

Notice of Meeting

People, Performance and Development Committee



SURREY
COUNTY COUNCIL

Date & time
Tuesday, 3 May
2016
at 2.00 pm

Place
Committee Room A,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact
Andrew Baird
Room 122, County Hall
Tel 020 8541 7609

Chief Executive
David McNulty

andrew.baird@surreycc.gov.uk



We're on Twitter:
@SCCdemocracy

If you would like a copy of this agenda or the attached papers in another format, eg large print or braille, or another language please either call 020 8541 9068, write to Democratic Services, Room 122, County Hall, Penrhyn Road, Kingston upon Thames, Surrey KT1 2DN, Minicom 020 8541 8914, fax 020 8541 9009, or email democratic.services@surreycc.gov.uk.

This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Andrew Baird on 020 8541 7609.

Members

Mr David Hodge (Chairman), Mr Peter Martin (Vice-Chairman), Mr Ken Gulati, Mr Nick Harrison, Ms Denise Le Gal and Mrs Hazel Watson

Ex Officio:

Mrs Sally Ann B Marks (Chairman of the County Council) and Mr Nick Skellett CBE (Vice-Chairman of the County Council)

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING [5 APRIL 2016]

(Pages 1
- 10)

To agree the minutes as a true record of the meeting.

3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

4 QUESTIONS AND PETITIONS

To receive any questions or petitions.

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (26 April 2016).
2. The deadline for public questions is seven days before the meeting (26 April 2016).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 ACTION REVIEW

(Pages
11 - 16)

For Members to consider and comment on the Committee's actions tracker.

6 TERMINATION OF A MEMBER REPRESENTATIVE AND FURTHER APPOINTMENT OF A MEMBER OF THE LOCAL PENSION BOARD

(Pages
17 - 22)

This report sets out the proposed termination and further appointment of a member representative position of the Local Pension Board for approval by the People, Performance and Development Committee.

The Local Pension Board is a requirement under section 5 of the Public Service Pensions Act 2013, and Regulation 106 of the Local Government Pension Scheme Regulations 2013.

- 7 **CONSOLIDATION OF THE DISCRETIONARY POLICIES OF SURREY COUNTY COUNCIL IN RELATION TO THE LOCAL GOVERNMENT PENSION SCHEME REGULATIONS, THE LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) REGULATIONS AND THE LOCAL GOVERNMENT (DISCRETIONARY PAYMENTS) (INJURY ALLOWANCES) REGULATIONS** (Pages 23 - 40)

This report provides details of the consolidation of existing discretionary policy statements of Surrey County Council (the Council) in relation to the Local Government Pension Scheme Regulations, the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations and the Local Government (Discretionary Payments) (Injury Allowances) Regulations into a single combined document.

8 **EXCLUSION OF THE PUBLIC**

Recommendation: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

- 9 **2016-17 PAY SETTLEMENT FOR SURREY PAY STAFF AND STAFF ON TERMS AND CONDITIONS THAT ARE DETERMINED LOCALLY** (Pages 41 - 52)

This report seeks approval from the People, Performance and Development Committee for the implementation of the 2016/17 Surrey Pay settlements for those staff who are out of the scope of the current Pay and Reward Strategy Review.

Exempt: Not for publication under Paragraph 4

Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority.

- 10 **UPDATE ON SENIOR MANAGEMENT ARRANGEMENTS FOR CHILDREN, SCHOOLS AND FAMILIES DIRECTORATE** (Pages 53 - 56)

To provide the People, Performance and Development Committee with an update on the management arrangements for the Children, Schools and Families Directorate.

Exempt: Not for publication under Paragraph 1

Information relating to any individual.

- 11 **RESHAPING LEADERSHIP ROLES IN ENVIRONMENT AND INFRASTRUCTURE** (Pages 57 - 60)

To invite the Committee to consider a request from the Strategic Director Environment and Infrastructure to use the flexible retirement policy and to consider the implications of granting that request.

Exempt: Not for publication under Paragraph 1

Information relating to any individual.

12 SENIOR PAY POLICY EXCEPTIONS REPORT MAY 2016

(Pages
61 - 64)

The People, Performance and Development Committee (PPDC) acts as the Council's Remuneration Committee under delegated powers, in accordance with the Constitution of the County Council. The purpose of this paper is to highlight decisions taken / recommendations on pay that fall outside the published Pay Policy. This includes:

- Context and background. Exceptions to the current Pay Policy and a business rationale is provided to support management decisions taken on pay that fall outside the current Pay Policy.
- Requests to award a pay progression above the amount agreed as part of the 2015/2016 pay settlement for senior pay employees.
- Information on starting salaries above the grade minimum that falls outside of the resourcing policy for senior pay employees.

Exempt: Not for publication under Paragraph 1

Information relating to any individual.

13 DATE OF NEXT MEETING

The next meeting of People, Performance and Development Committee will be on 30 June 2016.

David McNulty
Chief Executive

Published: Friday, 22 April 2016

MOBILE TECHNOLOGY AND FILMING – ACCEPTABLE USE

Those attending for the purpose of reporting on the meeting may use social media or mobile devices in silent mode to send electronic messages about the progress of the public parts of the meeting. To support this, County Hall has wifi available for visitors – please ask at reception for details.

Anyone is permitted to film, record or take photographs at council meetings. Please liaise with the council officer listed in the agenda prior to the start of the meeting so that those attending the meeting can be made aware of any filming taking place.

Use of mobile devices, including for the purpose of recording or filming a meeting, is subject to no interruptions, distractions or interference being caused to the PA or Induction Loop systems, or any general disturbance to proceedings. The Chairman may ask for mobile devices to be switched off in these circumstances.

It is requested that if you are not using your mobile device for any of the activities outlined above, it be switched off or placed in silent mode during the meeting to prevent interruptions and interference with PA and Induction Loop systems.

Thank you for your co-operation

MINUTES of the meeting of the **PEOPLE, PERFORMANCE AND DEVELOPMENT COMMITTEE** held at 2.00 pm on 5 April 2016 at County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting.

Elected Members:

Mr David Hodge (Chairman)
Mr Peter Martin (Vice-Chairman)
Mr Ken Gulati
Mr Nick Harrison
Ms Denise Le Gal
Mrs Hazel Watson

In Attendance

Ken Akers, Head of HR & OD
Rachel Crossley, Chief of Staff
Mark Irons, Head of Customer Services

11/16 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

None were received.

