consultation stage will be used to consider further options that may not have been considered to deliver the services and savings required.

- **Formal Consultation**

In order to commence formal consultation a consultation document should be completed by the Head of Service (or relevant senior manager) for issuing to staff and agreed by the appropriate HR Manager (**See Appendix A**). This document reflects the business case, objectives of the change and takes into account any issues raised at the informal consultation stage. A mixture of consultation processes should be used at this stage, including dedicated email addresses and FAQ intranet pages, cascade of hard copy information, individual and group workshop sessions at relevant locations, and external support and advice where appropriate. Any questions put forward as part of the consultation process should be logged by HR and responses sent to these questions as soon as possible after the end of the agreed consultation period.

The recognised Trade Unions will be invited to be involved in all stages of the formal consultation process.

The length and processes involved in each stage of consultation will depend on the complexity of the proposed change and the number of staff involved, although a minimum of two weeks must be allowed for this stage of consultation. Timescales should be agreed and made clear within the consultation document and should take into account any peak periods in terms of workloads and holidays as well as staff that may not be at work during any consultation.

- **Second Formal Consultation (if required)**

A second formal consultation process will be used where there are significant changes or outstanding issues once the initial formal consultation has been completed. This second stage will include the same stages as above but be based on proposals updated following the first consultation.

Stage Three - Final approval

Any final comments from the previous stage should be included in a final business case and structure (and should include job descriptions, person specifications and gradings where appropriate). At the end of this consultation period, approval from the appropriate Council committees will be sought.

Stage Four – Implementation

Once final approval of the business case is in place then implementation can commence. The agreed implementation plan should be used to ensure timescales and tasks are undertaken as agreed. The following stages of the process should be considered although not all will be applicable.

- **Consideration of 'at risk' process**

The post(s) affected by any change process will be clearly identified and staff placed 'at risk'. All attempts will be made to find a suitable alternative post within the organisations, and consideration may be given to employment at either Council if this is deemed a suitable alternative by the Human Resources Department.

The Human Resources Team will issue letters to staff placed 'at risk' informing them of their personal situation and the process that will follow.

- **Consideration of invitation for voluntary redundancy and/or early retirement**

The Councils need to ensure it maintains skills needed for future delivery whilst recognising that some employees may wish to express an interest in voluntary redundancy and/or early retirement. This option will only be used in areas where work has diminished or no longer exists and those circumstances require the numbers of posts in an area of Council activity to be reduced. Voluntary redundancy will be offered on a case by case basis and agreement to consider this option will be sought from the Senior Management Team during the business case stage.

It will not apply in cases where a temporary secondment is arranged e.g. to take account of fluctuating workloads. It will not normally be used where an employee is being considered for redeployment on health grounds (i.e. medical redeployment) or where action is being taken on the grounds of capability or in cases where the employees themselves request a transfer.

- **Redundancy Payments and Pensions**

Both Councils have agreed policies in relation to severance payments to employees whose employment is ended on grounds of redundancy and these are as follows:-

To use the statutory redundancy payment calculator to calculate the number of weeks pay an employee is entitled to receive. This provides for a maximum payment of 30 weeks pay.

To use its discretion under the 2000 Regulations to calculate the payment on a weekly pay figure up to the employee's actual week's pay i.e. the statutory maximum weekly pay figure is waived and the employee's actual weekly pay figure is used. The calculation of weekly pay includes all contractual payments.

In calculating the statutory redundancy payment, the Councils will take into account all continuous service (up to a maximum of 20 years) with bodies listed in the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999 (as amended) – the Modification Order.

The LGPS Regulations require the pension of members aged 55 or over who are made redundant is put into immediate payment, without actuarial reduction.

The LGPS Regulations allow employers to consider use of some additional discretionary payments when employees are either made redundant or dismissed on the grounds of efficiency of the service. Each Council has its own policy and employees should either check their Council's intranet or with their HR team for further information when making an application for voluntary redundancy.

Detailed pensions estimates will be provided through each Council's HR/Payroll Team once agreement to consider voluntary redundancy is obtained.

- **Application Process**

Where the circumstances above exist, employees in the 'at risk' group may be invited to make a written application for voluntary redundancy/early retirement on the form attached at **Appendix B**. (This will be dependant on agreement to allow voluntary redundancy, and once agreed can be made at any time in the process from this point onwards).

The application form should be completed by the employee and submitted to their Head of Service or Strategic Director for completion of Part B. Part C needs to be completed jointly by HR and Finance once the all other parts have been completed.

Applications will initially be considered by the Senior Management Team and, if the proposal is deemed viable, final approval will be sought through the respective Council's approval processes.

Applications will be considered on the grounds of:

- Suitable alternative employment availability
- Future skills needs of the authority
- Financial effects
- Potential efficiency gains
- Extenuating circumstances presented by the applicant

In making applications officers need to ensure that any application for discretionary payments is clearly outlined and appropriate evidence put forward in support of their application.

- **Decisions**

The options open to the Councils in making the decision are:

- Agree to the voluntary redundancy request (with access to pension if over minimum retirement age under Local Government Pension Scheme (LGPS)).
- Agree to the early retirement request with no additional discretionary payment (employees over minimum retirement age under LGPS).
- Agree to the early retirement request with additional discretionary payments (employees over minimum retirement age under LGPS).
- Refuse the request for voluntary redundancy/early retirement.

- Agree to the request for augmentation of pension.
- Agree to the request for voluntary redundancy/early retirement at a date in the future (generally no more than 6 months from the initial application and agreement).

If agreed the employee will be written to by the employing Authority's HR team outlining what has been agreed, and provide information about notice periods, leave dates and any final pay that has been agreed.

In line with National Conditions, any employee who leaves through redundancy or early retirement is ineligible for employment by either Council for a period of 4 weeks. After this, any case for reemployment or reengagement on any terms will be subject to approval of the Chief Executive on the basis of a business case which takes account of the basis of the original case for redundancy/retirement.

If voluntary redundancy is not agreed the employee will also be written to outlining the reasons for this and the process that they will then be required to follow.

- **Appointments to new posts within a restructure**

Wherever permanent employees are displaced by a restructuring process the first stage of the appointment process will generally involve an assimilation and/or ring-fenced recruitment exercise internally. This may not apply at very senior levels or in specialist posts, for example some shared posts, where the Council believes it is appropriate to test the external market to ensure the best possible candidate for the post is found.

