

NORTHAMPTON BOROUGH COUNCIL

General Purposes Committee

Your attendance is requested at a meeting to be held at the Jeffery Room,
The Guildhall on Monday, 15 October 2007 at 6:00 pm.

J Edwards
Interim Chief Executive

AGENDA

1. Apologies
2. Deputations / Public Addresses
3. Matters of Urgency which by reason of special circumstances the chair is of the opinion should be considered
4. Council's Severance Policy H Crabtree, Corporate
Manager for Human
Resources
5. Exclusion of Public and Press
The Chair to Move:
"That the Public be excluded from the remainder of the meeting on the grounds that there is likely to be disclosure to them of such categories of exempt information as defined by section 100(1) of the Local Government Act 1972 as listed against such items of business by reference to the appropriate paragraph of schedule 12A to such Act."



NORTHAMPTON
BOROUGH COUNCIL

Item No.

4

GENERAL PURPOSES COMMITTEE

Report Title	COUNCIL'S SEVERANCE POLICY
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AGENDA STATUS: PUBLIC

Committee Meeting Date:	15 October 2007
Policy Document:	YES
Directorate:	People, Performance and Regeneration
Ward(s)	ALL

1. Purpose

- 1.1 To recommend to the General Purposes Committee for adoption by the Council a revised Severance Scheme and Statement of Discretions as attached at Appendix 1 and 2 following consideration by Cabinet on the 3 September 2007 and 1 October 2007.

2. Recommendations

- 2.1 That the attached Severance Scheme (Appendix 1) and Statement of Discretions (Appendix 2) be adopted by the Council with effect from 16 November 2007.
- 2.2 That the provisions of the existing Severance Scheme adopted by Council on 26 March 2007 apply to 2 members of staff still at risk as a direct result of the budget / efficiency savings, unless the provisions of the new scheme are more favourable to them.

3. Issues and Choices

3.1 Report Background

3.1.1. The Council adopted a revised severance scheme in March 2007. This was broadly comparable with the 2004 scheme which had to be changed to conform with updated Pension Regulations. Council determined that it was equitable for staff affected by the 2007/08 budget and efficiency savings to be treated in the same way as managers who had left under a corporate reorganisation and 'Root and Branch' to be offered the same terms. Council decided that the revised scheme should then be reviewed again after six months. The options for such a review were put before Cabinet on 3 September 2007 and a specific recommendation was considered by Cabinet on 1 October 2007. At that meeting Cabinet also considered, but chose not to recommend, an option put forward by the Trade Unions.

3.1.2. The Cabinet Report of 3 September 2007 provided detailed background covering;

- The revisions to the severance scheme which took place in March 2007
- The likely changes to the Local Government Pension Scheme (LGPS) due on 1 April 2008 (a summary of these is provided at Appendix 3)
- Consultation with stakeholders
- Options for the future, including reducing the overall costs, shifting the balance of costs or maintaining the existing scheme.
- Tests of public confidence and affordability of the severance policy against the medium term plan

3.1.2 Cabinet decided that the second option in that paper should be taken forward. This was the option to reduce the overall cost of the scheme.

3.1.3 Cabinet also requested consideration of an Option whereby employees over 50 and in the pension scheme could convert enhanced redundancy payments into additional pension at no cost to the Council. Further work demonstrated that this was only possible if the number of weeks of redundancy payment were enhanced (rather than just applying actual weekly pay) and is therefore not an option under the recommended scheme.

3.1.4 At Cabinet on 1 October 2007 a report to introduce a low cost scheme was received. The scheme provides for a redundancy calculation based on actual weekly pay and the statutory formula for calculating reckonable weeks. It ceases the provision of augmented pension service (ie granting discretionary added years). This is the scheme attached in Appendices 1 and 2.

3.1.5 Cabinet also considered the proposal put forward by Trade Unions (Appendix 4a) and decided not to recommend it.

3.2 Issues

3.2.1 In proposing this scheme consideration has been given to medium term financial pressures faced by this Council;

- i. The Council's current financial position as reported to Cabinet on

3 September 2007 and 1 October 2007

- ii. The Comprehensive Spending Review 2007 (CSR2007) is expected to apply a real terms funding freeze
- iii. On going Best Value requirements for all services and activities
- iv. CLG efficiency targets of 3% per annum from 2008/9
- v. Government pressure to keep Council Tax increases below 5% and the risks of capping
- vi. Significant changes to the demographic profile of the Borough
- vii. Increasing legislative frameworks within which the Council operates
- viii. The need to finance unavoidable growth, priority services and potential 'invest to save' schemes
- ix. The requirement to repay to the pension fund the actuarially estimated life time costs of augmented added years over a maximum of 3 years considerably increases the financial pressures of augmenting service in the short-medium term.
- x. The accumulated cost to the Council of funding added years which is currently £66k per month

3.2.2 The reports to Cabinet on 3 September 2007 and 1 October 2007 highlighted the need to protect the severance payments with regard to two members of staff whose futures have not been resolved as a direct consequence of the 2007/8 Budget and Efficiency Savings. Any other members of staff formally declared 'at risk' between now and the date of a revised scheme becoming effective (one month after a final decision by General Purposes Committee) would, of course, be dealt with under the existing scheme.

3.2.3 Consultation. This has taken place as follows:

Local Pensions Authority – Has been sent a copy of the Cabinet Reports and a draft of this report for comments.

External Auditor – Has been sent a copy of the Cabinet Reports and a draft of this report for comment

Trade Unions – The Trade Unions have received a copy of the Cabinet Reports and a draft of this report for comment. Further details of Trade Union consultation follows below.

3.2.4 Trade Union Consultation – Trade Unions were first notified on the planned revision of the scheme and the indicative timetable on 22 August 2007, and received a copy of the September report for Cabinet on 23 August 2007. Following Cabinet on the 3 September 2007 they were informed at the Management and Trade Union Consultation Meeting (MTUCM) held on 5 September 2007 of Cabinet's decisions. The comments of the Trade Unions at that meeting are reproduced in 3.2.5 below.