12/16 MINUTES OF THE PREVIOUS MEETING 25 FEBRUARY 2016 [Item 2]

The minutes were agreed as a true record of the meeting.

13/16 DECLARATIONS OF INTEREST [Item 3]

There were none.

14/16 QUESTIONS AND PETITIONS [Item 4]

There were none.

15/16 ACTION REVIEW [Item 5]

Declarations of interest:

None

Witnesses:

Ken Akers, Head of HR & OD

Key points raised during the discussions:

1. The People, Performance and Development Committee (PPDC) requested an update on the final appraisal completion rate for the Adult Social Care Mental Health team for the year 2014/15. The Head of HR & OD stated that the appraisal completion rate for this Service been adversely impacted by the fact that many Surrey County Council

(SCC) staff working within the Mental Health team were managed by employees of Surrey and Borders Partnership (SABP) which had caused some confusion regarding the appraisal process that SCC staff were supposed to go through. This was further compounded by problems some SABP managers had had getting on to SCC's system in order to complete the appraisal process. Members were informed, however, that these problems had been addressed and that it was anticipated that this would significantly boost the appraisal performance of this Service for 2015/16. It was agreed that the Committee would receive details of the final completion rate for Adult Social Care Mental Health teams in 2014/15.

2. Attention was drawn to Action A29/15 on the Actions Tracker which requested confirmation on the backfill cost related to the leadership structure changes. Members noted that the Committee had still not received this information and requested that it been circulated to PPDC in advance of the Committee's next meeting on 3 May 2016.

Actions/ further information to be provided:

- i. The Head of HR & OD to provide the Committee with details of the final appraisal completion rate of the Adult Social Care Mental Health team for the year 2014/15/ to be provided on the 2014/15 (**Action Ref A14/16**).
- ii. Information related to Action A29/15 to be circulated to the Committee in advance of its meeting on 3 May 2016 (**Action Ref A13/16**).

RESOLVED:

To note the tracker.

16/16 STAFF SURVEY RESULTS [Item 6]

Declarations of interests:

None

Witnesses:

Rachel Crossley, Chief of Staff

Key points raised during the discussions:

1. The Chief of Staff introduced the report, highlighting that the results of SCC's first staff survey since 2011 had been largely positive, prompting Best Companies, who conducted the survey, to give SCC a 'One to Watch' rating. Members were informed that there were a number of areas of the survey where staff rated SCC highly including in team management and team ethic. The Staff Survey also outlined some areas where employees felt less positive about SCC. Specifically, the results of the survey demonstrated that staff perceptions of senior management; how employees felt they were remunerated by the Council as well as staff wellbeing were areas that

needed to be addressed. The Committee was told that steps were already being taken by SCC through the Pay and Reward Consultation to understand and address concerns about staff perceptions of whether they received a fair deal from the Council.

2. The Committee requested further detail on what measures were being taken to improve perceptions of senior management among staff. The Chief of Staff stated that there may have been some ambiguity regarding who employees viewed as the leader of the organisation and this could have had some impact on the results of questions in the survey relating to senior management. Members were advised that Directorate action plans were being developed and being used to improve engagement between senior managers and staff. A significant proportion of respondents gave neutral responses (neither agree nor disagree) to questions regarding senior management of the organisation and this group is seen as critical to engage through the action plans.
3. It was acknowledged that a significant amount of money and resources had already been committed to improving leadership culture in the organisations through coaching programmes designed to strengthen management engagement with staff across SCC. The Committee stressed the importance of ensuring that members of the senior management team are engaging with staff throughout the organisation, particularly those working in more remote parts of the County.
4. Members highlighted the Staff Survey's low response rate and asked what steps would be taken to improve the number of responses for the Survey that would take place in October 2016. The Committee was informed that Best Companies required that staff not be excessively encouraged to take part in the survey which had limited the extent to which SCC was able to promote the Staff Survey. This meant that awareness of the Staff Survey among employees was not as high as it could have been which therefore impacted negatively on the response rate. Plans were in place to increase awareness of the next Staff Survey primarily by highlighting the email about the survey to staff and ensuring that it doesn't end up being treated as spam. Members emphasised the importance of informing employees how their responses to the Staff Survey will be translated into organisational change – the results and the subsequent action plans would continue to be communicated through Directorates, the intranet and the Chief Executive's weekly email.
5. The Committee indicated that they were encouraged by the results of the Staff Survey stating that SCC performed well in a number of important areas. Members highlighted that pay and senior leadership were often the biggest sources of complaint for employees and so it was little surprise that SCC scored lowest in these areas. Concern was expressed in regard to results in relation to the staff wellbeing and Members stressed that it was important for employees to feel they had an appropriate work/life balance. The Chief of Staff highlighted that measures were being taken across the organisation to improve wellbeing which included signing up to the Workplace Wellbeing Charter.

Actions/ further information to be provided:

- i. Chief of Staff to undertake detailed analysis of the areas of improvement identified in the results of the staff survey and to provide feedback on this analysis to the Committee (**Action Ref A14/16**).

RESOLVED:

The People, Performance and Development Committee noted the results of the 2015 Surrey County Council Staff Survey.

17/16 FUTURE ARRANGEMENTS FOR IMT LEADERSHIP - ORBIS [Item 7]

Declarations of interests:

None

Witnesses:

Ken Akers, Head of HR & OD

Key points raised during the discussions:

1. The report was introduced by the Head of HR & OD who informed the Committee that Paul Brocklehurst had requested voluntary redundancy following the proposal to merge the Information Management and Technology Lead roles for Surrey County Council and East Sussex County Council (ESCC) as part of the Orbis Joint Partnership.
2. Information was requested on the amount of money that SCC would save through the amalgamation of the IMT Lead roles for SCC and ESCC. The Head of HR & OD indicated that this would lead to a saving of a half a salary for this role.
3. The Committee asked how redundancy payments were calculated. The Head of HR & OD advised that redundancy payments are equal to a week and a half per year of employment with the Council.
4. Members paid tribute to the work that Mr Brocklehurst had done in transforming and modernising the IT infrastructure of SCC. The Committee agreed that the Chairman would write a letter to Mr Brocklehurst thanking him on behalf of the Council and Surrey residents for his working since joining the organisation.