Where **assimilation** is used, the affected employee(s) will be asked to complete a matching exercise to demonstrate that the duties of their current post, along with the skills and experience required to carry out that post, are substantively the same as the new post (minimum of 50%) and be within one grade. (See **Appendix C** for the Internal Redeployment: Employee Information Form). In this case the appointment will be made without need for further process. The assimilation exercise will be undertaken by the relevant line manager and the HR team in discussion with the employee. If assimilation is agreed the employee will be issued with a new letter and their new job description.

The extent of the **ring-fence** and the process followed will be adjusted according to the number of people affected but, in general, all those affected will be asked to outline how their skills/competencies/experience matches the post(s) in the new structure. All candidates will be interviewed in accordance with agreed Council selection procedures.

Where appropriate, employees will be appointed on a trial period and with a training plan to ensure their suitability for the new post. This will normally last for 4 weeks but may be extended by agreement to reflect the amount of training needed or the complexity of the job.

If there are no internal applicants to the new post or none of the ring-fenced employees are suitable, normal recruitment procedures will apply.

- **Redeployment**

Where displaced employees are not placed in new posts as part of a ring-fenced recruitment process or assimilation process, or where their post has ceased to exist and there are no alternatives, attempts will be made to redeploy an employee to a suitable alternative post within the organisation.

Both Councils are committed to:

- protect, for a set period of time, the salaries of employees who are affected.
- providing appropriate and effective retraining for employees selected for redundancy to facilitate their redeployment, and minimise disruption.

Employees will not be redeployed to higher graded vacancies. These will be subject to open recruitment where those on the redeployment register may apply.

- **The Redeployment Register**

As soon as an employee is informed by HR that there are no available posts for the employee either because the post is being made redundant or the restructure has not left any suitable employment, and the employee remains displaced (at risk), then the employee will be placed on the Redeployment Register of their employing Council for 3 months. HR will write to the employee, and arrange a meeting between themselves and the employee.

The meeting will include:

- An explanation of the procedure and each party's responsibilities.
- An explanation of what duties the employee will undertake whilst on the redeployment register. (This may be the employee's substantive duties, but alternatives may be considered where the employee's substantive post no longer exists).
- Completion of a Redeployment Form
- Review of current vacancies
- Discussion around potential training or other opportunities to enhance transferable skills
- Notice of the date on which their employment will terminate if redeployment is not achieved.

Vacancies and Trial Periods

During the period when redeployment opportunities are being examined, no vacancy shall be advertised or filled without HR approval. Any possible redeployees will also be identified at this stage and HR will examine all vacancies against profiles of employees on the redeployment register and will inform the Head of Service when a potential 'broad fit' is identified

'Broad fit' – is where the employee possesses the majority of the skills and abilities identified in the person specification as essential for the post. This definition should include closely allied skills and abilities that can be considered transferable. Where 'broad fit' is deemed applicable a meeting will be held between the employee, the recruiting Head of Service and HR. The meeting will be used to determine whether 'broad fit' is established and whether with training and employee may be capable of fulfilling the post requirements.

Where 'broad fit' is established, the employee should be appointed unless it can be demonstrated to the satisfaction of the relevant HR Manager in consultation with the trade unions that the employee is not capable of fulfilling the requirements of the post, even with training.

Any employees who have been selected for redundancy may apply for any vacant post and will, wherever appropriate, be offered an interview. It will be up to the Head of the appropriate service, in consultation with the relevant HR Manager to decide whether it is appropriate to offer an interview. Whilst the selection process will be competitive and there can be no guarantees of success, no external candidates will be invited to apply until the case of all employees selected for redundancy has been considered.

- **Trial periods**

Employees being redeployed are entitled to a 4 week trial period in an alternative post. This trial period may be extended in exceptional circumstances i.e. where additional training has been identified. However the trial period will not last any longer than 12 weeks. If the redeployment is deemed unsuitable by the employee they will return to the redeployment register and the process will commence once more.

Before the start of the trial period (i.e. the date of commencement of employment in the new post), an appropriate training programme for the employee must be drawn up and agreed by both the employee and his/her new Head of Service. Such a training programme could include a mix of coaching, on-the-job training and external courses or seminars as appropriate. The costs for any external training will be met from departmental budgets as part of the restructuring process.

Appropriate work objectives should be agreed between the redeployee and his/her manager.

During the trial period, the redeployed employee's manager must ensure that progress is monitored and reviewed on a regular basis. Regular meetings should take place between the line manager and employee, during which progress must be reviewed and feedback given. Notes of the individual's progress should be kept, including reference to any problems encountered and the action taken to resolve them. After each such meeting, both HR and the individual employee should be given a copy of these notes. Towards the end of the trial period the line manager should hold a final review meeting with the employee. A decision will then be made as to whether the redeployee should be appointed permanently to

the post. This decision will be taken by the appropriate Head of Service in conjunction with Human Resources.

If the employee is to be appointed, an appropriate offer of permanent redeployment will be issued. If the employee is not to be appointed, discussions will take place between the employee and a representative from HR regarding other options which may include returning to the redeployment register. If all other options are exhausted, the employee's employment will be terminated on grounds of redundancy.

- **What happens if an employee rejects an offer of alternative employment?**

In the event that an employee at risk of redundancy rejects an offer of what HR/management considers to be suitable alternative employment, then that employee could lose their right to receive a redundancy payment and will be informed of this at the time. This will be on the basis that suitable alternative employment is defined as being employment broadly comparable in terms of:

- range of duties and responsibilities
- knowledge, experience and qualifications required
- conditions of service (e.g. salary grade; working hours; holiday entitlement, place of work)
- status

If the new post of suitable alternative employment is accepted, the notice of termination previously issued automatically lapses and the employment is treated as being continuous.

- **Pay Protection**

If the new post into which the employee is redeployed is graded lower from that of their existing post, pay protection will apply for a maximum of 2 years. This will apply to all contractual pay relating to their substantive post including basic pay and allowances. Once pay protection applies incremental progression will not apply and pay awards will also cease.

