

# COUNCIL SUPPLEMENTARY AGENDA

**30 March 2016**

**10 THE COUNCIL'S PAY POLICY STATEMENT 2016/17 (Pages 1 - 40)**

Subsequent to the publication of the main agenda papers, further details and clarification of the Chief Officers and Youth & Community pay awards were received. As such, a revised version of the Pay Policy Statement, incorporating these details, is attached. The paragraphs that have been revised are:

- 15-16
- 23-24
- 29-30
- 52
- 54
- 57
- Appendix 4 section 3

**Andrew Beesley  
Committee Administration  
Manager**

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## REPORT OF THE CHIEF EXECUTIVE

### PAY POLICY STATEMENT 2016/17

The Localism Act 2011 requires the Council to prepare a pay policy statement by the 31 March each year before it comes into force. The pay policy statement must be approved by a full meeting of the Council and published on the Council's website.

The Council's pay policy statement must set out:

- The remuneration of the its Chief Officers
- The remuneration of its lowest-paid employees
- The relationship between the remuneration of its Chief Officers and its other employees

Under the Localism Act 2011, Chief Officers in Havering are defined as those remunerated on the following grades:

- HG1 (Chief Executive)
- HG2/HG2S (Deputy Chief Executive/Director)
- HG3 (Director/Assistant Director/Head of Service)
- HS 1/2/3 (Other Assistant Director/Head of Service)

The Council's draft Pay Policy Statement 2016/17 is appended.

**The Chief Executive RECOMMENDS to Council that the Pay Policy Statement, 2016/17 be approved.**

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## **London Borough of Havering**

### **Pay Policy Statement 2016/17**

#### **1. Introduction**

2. This pay policy statement is produced in accordance with Chapter 8 of the Localism Act 2011 which requires the Council to prepare a pay policy statement by the 31 March each year before it comes into force.
3. This pay policy statement was approved by a meeting of full Council on 30 March 2016. It is made available on the Council's website which also includes separately published data on salary information relating to the Council's senior management team.
4. Under the Localism Act 2011, the Council's pay policy statement must set out:
  1. the remuneration of its chief officers
  2. the remuneration of its lowest-paid employees
  3. the relationship between:
    - i. the remuneration of its chief officers and
    - ii. the remuneration of its employees who are not chief officers
5. Under the Localism Act 2011, Chief Officers in Havering are defined as those remunerated on the following grades:
  1. HG1 (Chief Executive)
  2. HG2/HG2S (Deputy Chief Executive/Director)
  3. HG3 (Director/Assistant Director/Head of Service)
  4. HS1/2/3 (Other Assistant Director/Head of Service)
6. This pay policy statement excludes staff in schools.
7. The Council's next pay policy statement will be for the year 2017/18 and will be submitted to a meeting of full Council for approval by 31 March 2017.

#### **8. Remuneration of Chief Officers**

##### **9. Chief Executive**

10. The Chief Executive role is the Council's Head of Paid Service.
11. The Chief Executive role is paid on the HG1 grade on a spot salary within the HG1 salary range. As at 31 March 2016, the annual Full Time Equivalent

salary range is £163,920pa - £170,000pa. The salary range is increased in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities with effect from 1<sup>st</sup> April each year (any increases for effect from 1<sup>st</sup> April 2016 have not yet been determined).

12. The Chief Executive role is entitled to receive a separate Returning Officer fee in respect of elections. The approach to the setting of these fees is set out in Appendix 1.
13. The Chief Executive role receives no other bonuses, overtime or any other additional salary payments.
14. Deputy Chief Executive/ Director
15. Deputy Chief Executive/ Director roles are paid on one of the following 2 grades comprising the following spinal points and annual Full Time Equivalent salary, as at 1 April 2016:

HG2

1. £114,888
2. £118,170
3. £121,455
4. £124,737
5. £128,019
6. £131,301

HG2S

1. £128,145
2. £131,805
3. £135,468
4. £139,128
5. £142,791
6. £146,451

16. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Officers of Local Authorities with effect from 1<sup>st</sup> April each year (the increase for effect from 1<sup>st</sup> April 2016 has been included in the figures above).
17. Progression through the spinal points is subject to annual incremental progression.
18. The Council's statutory chief officer roles currently undertaken by Deputy Chief Executive/Director roles are detailed below. No additional payments are made in respect of these roles:

- Section 151 (Finance) – Deputy Chief Executive: Communities & Resources
  - Children’s Services and Adults Social Services – Deputy Chief Executive: Children, Adults & Housing
19. The Deputy Chief Executive: Children, Adults & Housing role receives an additional Market Supplement payment equivalent to £5,000pa.
  20. Deputy Chief Executive/ Director roles may be entitled, if appointed for an election, to receive a fee for any Deputy Returning Officer role undertaken. The approach to the setting of these fees is set out in Appendix 1.
  21. Deputy Chief Executive/ Director roles receive no other bonuses, overtime or any other additional salary payments.
  22. Director/Assistant Director/Head of Service
  23. Director/Assistant Director/Head of Service roles of larger services are paid on the following grade comprising the following spinal points and annual Full Time Equivalent salaries, as at 1 April 2016:
 

<u>HG3</u>	
1.	£94,653
2.	£97,356
3.	£100,062
4.	£102,765
5.	£103,401
6.	£106,050
  24. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Officers of Local Authorities with effect from 1 April each year (the increase for effect from 1<sup>st</sup> April 2016 has been included in the figures above).
  25. Progression through the spinal points of the grade is subject to annual incremental progression.
  26. Director/Assistant Director/Head of Service roles may be entitled, if appointed for an election, to receive a fee for any Deputy Returning Officer role undertaken. The approach to the setting of these fees is set out in Appendix 1.
  27. Director/Assistant Director/Head of Service roles receive no other bonuses, overtime or any other additional salary payments.