Actions/ further information to be provided:

- i. The Chairman of PPDC to write a letter to Paul Brocklehurst thanking him on behalf of Surrey County Council and Surrey residents for the work he has done to improve IT since joining the Council (**Action Ref: A15/16**).

RESOLVED:

That the People, Performance and Development Committee agreed to:

- i. support the redundancy of Paul Brocklehurst, Head of IMT at Surrey County Council

- ii. note the deletion of the role of Head of IMT for Surrey County Council and the establishment of the new role of Chief Information Officer (CIO) which will have a scope across the whole Orbis Partnership.

18/16 IMPROVING RESIDENT EXPERIENCE: TELEPHONE AND VOICEMAIL POLICY UPDATE [Item 8]

Declarations of interests:

None

Witnesses:

Mark Irons, Assistant Director, Customer Services

Key points raised during the discussions:

1. The Assistant Director introduced the report advising the Committee of the steps which had been taken to embed the telephone and voicemail policy since it was introduced. The Committee was informed that the policy had become part of the induction for the new members of staff and had also been adopted as part of the Customer Service Excellence Framework. Members were told that a mystery shopper style test would be used to assess how successful the implementation of the telephone and voicemail policy had been. This would be done through randomly choosing members of staff throughout different services in SCC at the weekend to check whether their voicemail messages comply with the policy. It was agreed that the results of the mystery shopper exercise would be circulated to the Committee.
2. Members stressed that residents should not incur a cost when attempting to get in contact with the Council by phone. The Assistant Director stated that all SCC numbers should cost no more than a local rate call for residents and confirmed that he would check the Council's public use phone numbers to ensure that this was the case.
3. The Committee expressed concern that some services have introduced a policy of not responding to residents under any circumstances which was liable to damage SCC's reputation. A Member of the Committee cited a specific example where a Service would not respond to a query by residents. The Head of Customer Services agreed to make contact with this Service to encourage them to revise this policy.
4. The Head of Customer Services acknowledged that more work did need to be done to embed a customer service culture throughout the organisation but highlighted that the Council's frontline services were customer-focused including the contact centre which responded to 75 - 85% of calls within 20 seconds.

Actions/ further information to be provided:

- i. The Head of Customer Services to follow up with the Transportation Review Team in regard to their policy of not responding to residents **(Action Review Ref: A16/16)**.

- ii. Results of the voicemail mystery shopper exercise to be circulated to the Committee once this has been completed. **(Action Review Ref: A17/16).**
- iii. Progress report on the implementation of the Customer Service excellence policy to be provided to the Committee. **(Action Review Ref: A18/16).**
- iv. PPDC to be provided with information on the cost and waiting times for residents calling SCC Highways Emergency number **(Action Review Ref: A19/16).**
- v. PPDC to receive information on why the Shared Services Finance Team was not following the Telephone and Voicemail Policy **(Action Review Ref: A20/16).**

RESOLVED:

That the People, Performance and Development Committee continued to support the promotion of the new telephone and voicemail policy and the wider programme of work to promote a customer focused culture.

19/16 EXCLUSION OF THE PUBLIC [Item 9]

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Schedule 12A of the Act.

20/16 SENIOR PAY POLICY EXCEPTIONS REPORT APRIL 2016 [Item 10]

Declarations of interests:

None

Witnesses:

Ken Akers, Strategic HR Relationship Manager

Key points raised during the discussion:

1. The Head of HR & OD introduced the report. The Committee asked a number of questions which were responded to by the officers present, before moving to recommendations.

Actions/ further information to be provided:

None

RESOLVED:

The Committee approved the recommendations set out in the confidential report, these recommendations are highlighted in the Part 2 minutes.

21/16 DATE OF NEXT MEETING [Item 11]

The Committee noted that its next meeting would be held on 30 June 2016.

Meeting ended at: 3.20pm

Chairman

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank



People, Performance and Development Committee
3 May 2016

Action Review

Purpose of the report:

For Members to consider and comment on the Committee's actions tracker.

Introduction:

An actions tracker recording actions and recommendations from previous meetings is attached as **Annex A**, and the Committee is asked to review progress on the items listed.

Recommendations:

The Committee is asked to monitor progress on the implementation of actions from previous meetings (Annex A).

Report contact: Andrew Baird, Regulatory Committee Manager

Contact details: 020 8541 7609, andrew.baird@surreycc.gov.uk

This page is intentionally left blank

ACTIONS

Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A14/16	5 April	Staff Survey Results	Undertake detailed analysis of the areas of improvement identified in the results of the staff survey and to provide feedback on this analysis to the Committee.	Chief of Staff	<p>The Chief of Staff is currently conducting further analysis on the outcomes of the staff survey and will provide additional information to the Committee on areas of improvement once this analysis has been completed.</p> <p>(Updated 8 April 2016)</p>
A15/16	5 April	Future Arrangements for Leadership of IMT	Chairman of PPDC to write a letter to Paul Brocklehurst thanking him on behalf of Surrey County Council and Surrey residents for the work he has done to improve IT since joining the Council.	Executive Assistant to the Leader of the Council	<p>A letter has been drafted and circulated to the Leader of the Council for approval before it is sent.</p> <p>(Updated 22 April 2016)</p>
A17/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	Results of the voicemail mystery shopper exercise to be circulated to PPDC Members.	Head of Customer Services	<p>This exercise is in the process of being planned and the results will be circulated to the Committee once the results have been compiled and analysed.</p> <p>(Updated 8 April 2016)</p>

People, Performance & Development Committee – ACTION TRACKING

3 May 2016

COMPLETED

Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A29/15	27 November 2015	Reshaping Leadership Roles	Confirmation to be provided on the back fill cost related to the leadership structure changes	Head of HR & OD	This information was submitted to PPDC members on 13 April. (Updated: 13 April 2016)
A12/16	5 April 2016	Action Review	The Head of HR & OD to provide the Committee with details of the final appraisal completion rate of the Adult Social Care Mental Health team for the year 2014/15/ to be provided on the 2014/15.	Head of HR & OD	Information on the 2014/15 appraisal completion rate for SCC staff in the Adult Social Care Mental Team was sent to the Committee on 22 April 2016 (Updated: 22 April 2016)
A13/16	5 April	Action Review	Information related to Action A29/15 to be circulated to the Committee in advance of its meeting on 3 May 2016.	Head of HR Operations	This information was submitted to PPDC members on 13 April. (Updated 13 April 2016)
A16/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	Follow up with the Transportation Review Team in regard to their policy of not responding to residents.	Head of Customer Services	Information on the proposed way forward for revising the Transportation Review Team's Policy was circulated to PPDC on 22 April 2016. (Updated 22 April 2016)