It should be noted that the protection policy referred to above is, at all times, subject to change as a result of amendments to the appropriate legislation, or in the interpretation of existing legislation.

- **Redundancy**

Employees selected for redundancy will be invited to a meeting with an appropriate senior manager and HR to discuss the decision before formal notice of termination of employment is given.

The employee will be given written notice of the redundancy and the letter will include:

- a statement that the contract is being terminated on the grounds of redundancy
- the last day of employment, having due regard to the notice entitlement stipulated in contracts of employment (this is generally one week for every year of continuous service up to a maximum of 12 weeks).
- confirmation that they will be required to work out their period of notice (unless this has been agreed otherwise by HR/JPC)
- the financial payment to be made including, where appropriate, redundancy payments and/or pay in lieu of notice
- their right of appeal
- a statement that in the period leading up to the last day of employment, efforts will continue to be made to redeploy the employee (this would not apply in the event the employee volunteered for redundancy)
- a statement that the employee has the right to reasonable amounts of paid time off work to seek alternative employment
- if appropriate, details of advice and support available, e.g. career guidance, outplacement consultancy

APPENDIX A	Business Case Template
APPENDIX B	Voluntary Redundancy Application Form
APPENDIX C	Internal Redeployment – Employee Information Form
APPENDIX D	Discretionary payment policies

Establishment Changes Business Case
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Service area:	
Team:	
Case prepared by:	
Date:	

Business cases should be prepared in consultation with HR and Finance and submitted to CMT (CDC)/Executive (SNC) by the Service Head for consideration.

Background

This section should provide information on the service/team and outline any issues which may affect the team in the future (including changes to funding, priorities etc.)

Proposed changes

This section should provide an overview of the changes proposed.

Business Case

Outline here the case for making changes, including how current duties, responsibilities etc. will be covered once changes are in place, benefits, risk to service delivery and any other impact.

Changes to posts/JDs

Outline here details of all changes to posts/JDs and attach revised job descriptions, person specifications and indicative grades. Please also consider whether the post may require re-evaluation as a result of any changes.

Financial Effects

This section should summarise the costs and savings associated with any changes, including redundancy and capital costs of pensions. Detailed figures will be provided by finance and should be appended to this business case.

Voluntary Redundancy – Please state whether this should be offered or not and if so on what basis for both. (Figures can be provided by Finance/Expenditure)

Summary and Recommendations**HR Comments****Finance Comments****CMT (CDC)/Executive Team (SNC) response**

Action

Note

It is the responsibility of the Service Head to communicate appropriately with the team, particularly those directly impacted by the proposed changes and there may be a need for formal consultation with staff and UNISON. This includes discussions around redundancy, pension's access and other individual changes. Once the Service Head has received agreement in principle they should consult with HR and Finance before commencing any discussions or sharing any redundancy, pensions or other estimates.

APPENDIX B

APPLICATION FORM FOR VOLUNTARY REDUNDANCY / EARLY RETIREMENT

Part A – to be completed by employee

Name
Department
Line Manager
Job Title
FURTHER DETAILS – please include full reasons for request, effective date requested and include or attach any supporting and/or relevant information.

Part B – to be completed by Head of Service/Strategic Director

Request supported	Yes	No
FULL DETAILS including future skills needs, potential efficiency savings and any other supporting information.		
Financial position:		

Part C – to be completed by Human Resources/Finance

Redundancy costs
Retirement costs
Overall financial effect (cost/efficiency)

APPENDIX C

INTERNAL REDEPLOYMENT: EMPLOYEE INFORMATION FORM

PART ONE: Personal Details

Name:				
Division:				
Length of Service:	SNC/CDC:		Total Local Government:	

PART TWO: Current Job Details

Designation:				Post No:	
Grade:		Salary:		Date Started in Current Post:	
Car Allowance (if applicable):	Casual:		Essential:		Lease:
Reports To:			No. Staff Supervised:		

Please summarise the Most Important Tasks you Perform (no more than 10)

PART THREE: General Background Information

1. Summary of Work Experience

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2. Qualifications, General Capabilities and Skills

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3. PART FOUR: Preferred Redeployment

Type of Work (General or Specific)

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Signed:		Date:	
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3.1 Human Resources office use only

Action taken:	
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Signed:		Date:	
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INTRODUCTION

This statement of policy has been prepared and approved by Cherwell District Council to satisfy the requirements of the Local Government Pension Scheme Regulations as detailed below and has been updated to take into consideration agreed changes at the Executive on the 12 April 2010.

This policy therefore meets the requirements of the appropriate discretionary LGPS regulations which states that each employing authority must formulate and keep under review its policy concerning the exercise of certain discretionary functions within these Regulations.

In preparing and approving this policy, the Council has also been mindful of the requirement that it :

- i) Will have regard to the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service;*
- ii) Will not be used for any ulterior motive;*
- iii) Will be exercised reasonably;*
- iv) Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;*
- v) Will be duly recorded when applied.*

It is understood that these discretions are applicable to all eligible members of the Scheme. The Scheme rules allow for a revised statement to be issued at least one month in advance of the date that the new policy takes effect, and therefore this policy will be effective from 12 May 2010. The revised statement will be sent to the administering authority and a published statement as revised made available on the intranet.

Local Government Pension Scheme (Administration) Regulations 2007 (as amended) and Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)

Regulation 12 - Power of an employing authority to increase total membership of active members.

An employer may resolve to increase the total membership of an employee at any time whilst they are an active member of the Scheme with them. The maximum additional membership period that can be awarded is 10 years.

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

Employer's policy

The Council will consider whether to exercise its discretion to increase total membership of active scheme members in cases where the Council has agreed that the scheme member is to be made redundant or dismissed on the grounds of efficiency of the service.

It will also give consideration to increasing total membership of an active scheme member if it has been agreed that they should retire on the grounds of permanent incapacity due to ill health and they would not otherwise qualify for additional service because their period of membership is too short.

Each case arising in connection with the use of this discretion will be the subject of a report to the appropriate committee of the Council.

When considering each case, the Council will include, but not be limited to;

- The financial position of the council at the relevant time.
- The personal circumstances of the member of staff in question, including their working history with the council. This may include, for example, length of service and disciplinary record.
- The risk that the making of a payment at any particular level to the individual in question may lead to a loss of public confidence in the council.