3.2.5 Trade Union responses at MTUCM 5 September 2007;

- The Trade Unions would want to involve their Regional Officers
- The Trade Unions would like details of the survey of other authorities and their severance schemes undertaken in February 2007
- There were 2 other staff who should be 'protected' under the current scheme making a total of 4 (these have subsequently been dealt with hence the number remains at 2 in 3.2.2 above).
- Would the current policy on retirement on compassionate grounds change? (Answer was no, but would need to be reviewed under new look LGPS); in addition consultation with the Pensions Authority subsequently

identified the need to state our policy and criteria for compassionate grounds, see 3.2.8)

- Any revision must be considered in relation to the medium not short term financial outlook for this Authority.

3.2.6 There was further discussion with Trade Unions at the Management & Trade Union Consultation meeting on 19 September 2007 where a draft of this report / appendices was discussed. The Trade Unions submitted their own proposal for a reduced cost scheme to Cabinet on 1 October 2007.

3.2.7 The Trade Unions were informed they could speak at Cabinet on 1 October 2007, but did not attend. The Trade Union proposal applies a multiplier of 1.5 to the statutory redundancy formula (with the amount still calculated on actual weekly pay) for staff not in receipt of a pension. For staff over 50 and in the LGPS they propose to augment pension by 1 added year for every 5 years continuous NBC Service to a maximum of 20 years service (ie 4 added years as against the current maximum of $6\frac{2}{3}$). These staff would only receive a redundancy payment calculated on the statutory formula as regulations prohibit enhancing both redundancy and pension entitlements.

3.2.8 The Trade Unions stated their intention was to propose a scheme close to the scheme considered in February 2007, making the point that this could therefore be considered affordable. Appendix 5 includes estimated costs of applying the Trade Union proposal to each of the severance examples which illustrate the cost of redundancy for hypothetical employees under the current and proposed schemes.

3.2.9 The Trade Unions were informed of the decision taken by Cabinet on the 1 October 2007 on the morning of the 2 October 2007 and the item was discussed at the consultative meeting on the 3 October 2007. This led to the Trade Unions submitting for General Purposes to consider a covering report (Appendix 4) to their proposal to Cabinet (which is attached as Appendix 4a).

3.2.10 It should be noted that whilst the Trade Unions state in Appendix 4 that it has not been demonstrated that this Council's policy is out of line with other Councils they have not taken into account all the factors that were considered when coming to this conclusion. The national survey quoted was only one piece of the information contained in the reports at the time which also stated that within Northamptonshire only two other Councils continued to pay added years, and that comments received from the external auditor indicated clearly that the award of added years, particularly at the maximum rate of $6\frac{2}{3}$, was against the pattern he was observing. Discussion also took place with the Pensions team at Local Government Employers and also within LGEM (Local Government East Midlands) and together all this information led to a conclusion the Council's current scheme was out of line. Ultimately it is, of course, for each Council to determine its own policy within the regulations and in relation to its own financial position.

3.2.11 Consultation has also taken place with the Council's External Auditor. He commented that the Council's current scheme continues to be out of line with the overall pattern he observes in other Authorities and has noted that on two recent occasions the Council has, exceptionally, had to apply for capitalisation to manage the costs of the severance awards made indicating the difficulty in

managing costs within revenue budgets.

4. Implications (including Financial Implications)

4.1 Policy

- 4.1.1 Adoption of a revised scheme as recommended in this report would be a significant change of policy. It would reduce the overall future cost to the Council and as such reduce the benefits payable to employees both in terms of redundancy payments for many and in terms of pension for those whose service would have been augmented. Whilst the Trade Unions have argued that this would impact negatively on recruitment and retention it is doubtful whether the severance policy currently in force is a key contributor to recruitment. The Trade Unions have also argued that as a result of implementing this scheme it would put the Council in the position of having to make employees compulsory redundant and that there is an agreement between Councillors and Trade Unions not to do this (See Appendix 4). The Council stated in the 2004 scheme and subsequently in the March 2007 scheme that it would make every effort to avoid compulsory redundancies and this commitment is repeated in Section 1.2 of the latest revision. However, in making these efforts the Council is still required to consider costs and the confidence of the public in the scheme.
- 4.1.2 Further policy change will be required from 1 April 2008 when a 'New Look LGPS' is adopted nationally. The appendices highlight where these changes are likely to have an impact, although other sections of the scheme could change as well depending on the final scope of the revised regulations.
- 4.1.3 Following the conclusion of national consultation on the transition arrangements for the abolition of the 'Rule of 85', further policy amendments may be needed.

4.2 Resources and Risk

- 4.2.1 Financial Implications. These would be to reduce overall cost to the Council on severance. Appendix 4 illustrates this by way of a number of hypothetical examples. Financial implications will need further review when the 'new look' LGPS is introduced.
- 4.2.2. Risk and other implications. These were identified in the report to Cabinet of 3 September 2007 and have been addressed through consultation with the key stakeholders to ensure the principles behind the revision of the scheme were communicated and that alternative views/proposals could be considered.

4.3 Legal

- 4.3.1 These were identified in the report to Cabinet of 3 September 2007 and have been addressed through consultation.

A Severance policy that was not considered to be affordable could be

challenged on the basis it contravened the requirement in the 2006 regulations to retain public confidence.

The proposals put forward by the Trade Unions were considered by Counsel to ensure they complied with regulations concerning Age Discrimination. Counsel confirmed compliance.

Further legal advice will be required when the 'new look' LGPS is introduced.

4.4 Equality

- 4.4.1 An Equality Impact Assessment is contained in Appendix 6. It notes that monitoring of the application of the scheme in practice will be required.

4.5 Consultees

NCC Pensions Office
Trade Unions (and their Regional Officers)
External Auditor
Finance and Legal (Internal)

4.6 How Proposals Deliver Priority Outcomes

Securing a reduction in the costs of severance will benefit the Councils' overall financial position and ability to deploy resources to direct service delivery

4.7 Other Implications

None

5. Background Papers

- 5.1 New Employee Early Retirement / Severance Scheme; Report to General Purposes Committee 9 December 2004.
- 5.2 Revision to Council Severance Policy and Statement of Discretions; Consultative Group 20 February 2007.
- 5.3 Early Retirement / Severance Scheme; Council 26 March 2007.
- 5.4 LGE Summary of Local Authority Severance Schemes February 2007.
- 5.5 Councils Severance Policy; Cabinet 3 September 2007.
- 5.6 Councils Severance Policy; Cabinet 1 October 2007.
- 5.7 Budget Monitoring Period 5 2007/08; Cabinet 1 October 2007

NORTHAMPTON BOROUGH COUNCIL**EARLY RETIREMENT / SEVERANCE SCHEME****1. INTRODUCTION**

- 1.1 There are a number of circumstances in which early retirement, or severance, may be appropriately considered for an employee. These circumstances may be related to the individual situation of an employee, for example in the case of ill health, or arise as a result of organisation changes.
- 1.2 The Council will in all circumstances make every effort to avoid compulsory redundancies. Where the Council decides, however, that after taking all considerations into account, early retirement, flexible retirement or redundancy is either unavoidable or appropriate for sound business reasons, the Council will ensure that:
- The processes used will be fair, transparent, reasonable and objective
 - Any enhancements given are affordable in the short and long term.
- 1.3 Any payments made under this scheme will be subject to tax regulations in force at the time of their implementation.