A18/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	Progress report on the implementation of Customer Service excellence policy to be provided to the Committee.	Head of Customer Services/ Regulatory Committee Manager	An update has on the Customer Service Excellence Policy has been added to the Committee's forward plan for 27 October 2016 (Updated 22 April 2016)
A19/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	PPDC to be provided with information on the cost and waiting times for residents calling SCC Highways Emergency number	Head of Customer Services	<p>The Head of Customer Services provided the following response to the Committee. This was circulated to PPDC members on 22 April 2016.</p> <p>Highways Services can be contacted on 0300 200 1003.</p> <p>During working hours 8am-6pm weekdays (excluding public holidays) calls are answered by the Contact Centre. Outside of these times is automatically routed to the Highways Emergency Team in Merrow.</p> <p>Calls to 03 numbers from any network will cost no more than those to 01 and 02 numbers and count as part of any call package. The cost of calls per minute depends on the network. BT customers may be able to call 03 numbers for free.</p> <p>Due to the bad weather over the Easter weekend there were longer than normal waiting times.</p> <p>Introducing an 0800 number would significantly increase cost. It is an issue that residents very rarely raise.</p> <p style="text-align: right;">(Updated: 22 April 2016)</p>

People, Performance & Development Committee – ACTION TRACKING

3 May 2016

A20/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	PPDC to receive information on why the Shared Services Finance Team was not following the Telephone and Voicemail Policy	Head of Customer Services	<p>The Head of Customer Services provided the following response to the Committee’s query. This was circulated to PPDC members on 22 April 2016.</p> <p>A temporary message was placed on the finance line regarding an extra days charge for care clients because of the leap year. This was placed because a large number of care bills were sent out. The broadcast messages are used to answer straight forward questions and this gives a greater chance that callers will then be able to get through to a member of the team more quickly. This message has now been removed.</p> <p style="text-align: right;">(Updated: 22 April 2016)</p>
--------	---------	---	--	---------------------------	--



People, Performance and Development Committee
3 May 2016

**Termination of a member representative and further
appointment of a member representative of the Local Pension
Board**

Purpose of the report:

This report sets out the proposed termination and further appointment of a member representative position of the Local Pension Board for approval by the People, Performance and Development Committee.

The Local Pension Board is a requirement under section 5 of the Public Service Pensions Act 2013, and Regulation 106 of the Local Government Pension Scheme Regulations 2013.

Recommendations:

It is recommended that the proposed termination and appointment for a member representative position of the Local Pension Board is approved as outlined in Annex 1.

Introduction:

1. Under the provisions of section 5 of the Public Service Pensions Act 2013 ("the 2013 Act") and regulation 106 of the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended) ("the Regulations") each LGPS Administering Authority must establish a new Local Pension Board for the purposes of assisting the Administering Authority in all aspects of governance and administration of the LGPS, including funding and investments.
2. The Local Pension Board is constituted separately to the Surrey Pension Fund Committee which has delegated authority to carry out pensions functions for the Council as the Administering Authority.

3. On 17 March 2015, the Council established the Local Pension Board, and delegated the appointment of members of the Local Pension Board to the People, Performance and Development Committee (PPDC). An appointment panel of officers and Members was established to oversee the recruitment process and produce recommendations for the PPDC.
4. On 17 July 2015 the PPDC appointed the required eight employer and member representatives of the Local Pension Board. Further to this one member of Local Pension Board resigned and a replacement was appointed by the PPDC on 29 January 2016.
5. This report sets out the recommendation of the appointment panel, terminating an individual membership and making a subsequent appointment to fill the vacancy, and asks the PPDC to approve both the proposed termination and appointment to the Local Pension Board.
6. The role of the Local Pension Board, the constitution of its membership and the roles and responsibilities of the Board members are set out in the Local Pension Board terms of reference. It is expected that each Local Pension Board member so appointed will serve for the life of the current Surrey County Council, which will continue until spring 2017. Appointments can be extended for further periods subject to re-nomination.

Financial and value for money implications

7. The cost of providing democratic support to the Board will be contained within existing resources, and therefore will not be an additional cost to the Council. Any additional expenses will be borne by the administration cost centre of the Pension Fund and must be approved by the Director of Finance.

Equalities and Diversity Implications

8. The establishment of the Board is a statutory requirement. There are no specific equality implications arising from these appointments.

Risk Management Implications

9. All risk related issues related to the termination and appointment of Board members are managed within the Board's terms of reference, as agreed by Council on 17 March 2015 and amended by the Pension Fund Committee on 18 September 2015.

Next steps:

The next public meeting of the Local Pension Board will be organised prior to the end of July 2016, following the appointment of the new Board member.

Report contact: Neil Mason, Senior Advisor (Pension Fund and Treasury)

Contact details: Tel: 020 8213 2739 Email: neil.mason@surreycc.gov.uk

Annexes:

Annex 1 – Recommendation to the People, Performance and Development Committee for the appointment of an individual member of the Local Pension Board

Sources/background papers:

Public Service Pensions Act, 2013

Local Government Pension Scheme (LGPS) Regulations, 2013

This page is intentionally left blank

THE SURREY LOCAL PENSION BOARD

RECOMMENDATION TO THE PEOPLE, PERFORMANCE & DEVELOPMENT COMMITTEE FOR THE TERMINATION OF A MEMBER REPRESENTATIVE AND APPOINTMENT OF A MEMBER REPRESENTATIVE OF THE LOCAL PENSION BOARD



1. Appointment of Local Pension Board members

- 1.1 Appointment of Local Pension Board members is carried out by the People, Performance and Development Committee following recommendations from the Appointment/Termination panel.
- 1.2 The Appointment/Termination panel overseeing the process consist of the following representatives of the Administering Authority:
- The Chairman of the Pension Fund Committee;
 - The Director of Finance (or her nominee);
 - The Strategic Finance Manager – Pension fund and treasury;
 - The Director of Legal & Democratic Services (or her nominee).
- 1.3 The requirement is to appoint employer representatives as follows:
- 2 x Surrey County Councillors;
 - 2 x representatives to come from nominations from other employers (e.g. District, Borough and Parish Councils, Academies, Police and other scheduled, designated or admitted body employers in the Surrey Pension Fund).
- 1.4 The requirement is to appoint member representatives as follows:
- 1 x GMB nominated representative;
 - 1 x Unison nominated representative;
 - 2 x other member representatives.
- 1.5 Any independent representatives will be directly appointed by the Appointment Panel through an open and transparent process.
- #### 2. Appointment of the Chairman and Vice Chairman of the Local Pension Board
- 2.1 Appointment of the Chairman and Vice Chairman of the Local Pension Board is be carried out by the People, Performance and Development Committee on the recommendation of the Appointment/Termination panel.