28. Other Assistant Director/Head of Service

29. Other Assistant Director/Head of Service roles are paid on one of the following 3 grades comprising the following spinal points and annual Full Time Equivalent salaries, as at 1 April 2016:

HS3

1.	£72,246
2.	£74,919
3.	£77,598
4.	£80,274

HS2

1.	£77,634
2.	£80,508
3.	£83,382
4.	£86,256

HS1

1.	£85,455
2.	£88,623
3.	£91,776
4.	£94,947

30. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Officers of Local Authorities with effect from 1 April each year (the increase for effect from 1<sup>st</sup> April 2016 has been included in the figures above).
31. Progression through the spinal points is subject to annual incremental progression.
32. The Deputy Director of Legal Services is the Council's Statutory Monitoring Officer. No additional payments are made in respect of this role.
33. The Assistant Director: Learning & Achievement role receives an additional Market Supplement payment equivalent to £10,000pa.
34. The Head of Economic Development role receives an additional Market Supplement payment equivalent to £8,000pa.
35. Other Assistant Director/Head of Service roles may be entitled, if appointed for an election, to receive a fee for any Deputy Returning Officer role undertaken. The approach to the setting of these fees is set out in Appendix 1.



36. Other Assistant Director/Head of Service roles receive no other bonuses, overtime or any other additional salary payments.

**37. Other Remuneration for Chief Officers**

38. On appointment, Chief Officers will be placed on the appropriate spinal point within the appropriate grade and paid any other allowance/payment as set out in this pay policy statement, having regard to the knowledge, skills and competencies of the individual as well as their current and previous salary levels.

39. Where it is proposed, on appointment, to place a Chief Officer on a spinal point/grade or pay an allowance/payment outside of those set out in this pay policy statement, full Council will be given the opportunity to vote on the application of any salary package that exceeds £100,000pa.

40. The Council does not operate a performance related pay scheme or other bonus schemes for Chief Officers.

41. Chief Officers are not entitled to payment for any other charges, fees or allowances.

42. Chief Officers are not entitled to any benefits in kind as a result of their office or employment.

**43. Other Remuneration for Chief Officers and the Council's Other Employees**

44. All employees who are within 3 years of retirement and have completed 25 years service within Local Government by the date of their retirement and have been continuously employed by the Council since 24 September 1997 are entitled to receive a salary plusage payment during their final 3 years employment with the Council. The payment is based on 0.2% and 0.3% of substantive salary for each year of Local Government service and each year of continuous service with the Council respectively.

45. The Council's policies regarding how the Council exercises the various employer discretions provided by the Local Government Pension Scheme (LGPS) are set out at Appendix 2. These discretions are applied equally to all employees. In general the Authority will not grant any increase or enhancement of pension entitlement as a result of its discretions policy, although each case will be determined on a case by case basis. As a result of the introduction of the new LGPS 2014 scheme all employer and

Administering Authority discretions have now been reviewed and noted by Pension Committee.

46. The Council's policies regarding how the Council exercises the various employer discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 are set out at Appendix 3.
47. On ceasing to be employed by the Council, all employees will only receive compensation:
  - in circumstances that are relevant (eg redundancy) and
  - that complies with the specific terms of any compromise agreement
48. Any severance package in excess of £100,000 (excluding annual pension/pension lump sum payments) will be subject of a vote by full Council.
49. All directly employed staff, whether permanent or fixed term, will be paid via the Council's payroll system and subject to deduction of tax and national insurance in accordance with PAYE regulations.
50. **Remuneration of the Council's Other Employees and the Council's Lowest Paid Employees**
51. The Council uses the following grading structures to pay its other employees:
  - NJC for Local Government Employees
  - Soulbury Committee
  - JNC for Youth & Community Workers
  - School Teachers Pay & Conditions
  - NHS Terms & Conditions of Service
52. The grades, incremental points and annual Full Time Equivalent salaries, as at 1 April 2016, associated with these grading structures are detailed at Appendix 4. The values of the spinal points are increased in accordance with the respective negotiating body with effect from a variety of dates each year.
53. The remuneration of the Council's other employees also includes the payments/allowances detailed at Appendix 5.
54. For the purpose of this pay policy statement the Council's lowest paid employees are defined as those paid at Youth Support Worker 11, spinal column point 4 of the JNC for Youth & Community Workers, for which the annual Full Time Equivalent salary, as at 1 April 2016 is £16,431. The Council currently has 8 part-time employees at this level.

55. For the purposes of this pay policy statement the Council's median paid employee is paid at Scale 6, spinal column point 26 of the NJC for Local Government Employees, for which the annual Full Time Equivalent salary, as at 1 April 2016 is £24,744.

56. **Relationship between the remuneration of the Council's top earner, its lowest paid employees and other employees**

57. Although the Council does not have a policy regarding the ratio between the remuneration of its top earner, its lowest paid employees and other employees, the current ratios (based upon the part-year to February 2016) are detailed below.

Top earner : Lowest Paid Employee      1 : 10.0  
Top earner: Median Paid Employee      1 : 6.6

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## **Approach to the Setting of Returning Officer/Deputy Returning Officer Fees**

### Local Elections

Returning Officer fees are paid in accordance with the scale of fees agreed by the Leaders Committee of London Councils. The fees are funded by the Council which provides a budget every fourth year for running local elections. Fees for Deputy Returning Officer roles are paid by the Returning Officer from a budget allocated for clerical assistance and vary in accordance with duties and responsibilities undertaken.

### Greater London Authority Elections

Returning Officer fees are set by the Greater London Returning Officer. The fees are funded by the Greater London Authority. Fees for Deputy Returning Officer roles are paid by the Returning Officer from a budget allocated for clerical assistance (and/or by allocation of some of the Returning Officer fee) and vary in accordance with duties and responsibilities undertaken.