2. SCOPE

- 2.1 The provisions of the Council's early retirement and severance scheme applies to all Council employees who meet the relevant eligibility criteria set out in the remaining sections of this document, subject to legislation and regulations in force at the time of their implementation.

3. LINKS TO OTHER COUNCIL POLICIES

- 3.1 This document should be read in conjunction with the following existing Council policies and procedures and any relevant future policies which replace, change or amend the existing policies:-

Redundancy Selection and Consultation Procedure
Attendance Management Policy and Framework

4. CRITERIA FOR EARLY RETIREMENT/SEVERANCE

- 4.1 There are a number of different, but specific, circumstances which might lead to early retirement or severance being considered. These are as follows:
- 4.2. Ill Health (*These provisions are currently subject to change under 'New Look' LGPS due 1 April 2008*)
- 4.2.1 To be eligible for retirement on these grounds the employee must be certified as suffering from ill health which permanently affects their ability to do the job for which they are employed. In addition there must be no comparable alternative employment available which the employee is able to carry out. The Council will ensure that the decision to allow early

retirement on the grounds of ill health is made solely on medical grounds. This will be based on an assessment by the Council's Occupational Health Adviser who will follow the advice issued by the United Kingdom Steering Committee for Local Government Pensions, drawn up by the Association of Local Authority Medical Advisers.

Note: Comparable employment is that as compared to the substantive post held.

4.3. Ill Health provision

4.3.1 Provided the employee is in the Local Government Pension Scheme (LGPS) with at least three months membership, or has transferred rights from another pension scheme into the Local Government Pension Scheme (LGPS) the employee receives:

- the early release of pension
- the payment of a pension lump sum

Benefits to be calculated based on the length of membership in the scheme as follows:

Length of Service	Membership used to calculate benefits.
4 months – 5 years	- actual membership
5 to 10 years	- membership is doubled
10 to 13.33 years	- membership is increased to 20 years
13.34 years plus	- actual membership service plus 6 $\frac{2}{3}$ years

In all instances these will be subject to maximum membership of 40 reckonable years. There is no enhancement beyond the age of 65.

Employees with less than three months membership in the LGPS who have not transferred pension rights from another scheme into the LGPS receive a lump sum payment, which is equivalent to a refund of the contributions they have paid, less the statutory deductions (20% tax) and an amount to buy them back into the state pension scheme.

Where a person is or has been part time, the LGPS Regulations specify how the membership used in the calculation of benefits is to be pro-rated.

If a person is already in receipt of an ill health pension from the LGPS they will not receive an enhanced ill health pension on any subsequent ill health retirement.

4.4. Redundancy (Elements of these provisions are currently subject to change under 'New Look' LGPS due 1 April 2008)

This applies where there is a redundancy situation as defined by the Employment Rights Act 1996:

- where business has ceased or diminished

- where the requirements for work of a particular kind have ceased or diminished
- where there has been a significant change in the place of employment and there is no suitable alternative employment available.

NB. There is provision for transferred redundancies, known as 'bumped redundancy' which is covered in existing redundancy consultation procedures and is subject to relevant legislation.

4.4.1 The same provisions apply whether the employee agrees to retire voluntarily or is made compulsorily redundant.

4.4.2 The provisions are as follows:

REDUNDANCY PAYMENT – To be calculated on actual weekly pay or the statutory maximum for full time employees of £310 per week (whichever is greater) for each completed year of service between the ages of:

- Up to 21 .5 weeks Pay
- 22-40 1 weeks pay
- 41+ 1.5 weeks pay

This is subject to a maximum 30 weeks pay based on the last 20 years service.

PENSION – To be eligible for early release of pension benefits an employee must be:

- 50 or over
- In the LGPS with at least 3 months membership or with transferred service

The scheme gives:

- Early release of pension
- Payment of pension lump sum
- Redundancy payment as detailed above.

4.4.3 The business case for any proposed early retirement(s) on grounds of redundancy and/or redundancy payment(s) must be demonstrated. The business case must include:-

- The costs of the proposed early retirement/redundancy payment(s)
- The on going savings to be achieved
- The timescales within which the savings will be made, which should be achieved within a 3 year period.

The business case must clearly show that there are significant on-going savings which are achievable after all the costs associated with the early termination of employment have been met. The Business case must be endorsed by the Director responsible for the service area where proposed changes will be implemented or the Chief Executive where the proposals will be implemented on a Council wide basis. The business case will be submitted to the Section 151 Officer and another Director who will independently examine the merits of the business case and make written recommendations to the Chief Executive. The decision to approve the

proposed early termination of employment and the associated severance payments will be made by the Chief Executive. A record of approved and rejected proposals will be maintained by the HR service.

4.5 Early Retirement on grounds of Efficiency of the Service (These provisions are subject to change under the New Look LGPS due 1 April 2008)

(Employees aged 50 or over)

4.5.1 This is a voluntary element of the scheme. An employee cannot be compelled to retire under this provision.

4.5.2 One of the following criteria must be satisfied for agreement to the early release of an employees' pension under this element of the scheme. In addition the financial criteria referred to in section 4.5.3 also needs to be met. The criteria are:

- the employee's ability to perform the job has been affected by changes which mean that it is difficult for them to adjust
- the job requires new skills or competences which the employee does not have and where retraining or investment in future development would not be appropriate
- early retirement would create internal job opportunities, or unblock promotion channels which succession planning could fill through an internal appointment
- structural changes could lead to savings being achieved through appointing a replacement at a lower pay level, or where a replacement removes or avoids a pay protection
- it avoids a redundancy situation by allowing an employee to be redeployed or transferred into the vacancy created

and, overall it is considered to be in the interests of the Council as well as the employee to grant the early retirement.