3. The Constitution of the current Local Pension Board

3.1 The current Employer representatives are:

- 2 x Surrey County Councillors:
 - Cllr Nick Harrison
 - Cllr John Orrick
- 2 x representatives to come from nominations from other employers (e.g. District, Borough and Parish Councils, Academies, Police and other scheduled, designated or admitted body employers in the Surrey Pension Fund):
 - Paul Bundy (Surrey Police)
 - Claire Morris (Guildford Borough Council)

3.2 The current member representatives of the Local Pension Board are:

- 1 x GMB nominated representative:
 - Tina Hood
- 1 x Unison nominated representative:
 - Tony Geer
- 2 x other member representatives:
 - David Stewart
 - Trevor Willington

3.3 The requirement for independent representatives of the Local Pension Board is regularly reviewed by the newly formed Local Pension Board. There are no appointments at this stage.

3.4 The current Chairman of the Local Pension Board is:

- Cllr Nick Harrison

3.5 The current Vice Chairman of the Local Pension Board is:

- Cllr John Orrick

3.6 The Appointment panel recommends:

- that Tony Geer's membership of the Local Pension Board is terminated for the following reasons:
 - no longer being able to demonstrate to the Scheme Manager their capacity to attend and prepare for meetings or to participate in required training or otherwise to carry out the requirements of the role appropriately;

3.7 The appointment panel further recommends for the vacant member representative of the Local Pension Board to the People, Performance and Development Committee:

- 1 x Unison nominated representative:
 - Paresh Rajani



People, Performance and Development Committee
3 May 2016

Consolidation of the discretionary policies of Surrey County Council in relation to the Local Government Pension Scheme Regulations, the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations and the Local Government (Discretionary Payments) (Injury Allowances) Regulations

Purpose of the report:

This report provides details of the consolidation of existing discretionary policy statements of Surrey County Council (the Council) in relation to the Local Government Pension Scheme Regulations, the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations and the Local Government (Discretionary Payments) (Injury Allowances) Regulations into a single combined document.

Recommendations:

It is recommended that the People, Performance and Development Committee note the Local Government Pension Scheme consolidated employer discretions policy document as outlined in Annex 1.

Introduction:

1. The Council is required to formulate, publish and keep under review a statement of policy on certain discretions in accordance with:
 - Regulation 60 of the Local Government Pension Scheme (LGPS) Regulations 2013.
 - Paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.
 - Regulation 66 of the LGPS (Administration) Regulations 2008.
 - Regulation 106 of the LGPS Regulations 1997.
 - Regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

- Regulation 26 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000.
 - The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.
2. In addition the Council has chosen to formulate, publish and keep under review a statement of policy on certain discretions in accordance with:
 - Regulation D11 (2) (c) of the LGPS Regulations 1995.
 - Regulation 15 (1) (d) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.
 - Regulation 25 (3) of the LGPS (Administration) Regulations 2008.
 - Regulation 15 (3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007.
 - Regulation 100 (6) of the LGPS Regulations 2013.
 - Regulation 22 (7) and (8) of the LGPS Regulations 2013.
 - Regulations 9 and 10 of the LGPS Regulations 2013.
 3. The single combined employer discretions document provides a consolidation of all the Council's statements of policy on discretions as noted in points 1 and 2.
 4. The single combined employer discretions document also provides guidance on the Council's exercise of discretions, including the scheme of delegation for decisions appropriate to the Council's current organisational structure.
 5. The discretions noted in points 1 and 2 have previously been adopted and exercised by the Council and the consolidated employer discretions document does not include any revisions to these discretions.
 6. The consolidated employer discretions document enables all of the Council's discretion policies to be captured in a single reference document.
 7. Employer discretions are public documents and will be made available electronically and as hard copy on request.
 8. The creation of a single consolidated document will provide clarity and ease of access for Council managers, employees, LGPS pension members and their beneficiaries and recognised trade unions.

Financial and value for money implications

9. The consolidation of existing employer discretion policy statements in to a single combined document creates a more efficient central reference point for managers, saving time and duplication.

Equalities and Diversity Implications

10. It is a statutory requirement to formulate, publish and keep under review a statement of policy on certain discretions (as noted in point 1). There are no specific equality implications arising from the consolidation of existing employer discretion policy statements in to a single combined document.

Risk Management Implications

11. The creation of single reference point for the Council's employer discretion policy statements improves clarity and transparency. The employer discretions document also provides guidance on the Council's exercise of discretions, including the scheme of delegation for decisions appropriate to the Council's current organisational structure. This mitigates the risk of discretions being exercised incorrectly or without the due authority.

Next steps:

Before the expiry of a month from the date of this report the Council must publish the consolidated employer discretions document.

Report contact: Neil Mason, Senior Advisor (Pension Fund and Treasury)

Contact details: Tel: 020 8213 2739 Email: neil.mason@surreycc.gov.uk

Annexes:

Annex 1 – Statement of Policy on Employer Discretions in Relation to the Local Government Pension Scheme Regulations, the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations and the Local Government (Discretionary Payments) (Injury Allowances) Regulations.