### European Parliamentary and Parliamentary Elections and National Referenda

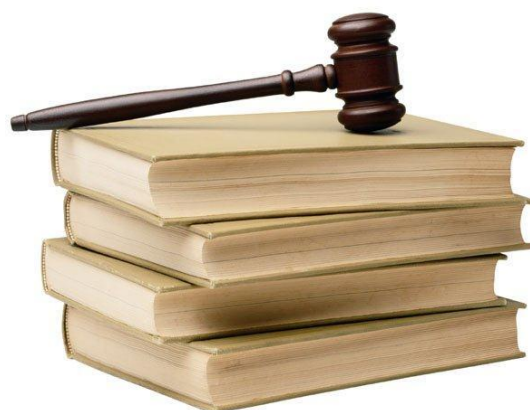
Returning Officer fees are set by the Central Government usually through the publication of a Statutory Instrument. The fees are funded by Central Government. Fees for Deputy Returning Officer roles are paid by the Returning Officer from a budget allocated for clerical assistance (and/or by allocation of some of the Returning Officer fee) and vary in accordance with duties and responsibilities undertaken.



**THE LONDON BOROUGH OF HAVERING – EMPLOYING AUTHORITY DISCRETIONS**

**HYMANS ROBERTSON LLP**

**London Borough of Havering  
Employing Authority Discretions  
Statement of Policy**



**1) Determination of contribution rate and how it will be determined (9(1) and 9(3))**

- The employee contribution band will be reviewed each April.
- Contributions are payable on all pay received such as non-contractual overtime or additional hours. Reductions in pay due to sickness, child related leave etc. are ignored. The salary used to determine the band will be assessed by taking into account basic salary each April plus any additional hours or overtime that were paid for in the previous financial year.

**2) Funding of additional pension contributions (16(2)(e) and 16(4)(d)) (LGPS 2013)**

**Where APCs are to be paid by regular contributions, whether to fund in whole or in part a members additional pension contribution. The maximum additional pension which can be purchased from 1 April 2014 is £6,500. (16(2)(e))**

**Where APCs are to be paid by a lump sum contribution, whether to fund in whole or in part members additional pension contribution. The maximum additional pension which can be purchased from 1 April 2014 is £6,500. (16(4)(d))**

The Council will generally not contribute by either regular contributions or lump sum contribution towards a members additional pension contributions but may determine on a case by case basis if there has been any operational benefit gained by the employer and if so whether the APC should be wholly or partly funded. Strike action will not be funded.

**3) Flexible retirement (30(6)) (LGPS 2013)**

**Whether to allow an active member, who has attained the age of 55 or over, who reduces their working hours or grade, to receive immediate payment of all or part of their retirement pension to which the member is entitled to in respect of that employment, subject to an actuarial reduction.**

The Council has decided to allow flexible retirement in cases where there is normally no or minimal cost to the Council on a case by case basis, ensuring the detailed merits of each individual case is taken into account. Employees can choose to draw all of their pension benefits or defer payment of all or part of their fund which has accrued since 1 April 2008. The following criteria will apply: there must be at least a 25% reduction in pay or hours; the member may not move to another promotion post with the Council and/or increase their hours following flexible retirement; will not be granted a 2<sup>nd</sup> or subsequent flexible retirement.

Flexible retirement will normally result in an actuarial reduction of pension benefits. In exceptional circumstances the Council may consider waiving the actuarial reduction where it is in the Council's interest to do so.

#### 4) Waiving actuarial reduction (30(8)) (LGPS 2013)

**Whether to waive, in whole or in part, any reduction to a members pension benefits as a result of a member who has not attained normal pension age but who has attained the age of 55 or over and has elected to receive immediate payment of a retirement pension.**

There will normally be a reduction to the pension where employees retire before their normal pension age with insufficient service to qualify for a full pension, except in compassionate grounds. Compassionate is normally defined as:

- The applicant had to leave employment to care for a dependent who is suffering from long term illness/incapacity. For this purpose dependent normally includes a partner, child or parent; and
- That the dependant's need is for constant supervision for both day and night and that this is supported by confirmation from the Benefits Agency that an Attendance Allowance at the higher rate is payable; and
- That the dependant has no recourse to alternative means of support from his/her immediate family nor the financial resources to provide independent care support (for this purpose a certified statement of income and expenditure will be required); and
- That the applicant is suffering or facing severe financial hardship, that the applicant has no other significant source of income and that their personal financial circumstances are unlikely to improve. For this purpose the applicant will be required to submit a certified statement of income and expenditure covering both the applicant and any partner living with them; and
- That the applicant's opportunities for employment are severely limited by the nature of the care duties they are undertaking.

Flexible retirement will normally result in an actuarial reduction of pension benefits. In exceptional circumstances the Council may consider waiving the actuarial reduction where it is in the Council's interest to do so.

**5) Award of additional pension (31) (LGPS 2013)**

**Whether to award additional pension up to a maximum of £6,500 to an active member or a member who was an active member who was dismissed by reason of redundancy, or business efficiency, or whose employment was terminated by mutual consent on grounds of business efficiency within 6 months of the date the member's employment ended.**

The Council will not generally apply this discretion but in extreme cases consider on a case by case basis.

**6) Applying the rule of 85 (Transitional 2014)**

**'Switch on' the 85 year rule protection, allowing a member to receive fully or partly unreduced benefits subject to the Scheme employer paying a strain cost to the Pension Fund (Schedule 2 paragraph 2)**

The Council will not usually exercise discretion to fund additional costs applicable to the 85 Year Rule for 55 to 60 year olds. However in exceptional circumstances, to be considered on individual merits on a case by case basis, where this is of benefit to the Council then the Council may exercise discretion to pay the cost waiving actuarial reductions.

**7) Consenting to the immediate payment of benefits (30(2)) (LGPS 2007) and Waiving an actuarial reduction to pension benefits on compassionate grounds (30(5)) (LGPS 2007)**

**Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60. Although this discretion relates to the old scheme and will be governed by those regulations it will still apply for members who left the scheme on or before 31 March 2014.**

**Whether to waive any actuarial reduction that may apply on the early payment of deferred benefits on compassionate grounds.**

Elections made under this Regulation by members aged less than 60 are ineffective without employer consent of the employing authority or former employing authority. No employees will be permitted to receive early payment of benefits prior to age 60 except in compassionate cases. Applications may be granted on a case by case basis in circumstances where it may be considered to be to the Council's operational or financial advantage.



## Local Government Pension Scheme Regulations 2013

		Discretion application
9(1) and 9(3)	Determination of contribution rate and how it will be determined	<p>For transferring employees on 1 April 2014 - an assessment is taken on additional hours and/or overtime payments made in previous pay periods and applied to the current pay rates to arrive at the annual rate of pay and the contribution rate relevant to that annual rate is applied.</p> <p>For new employees - Where possible a reasonable assessment is made and the contribution rate relevant to that annual rate is applied.</p> <p>A review is undertaken annually.</p> <p>The contribution policy is:</p> <p>The employee contribution band will be reviewed <b>each April</b>.</p> <p>Contributions are payable on all pay received such as non-contractual overtime or additional hours. Reductions in pay due to sickness, child related leave etc. are ignored. The salary used to determine your band will be assessed by taking into account basic salary each April plus any additional hours or overtime that were paid for in the previous financial year.</p> <p>A review of the initial policy will undertaken at the end of the year.</p>

16(2)(e) and 16(4)(d)	Whether and how much and in what circumstances to contribute to a shared cost APC/SCAPC	Generally this discretion will not be exercised but delegated authority is given to the Pensions Panel to determine on a case by case basis if there has been any operational benefit gained by the employer and if so whether the APC should be wholly or partly funded. As a general rule the Council will not contribute to a shared cost APC/SCAPC where the absence is due to an unauthorised absence such as strike action.
17(1)	Establishment of a Shared Cost AVC (SCAVC) facility	The decision taken by the Investment Committee in 2001 is still relevant, therefore for the time being the Council does not set up a shared cost AVC facility.
19(2)	Right to a refund if member left due to offence of fraudulent character or grave misconduct	In the first instance withhold the return of contributions in all cases but each situation is considered on a case by case basis with delegated powers being given to the Pensions Panel
20(1)	Specify in an employee's contract benefits to be determined as pensionable	Where the Council wishes to specify in a contract of employment that other payments or benefits may also be pensionable it is determined by the Pension Panel on a case by case basis with the appropriate business case being presented
21(5)	Determine "regular lump sum" for Assumed Pensionable Pay	Where necessary the Transactional Manager (HR, Pensions and Payroll) is given delegated authority to make a determination on a case by case basis
22(7)(b)	Extension of time limit for deferred benefits to not be aggregated (concurrent employments)	Where a decision is required delegated authority is given to the Team Leader (Pensions Administration) to take account on a case by case basis of the relevant circumstances whether or not the 12 month time limit is to be extended and that the decision is communicated in writing to the scheme member within one month of the decision being made.

22(8)(b)	Extension of time limit for deferred benefits to not be aggregated	Where a decision is required delegated authority is given to the Team Leader (Pensions Administration) to take account on a case by case basis of the relevant circumstances whether or not the 12 month time limit is to be extended and that the decision is communicated in writing to the scheme member within one month of the decision being made.
30(6), 30(8) and 11(2) of the Transitional Provisions Regulations –	Flexible retirement and waiving any actuarial reduction that would apply	<p>A business case is prepared for each request, ensuring that this includes the Fund cost and any costs of additional salaries for a new part-time post to fill the reduced capacity, as well as quantifying the benefits of agreeing to the flexible retirement.</p> <p>Any actuarial reduction will not be waived.</p>
31	Power of employing authority to grant additional pension to an active member	The Council does not generally apply this discretion to award additional pension but may in extreme cases consider on a case by case basis where the full cost benefit is presented in a business case and agreed by the Pension Panel.
37(3)	Recovery of payments following date of discontinuance of third tier ill health pension entitlement	Where pension payments have continued to be paid after the date of discontinuance they should be recovered in all cases with the individual being notified of the repayment procedure and timescales.
37(7)	Subsequent determination on level of ill health benefit following review of third tier ill health award as to whether tier two ill health benefits should apply.	Where in the opinion of the medical adviser and any other relevant information available in each individual case, if the member at the time of the review of their tier 3 ill health entitlement, satisfies the requirements of a tier 2 ill health pension the Council agrees and determines to put the increased ill health pension into payment. Where the member does not satisfy the requirements of a tier 2 ill health pension all the facts of the case are presented to the Pension Panel for a final determination.

38(6)	Decision whether a deferred and deferred pensioner member meets criteria for early payment due to permanent ill health	Where the Council is required to make a determination as to agreeing to the early payment of a deferred pension on the grounds of permanent ill health once the opinion has been received from the IRMP, all the facts of the case are presented to the Pension Panel for a final determination.
91 to 93	Forfeiture of pension rights as a result of offences or misconduct	The Council will seek recovery of any loss it has suffered and any such cases are referred to the Pension Panel to be considered
95	Impact of forfeiture decision on surviving spouse or civil partner	The Council will seek recovery of any loss it has suffered and any such cases are referred to the Pension Panel to be considered.
98(1)(b)	Agreement to a bulk transfer	Each opportunity is determined on a case by case basis with delegated authority given to the Transactional Manager (Exchequer and Transactional) in consultation with the Fund actuary.
100(6)	Extension of time limit to accept a transfer value	Where discretion needs to be exercised it is determined on a case by case basis with delegated authority given to the Team Leader (Pensions Administration).

## Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014

Regulation	Description	Discretion application
3(6), 4(6)(c), 6(4), 10(2)(a), 17(2) and 17(2)(b)	Agreement to member selecting final pay period for fees	Where a scheme member's final pay consists of fees then the use of a period of three years ending on 31st March in last ten will be permitted so as to have a fairer fee figure used in the calculation of benefits.
12(6)	Use of an ill health certificate produced under the 2008 scheme	Delegated authority is given to the Team Leader (Pensions Administration) to agree the use of a certificate produced under the 2008 scheme on a case by case basis.
	Continuing contribution in to a Shared Cost AVC (SCAVC) facility	The Council did not agree to the setting up of a Shared Cost AVC (SCAVC) facility so therefore this discretion does not apply.
15(1)(d)	Allow late application to convert scheme AVCs into membership credit	Where an election is received late then delegated authority is given to the Team Leader (Pensions Administration) to determine on a case by case basis.
Schedule 2 para 2 –	Applying the rule of 85	<ul style="list-style-type: none"> <li>• If the member satisfies the 85 year rule, that part of the member's benefits accrued under the Earlier Scheme(s) which is calculated by reference to any period of membership before the 1 April 2014 is reduced by reference to the period between the date of the request and age 60.</li> <li>• If the member does not satisfy the 85 year rule, that part of the member's benefits accrued under the Earlier Scheme(s) which is calculated by reference to any period of membership before the 1 April 2014 is reduced by reference to the period between the date of the request and the date the member would satisfy the 85 year rule, or age 60 if later.</li> </ul>

		Each case be dealt with on a case by case basis and although generally the 85 year rule will be applied as above, where there may be a circumstance for a different application agreement is sought from the Pension Panel.
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## Discretions in relation to scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014

### Discretions in relation to the Local Government Pension Scheme (Benefits Membership and Contributions) Regulations 2007

Regulation	Description	Application
11(2)	Final pay period to be used where a member's pay consists of fees	Where a scheme member's final pay consists of fees then the use of a period of three years ending on 31st March in last ten will be permitted so as to have a fairer fee figure used in the calculation of benefits.
12	Increase total membership for an active member (This will be spent after 30 September 2014)	For the remaining period for which this discretion will apply that the Council will not agree to the award of increased membership.
30(2) and 30A(3)	Consenting to the immediate payment of benefits between age 55 and 60	No applications are permitted to receive early payment of their unreduced benefits prior to age 60 except in compassionate cases. Applications may be granted on a case by case basis in circumstances where it may be considered to be to the Council's operational or financial advantage subject to a business case to the Pension Panel.

30(5)	Waiving an actuarial reduction to pension benefits on compassionate grounds	<p>The waiving of an actuarial reduction on compassionate grounds will be considered on a case by case basis with the following criteria taken into consideration–</p> <ul style="list-style-type: none"> <li>Leave employment to care for dependent</li> <li>Dependents need for constant supervision</li> <li>No recourse to alternative care</li> <li>Suffering severe hardship</li> <li>Opportunity for employment severely limited</li> </ul> <p>If all the above criteria are met the Pension Panel will consider such cases, and that any costs that are incurred are paid by the relevant service/department. Any actuarial reduction that may apply will not be waived.</p>
30A(3)	Consenting to application of payment for a suspended tier 3 ill health pension	<p>Generally applications will not be agreed but may be granted on a case by case basis with all circumstances being taken account and to be determined by the Pension Panel.</p> <p>Where the Council is required to make a determination as to agreeing to the early payment of a deferred pension on the grounds of permanent ill health that once the opinion has been received from the IRMP, all the facts of the case will be presented to the Pension Panel for a final determination.</p>
30A(5)	To waive actuarial on compassionate grounds	<p>The Pension Panel will determine each application on a case by case basis and that it will only agree to the waiving of an actuarial reduction in extreme circumstances where the application has been enforced on the member due to unforeseen circumstances or circumstances beyond their control.</p>
Regulation 31(4) and	Determine payment of deferred pension on health grounds. Decision whether a deferred or deferred	<p>Where the Council is required to make a determination as to agreeing to the early payment of a deferred pension on the</p>

31(7)-	pensioner member meets criteria for early payment due to permanent ill health	grounds of permanent ill health once the opinion has been received from the IRMP all the facts of the case are presented to the Pension Panel for a final determination.
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## Discretions in relation to the Local Government Pension Scheme (Administration) Regulations 2008

		Discretion application
Regulation 47(2)	Payment of a refund of contributions in misconduct cases	In the first instance the return of contributions will be withheld in all cases but each situation is considered on a case by case basis with delegated powers being given to the Pension Panel.
	Forfeiture of pension rights as a result of offences or misconduct	The Council seeks recovery of any loss it has suffered and any such cases are referred to the Pension Panel.

## Discretions in relation to the Local Government Pension Scheme Regulations 1997 (The 1997 Pension Regulations) (some may continue to apply in relation to historical cases or councillors)

There are a number of regulations within the former 1997 Pension Regulations that apply to councillors who elect to join the LGPS. Where discretions are applicable in relation to active councillor members they should be applied as they are mirrored within the LGPS Regulations applicable from 1 April 2014.



		Discretion application
22(1)(b)	Allow post 31 March 1998 / pre 1 April 2008 member to select final pay period for fees to be a period of not less than 3 or more than 5 years back from date of leaving	Delegated powers have been given to the Pension Panel
	Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (pay reduction / restrictions occurring pre 1 April 2008)	Delegated powers have been given to the Pension Panel
31(2)*	Grant application from a post 31 March 1998 / pre 1 April 2008 leaver for early payment of benefits on or after age 55 and before age 65	No employees are permitted to receive early payment of benefits prior to age 60 except in compassionate cases, where the payment of such benefits would arise on a voluntary basis.  Applications may be granted on a case by case
31(5)*	Waive on compassionate grounds the actuarial reduction applied to benefits paid early for a post 31 March 1998 / pre 1 April 2008 leaver or councillor	Will be considered on a case by case basis.
34(1)(b)	Decide in the absence from a post 31 March 1998 / pre 1 April 2008 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	Delegated powers have been given to the Pension Panel
71(7)(a)	Consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy (pre 1 April 2008 non-councillor leavers)	No SCAVC payments are permitted.

88(2)	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (councillors and pre 1 April 2008 leavers)	Delegated powers have been given to the Pension Panel
92	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund (councillor or pre 1 April 2008 leaver)	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions will be recovered from the Pension Fund
111(2) & (5)	Forfeiture of pension rights on issue of Secretary of State's certificate (councillors and pre 1 April 2008 leavers)	Delegated powers have been given to the Pension Panel
112(1)	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (pre 1 April 2008 leavers)	Delegated powers have been given to the Pension Panel
113(2)	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights ) (pre 1 April 2008 leavers)	Delegated powers have been given to the Pension Panel
115(2) & (3)	Recovery from Fund of financial loss caused by employee, or amount of refund if less (pre 1 April 2008 leavers)	Delegated powers have been given to the Pension Panel

## Discretions in relation to the Local Government Pension Scheme Regulations 1995 (the “1995 Pension Regulations”)

There are some regulations within the former 1995 Pension Regulations that still apply scheme members who ceased active membership before 1 April 1998. Where discretions are also applicable in relation to active members in the LGPS2014 Regulations they should be applied as they are mirrored within the LGPS Regulations applicable from 1 April 2014.