4.5.3 Financial Criteria

The business case for any such proposal must be demonstrated. This must identify the relevant criteria outlined in 4.5.2 above which is applicable to the request. It must also identify the savings to be made and how they will be achieved within the required 3 year timescale. The business case must be signed by the Corporate Director responsible for the service area where the application originated. A pro forma will be available to document the required information. The signed document must then be submitted to the section 151 officer and a different Corporate Director who will independently examine the merits of the application and make written recommendations to the Chief Executive to approve or reject the application. The decision to approve or reject applications will be made by the Chief Executive. Reasons for approval or rejection will be recorded in writing and this information will be maintained within the HR service.

4.5.4 To be eligible an employee must be:

- aged 50 or over
- in the LGPS with at least two years' membership whilst in NBC service.

4.5.5 Requests for early retirement on grounds of efficiency of service where approved will entitle the employees to receive the early release of their pension. The early release of pension without actuarial reduction on grounds of efficiency of the service will only be agreed where the business case demonstrates additional savings over and above the cost of funding the early retirement and any other associated costs and to the extent that such retirement is permitted notwithstanding the abolition of the rule of 85.

4.5.6 Regulation 31 of the Local Government Pension Scheme Regulations (amended by the 2006 regulations)

This is commonly known as the Rule of 85.

A member of the LGPS is entitled to receive a pension at 65. Between 60 and 65 the member is also entitled to elect to receive a pension but this will be reduced to reflect the fact that it is being taken earlier than 65 unless the member fulfils the rule of 85, ie that in his or her case the sum of (a) age when employment ends, (b) total years in the scheme and (c) the period between the end of employment and the date of election is 85 years or more.

Between 50 and 60 the member may elect to receive a pension, but only with his or her employer's consent. In that case there will also be a reduction in benefits to reflect the fact that the pension is being taken earlier than 65 unless the rule of 85 is satisfied.

Amending Regulations in 2006 abolish the rule of 85, with effect from 1 October 2006. There are, however, transitional provisions.

Current members who will be 60 on or before 31 March 2016 continue to enjoy the benefits of the rule of 85. there is also a degree of protection for those who will be 60 or more after 31 March 2006 but before 1 April 2020.

(As at September 2007 the Government is undertaking a further period of consultation on these transitional arrangements. The advice of HR/Pensions must therefore be sought in any case where the Rule of 85 may be applied.)

4.6 Voluntary Early retirement – Compassionate Grounds

4.6.1 Employees who have left their employment with the Council with a deferred pension may request his/her deferred pension to be paid early on compassionate grounds. If the early release of the deferred pension is agreed the benefits will be paid in full with no actuarial reduction.

4.6.2 The Council may also consider requests to waive actuarial reduction where this would otherwise be the case in relation to the early release of pension benefits. The Council may do so on compassionate grounds. The circumstances where the council may exercise this discretion are set out below:-

a). In relation to employees who have left employment with the Council with a deferred pension and who request early payment of benefits under Regulation 31 above on or after age 50 and before age 60, or who voluntarily opt for payment of the benefit early on or after age 60 and before the normal retirement date or

b). In relation to current employees who are seeking early retirement to the extent permitted under Regulation 31 above on or after age 50 and before age 60, or who voluntarily retire on or after age 60 and before their normal retirement date.

4.6.3 For current employees to be eligible he\she must be:

- over 50/
- in the LGPS with at least two years contributions, or with transferred service.

4.6.4 Requests from past and current employees for the early release of pension benefits without actuarial reduction on compassionate grounds will be agreed by the Chief Executive following consultation with the Councils section 151 officer. The decision will be based on a full evaluation of the financial implications for the Council

4.6.5 The LGPS requires the ground for compassionate early retirement to be defined. These are defined as; where an active member or deferred beneficiary needs to care full time for a close relative, spouse, partner or other dependant who, through illness, requires full time or substantial care for the rest of their life expectancy which is anticipated to be in excess of 12 months from the date of the agreed medical advice.

5. RE-EMPLOYMENT FOLLOWING EARLY RETIREMENT

5.1. Any former NBC Council employee who is in receipt of an early retirement pension on the grounds of efficiency, redundancy or at their own request, should not normally be immediately re-employed by the Council either on the basis of a contract of employment or a contract for service with the Council. If there is any doubt about the continuing need for an employee's services then early retirement should not be agreed.

5.2 However, it is recognised that there are some, very limited, circumstances when re-employment would be in the interests of the Council. In these cases a report should be submitted to the Corporate Director or his or her nominated senior management representative seeking approval to re-employ for a specified limited period.

5.3 Where an employee has been made redundant and receives a severance payment (and therefore without a pension) there should be no re-employment until the expiry of the period for which the number of weeks' severance payment has been given, e.g. if the employee has received a severance payment equal to 16 weeks pay, the earliest re-employment could be considered would be 16 weeks after the date of termination.

- 5.4 Where a former employee has retired on ill health grounds and subsequently applies for a job with the Council, this should be considered carefully bearing in mind the requirements of the Disability Discrimination Act. If it is proposed to appoint any such individual, approval must be given by the Council's Occupational Health Advisers and the relevant Corporate Director or his or her nominated senior management representative.

NOTE If someone in receipt of a Local Government Pension is re-employed their pension will be abated if in total their pension and pay for the job exceed the pay that they received in the job that they were in before they retired.

6. NON-FETTERING OF THE COUNCIL'S DISCRETIONS

- 6.1 The above forms the Council's "current" policy. It should be noted that:
- a. the policy confers no contractual rights, and
 - b. the Council will retain the right to change the policy at any time without prior notice or consultation (although the Council will endeavour to consult with recognised Trade Unions), and
 - c. only the policy which is current at the time a relevant event occurs to an employee / scheme member will be the one applied to that employee / member

7. REVIEW OF THE SCHEME

- 7.1 The provisions of this scheme will be reviewed on a regular basis to ensure their on-going sustainability and affordability. The introduction of a 'New Look; LGPS due 1 April 2008 will necessitate a review of the scheme.