Sources/background papers:

Local Government Pension Scheme (LGPS) Regulations, 2013
 LGPS (Transitional Provisions, Savings and Amendment) Regulations, 2014
 LGPS (Administration) Regulations, 2008
 LGPS Regulations, 1997
 Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations, 2006
 Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations, 2000
 Local Government (Discretionary Payments) (Injury Allowances) Regulations, 2011
 LGPS Regulations, 1995
 LGPS (Benefits, Membership and Contributions) Regulations, 2007

This page is intentionally left blank

SURREY COUNTY COUNCIL

STATEMENT OF POLICY ON EMPLOYER DISCRETIONS IN RELATION TO THE LOCAL GOVERNMENT (LG) PENSION SCHEME REGULATIONS, THE LG (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) REGULATIONS AND THE LG (DISCRETIONARY PAYMENTS) (INJURY ALLOWANCES) REGULATIONS



1. General principles

- 1.1 Surrey County Council (the council) is a participating employer in the Local Government Pension Scheme (LGPS) and is required to formulate, publish and keep under review a Statement of Policy on certain discretions which they have the power to exercise in relation to the LGPS Regulations, the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations and the Local Government (Discretionary Payments) (Injury Allowances) Regulations.
- 1.2 The approach to exercising discretion is to allow the council to make a reasonable decision in individual cases, but, also to be clear as to the factors it will take into account in making the decision.
- 1.3 In formulating and reviewing its policy statement the council is required to:
- Have regard to the extent to which the exercise of its discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public services, and,
 - Be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable cost.
- 1.4 Where reference is made in this policy to an officer with a decision making role, the authority to make these decisions will be for them and their successor roles should there be a change in the future.
- 1.5 Where reference is made to the Severance Review Group (SRG), the SRG consists of the Director of Legal, Democratic Services and Cultural Services, and includes senior managers, from each of the main directorates, with experts from Finance, Human Resources and Pensions.

The SRG considers all cases which lead to:

- A termination leading to a severance payment i.e. redundancy or efficiency;
- A challenge to suitable alternative employment in the case of a termination;

- Early or flexible retirement for active or deferred members where there is a capital cost;
- Flexible retirement for active or deferred members where there is an exception to the Flexible Retirement Policy;
- Additional discretionary compensation;
- The award of additional pension or the election to contribute to any shared cost additional pension arrangements;

Except cases involving:

- the Chief Executive, which are approved by the People Performance and Development Committee (PPDC); a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council);
- Any severance with under £20k capitalised cost which can be decided by a relevant officer as identified in Part 2 of the Council's Scheme of Delegation ("de minimis" cases).

1.6 This policy confers no contractual rights.

1.7 The council retains the right to change the policy at any time.

1.8 Only the version of the policy that is current at the time a relevant event occurs will be applicable.

1.9 The council encourages any complaint relating to first instance decisions to be raised with the council in the first instance. However, if the complaint is not resolved satisfactorily these matters would need to be referred under the council Internal Dispute Resolution Procedure, details of which are available at <http://www.surreypensionfund.org/themes/surrey/scheme%20documents/Dispute%20Procedure%20Guide.pdf>.

2. Discretions that require a published policy

2.1 Discretions from 1 April 2014 in relation to post 31 March 2014 active members and post 31 March 2013 leavers.

2.1.1 Discretion:

Whether, at full cost to the employer, to grant extra annual pension of up to £6,675¹ to an active Scheme member within six months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency [*regulation 31 of the LGPS Regulations 2013*].

The council policy statement:

There will be no general adoption of this discretion².

2.1.2 Discretion:

Whether, where an active Scheme member wishes to purchase extra annual pension of up to £6,675¹ by making Additional Pension Contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC) [*regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013*].

The council policy statement:

There will be no general adoption of this discretion².

2.1.3 Discretion:

Whether to permit flexible retirement for staff aged 55³ or over who, with agreement of the employer, reduce their working hours or grade [*regulation 30(6) of the LGPS Regulations 2013*] and, if so, as part of the agreement to permit flexible retirement,

¹ The figure of £6,675 is increased each April (starting April 2015) under the Pension (Increase) Act 1971 (as if it were a pension with a PI date of 1 April 2013). The updated figure as of April 2015 is £6,675.

² Decisions regarding this discretion are delegated to a relevant officer as identified in Part 2 of the council's Scheme of Delegation, except for those cases involving:-

- (i) the Chief Executive, which are approved by the PPDC; a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council);
- (ii) a capitalised cost, where a decision by a relevant officer as identified in Part 2 of the council's Scheme of Delegation will only be taken after consideration by the SRG¹.

³ Age 50 for those LGPS members transferred from the Learning and Skills Council to whom regulation 16A of the LGPS (Benefits, Membership and Contributions) Regulations 2007 applies. Such members only need the employer's permission to reduce their working hours or grade, but, if that permission is given, do not require their employer's permission to draw their benefits (as such members have the automatic right to take the benefits by virtue of regulation 18A of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulation 24 of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014).

whether, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw:

- all, part or none of the pension benefits they accrued after 31 March 2008 and before 1 April 2014, and/or
- all, part or none of the pension benefits they accrued after 31 March 2014 [regulations 11(2) and 11(3) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

The council policy statement:

Any adoption will be in accordance with the Flexible Retirement Policy.⁴ It will be at the complete discretion of the employee's Strategic Director/Director, Head of Service/Assistant Director or Head Teacher of a school to determine whether flexible retirement should be granted bearing in mind the operational needs of the service, except for those cases involving :-

- (i) **the Chief Executive, which are approved by the PPDC; a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council);**
- (ii) **a capitalised cost, where a decision by the employee's Strategic Director/Director, Head of Service/Assistant Director or Head Teacher will only be taken after consideration by the SRG¹;**
- (iii) **exceptions to the Flexible Retirement Policy⁴, where a decision by the employee's Strategic Director/Director, Head of Service/Assistant Director or Head Teacher of a school will only be taken after consideration by the SRG¹.**

2.1.4 Discretion:

Whether to waive, in whole or in part, any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA)⁵ [regulation 3(5) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013].

The council policy statement:

There will be no general adoption of this discretion².

⁴ Refer to Flexible Retirement Policy at <http://snet.surreycc.gov.uk/snet/core/sccwspublications.nsf/WebLookupFileResourcesByUNID/docid11D2952AAFB2A94B80257E1A00332DC8?openDocument>

⁵ NPA means the employee's individual State pension age at the time the employment is terminated, but, with a minimum of age 65

2.1.5 Discretion:

Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 [paragraph 1(2) & 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

The council policy statement:

There will be no general adoption of this discretion².

2.1.6 Discretion:

Whether to waive any actuarial reduction on pre and/or post April 2014 benefits for Group 1⁶, Group 2⁷, Group 3⁸ and Group 4⁹ active members (voluntarily retiring after age 55¹⁰ and before Normal Pension Age), deferred members and suspended tier 3 ill health pensioners who are electing to draw benefits [*regulations 3(1), Schedule 2(1) and 2(2) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 regulation 30(8) of the LGPS Regulations 2013 and regulations 30(5) or 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007*].