Regulation	Description	Discretion application
D11(2)(c)	Grant application from a pre 1 April 1998 leaver for early payment of deferred benefits on or after age 50 on compassionate grounds	Delegated powers have been given to the Pension Panel
D10	Decide in the absence from a pre 1 April 1998 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	Delegated powers have been given to the Pension Panel

### SCHEME EMPLOYER CONFIRMATION

The Pension Committee (24 June 2014) delegated to the Group Director of Resources, the Director of Human Resources and Organisational Development, and the Council’s Monitoring Officer, acting jointly, the setting of the discretion decisions and Policy Statement.

It is understood that the discretions contained within this statement of policy 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 any new policy takes effect. The revised statement must be sent to the administering authority and the employer must publish its statement as revised in a place that is accessible to all of its eligible scheme members.

The policies made above:

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

Agreed on behalf of the Scheme Employer by the Group Director of Resources, the Director of Human Resources and Organisational Development, and the Council's Monitoring Officer, acting jointly.

Scheme Employer's Name: The London Borough of Havering

Date: 29 July



**The Local Government (Early Termination Of Employment)  
(Discretionary Compensation) (England And Wales)  
Regulations 2006  
Statement of Policy**

**(as amended)**

**(Published March 2010, effective from 1st April 2010)**

*The Council has made decisions under the above Regulations, which have resulted in the following policies being adopted. (Please note the above Regulations only apply to employees of the Council who are eligible to be members of the Local Government Pension Scheme (LGPS) and who have been employed for 2 years or more – **they do not apply to teachers**). All awards are subject to the Pension Scheme Regulations.*

**Increase of Statutory Redundancy Payments**

All redundancy payments will be based on an employee's actual weekly rate of pay.

**Compensation for Redundancy: General**

Employees whose employment is terminated by reason of redundancy will be paid according to the statutory redundancy table based on actual pay. Those who receive immediate pension benefits will have their redundancy payment capped at a maximum of £42,265.69 (current figure, this increases in line with JNC pay awards).

**Added Pension Years Award for those aged 55 and over**

Employees aged 55 or over who are members of the LGPS and whose employment is terminated by reason of redundancy or in the interests of the efficient exercise of the authority's functions will be eligible for immediate payment of pension benefits. The Local Government (Early Termination Of Employment) (Discretionary Compensation) (England And Wales) Regulations 2006 do not provide for the award of compensatory added years.

## Grades, Incremental Points and Annual Full Time Equivalent Salaries for the Council's Other Employees

### 1. NJC for Local Government Employees

#### Administrative, Professional, Technical, Clerical Staff & Principal Officers & Social Workers

Spinal Point	Pay	Spinal Point	Pay	Spinal Point	Pay
<b>5*</b>		<b>27</b>	£25,506	<b>49</b>	£44,766
<b>6</b>	£16,287	<b>28</b>	£26,277	<b>50</b>	£45,690
<b>7</b>	£16,320	<b>29</b>	£27,252	<b>51</b>	£46,608
<b>8</b>	£16,422	<b>30</b>	£28,104	<b>52</b>	£47,535
<b>9</b>	£16,575	<b>31</b>	£28,935	<b>53</b>	£48,477
<b>10</b>	£16,833	<b>32</b>	£29,727	<b>54</b>	£49,452
<b>11</b>	£17,013	<b>33</b>	£30,555	<b>55</b>	£50,451
<b>12</b>	£17,334	<b>34</b>	£31,368	<b>56</b>	£51,441
<b>13</b>	£17,748	<b>35</b>	£31,986	<b>57</b>	£52,425
<b>14</b>	£18,045	<b>36</b>	£32,784	<b>58</b>	£53,406
<b>15</b>	£18,381	<b>37</b>	£33,660	<b>59</b>	£54,402
<b>16</b>	£18,783	<b>38</b>	£34,590	<b>60</b>	£55,383
<b>17</b>	£19,182	<b>39</b>	£35,655	<b>61</b>	£56,367
<b>18</b>	£19,524	<b>40</b>	£36,558	<b>62</b>	£57,363
<b>19</b>	£20,193	<b>41</b>	£37,476	<b>63</b>	£58,350
<b>20</b>	£20,856	<b>42</b>	£38,376	<b>64</b>	£59,331
<b>21</b>	£21,552	<b>43</b>	£39,297	<b>65</b>	£60,324
<b>22</b>	£22,062	<b>44</b>	£40,218	<b>66</b>	£61,590
<b>23</b>	£22,659	<b>45</b>	£41,073	<b>67</b>	£62,877
<b>24</b>	£23,334	<b>46</b>	£42,030	<b>68</b>	£64,191
<b>25</b>	£24,027	<b>47</b>	£42,951	<b>69</b>	£65,544
<b>26</b>	£24,744	<b>48</b>	£43,869	<b>70</b>	£66,915

\*Spinal point 5 deleted with effect from 10<sup>th</sup> October 2015.

### **APTC/ Senior Officer Grades**

APTC1 SP 5-11            APTC5 SP 22-25

APTC2 SP 11-13        APTC6 SP 26-28

APTC3 SP 14-17        SO1    SP 29-31

APTC4 SP18-21        SO2    SP 32-34

### **Principal Officer Grades**

PO1    SP 33-36            LPO7(a)            SP 49-52    LPO8 (e)            SP 59-62

PO2    SP 35-38            LPO7(b)            SP 50-53    LPO8 (f)            SP 60-63

PO3    SP 38-41            LPO7(c)            SP 51-54    LPO8 (g)            SP 61-64

PO4    SP 41-44            LPO8(a)            SP 55-58    LPO8 (h)            SP 62-65

PO5    SP 44-47            LPO8(b)            SP 56-59    LPO8 (i)            SP 66-70

PO6    SP 46-49            LPO8(c)            SP 57-60

PO6    SP 46-49            LPO8(d)            SP 58-61

### **Day Centre Officer (for people with learning disabilities) Grades**

Level 1 SP 16-24

Level 2 SP 20-26

## **2. Soulbury Committee (Valid until 31.08.2016)**

### **Educational Improvement Professionals**

Spine Point	£	Spine Point	£	Spine Point	£
1	33,396	18	53,507	35	71,458
2	34,592	19	54,676	36	72,603
3	35,721	20	55,280***	37	73,728
4	36,865	21	56,441	38	74,866
5	38,003	22	57,452	39	75,988
6	39,142	23	58,566	40	77,109
7	40,338	24	59,564	41	78,237
8	41,487*	25	60,633	42	79,362
9	42,828	26	61,674	43	80,488
10	44,023	27	62,740	44	81,619
11	45,203	28	63,819	45	82,747
12	46,346	29	64,902	46	83,876
13	47,640**	30	65,983	47	85,010
14	48,792	31	67,054	48	86,134****
15	50,066	32	68,143	49	87,262****
16	51,219	33	69,232	50	88,391****
17	52,373	34	70,347		

Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit and motivate staff.

\*normal minimum point for EIP undertaking the full range of duties at this level.

\*\*normal minimum point for senior EIP undertaking the full range of duties at this level.

\*\*\*normal minimum point for leading EIP undertaking the full range of duties at this level.

\*\*\*\*extension to range to accommodate structured professional assessments.



### **Educational Psychologists – Scale A**

Spine Point	£	Spine Point	£
1	35,027	7	45,588
2	36,805	8	47,261
3	38,583	9	48,829*
4	40,360	10	50,398*
5	42,137	11	51,861*
6	43,914		

#### Notes

Salary scales to consist of six consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

\*Extension to scale to accommodate structured professional assessment points.

### **Senior & Principal Educational Psychologists**

Spine Point	£	Spine Point	£
1	43,914	10	55,828
2	45,588	11	56,937
3	47,261*	12	58,068
4	48,829	13	59,219
5	50,398	14	60,330**
6	51,861	15	61,495**
7	52,462	16	62,649**
8	53,584	17	63,810**
9	54,696	18	64,970**

#### Notes

Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

\*Normal minimum point for the principal educational psychologist undertaking the full range of duties at this level.

\*\*Extension to range to accommodate discretionary scale points and structured professional assessments.

### **Trainee Educational Psychologists**

Spine Point	£
1	22,503
2	24,151
3	25,796
4	27,444
5	29,090
6	30,737

### **Assistant Educational Psychologists**

Spine Point	£
1	27,662
2	28,792
3	29,922
4	31,045

### **Young People's Community Service Managers**

Spine Point	£	Spine Point	£
1	34,637	13	48,135
2	35,770	14	49,269
3	36,903	15	50,404
4	38,059*	16	51,542
5	39,234	17	52,686
6	40,380	18	53,822
7	41,553**	19	54,952
8	42,885	20	56,107***
9	43,620	21	57,284***
10	44,754	22	58,487***
11	45,883	23	59,715***
12	47,013	24	60,969***

#### Notes:

The minimum Youth and Community Service Officers' scale is 4 points.

Other salary scales to consist of not more than four consecutive points based on duties and responsibilities attaching to posts and the need to recruit retain and motivate staff.

\*normal minimum point for senior youth and community service officers undertaking the full range of duties at this level (see paragraph 5.6 of the Soulbury Report).

\*\*normal minimum point for principal youth and community service officer undertaking the full range of duties at this level (see paragraph 5.8 of the Soulbury Report).

\*\*\*extension to range to accommodate discretionary scale points and structured professional assessments.

## **London Area Payments**

With effect from 1 March 2015 staff in the London area shall receive the following:

- (a) at the rate of £2,997 per annum to officers serving in the Inner area.
- (b) at the £1,976 per annum to officers serving in the Outer area.
- (c) at the rate of £763 per annum to officers serving in the Fringe area.
- (d) officers normally serving in the London area but temporarily employed elsewhere shall continue to receive London area payments at the rate appropriate to their normal area of employment.
- (e) in the case of an officer required to serve in different parts of the London areas, or partly outside that area, the officer shall be deemed to be serving in the area in which he is required to spend more than one half of his time.
- (f) for the purpose of this paragraph –

**The “Inner Area”** means the area of the London Boroughs of: Camden, City of London, Greenwich, Hackney, Hammersmith & Fulham, Islington, Kensington & Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth, Westminster (the former Inner London Education Authority), and the London Boroughs of Barking and Dagenham, Brent, Ealing, Haringey, Merton and Newham.

**The “Outer Area”** means Greater London, excluding the Inner area.

**The “Fringe Area”** means:

Berkshire: the districts of Bracknell, Slough, Windsor and Maidenhead.

Buckinghamshire: the districts of Beaconsfield and Chiltern.

Essex: the districts of Basildon, Brentwood, Epping Forest, Harlow and Thurrock.

Hertfordshire: the districts of Broxbourne, Dacorum, East Hertfordshire, Hertsmere, St. Albans, Three Rivers, Watford and Welwyn Hatfield.

Kent: the districts of Dartford and Sevenoaks. Surrey: the whole County.

West Sussex: the district of Crawley.

**The “London Area”** comprises the Inner area, the Outer area and the Fringe area.

### **3. JNC for Youth & Community Workers**

#### **Support Worker Level**

<u>Spine Point</u>	<u>£</u>	<u>Spine Point</u>	<u>£</u>
1	14,597	10	20,269
2	15,207	11	21,254
3	15,817	12	22,219
4	16,431	13	23,213
5	17,041	14	24,243
6	17,651	15	24,945
7	18,267	16	25,678
8	18,880	17	26,398
9	19,659		

<u>Grade</u>	<u>Spine Points</u>	<u>Grade</u>	<u>Spine Points</u>	<u>Grade</u>	<u>Spine Points</u>
First Level		Second Level		Second Level (Contd.)	
YSW 11	1-4	YSW 21	7-10	YSW 25	11-14
YSW 12	2-5	YSW 22	8-11	YSW 26	12-15
YSW 13	3-6	YSW 23	9-12	YSW 27	13-16
		YSW 24	10-13	YSW 28	14-17

#### **Professional Level**

<u>Spine Point</u>	<u>£</u>	<u>Spine Point</u>	<u>£</u>
13	23,213	24	32,092
14	24,243	25	32,999
15	24,945	26	33,904
16	25,678	27	34,811
17	26,398	28	35,728
18	27,125	29	36,639
19	27,845	30	37,549
20	28,566	31	38,163*
21	29,378	32	39,173*
22	30,298		
23	31,193		

\* Discretionary Points

#### **LONDON AREA ALLOWANCE**

Outer £1,959

#### **SLEEPING IN DUTY ALLOWANCE**

Sleeping in Allowance £34.00

Disturbance Element £19.00

#### **4. School Teachers Pay & Conditions**

##### Unqualified Teachers £

1	19,359
2	21,256
3	23,152
4	25,050
5	26,944
6	28,841

##### Main Pay Scale £

M1	25,880
M2	27,484
M3	29,185
M4	30,992
M5	33,620
M6a	36,182
M6b	36,540

##### Upper Pay Scale £

U1	38,739
U2	40,173
U3	41,660

##### Lead Practitioner £

Minimum	41,660
Maximum	61,743

##### Teaching and Learning Responsibility £

Minimum	517
Maximum	2,577

##### Additional Payments for Class Teachers £

TLR 2 min	2,613
TLR 2 max	6,386
TLR 1 min	7,546
TLR 1 max	12,770
SEN min	2,064
SEN max	4,075

<u>Leadership Scale £</u>	<u>Leadership Scale £</u>	<u>Leadership Scale £</u>
L1 41,660	L16 59,014	L27b 76,205
L2 42,628	L17 60,301	L28 78,021
L3 43,612	L18a 61,131	L29 79,875
L4 44,627	L18b 61,743	L30 81,787
L5 45,663	L19 63,198	L31a 82,908
L6 46,727	L20 64,687	L31b 83,738
L7 47,906	L21a 65,557	L32 85,737
L8 48,939	L21b 66,213	L33 87,797
L9 50,083	L22 67,776	L35a 91,134
L10 51,293	L23 69,379	L35b 92,046
L11 52,540	L24a 70,321	L36 94,246
L12 53,686	L24b 71,025	L37 96,518
L13 54,953	L25 72,714	L38 98,829
L14 56,238	L26 74,437	L39a 100,159
L15 57,562	L27a 75,450	L39b 101,161
		L40 103,613
		L41 106,125
		L42 108,701
		L43 110,243

## **5. NHS (re Public Health)**

<u>Point</u>	<u>£</u>	<u>Point</u>	<u>£</u>	<u>Point</u>	<u>£</u>	<u>Point</u>	<u>£</u>
		15	21477	29	34876	43	59016
2	15100	16	21692	30	35891	44	61779
3	15363	17	22236	31	37032	45	65922
4	15786	18	23132	32	38300	46	67805
5	16210	19	24063	33	39632	47	70631
6	16633	20	25047	34	40964	48	74084
7	17179	21	26041	35	42612	49	77850
8	17800	22	27090	36	44261	50	81618
9	17972	23	28180	37	46164	51	85535
10	18468	24	29043	38	47559	52	89640
11	19027	25	30057	39	49968	53	93944
12	19461	26	31072	40	52757	54	98453
13	20147	27	32086	41	55548		
14	20844	28	33227	42	57069		

Band 1 : Points 2-3

Band 2 : Points 2-8

Band 3 : Points 6-12

Band 4 : Points 11-17

Band 5 : Points 16-23

Band 6 : Points 21-29

Band 7 : Points 26-34

Band 8A : Points 33-38

Band 8B : Points 37-42

Band 8C : Points 41-46

Band 8D : Points 45-50

Band 9 : Points 49-54

**Additional Payments/Allowances for Other Employees**

The following additional payments/allowances are paid to employees other than Chief Officers.

Accelerated Increments  
Additional Allowance  
Additional Hours  
Additional Payments  
Additional Pension  
Additional Programmed Activity  
Additional Statutory Paternity Pay Birth  
Advance of Pay  
Agreed Programme Activity (NHS)  
Annual leave not taken  
Bank Holiday Enhanced  
Bicycle Mileage  
Callout Allowance  
Casual Pay  
Change of work base (NHS)  
Childcare Allowance  
Civil Weddings  
Contractual overtime  
Dog money  
Electoral registration  
Enhanced payments  
Essential Car Lump Sum  
Excess Leave  
FE Lecturer Pay  
Fee  
First Aid  
GTC Payment  
Gritting Allowance  
High Cost Area Supplement (NHS)  
Holiday Pay  
Honorarium  
Invigilation  
Keep In Touch Days Payment  
Laundry Allowance  
Leave Not Taken  
Lettings  
London Allowance  
Market Supplement  
New Starter Arrears  
Night rates  
Noise abatement  
Occupational Adoption Pay  
Occupational Maternity Pay



Occupational Sick Pay  
Oncall allowance  
Out of school activity  
Overtime  
Pay adjustment  
Pay In Lieu Of Notice  
Pension  
Protected rate  
Recruitment & Retention Allowance (NHS)  
Redeployment payment  
Relocation expenses  
Session payment  
Shift payment  
Sleep in allowance  
Special Needs Allowance  
Split duty  
Standby allowance  
Statutory Adoption Pay  
Statutory. Maternity Pay  
Statutory. Paternity Pay  
Statutory. Sick Pay  
Supply  
Three year plusage  
TLR2  
TLR7  
Tool allowance  
Unsocial hours

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