8. FURTHER INFORMATION

- 8.1 Advice and guidance on the application of the scheme is available from HR.

NORTHAMPTON BOROUGH COUNCIL**LOCAL GOVERNMENT PENSION SCHEME****STATEMENT OF DISCRETIONS – OCTOBER 2007**

Northampton Borough Council has decided to adopt the following discretions under the Local Government Pension Scheme (LGPS)

1. **Reduction or Elimination of Employees Contribution After 40 Years Service**
The Council has decided not to exercise its discretion to allow employees to pay no or reduced levels of contribution when they have reached 40 years local government service. Employees will therefore pay contributions for the whole of their period of service.

2. **Early Retirement Under Regulation 31**
The Council will permit retirement from age 50 without actuarial reduction where the Council's criteria for early retirement on the grounds of efficiency of the service are met and a business case identifies how the cost associated with early release will be met, and to the extent such retirement is permitted notwithstanding the abolition of the Rule of 85 and associated transitional arrangements.

To the same permitted extent, the Council will permit retirement from age 50 without actuarial reduction on compassionate grounds.

Service enhancements do not apply to retirements under Regulation 31.

3. **Increase in Membership on Cessation of Employment**
The Council has decided in line with the Audit Commission's current view, it will only exercise its discretion to allow additional augmented service in exceptional, case by case, circumstances and will objectively justify and record the decisions made in any such case.

4. **Compassionate Grounds**
The Council may permit active members and deferred beneficiaries the right to retire from age 50 on compassionate grounds without reduction. The Council defines compassionate grounds as; where an active member or deferred beneficiary needs to care full time for a close relative, spouse, partner or other dependant who, through illness, requires full time or substantial care for the rest of their life expectancy which is anticipated to be in excess of 12 months from the date of the agreed medical advice.

5. **Increase in Membership on Commencement of Employment**
The Council has decided not to exercise its discretion in this area.

6. **Flexible Retirement**

The Council has decided not to exercise its discretion in this area.

7. Shared Cost Additional Voluntary Contribution Scheme (SCAVC)
The Council has decided not to exercise its discretion in this area.

Other Discretions (2006 Regulations)

1. Use of Actual Pay in Redundancy Payments

The Council has decided to use actual pay instead of the statutory maximum when calculating redundancy payments.

2. Payment of Enhanced Redundancy Payments to Employees Without Immediate Access to their Pension Rights

The Council has decided not to enhance redundancy payments to those under 50 who have at least 2 years continuous service and at least 3 months membership of LGPS.

Extracted from Northamptonshire County Council LGPS Newsletter- July 2007**NEW LOOK PENSION SCHEME****Active from 1 April 2008**

We have already identified the problems with the production of regulations however, it is important that you are aware of some of the changes that are expected so that you can take the necessary steps to ensure your systems (**especially payroll systems**) can cope with them.

Benefits, Membership and Contributions Regulations 2007

- New employees must have a contract of more than 3 months duration in order to join the Scheme
- All existing members will be transferred to the New Look Scheme
- It appears that although a new scheme, individuals who previously opted not to join the current scheme will retain that option. However, all employees eligible to join the New look Scheme should be made aware of that Scheme. Unsure if we will need to retain any proof that such information has been provided to individuals.
- New scheme provides a pension of 1/60th of final pay
- New scheme provides no automatic lump sum but affords ability to commute pension to lump sum ratio of 1:12
- Membership to 31 March 2008 will still be based on 1/80ths
- 25% of capital value of benefits can be taken as lump sum
- Contributions based on same definition of pay as now
- Contributions cannot be collected from pay after age 75
- **Contribution rates will be tiered and vary from 5.5% to 7.5%**
- **Protection will be afforded to existing 5% contributors. A phased increase will apply to those individuals**
- **Contributions are to be paid at a percentage based on a range of earnings. This is causing some considerable problems as to how this should be applied to individuals to prevent an increase in salary putting someone in a higher contribution bracket and potentially making them worse off. Further clarification and amending regulations are required, but at this time it seems that payroll providers must be able to use varying contribution rates dependent on earnings.**
- **Consideration is also being given to identifying an individual's contribution tier by reference to the previous financial year's earnings or earnings at commencement of employment.**
- Benefits will be based on Final Pay being the best one of the last 3 years.
- **Where a post is downgraded benefits can be based on the average of 3 consecutive years in the last 10. This may be an immediate provision so payrolls need to retain this data in case needed**

- Normal retirement age will be 65
- Retain ability to draw benefits from 60 (with possible actuarial reductions)
- If retirement after 65 (but before 75) benefits will be actuarially increased. However the position needs to be reviewed as need clarity as to whether all benefits increased or just those that accrue before 65
- Flexible retirement is permitted from age 55 (existing members 50). However, the regulations do not indicate that employer consent is required. CLG say this is drafting error; however this error has been identified previously and has yet to be amended
- Benefits drawn before 65 will be actuarially reduced (employer can waive reduction)
- Redundancy / efficiency retirement from 55 (50 for existing members up to April 2010)
- Two tier ill health retirement. If the member's employment is terminated because of permanent ill health then benefits based on accrued membership plus 2 years membership:-
 - 25% of prospective membership between leaving and age 65 where the member is likely obtain gainful employment within a reasonable period of time but is unlikely to be able to obtain gainful employment before age 65, or
 - 100% of prospective membership between leaving and age 65 where the member has no reasonable prospect of obtaining gainful employment before age 65
 - Gainful employment is defined as "paid employment for not less than 30 hours per week for a period of not less than 12 months" The clarification of this will certainly lead to an increase in appeals and therefore additional medical determinations by employers. Hopefully initial decisions will not be open for review as to employability status.
 - Members aged 45 or over on 31 March 2008 are protected so they are no worse off
 - **NOTE** For members who employment is terminated on the grounds of permanent ill health but who are likely to be able to obtain gainful employment with a reasonable time period, it is proposed that employers will be provided with powers to pay a reviewable benefit from their revenue account (not Pension Fund) which would not continue if permanent employment was gained.
 - Employers will have to have a method in place for reviews to be carried out
- Death Grant of 3 times pay for deaths in service
- Death grant of 5 times pension if a deferred beneficiary
- Death Grant of 10 times pension less amount already paid if pensioner and dies before age 75
- Spouses pensions are to be based on 1/160th
- Civil partners and cohabitees also based on 1/160th but probably only for service post 5 April 1988
- Children's pensions based on number of dependant children and whether spouse's, civil partner's or cohabitee's pension payable

TRADE UNION SIDE**RESPONSE TO THE CABINET RECOMMENDATION TO REJECT THE
TRADE UNION'S PROPOSED NEW SEVERANCE POLICY**

4th October 2007

The Trade Union Side are extremely concerned that their proposal attached to the Cabinet Report, has been rejected. The Trade Union Side has detailed its concerns fully in the attached response but feels that it is necessary to emphasise strongly to the General Purposes Committee the damage that the management proposal will do to employee morale and Trade Union Relations.

Employees have worked extremely hard to improve the Council under very difficult circumstances and will view this decision as an indication of how they are valued by managers and Councillors.

It has not been established in the report that our policy is not in line with other Councils as the survey was only of a very limited number. No clear trends have been established to substantiate the claim by Howard Crabtree that this Council is overly generous in its redundancy payments or added years.

Within this limited sample the response was poor and inconclusive, in fact only one Council does not enhance redundancy payments and only three out of the twenty who responded do not grant added years.

References to "clear trends" it would appear are misleading, a grave concern when Councillors are dependant on managers for accurate information.

The Trade Union Side have demonstrated that savings could be made in line with cabinet recommendations of the 3rd September 2007 if their proposals were accepted.

The Council must be able to recruit, possibly from Councils in our surrounding area, the terms and conditions of employees, including severance, in the face of constant change, is a factor that would certainly influence employees considering joining the Council.

The Trade Union Side also feels that should further restructuring be necessary it is unlikely that requests for employees to come forward and volunteer for redundancy will produce any interest. Compulsory redundancy would be the result, with the potential for a severe breakdown in employee relations. The Trade Union Side works hard with managers and Councillors to support improvement and this progress could be lost.

The good level of consultation and co-operation enjoyed by Trade Unions and management would be difficult to maintain. This potential breakdown in communication could be highly detrimental to the recovery of the Council.

The Trade Union Side therefore recommend to the General Purposes Committee their proposed policy awarding 1.5 times the redundancy entitlement based on actual earnings, capped at 30 weeks.

In the case of those aged 50 years and over added years at the rate of 1 year for each 5 years of service up to a maximum of 4 years would also produce savings to the Council.

Trade Union Side
Northampton Borough Council

TRADE UNION SIDE RESPONSE

19 September 2007

Report Title: Council's Severance policy

The Trade Union Side are extremely concerned at the proposal attached to the Cabinet Report, put before Cabinet on the 3rd September.

It has not been established in the report that our policy is not in line with other Councils. Paragraph 3.2.6 refers to a National and Regional survey, for clarification we have requested this from management and this is attached as Appendix A.

It is stated here "A national and regional survey last February revealed a clear trend of many Councils reducing or stopping the payment of discretionary added years and the survey also revealed that this Council's provision of 2 added years for every 5 years continuous NBC service (to a maximum of 6 2/3 years) was at the higher end of provision".

It is difficult to see how these assertions can be arrived at from such a small sample, there are 410 Councils in England and Wales, the survey has 26 anonymous participants, it is not clear how these were selected or what type of Council they are, the selection is in fact worryingly small at only 6.3%. We are awaiting information to deem whether the 26 authorities were chosen as a random sample or what criteria was used for their selection.

Furthermore of this 26, 5 did not respond at all, of the remaining 21, 1 Council only responded on the question of efficiency, leaving 20 out of 410 (4.8%).

Redundancy payments

Of this remaining 20 on the issue of Redundancy Payments **only one Council does not enhance payments the majority of the others pay 1.5x (3 Councils), 2x (5 Councils), 3 or more x (2 Councils)** it is difficult to see. In fact the trend here is to enhance Redundancy Payments.

Added years/ augmentation

On the issue of added years, of the 20 Councils who responded to the questionnaire, 7 did not respond to this question, of these remaining 13, 4 granted added years, 6 gave employees a choice and only 3 said they did not grant added years. Once again it is difficult to see how this constitutes "a clear trend" as the majority of councils do enhance.

3:3:2 states that there are a number of detailed ways in which a reduction in cost could be achieved and starting with the lowest cost scheme would be to calculate redundancy sum on the statutory formula and cease the provision on augmented years. This would be out of line with the statistics, which show a majority of employers give the choice of converting compensation payment into augmented service.

Financial Position

Unfortunately the necessary financial information has not been provided to enable the Trade Union Side to comment on the medium term financial position of the Council. However the Trade Union Side are hopeful that savings could be made in line with cabinet recommendations of the 3rd September 2007 if the proposal at the end of this document is accepted.

Recruitment and Retention

This Council is rated poor at the moment there is a need for it to retain good quality employees at all levels and as corporate managers and directors are included in the policy it must seek a balance. The Council must be able to recruit, possibly from Councils in our surrounding area, the terms and conditions of employees, including severance, in the face of constant change, is a factor that would certainly influence employees. If we are to compete for quality employees our severance policy must be comparable.

Employee Morale

On it's road to improvement, the Council has subjected employees to a great deal of pressure, employee morale is naturally a great concern to managers, trade unions and Councillors, erosion of the severance policy would have a severely detrimental effect and undermine any progress made so far.

Lower Paid Employees

So far the recent rounds of restructuring have included higher paid managers who have benefited from the current enhanced scheme, this has given the impression that is over generous, when in fact it was the level of the salaries and the large numbers that have increased costs of the scheme. Those employees left who may face restructuring and redundancy are not on such large salaries and it is vital that a scheme be equitable and provide a balanced level of redundancy and pension benefits, these would not be at such a high cost to the Council as the previous round.

Voluntary Redundancy

Should further restructuring be necessary it is unlikely that requests for employees to come forward and volunteer for redundancy will produce any interest. This would place the Council in a position where it has to make employees compulsorily redundant, there is an agreement between Councillors and Trade Unions that the Council will not do this. If this situation arose it would be severely detrimental to industrial relations. It should be noted that the Trade Unions have gone beyond their remit and worked tirelessly with managers and Councillors to support improvement.

Recommendation

The Trade Union Side do not agree that this Council is more generous than the national average or other Councils in this area. The Trade Union side believes that any reduction to the current Severance Policy will have a highly detrimental effect on recruitment, retention, employee morale, industrial relations and will therefore hinder any improvement. The Trade Union Side are very disappointed that the proposal prepared by management in February

2007 is not the starting point for discussions as they would have been prepared to negotiate and in fact were expecting this to happen.

Although it is accepted that the original agreement is without fetter it must be deemed best industrial relations practice to continue with the good level of consultation and co-operation enjoyed by for the last 3 years, by Trade Unions and management. It is the view of the Trade Union Side that this potential breakdown in communication could be highly detrimental to the recovery of the Council.

The Trade Union Side therefore propose that a policy awarding 1.5 times the redundancy entitlement based on actual earnings and added years, capped at 30 weeks would produce savings to the Council.

In the case of those aged 50 years and over added years at the rate of 1 year for each 5 years of service up to a maximum of 4 years would also produce savings to the Council.

NORTHAMPTON BOROUGH COUNCIL**EXAMPLE COSTS****Example 1**

Employee Aged 55

Continuous Local Government and NBC Service 25 years

Pension Scheme Member 25 years

Salary £28,000

Cost of Severance - Current Scheme

- a) Redundancy £17,485
- b) Number of Added Years awarded = $6 \frac{2}{3}$ (max)
- c) Cost of Added Years = £2345pa pension plus £7035 lump sum = £9380
- d) Total Year 1 cost = a+c=£26,865
- e) Recurring cost of Added Years = £2345pa until employee dies, then 50% of value to surviving spouse*

Cost of Severance – Proposed Scheme

- a) Redundancy £17,485
- b) Number of Added Years awarded = Nil
- c) Cost of Added Years = Nil
- d) Total Year 1 cost = £17,485
- e) Recurring cost of Added Years = Nil

Cost of Severance – TU Proposal

- a) Redundancy £17,485
- b) Number of Added Years awarded = 4
- c) Cost of Added Years = £1400 pension + £4200 = £5600
- d) Total Year 1 cost = a+c £23,085
- e) Recurring cost of Added Years = £1400 pa until employee dies, then 50% of value to surviving spouse*

Example 2

Employee Aged 35

Continuous Local Government and NBC Service 12 years

Pension Scheme Member 5 years

Salary £20,000

Cost of Severance - Current Scheme

- a) Redundancy £6730
- b) No added Years
- c) Total Cost £6730

Cost of Severance – Proposed Scheme

- a) Redundancy £4615
- b) No Added Years
- c) Total Cost £4615

Cost of Severance – TU Proposal

- a) Redundancy £6912
- b) No Added Years
- c) Total Cost £6912

Example 3

Employee Aged 49

Continuous Local Government and NBC Service 30 years

Pension Scheme Member 30 years

Salary £38,000

Cost of Severance - Current Scheme

- a) Redundancy £32,884
- b) No added Years
- c) Total Cost £32,884

Cost of Severance – Proposed Scheme

- a) Redundancy £21,923
- b) No Added Years
- c) Total Cost £21,923

Cost of Severance –TU Proposal

- a) Redundancy £21,923
- b) No Added Years
- c) Total Cost £21,923

Example 4

Employee Aged 52

Continuous Local Government and NBC Service 10 years

Pension Scheme Member 10 years

Salary £22,000

Cost of Severance - Current Scheme

- a) Redundancy £6346
- b) Number of Added Years awarded = 4
- c) Cost of Added Years = £1100pa pension plus £3300 lump sum = £4400
- d) Total Year 1 cost = a+c=£10,746
- e) Recurring cost of Added Years = £1100pa until employee dies, then 50% of value to surviving spouse*

Cost of Severance – Proposed Scheme

- a) Redundancy £6346
- b) Number of Added Years awarded = Nil
- c) Cost of Added Years = Nil
- d) Total Year 1 cost = £6346
- e) Recurring cost of Added Years = Nil

Cost of Severance – TU Proposal

- a) Redundancy £6346
- b) Number of Added Years awarded = 2
- c) Cost of Added Years = £550pa pension plus £1650 lump sum = £2200
- d) Total Year 1 cost = a+c = £8546
- e) Recurring cost of Added Years = £550pa until employee dies, then 50% of value to surviving spouse*

Example 5

Employee Aged 45

Continuous Local Government and NBC Service 15 years

No in Pension Scheme

Salary £30,000

Cost of Severance - Current Scheme

- a) Redundancy £10,097
- b) No added Years
- c) Total Cost = £10,097

Cost of Severance – Proposed Scheme

- d) Redundancy £10,097
- e) No added Years
- a) Total Cost = £10,097

Cost of Severance – TU Proposal

- a) Redundancy £12,982
- b) No added Years
- c) Total Cost £12,982

Notes

- 1 Where employee is aged over 50 and automatically in receipt of a pension, the pension strain costs for early release of pension are not included. These are the same for either option. From 1 April 2008 early release of pension will not be permitted before age 55 (50 for existing members up to 2010).
- 2 * Under current rules introduced on 1 April 2007 augmented service is subject to an actuarial assessment of lifetime cost and recharged to the employing Authority as a cost to be paid within 3 years not, any longer, annually over the lifetime of the employee/surviving spouse. This, in many cases, creates a significant short-medium cost for the employer.

LA	Redundancy				Interests of Efficiency			
	Week's Pay (Actual, Statutory, Other)	Formula (Statutory, Statutory x Multiplier (SM x), Other)	Augment under reg. 52 LGPS (Yes, No, Choice of converting compensation payment to augmented service)	Service recognised for discretionary redundancy benefits (Employer only (E), Continuous Modification Order (M), Other)	Discretionary lump sum	Formula	Augment under reg. 52 LGPS (Yes, No, Choice)	Service recognised for discretionary redundancy benefits (Employer only (E), Continuous Modification Order (M), Other)
1	Actual	SM x 2	Choice	?	Yes	SM x 2	Choice	?
2	?	?	?	?	?	?	?	?
3	?	?	?	?	?	?	?	?
4	?	SM x ?	?	E	?	?	?	?
5	Actual	Other - 2 weeks pay per year of service	?	?	?	?	?	?
6	Other - Maximum £300	?	Yes - 1/6 th of reckonable service, subject to maximum of 4 years and not exceeding service with authority (to be phased out)	Other - Reckonable service under LGPS	?	?	?	?
7	?	SM x 2	Choice	?	?	?	?	?
8	?	?	?	?	?	?	?	?
9	Actual	SM x 2	Choice	M	?	?	?	?