The council policy statement:

Where there is the discretion to waive actuarial reductions on compassionate grounds¹¹.

Each case will be considered on its own facts and only then:

⁶ Members who were members of the LGPS before 1 October 2006 and who will be 60 or more on 31 March 2016.

⁷ , Members who were members of the LGPS before 1 October 2006 and who will not be 60 or more on 31 March 2016 but will attain age 60 between 1 April 2016 and 31 March 2020.

⁸ Members who were members of the LGPS before 1 October 2006 and who will not be 60 or more on 31 March 2016 and will not attain age 60 between 1 April 2016 and 31 March 2020.

⁹ Members who were not members of the LGPS before 1 October 2006.

¹⁰ Age 50 for those LGPS members transferred from the Learning and Skills Council to whom regulation 16A of the LGPS (Benefits, Membership and Contributions) Regulations 2007 applies. Such members only need the employer’s permission to reduce their working hours or grade, but, if that permission is given, do not require their employer’s permission to draw their benefits (as such members have the automatic right to take the benefits by virtue of regulation 18A of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulation 24 of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

¹¹ The council’s definition 'Compassionate grounds' is that the circumstances must:

- (i) Not occur as a result of a decision or action made by the member, where the consequences could reasonably have been foreseen AND
- (ii) Result in exceptional hardship either to the member directly or a spouse, civil partner or dependent. Financial hardship alone is unlikely to constitute compassionate grounds.

(A) for active employees;

with the approval by a relevant officer as identified in Part 2 of the council's Scheme of Delegation after consideration by the Severance Review Group¹, except for those cases involving:-

- (i) the Chief Executive, which are approved by the PPDC; a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council);**

(B) For deferred or suspended ill health tier 3 pensioners;

with the approval of the SRG¹.

Where there is a discretion to waive actuarial reductions on any grounds.

There will be no general adoption of this discretion¹².

2.2 Discretions for Scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014.

2.2.1 Discretion:

Whether to grant applications for the early payment of deferred pension benefits on or after age 55 and before age 60 [regulation 30(2) of the LGPS (Benefits, Membership and Contributions) Regulations 2007].

The council policy statement:

(A) Where there is no financial disadvantage to the council:

Applications will be granted. This decision is delegated to the Pension Services Manager.

(B) Where there is a financial disadvantage to the council:

¹² Decisions regarding this discretion are delegated to:

(A) for active employees;

a relevant officer as identified in Part 2 of the council's Scheme of Delegation after consideration by the Severance Review Group, except for those cases involving:-

- (i) the Chief Executive, which are approved by the PPDC; a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council);

(B) for deferred or suspended ill health tier 3 pensioners;

the approval of the SRG^{1.5}

There will be no general adoption of this discretion, unless ‘compassionate grounds’¹¹ are established. Each case will be considered on its own facts. This decision is delegated to the SRG¹.

3.1.2 Discretion:

Whether, on compassionate grounds¹¹, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65 [*regulation 30(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007*].

The council policy statement:

Each case will be considered on its own facts. This decision is delegated to the SRG¹.

2.2.3 Discretion:

Whether to grant applications for the early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60 [*regulation 30A(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007*].

The council policy statement:

(A) Where there is no financial disadvantage to the council:

Applications will be granted. This decision is delegated to the Pension Services Manager.

(B) Where there is a financial disadvantage to the council:

There will be no general adoption of this discretion, unless ‘compassionate grounds’¹¹ are established. Each case will be considered on its own facts. This decision is delegated to the SRG¹.

2.2.4 Discretion:

Whether, on compassionate grounds¹¹, to waive any actuarial reduction that would normally be applied to any suspended tier 3 ill health pension benefits which are paid before age 65 [*regulation 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007*].

The council policy statement:

Each case will be considered on its own facts. This decision is delegated to the SRG¹.

2.3 Discretions for Scheme members who ceased active membership between 1 April 1998 and 31 March 2008.

2.3.1 Discretion:

Whether to grant applications for an early payment of pension benefits on or after age 50¹³ and before age 60 [*regulation 31(2) of the LGPS Regulations 1997*].

The council policy statement:

(A) Where there is no financial disadvantage to the council:

Applications will be granted. This decision is delegated to the Pension Services Manager.

(B) Where there is a financial disadvantage to the council:

There will be no general adoption of this discretion, unless ‘compassionate grounds’¹¹ are established. Each case will be considered on its own facts. This decision is delegated to the SRG¹.

2.3.2 Discretion:

Whether, on compassionate grounds¹¹ to waive the actuarial reduction that would normally be applied to benefits which are paid before age 65 [*regulation 31(5) of the LGPS Regulations 1997*].

The council policy statement:

Each case will be considered on its own facts. This decision is delegated to the SRG¹.

2.4 Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

2.4.1 Discretion

Whether to base a redundancy payment on an employee’s actual weeks’ pay where this exceeds the statutory weeks pay limit of, currently, £464 per week (as at 6 April 2014) [*regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006*].

The council policy statement:

All redundancy payments to be calculated on the employee’s actual weeks pay.

2.4.2 Discretion

¹³ Except in the case of LGPS members who are former members of the Metropolitan Civil Staffs Superannuation Scheme and who are covered by regulation 144A of, and Schedule 7 to, the LGPS Regulations 1997, or former NHS Scheme members who are covered by regulation 23 of the LGPS (Transitional Provisions) Regulations 1997, benefits paid on or after age 50 and before age 55 will be subject to an unauthorised payments charge under the Finance Act 2004 and, where applicable, an unauthorised payments surcharge under the Act, and a Scheme sanction charge on any benefits built up after 5 April 2006.

Whether to make a termination payment (inclusive of any redundancy payment) of up to a maximum of 104 weeks' pay to an employee who is, or is eligible to be, a member of the LGPS and whose employment is terminated on the grounds of redundancy or in the interests of the efficient exercise of the employer's functions or, in the case of a joint appointment, because the other holder of the appointment has left it [*regulation 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006*].

The council policy statement:

(A) Employees over the age of 55 and members of the LGPS:

Subject to statutory limits, a termination payment will be made based on the number of weeks as calculated by the ready reckoner multiplied by the employee's weekly pay, up to a maximum of 30 weeks pay.