Regulation 13 – Power of employing authority to award additional pension.

An employer may resolve to award an employee, at any time whilst they are an active member of the Scheme with them, additional pension of not more than £5,000 a year payable from the same date as the pension is payable under any provisions. Additional pension may be paid in addition to any increase of membership under regulation 12 of the LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended).

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

Employer's policy

Cherwell District Council has resolved to adopt this discretion.

The Council will consider whether to exercise its discretion to increase total pension of active scheme members in cases where the Council has agreed that the scheme member is to be made redundant or dismissed on the grounds of efficiency of the service.

It will also give consideration to increasing total pension of an active scheme member if it has been agreed that they should retire on the grounds of permanent incapacity due to ill health.

Each case arising in connection with the use of this discretion will be the subject of a report to the appropriate committee of the Council.

When considering each case, the Council will include, but not be limited to;

- The financial position of the council at the relevant time.
- The personal circumstances of the member of staff in question, including their working history with the council. This may include, for example, length of service and disciplinary record.
- The risk that the making of a payment at any particular level to the individual in question may lead to a loss of public confidence in the council.

Regulation 18 – Flexible retirement

A member who has attained the age of 55 and who, with their employer's consent, reduces the hours they work, or the grade in which they are employed, may make a request in writing to the appropriate administering authority to receive all or part of their benefits under the Regulations, and such benefits may, with the employer's consent, be paid to the employee notwithstanding that they have not retired from that employment. If the payment of benefits takes effect before the member's 65th birthday they will be reduced in accordance with guidance issued by the Government Actuary unless the employer agrees to waive, in full or in part, any such reduction at their cost. In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

Employer's policy

The Council will not consider requests from employees aged 55 or over, to reduce their hours or the grade in which they are employed and have their pension paid whilst continuing to be employed.

Regulation 30 – Choice of early payment of pension

If a member leaves a local government employment before they are entitled to the immediate payment of retirement benefits, once they have attained the age of 55 they may choose to receive payment of them immediately. However a member aged less than 60 needs employer consent (or former employer) to have the benefits released early, and if the decision is to allow early release of retirement benefits then the employer must pay to the Pension Fund a sum representing the capital cost of releasing those benefits early.

The pension must be reduced by the amounts shown as appropriate in guidance issued by the Government Actuary although the employer may determine on compassionate grounds to waive the actuarial reduction. In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

Employer's policy

The Council will give consent to the retirement of members who apply between the ages of 55 and 59, with immediate payment of benefits, where it can be clearly shown to be in the Council's interests to do so. In assessing this an important consideration, but not the only consideration, will be the net financial effect on the Council of the early retirement and all associated changes. Each case arising in connection with this policy will be the subject of a report to the appropriate committee of the Council, detailing the financial and other effects, subject to the limitation that the Council will not normally consider such an application from any individual member within one year of considering a previous application from the same member.

The Council will not waive the reduction of benefits on compassionate grounds under this regulation.

Requests for early payment of deferred retirement benefits from former employees will be considered on the same criteria as above.

Local Government Pension Scheme (Administration) Regulations 2008

Regulation 16 - Re-employed and re-joining deferred members

Where a deferred member becomes an active member again before becoming entitled to the payment of those deferred retirement benefits, they may elect to have his former deferred membership aggregated with current active membership on or after the date that the employee again becomes an active member. An election must be made within 12 months from the date that the member re-joins the Local Government Pension Scheme or such longer period as his employer may allow.

It is worth noting that if the member has more than one former period of deferred membership, it is only the most recent deferred membership period that can be aggregated with current active membership unless earlier periods of deferred membership have already been aggregated with the most recent period of deferred membership.

Employer's policy

Cherwell District Council adopts regulation 16 on the basis that the impact will be limited to a small number of employees.

Regulation 22 – Applications to make absence contributions

This provides for a scheme member to pay optional contributions, for a period of unpaid absence from work, within 30 days of returning to, or of ceasing, employment. The employer can agree to extend this time limit.

Employer's policy

Cherwell District Council chooses to use its discretion in exceptional circumstances to extend the time limit, and will be based on a case by case request. Where no request is made the extension will not apply.

Regulation 25 – Additional Voluntary Contributions (AVCs) and Shared Cost Additional Voluntary Contributions (SCAVCs).

An active member may elect to pay AVCs into a scheme established under contract between his appropriate administering authority and a body approved for the purposes of the Finance Act 2004.

Under paragraph 3 of this regulation an employer can, at its discretion contribute to the AVC scheme and where they do the AVC scheme is known as a shared cost additional voluntary contributions arrangement and contributions to it as SCAVCs

Employer's policy

The Council will not establish or maintain a shared cost additional voluntary contributions scheme.

Regulation 83 – Inward transfers of pension rights

This provides that an active scheme member may elect to transfer into the Local Government Pension Scheme relevant pension rights held elsewhere. The member must request the transfer of such rights in writing within 12 months of becoming a member of the Local Government Pension Scheme or such longer period as the employer may allow.

Employer's policy

Cherwell District Council has resolved that it continues to allow transfer of relevant pension rights held elsewhere within the 12 month period, with no time extension allowed.

Regulation 57(5)(c) – Notification of decisions under regulation 58.

Responsibility for determinations under the first stage of the Internal Disputes Resolution Procedure rests with a “specified person” appointed by the (former) employer of a scheme member.

Employer’s policy

The specified post to be used for this employer is:

Name: Karen Curtin
Job Title: Head of Finance
**Address: Cherwell District Council, Bodicote House,
White Post Road, Bodicote, Nr Banbury, Oxon, OX15 4AA**

The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 as amended

Regulation 5 – Whether to base redundancy payments on actual weeks pay rather than statutory weeks pay limit

Regulation 6 – Whether to award a lump sum compensation of up to 104 weeks pay in cases of redundancy, termination of employment on grounds of efficiency, or cessation of a joint appointment.

Regulation 11 (2) – to award compensatory added years to a person aged 50 or over with 5 or more years membership (or notional membership) of the LGPS in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment which occurred after 30 September 2006 and before 1 April 2007 (but only if employment commenced pre 1 October 2006).

Employers Policy

Redundancy

In cases where employment is terminated on the grounds of redundancy the Council will use the government’s statutory redundancy payment calculator to calculate the number of weeks pay an employee is entitled to receive.

In addition the Council may exercise its discretion to make a payment as follows:-

- 1 To calculate the payment on a weekly pay figure up to the employee’s actual week’s pay (i.e. the statutory maximum weekly pay figure is waived).
- 2 To take into account all continuous service (up to a maximum of 20 years) with bodies listed in the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999 (as amended).
- 3 Assessing each case on its merits, consider whether to apply a multiplier up to a maximum of 3.46 to the statutory redundancy payment calculator to calculate the number of weeks pay an employee may receive.

- 4 Assessing each case on its merits, consider whether to make use of Regulation 12 of the Local Government Pension Scheme Regulations (Augmentation) to award additional years of pension service (1997 Regulations).
- 5 When considering points 3 and 4 above the criteria for considering each case will include but not be limited to;
 - I. The financial position of the council at the relevant time.
 - II. The personal circumstances of the member of staff in question, including their working history with the council. This may include, for example, length of service and disciplinary record.
 - III. The risk that the making of a payment at any particular level to the individual in question may lead to a loss of public confidence in the council.

The Council will not allow employees in membership of the Local Government Pension Scheme to convert the amount of lump sum compensation payment (in addition to the statutory redundancy payment) into added years of pension service.

Only one discretionary element (options 3 or 4 above) may be awarded.

Efficiency of the Service

In cases where employment is terminated on the grounds of 'efficiency of the service' the Council may exercise its discretion to make a payment as follows:-

- 1 Consider making a one-off payment, based on the merits of each case.
- 2 The payment will not exceed a maximum of 104 weeks.
- 3 Assessing each case on its merits, consider whether to make use of Regulation 12 of the Local Government Pension Scheme Regulations to award additional years of pension service.
- 4 When considering the 'merits of the case' and whether it is in the Council's interests to terminate an individual's employment on the grounds of efficiency of the service, the Council will include:
 - overall benefits to the Council taxpayer of the employee leaving the Council's service
 - direct financial savings and costs to be incurred by the employee leaving the Council's service
 - employee relations issues
 - as a general rule, the Council will seek to make a financial saving over the longer term through an efficiency termination.

The Council will not allow employees in membership of the Local Government Pension Scheme to convert the amount of lump sum compensation payment (in addition to the statutory redundancy payment) into added years of pension service.

Local Government (Early Termination of Employment) (discretionary Compensation) (England and Wales) Regulations 2000

Some discretions under the above Regulations continue to be relevant as they apply to pension scheme members who have added years pensions in payment under the Regulations. The relevant discretions are as follows:-

Regulation 17 - The Effect of New Employment on Part IV Compensation

If a member who is receiving a compensatory added years pension in accordance with Part IV of these Regulations is re-employed by a LGPS employer then the annual pension resulting from the award of a credited period will be reduced, or suspended, if the combined total of earnings from the new employment and pensions in payment exceed the value of the current rate of pay of the member's former employment.

It should be noted that this adjustment is in addition to any adjustment that may be made to the basic LGPS pension as a result of re-employment with a LGPS employer. Oxfordshire County Council has a policy, which it is required to make under other Regulations as the administering Authority for the Oxfordshire LGPS fund, which is as follows: -

- (a) no abatement to be applied to pensions of less than £1500 a year or when awarded to someone retiring on their own benefits (ie without added years)
- (b) in other cases abatement will apply if new earnings and pension in payment exceed 125% of leaving pay, increased by the appropriate pension increases.

Regulation 19 - The effect of Cessation of New Employment on Part IV Compensation

After ceasing the re-employment the credited period will be adjusted or stopped altogether if the resulting pension from the re-employment and the basic LGPS pension from the first employment exceed the value of the pension which could have been paid if the member had remained in the first employment until age 65.

Regulation 21 - Awards to Surviving Spouses and Children

Where more than one current, legal spouse has survived a deceased person, the annual compensatory added years pension will be divided equally.

A spouse's pension will continue to be paid even if the spouse remarries or co-habits, unless at 1.4.98 a pension was already suspended due to remarriage.

In the very rare event of a children's compensatory added years pension being payable in circumstances not covered by the main Pension Regulations full details will be supplied to the appropriate officer for a determination.

Local Government Pension Scheme Regulations (Benefits, Membership and Contributions) Regulations 2007 (as amended)

Regulation 5 - Contributions payable by active members

An active member shall make contributions to the Scheme at the contribution rate from their pensionable pay in each employment in which they are an active member. The contribution rate to be applied to pensionable pay in any financial year (starting with 1st April 2008) is the rate determined by the employer to represent the assumed pensionable pay for the forthcoming year.

Employer's policy

Cherwell District Council has resolved not to re-determine the contribution rate in the course of the financial year. The exception to this will be where a member requests a review of his/her contribution rate as a result of a change in jobs. See full policy details below.



PENSIONS BANDING POLICY STATEMENT

Local Government Pension Scheme
(incorporating changes resulting from the New Look Local
Government Pension Scheme 2008)

Introduction

This policy statement incorporates changes to the Local Government Pension Scheme Regulations effective from 1 April 2008, together with locally agreed rules which have been negotiated and agreed with Unison.

It applies to all members of the Local Government Pension Scheme at 31 March 2008, and all those eligible to join the scheme under the scheme's regulations. All members of the scheme at 31 March 2008 will be automatically transferred into the new scheme. This excludes casual employees (see paragraph below).

Eligibility

To be eligible to join the scheme, individuals will have a contract with Cherwell District Council for at least 3 months, and be aged between 16 and 75. Casual employees do not have the option to join the scheme. All casual employees who are current members of the Local Government Pension Scheme will be informed that they can no longer be a member for their casual work, due to the change in regulations.

Contribution Rates

From 1st April 2008 the contribution rates will be changed from 6% to contribution bands based on whole time equivalent salary and pensionable allowances in accordance with the following table:

Band	Range (based on pensionable earnings) *	Contribution Rate
1	£0 - £12,000 pa	5.5%
2	£12,000.01 - £14,000.00	5.8%
3	£14,000.01 - £18,000.00	5.9%
4	£18,000.01 - £30,000.00	6.5%
5	£30,000.01 - £40,000.00	6.8%
6	£40,000.01 - £75,000.00	7.2%
7	£75,000.01 and above	7.5%

*The salary ranges above will be increased each year at 1st April in line with the Retail Price Index (RPI)

The 5% protected contribution rate for former manual workers will be phased out between 2008 and 2010 as follows:

Effective Date	New Contribution Rate
1 April 2008	5.25%
1 April 2009	5.5%
1 April 2010	6.5% (or appropriate band as indicated above if it is lower)
NB Where an employee moves to a job which is no longer classified as a former manual occupation, they will transfer to a contribution rate based on the appropriate banding above.	

Assessment

An assessment of pensionable earnings will be made at 1st April each year based on the rules below. Once an assessment has been made there will be no other assessment during the year unless there is a change of job.

Employees in post at 31st March

The assessment will be made using the whole time equivalent salary applicable at 1st April together with any pensionable allowances based on:

Whole time equivalent basic salary for full and part-timers employed all year round, plus the actual pensionable allowances received for the previous financial year i.e. 1st April-31st March; **OR**

Whole time equivalent basic salary factored down to term time for term-time only employees, plus the value of the actual pensionable allowances received for the previous financial year ie 1st April-31st March.

Where there is a change of job, the contribution rate will be reassessed on the new salary, as determined below, and effective from the date of change.

A salary increase in the same post, or payment of a pensionable allowance in the same post, will not result in a revised assessment for that year.

Newly appointed employees

The assessment will be made as above, but where new appointments have contractual pensionable allowances paid as part of their regular salary, the expected amount and duration of these will be taken into account for the assessment.

Where new appointments have variable additional pensionable allowances paid by claim and not part of a regular salary, the pension contribution band will be assessed solely on their whole time equivalent salary as above. The pensionable allowances paid during the first financial year will only be taken into account in the following year's assessment.

Multiple Employments

Employees with more than one job with the Council will be assessed separately for each individual contract.

Pensionable Earnings

Any elements of pay which are pensionable will be made clear on the contract of employment.

Appeals

If an employee feels that their contribution rate has not been assessed correctly and in accordance with this policy statement, they must contact the Payroll Team Leader to ask for a breakdown of the assessment no later than 31 March in the year in which their assessed contribution relates, or 3 months following any change, whichever is the later.

Where it is confirmed that the assessment has been made in accordance with this policy statement and appropriate LGPS Regulations but the employee is challenging the assessment, then the complaint will be referred to the Payroll and Performance Manager.

If a complaint cannot be resolved satisfactorily then employees can use the Independent Resolving Disagreements Procedure (IRDP).

Head of Human Resources
March 2008

Alternative formats of these policies can be made available on request.
These include other languages, large print, Braille, audio cassette, computer disk or e-mail.
Please contact Human Resources.

**LOCAL GOVERNMENT PENSION SCHEME****1 INTRODUCTION**

- 1.1 This scheme came into effect on 1 April 2008.
- 1.2 Membership of the Local Government Pension Scheme (LGPS) is automatic for all eligible employees up to age 75 unless they have specifically opted out. Details of the scheme are made available to all employees when they are offered employment with the Council.
- 1.3 This document is a summary of the key conditions of the new-look LGPS. Employees should refer to the Pension Scheme documents provided by Northamptonshire County Council (NCC) (as the administering authority) for more detailed information.

2 MEMBERSHIP

- 2.1 To be eligible to be an active member of the LGPS, employees, whether full time or part time, will need to have a contract of employment for three months or more. If an initial contract of a shorter period is extended to cover at least three months of employment, then the employee can opt to join the LGPS from the start of employment.
- 2.2 If an employee has only a casual contract of employment, then there would need to be sufficient evidence of mutuality of obligation (between the Council as the employer and the casual employee) before a decision could be made about whether the employee is eligible to join LGPS.
- 2.3 The conditions and benefits of membership are outlined in a guidance pack produced by NCC and available from the Council's Human Resources office. This pack is sent out with offers of appointment.
- 2.3 NCC will provide Annual Benefit Statements to scheme members including details of accrued benefits, and an indication of LGPS benefits that members of the scheme would accrue if they continue to be an active member of the Scheme until their normal retirement date. Such statements will be sent by NCC to employees at their home address, so employees need to make sure that any changes to personal circumstances, including address are notified to NCC.

3. CONTRIBUTION RATE

- 3.1 From 1 April 2008, the percentage of gross pay which employees will pay as their pension contribution will be based on the current table which is available from Expenditure. Once an employee is put into a particular band, as a general rule this will stay the same until **either**

the following 1 April (when, for example, the national pay award for the previous year would be taken into consideration if it had not been implemented by 1 April in that year, and/or in year increments would be taken into account) **or** until an employee is appointed to a different post within the Council, in which case any applicable new band would take effect from the date of commencement of employment in the new post.

- 3.2 The amounts quoted in the salary range in the table will increase on 1 April each year by the rise in the Retail Prices Index.
- 3.3 The bandings are based on full time equivalent pay so pay for part time employees will be uprated to the full time equivalent so that the correct contribution rate can be determined.
- 3.4 The contribution rate paid by the Council as the employer is determined every three years by the Pension Fund's Actuary and notified to all employers. The percentage is expressed as a percentage of pensionable pay.

4. PENSIONABLE PAY

- 4.1 Pensionable pay is defined by the LGPS regulations 2007 as being:

"all the salary, wages, fees and other payments paid .. in respect of .. employment" and "any other payment or benefit specified in [an employee's] contract of employment as being a pensionable emolument."

- 4.2 An employee's pensionable payment specifically does **not** include:

(a) payments for non-contractual overtime

(b) any travelling, subsistence or other allowance paid in respect of expenses incurred in relation to the employment;

(c) any payment in consideration of loss of holidays;

(d) any payment in lieu of notice to terminate the employee's contract of employment;

(e) any payment made as an inducement not to terminate an employee's employment before the payment is made;

(f) any amount treated as the money value to the employee of the provision of a motor vehicle or any amount paid in lieu of such a provision.

- 4.3 At the point of retirement, the period normally used to calculate an employee's retirement benefits will be the final year's pay (that is, the 12 months immediately prior to the date of retirement.) However, the LGPS regulations require that the last three years of pay are considered, and the best one of these three is chosen as the basis for determining retirement benefits.
- 4.4 As with banding rates (described at 3.3 above) part time employees will have their pension benefits assessed on the full time equivalent salary.

5. IMPROVING/INCREASING BENEFITS

There are several ways in which it is possible to increase retirement benefits by making extra contributions:

Additional Regular Contributions (ARCs)

- 5.1 An employee who is a member of LGPS can increase his/her benefits by paying Additional Regular Contributions. These payments are set by Government Actuary tables and provide for additional pension benefits of multiples of £250 per annum up to a maximum of £5,000. The ARC can be used to obtain additional benefits purely for the employee making these payments, or for the employee and his/her spouse. Additionally, the employee may also pay contributions into a Personal Pension or a Stakeholder Pension Scheme, although the employee concerned will need to make his/her own arrangements to do this. Such additional contributions attract tax relief.

Additional Voluntary Contributions (AVCs)

- 5.2 An employee who is a member of LGPS can pay additional contributions into an AVC fund. These contributions are invested separately from the Scheme and LGPS members will have their own personal investment account. There are restrictions as to when members can draw out their investment. LGPS members can opt to invest in an AVC of their own choosing (known as a Free Standing AVC) or through one of the Northamptonshire Pension Fund's nominated AVC providers, namely Prudential Assurance or Standard Life. At retirement, the accumulated fund can be used to buy an annuity from an insurance company, bank or building society or to purchase membership in the LGPS (subject to certain eligibility criteria.) If an LGPS member carries on contributing to the LGPS beyond age 65, he/she will not be able to purchase an annuity until:
- he/she retires, or
 - he/she reaches the eve of his/her 75th birthday, or
 - he/she has the Council's consent for flexible retirement

(Note: Members will receive a fund statement from their chosen provider annually)

AVCs and extra LGPS benefits

- 5.3 On leaving the LGPS with immediate payment of pension benefits, an employee who is an LGPS member will be able to use the accumulated fund in his/her AVC account to buy a top-up pension from the LGPS. The top-up pension will provide an inflation proofed pension and benefits for dependants.

AVCs and increased lump sum

- 5.4 At retirement, an employee who is a member of LGPS can choose to take up to 100% of the accumulated fund in his/her in-house AVC account as a tax free lump-sum if this is drawn at the same time as the LGPS pension benefits, providing that, when added to the LGPS lump sum, it does not exceed 25% of the overall value of the LGPS benefits (including the AVC fund.)

6. RETIREMENT

6.1 The normal retirement date for LGPS members is at age 65 for both men and women. . However, in certain circumstances, it is possible for a member to stay in employment and in the LGPS up to the eve of his/her 75th birthday. Retirement benefits are paid from the earlier of:

- The employee's date of retirement
- The eve of the employee's 75th birthday

6.2 For LGPS members working beyond the normal retirement date benefits accrued up to age 65 will be increased to reflect the fact that they have not been drawn at the age, and therefore they are expected to be paid for a shorter period of time.

6.3 Pension membership earned after age 65 will build up in the normal way.

Retiring on the grounds of redundancy or efficiency

6.4 If an employee who is also a member of the LGPS is made redundant by the Council, or is retired early by the Council on the grounds of the efficient exercise of the Council's functions, then the employee may be entitled to immediate payment of their LGPS benefits. (Until 31 March 2010, employees aged 50 or over would qualify for their LGPS benefits in these circumstances. However, from 1 April 2010, an employee would need to be aged 55 to be entitled to receive such benefits.)

Flexible retirement

6.5 LGPS allows employees over 50 (prior to 31 March 2010 – over 55 after that date) [to request their employer (in this case, the Council) to reduce their working hours or take a reduction in pay, by way of preparation for retirement. If either of these situations is granted, then employees can also request access to their pension benefits. However, accessing pension benefits flexibly is not an automatic entitlement and is at the discretion of the Council. The Council has already decided its policy on flexible retirement (see Appendix A to this policy)

Compassionate retirement

6.6 Under certain circumstances and with the agreement of the Council, a scheme member will be allowed to retire on compassionate grounds. This is explained in Appendix A.

Other early retirements

6.7 If an LGPS member has at least three months of membership of the Scheme, or has transferred membership from a previous scheme into the Northamptonshire Pension Fund, and is between 60 and 64, then he/she can leave voluntarily and receive immediate pension benefits, although these may be reduced.

6.8 Between the ages of 50 and 59 an LGPS member may also request early retirement, with the payment of LGPS benefits, but this would have to be the Council's agreement, and would need to come within the discretions described in Appendix A.

6.9 Retirement benefits are calculated as follows:

For service **prior to 1 April 2008**

$$\text{Annual Pension} = \frac{\text{Final pensionable pay} \times \text{Scheme membership}}{80}$$

$$\text{Retirement Lump Sum} = \text{Annual Pension} \times 3$$

For service **after 31 March 2008**

$$\text{Annual Pension} = \frac{\text{Final Pensionable Pay} \times \text{Scheme membership}}{60}$$

Retirement lump sum = nil

However, it will be possible to convert pension to lump sum at the rate of £1 of annual pension for £12 lump sum. Up to 25% of the pension benefit can be turned into a lump sum.

(note: If the LGPS member works part time, the membership is reduced to reflect part-time working but the full-time pay is used.)

7. SNC POLICY STATEMENTS (DISCRETIONS)

7.1 From time to time the Council is required to state its position regarding discretionary elements of the Pension Scheme. The Council's current policy in respect of discretions is set out in Appendix A.

8. LEAVING PRESENT JOB BEFORE RETIREMENT

8.1 Once a member leaves pensionable employment, he/she has several options:

Refunds

8.2 If an employee who is new to local government leaves within three months of commencing that employment, the employee can request a refund of the contributions he/she has paid. The refund will be made via payroll, and results in the employee being in a position as if he/she had never been a member of LGPS. As pension contributions are deducted from gross pay, tax adjustments may need to be made.

Transfers out of LGPS

- 8.3 At any stage, an employee who is a member of the LGPS can decide to transfer his/her pension benefits to another pension provider. The employee will need to contact NCC's Pensions Section to request that arrangements are made to put the transfer in place. The Pensions Section will be responsible for issuing a quotation for the value of the pension to be transferred, and the quotation will be valid for a period of three months. The employee will then need to ensure that he/she authorises the transfer within the three month period or a new quotation will be needed.

Deferred benefits – membership of LGPS of more than 3 months

- 8.4 An employee who is a member of LGPS for more than three months and who decides to leave the LGPS will become entitled to a deferred benefit. Once NCC's Pensions Section has been notified by the Council's Expenditure Section of the relevant leaver's details, the Pensions Section will send a form to the employee, giving information about the options available. The options are:
- to leave pension benefits in the LGPS until such time as the employee is able to access them (either on normal retirement age or if exceptional circumstances prevail, such as permanent ill – health)
 - transfer benefits to the pension scheme of a new employer
 - transfer benefits to a personal pension scheme
 - transfer benefits to a stakeholder pension

If the employee chooses to leave his/her pension benefits in the LGPS, he/she will be issued with an Annual Benefits Statement by NCC Pensions Section.

9 QUERIES AND FURTHER INFORMATION

- 9.1 Pensions in general are a complex issue. You can consult the Human Resources Team for general information, but not specific advice. Members of the scheme can make direct contact with the Pensions Team at Northamptonshire County Council. Contact details for them are available through their documentation.
- 9.2 If an employee who is a member of the scheme disagrees with a decision made by the Council, they have access to an Internal Disputes Resolution Procedure. In the first instance, disagreements should be referred to the Council's Accountancy Manager as the "specified person". Where a member remains dissatisfied with that person's decision they may refer the matter to Northamptonshire County Council (to the contact named in NCC documents, currently the Head of Financial Operations and External Relations).

EMPLOYING AUTHORITY (SNC) DISCRETIONS

With regard to paragraph 7.1 above, the Council's current policy in respect of discretions allowed under the relevant Regulations is as follows:

(a) Early retirement for employees between ages 50 and 60, and the operation of the "85 year rule"

To allow active scheme members aged 50 or more (and with three months or more service) and deferred beneficiaries to apply to retire with immediate payment of benefits and with no actuarial reduction, but on compassionate grounds only, compassionate grounds being defined as where an active member or deferred beneficiary needs to care full time for a close relative, spouse, partner or other dependant who, through illness, requires full time care for the rest of their life expectancy, which is anticipated to be in excess of 12 months from the date of the agreed medical advice.

(Note: Approvals under this discretion would only be exercised by the Appointments and Personnel Committee, following a full report, which included advice from the Council's medical adviser in respect of the person to be cared for.)

(b) Augmentation of scheme membership at any point during active membership of LGPS.

In exceptional circumstances only, and on a case by case basis, to exercise its power to augment LGPS membership under Regulation 52 of the Local Government Pension Scheme Regulations 1997 in cases where this is considered to be appropriate in lieu of a discretionary payment pursuant to the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

(c) Establishment of a shared cost additional voluntary contribution (SCAVC) scheme

No exercise of this discretion.

(d) Treatment of pre 1988 service for widower's benefits

- (i) To allow those individuals presently contributing towards increasing spouses' pensions to have the additional contributions stopped, and to have the period for which payment was being made, usable for assessing spouses' pensions.
- (ii) To allow all married women to elect to count service between 1972 and 1988 for full spouses' pension.

(Note: Prior to 6th April 1988, the LGPS had different, much lower, provisions for widowers' pensions than it has had for widows' pensions. It was, however, possible for female employees to elect to pay increased contributions to increase the level of their widowers' benefits in respect of service between 1972 and 1988).

- (e) Allow flexible retirement to permit an individual who has attained the age of 50 to reduce his/her hours, or the grade in which he/she is employed, and to permit pension benefits to be paid at the same time as remaining in the new employment.**

No exercise of this discretion

- (f) Waiving the actuarial reduction for flexible retirement (in the circumstances described at (e) above).**

Not applicable in the light of (e) above

ADMINISTERING AUTHORITY (NCC) DISCRETIONS


In addition to the policy on discretions as the employing authority as outlined above, the Council has agreed to support the following Northamptonshire County Council proposals.

- (a) Abatement of pensions**

To continue with the existing abatement rules as defined under current legislation.

- (b) Remarriage and Cohabitation**

To continue with the payment of widows' and the widowers' pensions on the event of remarriage or cohabitation where the event took place on or after 1st April 1998.

 <p>Cherwell DISTRICT COUNCIL NORTH OXFORDSHIRE</p>	<h2>Car User Policy</h2>
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Background

This policy is subject to a ballot and collective agreement which took place and was agreed in January 2011 and replaces all previous policies on essential and casual user allowances, the company car and car cash schemes including previous mileage rates.

Car User Eligibility and Mileage Rate

From the 1 April 2011 there will be no essential user lump sum. A fixed rate of 60p will be paid for all business mileage undertaken from the 1 April 2011. Note: This mileage rate applies to business mileage and post entry training scheme mileage.

What is Business Mileage?

Business mileage is mileage travelled to undertake the duties of the job.

What is Not Business Mileage?

Business mileage does not include normal travel between home and a permanent workplace (or multiple workplaces).

Mileage for interviews, relocation and any other non job specific travel is NOT included.

Private travel is also not included.

Insurance

All staff travelling on Council business **must** have insurance cover for business usage.

Documentation

The documentation relating to a vehicle that is used by a post holder who claims car mileage will be examined at the year end annual appraisal of that member of staff or if a new user prior to any car usage on Council business. The post holder must complete the work related road safety personal risk assessment and produce their driving licence for their line manager. Where the work related road safety personal risk assessment form identifies a risk that is medium or high the matter must be brought to the attention of People and Improvement who will decide on appropriate action to take.

The line manager who has checked the documentation should ensure a copy is forwarded to People and Improvement, where it will be filed on the post holder's personal file.

New post holders' who will undertake business car usage will be required to complete the work related road safety personal risk assessment and a medical questionnaire, and submit a copy of their driving licence when they commence employment.

It is the employee's responsibility to raise any changes in circumstances that might affect an eligibility to drive on Council business, with their line manager and consequently with People and Improvement, immediately when a change occurs.