22	Actual	SM x 2	?	?	?	Yes	13 weeks' pay	?	?				
23	?	Voluntary = statutory payment Compulsory <50/hot member LGPS = SM x 2.2 Compulsory 50+ = augment	50+ up to 62/3	?	?	Yes	SM x 2.2 ? for <50s?	50+ up to 5 yrs	?				
24	Actual	SM x 3.46	Considering Choice	M		Case by case							
25	Actual	?	?	?	?	?	?	?	?				
26	?	?	?	?	?	No	?	?	?				

EQUALITY IMPACT ASSESSMENT

Directorate People Planning and Regeneration	Human Resources	Section:	Person responsible for the assessment: Howard Crabtree Corporate Manager - Human Resources			
Name of the Policy to be assessed	'Early Retirement / Severance Scheme'		Date of Assessment	11/09/07	Is this a new or existing policy	New (revised)
1. Briefly describe the aims, objectives and purpose of the policy			The Policy and Statement of Discretions are required under the local Government (Early Termination of Employment) Regulations 2006. These govern termination / severance payments in Local Government, including aspects of pension provision.			
2. Are there any associated objectives of the policy, please explain			There is a requirement that any severance scheme retains public confidence. The scheme must be 'workable, affordable and reasonable having regard to foreseeable costs'. The Council determined in March 2007 that a further review of the scheme should take place after 6 months given the medium term financial position of the Authority.			
3. Who is intended to benefit from the policy and in what way			The policy enables compensation for employees whose employment is terminated by way of <ul style="list-style-type: none"> • Redundancy • Early retirement on the grounds of efficiency • Early retirement on the grounds of ill health • Early retirement under rule 31 of the Local Government Pension Scheme (the 85 year rule). • Early Retirement on compassionate grounds 			

4. What outcomes are wanted from this policy?	The provision of compensation to employees that facilitates effective organisational change, retains public confidence, and is compatible with the medium term financial outlook.		
5. What factors/forces could contribute/detract from the outcomes?	Contribute: <ul style="list-style-type: none"> • Consultation with Trade Unions • Consultation with the District Auditor Detract: <ul style="list-style-type: none"> • The Council's financial position • Adverse Employee/Industrial Relations • Failure to manage organisational change 		
6. Who are the main stakeholders in relation to the policy	<ul style="list-style-type: none"> • Employees • Trade Unions • Public (as Council Tax Payers) 	7. Who implements the policy and who is responsible for the policy?	Corporate Manager – Human Resources
8. Are there concerns that the policy could have a differential impact on racial groups.	N		A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.		
9. Are there concerns that the policy could have a differential impact due to gender	N		A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.		

10. Are there concerns that the policy could have a differential impact due disability	N	<ul style="list-style-type: none"> • A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk. • Consideration of Early Retirement on Grounds of Ill Health must meet the criteria in the Pension Scheme. The decision is solely on medical grounds undertaken independently of the Council by its Occupational health Provider. Individuals have a right of appeal to an independent Occupational Health provider if dissatisfied with a decision on Ill Health Retirement.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue. Employees who have lodged appeals have had these considered under Council policies.	
11. Are there concerns that the policy could have a differential impact on people due to sexual orientation	N	A robust approach to equalities issues in HR policies for handling redundancy / redeployment mitigate this risk.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.	
12. Are there concerns that the policy could have a differential impact on people due to their age	Y	<ul style="list-style-type: none"> • The 2006 Local Government Regulations were produced in response to the Employment Equality (Age) Regulations 2006. • Severance payments and the granting of augmented service have included elements of age/length of service to determine amounts paid and these could be challengeable.
What existing evidence (either presumed or otherwise) do you have for this?	No evidence exists as yet. The Council has had the proposed policy checked by legal services for compliance with age discrimination legislation. Redundancy Pay is calculated on the statutory formula which the Government advises is compliant with the legislation.	

13. Are there concerns that the policy could have a differential impact on people due to their religious belief	N	Robust HR Policies cover this aspect.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.	
14. Are there concerns that the policy could have a differential impact on people due to them having dependants/caring responsibilities	N	<ul style="list-style-type: none"> • Robust HR Policies cover this aspect. • The Policy makes explicit reference to calculating service when there are breaks due to caring responsibilities.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.	
15. Are there concerns that the policy could have a differential impact on people due to their offending past	N	Robust HR Policies cover this aspect.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.	
16. Are there concerns that the policy could have a differential impact on people due to them being transgendered or transsexual	N	Robust HR Policies cover this aspect.
What existing evidence (either presumed or otherwise) do you have for this?	No recent grievances / tribunal claims to date on this issue.	
17. Could the differential impact identified in 8-16 amount to there being the potential for adverse impact in this policy?	Yes	This could occur in relation to age ; case law will need to be kept under review to check continued compliance with the law. The Government have confirmed that the statutory formula for calculating redundancy payment is not discriminatory on the grounds of age.

18. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or any other reason?	NO				
19. Should the policy proceed to a partial impact assessment?	NO		20. If Yes, is there enough evidence to proceed to a full EIA		N/A
			21. Date on which Partial or Full impact assessment to be completed by	N/A	

Signed (completing officer) _____
Signed (Policy Team Leader) _____

Impact Assessment continued.

Northampton Borough Council has addressed some of these issues by the following actions;

- Seeking legal opinion on the operation of the scheme – Age
- Consulting the local Pensions Authority regarding the impact of Age Regulations on severance.

Proposed recognised actions to monitor and overcome unjustifiable or adverse treatment

- Keeping Case Law under review
- Keeping the impact of the scheme under review as it affects different groups of people

Stages 3 & 4 – Formal Consultation & Consultation Result

Formal consultation with Trade Unions has taken place on this policy through the Council’s Joint Consultation machinery. Consultation has taken place with the External Auditor and the Local Pensions Authority.

Stage 5 – Publishing of Findings

Stage 6 – Monitor & Review Arrangements

Review policy when regulations finalised for the New Look LGPS due 1 April 2008.

Review the outcomes of severance decisions, checking for any adverse trend on granting severance / applying severance to the different categories of staff who may be adversely affected and against the profile of staff represented in each group.