(B) Employees over the age of 55 and not members of the LGPS and employees under the age of 55:

Subject to statutory limits, a termination payment will be made based on 1.5 weeks pay for each year of continuous local government service, up to a maximum of 40 weeks pay.

(C) Any consideration of further additional discretionary awards will be subject to statutory limits and must be supported by the relevant Strategic Director/Director, Head of Service/Assistant Director or Head Teacher. Cases must show that an individual would suffer substantial detriment through the termination of their employment, over and above the underlying policy assumption that the scheme provides fair and reasonable compensation for loss of office and only then with the approval by the SRG¹ except for those cases involving :-

- (i) the Chief Executive, which are approved by the PPDC; a Strategic Director/Director or senior manager reporting directly to a Strategic Director/Director, which are approved by the Chief Executive in consultation with the Chairman of the PPDC (Leader of the Council).**

2.5 Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000.

2.5.1 Discretion

How a person's annual compensatory added years (CAY) payment is to be abated during, and following the cessation of, any period of re-employment by an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body, in which case abatement only applies if the person is in the LGPS in the new employment) [*Parts VI and VII of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000*].

The council policy statement:

The council must ensure that the aggregate of the annual CAY, annual LGPS pension and annual rate of pay from the new employer does not exceed the annual rate of pay from the employment in which the CAY were granted. If that position cannot be achieved by a reduction in the CAY payment then the CAY payment must be suspended.

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

2.5.2 Discretion

How any surviving spouse's or civil partner's annual compensatory added years is to be apportioned where the deceased person is survived by more than one spouse or civil partner [*regulation 21(4) of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000*].

The council policy statement:

Where a deceased former employee is survived by more than one spouse or civil partner the annual CAY pension will be apportioned equally between eligible spouses or civil partners.

2.5.3 Discretion

Whether, if the spouse or civil partner of a person who ceased employment before 1 April 1998 remarries, enters into a civil partnership or cohabits after 1 April 1998, the normal annual compensation suspension rules will be disapplied i.e. the spouse's or civil partner's annual compensatory added years will continue to be paid [*regulation 21(5) of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000*].

The council policy statement:

Where the spouse or civil partner of a person (who ceased employment before 1 April 1998) remarries or cohabits after 1 April 1998, the spouse's or civil partner's annual CAY pension will continue to be paid.

2.5.4 Discretion

Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partner's annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or co-habitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them [*regulation 21(7) of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000*].

The council policy statement:

CAY payments will continue to be paid to both parties in respect of a spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment.

2.5.5 Discretion

How, if compensatory added years were awarded to an employee who was not in the LGPS (because the employee had not joined or had opted out of the LGPS) the employer will decide to whom any children's annual compensatory added years payments are to be paid and, in such a case, how the annual added years will be apportioned amongst the eligible children cohabitation [*regulation 25(2) of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000*].

The council policy statement:

Where a deceased former employee is survived by at least one eligible child then the children's CAY pension will be paid in the same proportion as under the main pension scheme regulations.

2.6 Discretions to be exercised under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

2.6.1 Discretion

Whether to make an injury award to those who sustain an injury or contract a disease as a result of anything they were required to do in performing the duties of their job and in consequence of which they:

- suffer a reduction remuneration, or
 - cease to be employed as a result of an incapacity which is likely to be permanent and which was caused by the injury or disease, or
 - die leaving a surviving spouse, civil partner or dependant, and
- [*Regulation 14(1) of the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011*].

The council policy statement:

There will be no new adoptions of an Injury Allowance award.

3 Additional discretions

3.1 Discretions for Scheme members who ceased active membership before 1 April 1998

3.1.1 Discretion:

Whether to grant applications for an early payment of pension benefits on or after age 50¹⁴ and before age 60 on compassionate grounds¹¹ [*regulation D11 (2) (c) of the LGPS Regulations 1995*].

The council policy statement:

Each case will be considered on its own facts. This decision is delegated to the SRG¹.

3.2 Discretions from 1 April 2014 in relation to post 31 March 2014 active members and post 31 March 2013 leavers.

3.2.1 Discretion

Whether, how much, and in what circumstances to contribute to a shared cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2014 [*regulation 17 of the LGPS Regulations 2013*] and whether, how much, and in what circumstances to continue to contribute to any SCAVC arrangement that the employer had entered into before 1 April 2014 [*regulation 15(1)(d) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 25(3) of the LGPS (Administration) Regulations 2008 and regulation 15(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007*].

The council policy statement:

There will be no general adoption of this discretion².

3.2.2 Discretion:

Whether, with the agreement of the Pension Fund administering authority, to permit a Scheme member to elect to transfer other pension rights into the LGPS if he/she has not made such an election within 12 months of joining the LGPS [*regulation 100(6) of the LGPS Regulations 2013*].

The council policy statement:

There will be no general adoption of this discretion. Any decisions on an adoption of this discretion are delegated to the Pension Services Manager¹⁵.

3.2.3 Discretion:

Whether to extend the 12 month time limit within which a Scheme member who has a deferred LGPS benefit in England or Wales following the cessation of employment

¹⁴ Except in the case of former NHS Scheme members who are covered by regulation 23 of the LGPS (Transitional Provisions) 1997, benefits paid on or after age 50 and before age 55 will be subject to an unauthorised payments charge under the Finance Act 2004 and, where applicable, an unauthorised payments surcharge under the Act, but, there would be no Scheme sanction charge.

¹⁵ Discretion 3.1.2 also requires the permission of the Administering Authority (Pension Fund).

(or cessation of a concurrent employment) after 31 March 2014 may elect not to have their deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election to retain separate benefits within 12 months of commencing membership of the LGPS in the new employment (or within 12 months of ceasing the concurrent membership) *[regulations 22(7) and (8) of the LGPS Regulations 2013]*.

The council policy statement:

There will be no general adoption of this discretion. Any decisions on an adoption of this discretion are delegated to the Pension Services Manager.

3.2.5 Discretion

How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the Scheme year (1 April to 31 March) *[regulations 9 and 10 of the LGPS Regulations 2013]*.

The council policy statement:

On joining the Scheme the council will allocate an employee the pension contribution band commensurate with his/her annualised first full months contractual pay. This will be reviewed each time there is a change in pay.

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank