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## General Purposes Committee

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TUESDAY, 14TH APRIL, 2009 at 19:00 HRS - CIVIC CENTRE, HIGH ROAD, WOOD GREEN, LONDON N22 8LE.

MEMBERS: Councillors Griffith (Chair), Rahman Khan (Vice-Chair), Aitken, Bloch, Diakides, Whyte and Vanier

### AGENDA

**1. APOLOGIES FOR ABSENCE (IF ANY)**

**2. URGENT BUSINESS**

The Chair will consider the admission of any of any late items of urgent business. Late items will be considered under the agenda item where they appear. New items will be dealt with at items 7 & 10 below.

**3. DECLARATIONS OF INTEREST**

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest **and** if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct **and/or** if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

**4. DEPUTATIONS/PETITIONS**

To consider any requests received in accordance with Part 4, Section B, paragraph 29 of the Council's constitution.

**5. MINUTES (PAGES 1 - 6)**

i. To confirm the unrestricted minutes of the General Purposes Committee held on 10 March 2009 as an accurate record of the proceedings.

**6. PENSIONS POLICY STATEMENT - USE OF DISCRETIONS IN THE SCHEME - UPDATE (PAGES 7 - 18)**

Report of the Assistant Chief Executive – People and Organisational Development. – To update the Committee following consideration of the report on 10 March 2009 in respect of the review the Council's Pensions Policy Statement on the use of its discretionary powers

**7. NEW ITEMS OF URGENT BUSINESS**

To consider any items admitted at item 2 above

**8. EXCLUSION OF THE PUBLIC AND PRESS**

Item 7 is likely to be the subject of a motion to exclude the press and public from the meeting as it contains exempt information as defined in Section 100a of the Local Government 1972; namely information likely to reveal the identity of an individual, and information relating to any individual.

**9. MINUTES OF GENERAL PURPOSES COMMITTEE SUB-BODIES (PAGES 19 - 30)**

- i. Minutes of the CEJCC – 22 JANUARY 2009
- ii. Minutes of Staff Disciplinary Appeals and Grievance Hearings :-

23/09/08  
07/01/09  
29/01/09  
12/03/09

**10. NEW ITEMS OF EXEMPT URGENT BUSINESS**

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6 April 2009

**MINUTES OF THE GENERAL PURPOSES COMMITTEE  
TUESDAY, 10 MARCH 2009**

**Present:** Councillor Eddie Griffith (Chair), Councillor Rahman Khan (Vice-Chair), Jonathan Bloch, Councillor Isidoros Diakides, Councillor Monica Whyte and Councillor Bernice Vanier.

<b>MINUTE NO.</b>	<b>SUBJECT/DECISION</b>
<b>GPCO01.</b>	<p><b>APOLOGIES FOR ABSENCE (IF ANY)</b></p> <p>No apologies for absence were received.</p>
<b>GPCO02.</b>	<p><b>URGENT BUSINESS</b></p> <p>No items of Urgent Business were raised.</p>
<b>GPCO03.</b>	<p><b>DECLARATIONS OF INTEREST</b></p> <p>No declarations of interest were made.</p>
<b>GPCO04.</b>	<p><b>DEPUTATIONS/PETITIONS</b></p> <p>No deputations or petitions were received.</p>
<b>GPCO05.</b>	<p><b>MINUTES</b></p> <p>It was noted that at the previous meeting the Committee had requested that details of the Bernie Grant Centre Partnership accounts be provided and that to date these had not been provided.</p> <p>There was agreement that this should be followed up by officers.</p> <p><b>RESOLVED:</b></p> <p>That the minutes of the meeting held on 29 September 2008 be confirmed as a correct record.</p>
<b>GPCO06.</b>	<p><b>CAPABILITY, GRIEVANCE AND HARASSMENT &amp; BULLYING PROCEDURES</b></p> <p>The Committee considered a report setting out the revised Capability, Grievance and Bullying and Harassment Procedures.</p> <p>A review of the Council's formal employment procedures, in consultation with the trade unions, HR officers and elected Members, had been carried out during the latter half of 2007. Following this review a series of recommendations had been made and these were reflected in the revised documents presented.</p> <p><u>Capability Procedure</u></p> <p>At present the procedure was lengthy with many stages and disciplinary sanctions</p>

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were imposed. As such managers often avoided using the procedure. To provide clarification and to ensure that managers used the Capability Procedure where appropriate, rather than issuing a written warning in the first instance, a review period would be agreed. Within this period clear standards of work, performance and competence would be set, which would need to be met.

At the end of the process if an employee failed to meet the standards agreed following reasonable review periods they may be dismissed. Employees could appeal against this and the appeal would be considered by a Member Panel.

In response to concerns the Committee was advised that there had been extensive consultation with the Unions on changes to this and the other procedures. The revised Procedures put forward for adoption were acceptable to the Unions.

It was confirmed that elected Members had been consulted as part of the process.

Grievance Procedure

The Committee was advised that the main areas of change were around the timescales governing the completion of grievances; there was often insufficient time to deal with complex cases effectively and therefore it was proposed that the timescales should be extended.

It was also proposed that the number of stages within the process should be reduced from four to three. At present there was a perception that stage four, which was a re-hearing considered by elected Members, was the end of the process and that the preceding three stages were a route to this. Therefore the simplified system would be reduced to three stages that concluded in a Panel constituted of elected Members who would review the case.

The Committee was advised that a mediation option was being introduced and that this mechanism could be used at any stage of the process. Before a case could precede to stage three this would have to have been explored (unless this was deemed to be inappropriate). Training sessions on mediation were being arranged in partnership with the Primary Care Trust (PCT) to help develop the skills required to facilitate this.

It was noted that Human Resources (HR) would nominate individuals to act as mediators. If either party had an objection to person proposed another individual would be selected.

In response to a query the Committee was advised that systems for monitoring equalities and diversity were being revised and that once the data collected had been audited new and more detailed monitoring reports would be provided. In addition a detailed annual report would be published that provide an overview of trends and set out how these could be addressed.

The Committee was advised that it was difficult to monitor trends in individual cases. However, trends were tracked and monitored through the reporting process.

In response to a query the Committee was advised that all managers should receive internal training on Council policies and procedures. If managers were

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unsure of the processes that should be followed HR were available to assist and answer any queries.

Bullying and Harassment Procedure

The Committee was advised that there were no proposed changes to this policy. However, it was proposed that greater consistency and clarity would be achieved by conducting and managing investigations of bullying or harassment using the grievance procedure framework.

In response to a query, the Committee was advised that, generally, there was limited cross over between the Whistle Blowing Policy and the Bullying and Harassment Policy as the former was used where people wished to remain anonymous. It was noted that the Whistle Blowing Policy had last been reviewed two to three years ago and there was agreement that a review of this should be programmed to assess whether it should be altered in the light of the changes to the policies above.

**RESOLVED:**

- i. That the revised Capability, Grievance and Bullying and Harassment Procedures presented be adopted.
- ii. That a review of the Whistle Blowing Policy should be scheduled into the work programme of HR.

**GPCO07. PENSIONS POLICY STATEMENT - USE OF DISCRETIONS IN THE SCHEME.**

The Committee considered a report reviewing the Council's Pensions Policy Statement on the use of its discretionary powers.

The report sought approval for limited use of the discretionary power to enhance an employee's termination package within the limits set by HM Revenues and Customs. This additional flexibility would enable to the Council to award added membership, added pension or monetary compensation in certain circumstances. Awards of this type would require the approval of the Chief Financial Officer and Head of HR; in the case of first and second tier officers Member approval would be required.

The costs associated with any award would be met from the relevant Service / Business Unit budget.

The Committee discussed this proposal and concerns were raised that this may lead to senior officers leaving the authority with what may be perceived as a 'pay off'. Concern was also raised that this would lead to pressure being placed on Members to award packages and allow officers to take early retirement.

Given the current financial climate and the impression that this may create there was agreement that the report should be deferred to the next meeting and that officers should include specific examples of the types of circumstances where such awards could be justified.

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	<p><b>RESOLVED:</b></p> <p>That the report be deferred and that a revised report should be submitted to the next meeting setting out specific examples of how the option would be used.</p>
<p><b>GPCO08.</b></p>	<p><b>UPDATE ON EQUAL PAY</b></p> <p>The Committee considered a report that provided an update on progress in relation to the implementation of the Equal Pay / Single Status package agreed with the unions in September 2008.</p> <p><b>RESOLVED:</b></p> <p>That progress on the implementation of the equal pay and conditions package be noted.</p>
<p><b>GPCO09.</b></p>	<p><b>AN EVALUATION OF CONTROLLED STREET DRINKING AREAS WITHIN THE LONDON BOROUGH OF HARINGEY</b></p> <p><i>Prior to the consideration of the report it was noted that Appendix 6 contained errors in relation to Ward boundaries and officers noted these.</i></p> <p>The Committee considered a report that provided an evaluation of the current Street Drinking Control Zones within the Borough and an overview of Police activity within these zones. The report also sought the Committees view on extending the number of Street Drinking Control Zones in the Borough.</p> <p>The Police Safer Neighbourhoods Teams (SNTs) had indicated that the new powers available to them had formed a useful tool in combating anti-social behaviour and that a positive reaction had been received from local residents.</p> <p>Concern was raised at anti social behaviour arising from street drinking at Seven Sisters Station and Wicks Station and it was suggested that these areas should become control zones.</p> <p>It was noted that people cautioned for street drinking often had significant health problems and there was agreement that Police officers should be fully briefed on how people could be referred to the appropriate health services. This would be a practical way of reducing future instances of street drinking.</p> <p>The Committee agreed in principal that the number of controlled street drinking zones should be extended and that reports setting out details in relation to this should be received in the future. In order to monitor this there was agreement that the Committee should receive an annual report providing an evaluation of these.</p> <p><b>RESOLVED:</b></p> <ul style="list-style-type: none"> <li>i. That the report be noted.</li> <li>ii. That a report setting out proposals for extending Street Drinking Control Zones should be received.</li> </ul>

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	<p>iii. That an annual report should be received providing an evaluation of Street Drinking Control Zones in the Borough.</p>
<b>GPCO10.</b>	<p><b>RESTRUCTURING ENVIRONMENTAL CRIME - URBAN ENVIRONMENT.</b></p> <p>The Committee considered a report setting out proposals for restructuring the Environmental Crime service to create a new Street Enforcement Service.</p> <p>The restructuring of the service would allow a broader based approach and greater area based working to be developed. It was envisaged that local action plans would be developed that would focus on Ward based priorities; a Street Enforcement Officer would also be designated to each Ward.</p> <p>The Committee discussed the use of Fixed Penalty Notices and concern was expressed around the use income derived from the issuing of these for essential services. In response to suggestions that this income should held separately and used to fund specific projects, the Committee was advised that the Government required Local Authorities use income from Fixed Penalty Notices within their mainstream budgets.</p> <p>The loss of income from Fixed Penalty Notices would result in a significant decrease in the funding available for services.</p> <p>It was noted that local businesses and members of the public often complained about the way parking restrictions were enforced and there was agreement that, given the current economic climate, a more lenient approach may be appropriate.</p> <p><b>RESOLVED:</b></p> <p>i. That the content of the report be noted.</p> <p>ii. That the proposals for introducing a Street Enforcement Service, replacing the existing Environmental Crime Service be approved.</p> <p>iii. That a further report should be received following consultation with staff and unions reflecting how the results of this would be accommodated.</p>
<b>GPCO11.</b>	<p><b>NEW ITEMS OF UNRESTRICTED URGENT BUSINESS</b></p> <p>No new Items of Urgent Business were received.</p>
<b>GPCO12.</b>	<p><b>EXCLUSION OF THE PUBLIC AND PRESS</b></p> <p><b>RESOLVED:</b></p> <p>That as Items 13 and 14 contained exempt information (as defined in Section 100a of the Local Government 1972; namely information likely to reveal the identity of an individual, and information relating to any individual) members of the press and public should be excluded from the remainder of the meeting.</p>
<b>GPCO13.</b>	<p><b>MINUTES</b></p>

**MINUTES OF THE GENERAL PURPOSES COMMITTEE  
TUESDAY, 10 MARCH 2009**

	<b>RESOLVED:</b>  That the minute of the meeting held on 4 November 2008 be confirmed as a correct record.
<b>GPCO14.</b>	<b>NEW ITEMS OF EXEMPT URGENT BUSINESS</b>  No new items of exempt Urgent Business were received.

Councillor EDDIE GRIFFITH

Chair

The meeting closed at 9.15pm





Haringey Council

Agenda item:

[No.]

General Purposes Committee

On 14<sup>th</sup> April 2009

**Report Title:** Pensions Policy Statement

**Report of Assistant Chief Executive People and Organisational Development**

Signed

Dated 3 April 2009

**Stuart Young Assistant Chief Executive People and Organisational Development**

**Contact Officer :** I M Benson Pensions Manager 0208 489 3824

**Wards(s) affected:** All

**Report for:** Non Key Decision

**1. Purpose of the Report (That is, the decision required)**

1.1 To review the Council's Pensions Policy Statement on the use of its discretionary powers.

**2. Introduction by Cabinet Member (if necessary)**

If members were minded to adopt the recommendations in the report it should be noted that appropriate sign off and consultation processes will be implemented for any discretionary awards, such that appropriate sign off and consultation will be sought with the relevant Service Cabinet Member and Cabinet Member for Resources. In the case of tier one and two officers of the council the award will be subject to appropriate Member body approval.

**3. State links with Council Plan Priorities and actions and / or other Strategies**

3.1 This report seeks approval for limited use of discretions provided to local government employers which can assist in managing change within the workforce.

**4. Recommendations**

4.1 That having regard to the current economic situation the Council will not consider awards of :-

- a) Added Membership under Regulation 12 of the 'Benefits Regulations' or
- b) Additional Pension under Regulation 13 of the 'Benefits Regulations'

4.2 That in specific cases where it is beneficial to the council, that discretion can be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 to award up to 104 weeks pay on termination of employment. Any such proposal will be consulted

with the relevant Service Cabinet Member and Cabinet Member for Resources, and subject to approval by the Section 151 Officer and the Head of Human Resources. In the case of tier one and two officers of the council the award will be subject to appropriate Council Member body approval.

4.3 That the decision of the Pensions Committee of 18<sup>th</sup> September 2008 regarding reinstatement of a child's pension is noted.

4.4 That policy on releasing Deferred Benefits early approved by urgent action on 5<sup>th</sup> November 2008 is noted.

4.5 That confirmation that the Council does not provide a Shared Cost AVC Scheme is noted.

## **5 Reason for Recommendations**

5.1 The Pension Scheme rules specify that a Policy Statement is published to explain how discretions under the pension scheme may be exercised.

5.2 Policy decisions are required in respect of awards of added membership, added pension, and other monetary payments

## **6 Summary**

### **6.1 Award of Additional Membership (augmentation) (Regulation 12<sup>1</sup>)**

6.2 The new scheme rules allow the Council to award up to 10 years added membership to active members. Added membership can be awarded at any time prior to a member leaving or retiring.

6.3 There is a capital cost attached to an award of added membership which will vary according to the age of the member at the time the award is made. This cost would be charged to the relevant Service/Business Unit

6.4 Due to the current economic situation it is not proposed to exercise this discretion.

### **6.5 Award of Added Pension (Regulation 13<sup>2</sup>)**

6.6 This is a new provision which allows the Council to award units of annual pension of £250 a year up to a maximum of £5000. Added Pension can be awarded in addition to increased membership under para.4 above.

6.7 There is a capital cost attached to an award of added membership which will vary according to the age of the member at the time the award is made. This cost would be charged to the relevant Service/Business Unit.

6.8 Due to the current economic situation it is not proposed to exercise this discretion.

### **6.9 Compensation for loss of Office**

<sup>1</sup> Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)

<sup>2</sup> As above

6.10 The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 allows the Council to award up to 104 weeks pay on termination of employment.

6.11 There are occasions during the course of an employment relationship when it is beneficial to both parties – employer and employee – to end the contract in a reasonable way. The vast majority of the time the employee resigns or the employer dismisses the employee using agreed procedures. There are, however, rare occasions when the termination of the employment relationship, in a mutually beneficial way, is facilitated by the award of a monetary sum.

6.12 Where such an award is contemplated the calculation will be based on meeting the best interests of the council having regard to factors including

- The pay and local government service of the individual.
- Costs to the council of continuing employment
- Benefits to the council for termination of employment
- The requirement that payments are objectively justified in line with age discrimination legislation.

6.13 Where such an award is proposed appropriate sign off and consultation will be sought with the relevant Service Cabinet Member and Cabinet Member for Resources, the Section 151 Officer and the Head of Human Resources.

6.14 In the case of tier one and two officers of the council the award will be subject to appropriate Council Member body approval.

6.15 Payments under these provisions are not chargeable to the Pension Fund. The cost of any such award would be charged to Service / Business Unit budgets.

#### **6.16 Miscellaneous Updates**

6.17 The current policy statement has been updated to reflect.

- a) the policy decision of Pensions Committee 18<sup>th</sup> September 2008 on disregarding breaks in education for a Child's Pension and
- b) the reinstatement of the policy regarding the release of Deferred Benefits early) by Urgent Action 5 November 2008. The policy has been amended to reflect current advice that a member with Deferred Benefits which began before 1<sup>st</sup> April 2006 can request early payment from age 50 subject to employer consent.
- c) Confirmation that the Council does not provide a Shared Cost AVC scheme.

## **7 Chief Financial Officer Comment**

7.1 Costs incurred by the exercise of the discretions detailed in this report will be charged to service/Business Unit budgets. Budget holders will need to manage any costs within approved budgets. The Chief Financial Officer agrees with the Service Financial comments set out in section 11 of the report.

**8 Head of Legal Services Comment**

8.1 The Head of Legal Services has been consulted on the content of this report, which identifies accurately the discretionary powers available to the Council as employer under the Regulations indicated. The recommendations set out in the report constitute a lawful exercise of these discretionary powers. The consideration of any individual case must take into account the provisions of the Employment Equality (Age) Regulations 2006 and, as appropriate, a decision made in such a case should be capable of justification as a proportionate means of achieving a legitimate business objective. This includes cases considered under the provisions of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

**9 Head of Procurement**

Not applicable

**10 Equalities & Community Cohesion Comment**

10.1 The recommendations in this report have had regard to the Employment Equality (Age) Regulations 2006.

**11 Service Financial Comments**

11.1 The Council's Section 151 Officer will ensure that a sound business case supports any recommendations for the exercise of the discretions referred to above.

**12 Use of appendices / Tables and photographs**

12.1 Appendix 1 is a draft Policy Statement.

**13 Local Government (Access to Information) Act 1985**

( List background documents)

Draft Pensions Policy Statement

Advice from LGPC on early release of Deferred Benefits

POLICY STATEMENT ON THE USE OF ITS DISCRETIONARY POWERS:

Reviewed and updated by General Purposes Committee on 14 April 2009

Part 1

**The Local Government Pension Scheme (Benefits, Membership and Contributions) (Amendment) Regulations 2007.**

**The Local Government Pension Scheme (Administration) Regulations 2008 Regulation 66**

**The Council and its employing bodies are required to make decisions on the use of the discretionary powers granted under relevant legislation as set out below.**

**Scheme members not employed by the Council must refer to the Policy Statement issued by their employing body.**

**Councillor Members should refer to Part 2**

((Employee Members).

**1. Choice of early payment of pension (Regulation 30)**

A member who leaves a local government employment before entitlement to immediate payment of benefits may choose to receive payment of them once he/she has attained age 55. (age 50 for members on 31<sup>st</sup> March 2008 who make an election before 31<sup>st</sup> March 2010).

For a member under age 60, an election is ineffective without the consent of his/her employer.

Unless the member is a 'protected member', the member's pension will be subject to an actuarial reduction if claimed before age 65. The Council can determine on 'compassionate grounds' that the actuarial reduction will not apply. (see paragraph 5 below)

**Policy Decision:**

**The Council's policy is to allow early payment of benefits as provided by Regulation 30 where there is a clear financial or operational advantage to the Council in doing so.**

**The Council will consider waiving any actuarial reduction on 'compassionate grounds' as defined in Paragraph 4 of the Policy Statement below.**

**Each case will be considered on its merits and will be subject to approval by the Chief Financial Officer acting under delegated powers.**

**Any Capital Cost arising will be met from Service / Business Unit budgets and will be paid into the Fund within a three month period.**

**First and second tier Officers will require Member approval.**

**2. Early Retirement on Redundancy and Business Efficiency**

Members age who has attained age 55 and who are retired on redundancy or efficiency grounds have entitlement to immediate payment of unreduced benefits. A member in the scheme at 31<sup>st</sup> March 2008 retains the right to immediate payment of benefits having attained age 50 provided they are retired on redundancy or business efficiency before 1<sup>st</sup> April 2010.

The scheme rules allow the Council to award added membership and or added pension at retirement. Compensation regulations preclude the award of added membership where monetary compensation is paid.

**Policy decision:**

**Any Capital Cost arising from an early retirement on redundancy or business efficiency will be met from Service/Business Unit budgets and must be paid into the Fund within a three month period.**

**Each case will be considered on its merits and will be subject to approval by the Section 151 Officer acting under delegated powers.**

**Members retired on redundancy/business efficiency grounds will not be awarded added membership or added pension.**

**First and second tier Officers will require Member approval**

**3 Early payment of Deferred Benefits (Regulation 30)**

Deferred Benefits apply to members who leave the Local Government Pension Scheme early with at least 3 months' membership or transferred-in membership. They become payable at age 65.

The Scheme Rules allow early payment of benefits before age 65 but between ages 55 -59\*, require employer's consent.

Benefits claimed before age 65 may be subject to a reduction unless the Council agrees to waive the reduction on 'Compassionate Grounds' (see 5 below).

\*(Deferred Member benefits which began before 1<sup>st</sup> April 2006 can be claimed from age 50. Deferred Member benefits for a member which began after 1<sup>st</sup> April 2006 can be claimed from age 50, provided the election is made before 1<sup>st</sup> October 2010.)

**Policy Decision:**

**The Council's policy is to allow early payment of Deferred Benefits only if the case can be considered on 'Compassionate Grounds' as defined in paragraph 5 below or otherwise where there is no financial disadvantage to the Council for doing so.**

**Each case will be considered on its merits and will be subject to approval by the Section 151 Officer acting under delegated powers.**

**4 Flexible retirement (Regulation 18)**

**The Council will consider applications for Flexible Retirement from scheme members age 55 and over. Flexible Retirement is linked to the Council's existing policies on Flexible Working and extending employment beyond age 65. It provides opportunities for re-skilling and redeploying older workers across the workforce as well as retaining skills and experience as part of a transition towards retirement.**

**Flexible Retirement allows scheme members age 55 and over to apply to transfer to a lower graded post or to reduce hours of employment and at the same time access their retirement benefits. Both the transfer to a lower graded post or reduction in hours of work and the early release of retirement benefits is an employer discretion. As a minimum requirement, a member's pay must reduce by at least four spinal points or the equivalent in reduced hours.**

**In considering Flexible Retirement both the needs of the member and the Service must be taken into account. Initial approval rests with the Service Chief Officer e.g. Assistant Director or equivalent with final approval by the Deputy Head of Personnel.**

**The early release of benefits before age 65 has the potential to incur an actuarial reduction in benefits. The Council's Section 151 Officer has delegated authority to waive any actuarial reduction, but only in exceptional circumstances that benefit the business and operational needs of the service. The cost to the Fund will be met from the Service budget.**

**Acceptance of Flexible Retirement debars the member from changing their job to a post offering higher pay within the Council or from returning to employment on higher pay with the Council for a period of not less than three years.**

**5 Discretion to waive an actuarial reduction under Regulation 30**

The Council has discretion to waive an actuarial reduction arising from Regulation 30, on compassionate grounds.

**Policy Decision:**

**Although the term compassionate grounds is not defined in the regulations, the Council's policy is to apply the following definition:-**

**'Compassionate Grounds means that the scheme member is required to look after a sick dependant relative on a whole time basis, is therefore unable to take up gainful employment, and in consequence is suffering financial hardship.'**

**In addition, the Council will satisfy itself that the sick dependant relative has a permanent long-term condition with a reasonable life expectancy having regard to his/her age.**

**Each case will be considered on its merits and will be subject to approval by the Section 151 Officer acting under delegated powers.**

**6 Payment of Death Grants for Active Members Regulation 23, Deferred Members Reg.32 and Pensioner Members Regulation 35.**

**A death grant will usually be paid in accordance with the member's nomination or, where there is no nomination, to the legal personal representatives. However where it is considered that:**

- a) an existing nomination may no longer reflect the member's intentions (for example there is a subsequent marriage, divorce or children) or,**
- b) there is a deserving recipient (who must be have been his relative or dependant at some time) who would otherwise be excluded by payment to the Estate or,**
- c) payment to the Estate may be inappropriate for other reasons (for example where inheritance tax may be a factor if payment were made to the Estate).**

**Payment may be made in the manner and proportions the Council believe appropriate in the circumstances of the case.**

**In all cases, the release of the Death Grant is delegated for approval to the Section 151 Officer.**

**7 Disregarding a break in full-time education for a Childs Pension payment to continue.**

- a. Where there is a break in full-time education or training, the Chief Financial Officer will decide whether such a break can be ignored on the child's return to full-time education or training**
- b. The Section 151 Officer will have regard to the circumstances of each case within the guideline that the break should not generally extend beyond 12 months from the beginning of one academic year to the end of one academic year, or include periods of full-time employment of more then three months**
- c. Where the gap extends beyond the 12 month limit as described above, the child must be able to clearly demonstrate a clear intention to return to full-time education or training and has not undertaken paid employment as an alternative career option to returning to fill-time education or training**
- d. Where the Section 151 Officer deems it appropriate to ignore a break in full-time education or training, the child's pension will be reinstated from the re-commencement of full-time education or training or such earlier date as the Chief Financial Officer deems appropriate based on the individual circumstance of the case.**
- e. The exercise of this discretion will be reported to the Pensions Committee.**

**8 Abatement (reduction) of pensions on re-employment**

The pension payable to pensioner members who return to employment covered by the Local Government Pension Scheme is subject to an abatement at the Council's discretion.

The abatement rule allows a reduction in pension if the pension plus salary in the new employment is more than the salary at date of retirement.

The Council's policy is to abate a pension where the member retired on medical grounds and returns to employment or Office covered by the LGPS.

Abatement is also applied on re-employment or return to Office with Haringey Council or its employing bodies in circumstances where the member has retired early with no percentage reduction to the retirement benefits

**Policy Decision:**

**Members of the Fund who commence re-employment or who return to Office after 31<sup>st</sup> March 1998 will be liable for an abatement in their pension in the circumstances described below.**

**The abatement will be calculated in accordance with the provisions of Schedule 5 to the Local Government Pension Scheme Regulations 1995.**

**Pensioner members who commence re-employment or return to Office in local government following retirement on medical grounds. or re-employment or return to Office with Haringey Council or its employing bodies in circumstances where the member has retired early with no percentage reduction to the retirement benefits will be subject to an abatement except in cases of Flexible Retirement agreed in accordance with Regulation 18.**

**8 Waiving of time limits**

The Council's policy is to waive time limits set within the Pension Scheme Regulations where it is satisfied that the individual could not have known of the requirement to make an election at the proper time.

**9 Medical clearance to purchase Additional Pension ( ARCs) Regulation 23 ( administration) Regulations**

**An application to purchase additional pension will only be accepted if the member makes a declaration that he/she is in reasonably good health and has not been seen by a medical practitioner within the last 12 months or otherwise where the member provides a report by a registered medical practitioner of the results of a medical examination undertaken at the member's own expense.**

**10 Attributing salary bands**

The New Look LGPS moves from a flat rate 6% contribution to a rate based on the member's salary band. (see On-Line Guide Thinking of Joining)

Attributing a member to a salary band is an employer decision.

On 1<sup>st</sup> April 2008, the Council will attribute salary bands based on the member's basic annual pensionable pay on 1<sup>st</sup> April plus variable pensionable pay (bonus, sleeping-in allowance etc) earned over the last twelve months.

New starters will be attributed to a salary band on appointment.

No interim changes will be made to attributed salary bands to take account of promotions or reductions but a review will take place on the 1<sup>st</sup> April in each year. The exception will be back dated pay awards to 1<sup>st</sup> April.

This approach is not expected to have any adverse effect on achieving the target income from employee contributions of 6.3% although the position will be reviewed in the light of experience over the forthcoming inter-valuation period. Informal advice from the Council's actuary anticipates an income of 6.7% based on the 2007 valuation data.

To ensure the smooth implementation of this change any variations to this policy are delegated to the Head of Personnel subject to approval at the next available meeting of General Purposes Committee.

**Policy decision:**

**That salary bands are attributed on 1<sup>st</sup> April based on basic annual pensionable pay plus variable pensionable pay over the last twelve months.**



New starters to be attributed a salary band on the first day of membership based on basic annual pensionable pay.

That with the exception of back-dated pay awards to 1<sup>st</sup> April, no variation will be made to a member's attributed salary band other than at each annual review date on 1<sup>st</sup> April of each subsequent year.

To ensure the smooth implementation of this change any variation to this policy is delegated to the Head of Human Resources subject to approval at the next available meeting of General Purposes Committee.

## **11 Shared Cost Additional Voluntary Contribution Scheme**

The Council's policy is not to make use of this discretion at the present time.

### **Part 1B**

#### **Discretions exercised by Haringey Council in accordance with provisions of**

The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) and the Local Government (Discretionary Payments) Regulations 1996 as amended

**Staff of Employing Bodies should ask their Personnel Officer for a copy of their Policy Statement regarding the discretions listed below.**

#### **1 Compensation for Redundancy**

Compensation on redundancy will be based on ; 1 weeks pay for each complete year of service up to a maximum of 20 years total service.

#### **2 Increase of 1996 Act Redundancy Payments**

The redundancy payment is based on the actual weekly rate of pay at the relevant date. (This is usually but not always, the date notice is given).

#### **3 Compensation for termination of employment on Business Efficiency Grounds**

**3.1 That an award of Monetary Compensation of up to 104 weeks pay be considered as part of a package to facilitate termination of employment in a manner which is beneficial to both the Council and the employee. Each case to be considered on its merits within the framework of the Compensation Regulations and have regard to:-**

- 1. The employee's pay and local government service**
- 2. Costs to the Council of continuing employment**
- 3. Benefits to the Council in terminating employment**
- 4. The requirement that payments are objectively justified in conformity with age discrimination legislation.**

**3.2 That the costs of an award be charged to the relevant Service / Business Unit budget.**

**3.3 Sign-off will be in consultation with the relevant Service Cabinet Member and Cabinet Member for Resources, the Section 151 Officer and Head of Human Resources for approval except for tier one and tier 2 Officers who require an appropriate Member body approval.**

**3.4 This award will not apply in cases where retirement benefits are released early.**

#### **4 Injury Allowances: Summary of current Policy**

An Injury allowance may be paid to an employee who sustains an injury or contracts a disease as a result of anything he/she was required to do in carrying out their work; and either:-

Is certified as being permanently incapacitated and ceases employment. or

Suffers a reduction in pay.

In deciding on the amount of Injury Allowance payable, the Council takes into account all the circumstances of the case.

The maximum amount payable is 85% of Final Pay.

Injury Allowances in payment are reviewed annually, and at age 65.

Each case is referred for a decision to the Section 151 Officer acting under delegated authority.

### **5 Gratuities for Non- Pensionable Service: Summary of current Policy:**

Gratuities are paid to retiring employees for service with the Council during which they were not eligible to join the Local Government Pension Scheme.

Part Time employees who worked at least 15 hours per week for 35 weeks a year can count service up to 31/3/1987 for gratuity entitlement.

Part Time employees who worked less 15 hours per week can count service up to 16/8/1993.

Gratuity payments do not apply to casual employment

The payments are calculated on 3.75% of Annual Pay for each year of gratuity service as described above.

The employee can choose between a once off lump sum or an annuity payment.

A Death Gratuity is also paid if an employee dies in Service.

The Death Gratuity is paid to an employee's dependants. It is calculated on 3.75% of Annual Pay for all local government service up to 31/3/1987. It is payable to members of the Local Government Pension Scheme and non-scheme members alike.

### **Contact information:**

**Contact the Pensions Team at:-  
Alexandra House 10 Station Road London N22 7TR**

Tel Number 020 8489 5916

**E-Mail [Pensions.Mailbox@haringey.gov.uk](mailto:Pensions.Mailbox@haringey.gov.uk)**

Important Note:

*Nothing stated above confers any statutory rights or overrides the provisions of the Local Government Pension Scheme and Compensation Regulations or related legislation.*

In the event of any dispute over your pension benefits, the appropriate legislation will prevail

## **Part 2 (Councillor Members)**

COUNCIL'S POLICY STATEMENT ON THE USE OF ITS DISCRETIONARY POWERS:  
The Local Government Pension Scheme Regulations 1997 (as amended) Regulation 106

The Council is required to make decisions on the use of the discretionary powers granted under relevant legislation as set out below.

The policy was updated by Pensions Panel on 10<sup>th</sup> October 2005

### **1. Voluntary early retirement from age 50 (Regulations 31)**

Subject to the Council's consent, the Scheme Rules allow councillor members who cease to be a member of the Council between the ages of 50 – 65 to claim immediate payment of benefits. Early payment of benefits in these circumstances incur a cost to the Fund.

**Policy Decision:**

The Council will not exercise its discretion to release retirement benefits early to councillor members who cease or have ceased to be a member of the Council age 50 and under 65.

### **2. Early payment of Benefits from age 65 (Regulations 31)**

If on ceasing to be a member of the Council the member's age and membership<sup>1</sup> equate to 85 or more, benefits are payable immediately and in full. If not, they are reduced by reference to tables produced by the Government Actuary.

The Council has discretion to waive this reduction.

If the benefits are left in the fund until age 65, they are paid without any actuarial reduction.

Waiving the actuarial reduction in these circumstances incurs a cost to the Fund

**Policy Decision:**

That the Council will not exercise its discretion to waive the actuarial reduction for councillor members who cease to be a member of the Council and claim immediate payment of benefits.

### **3. Re-employed pensioners – Abatement of pensions (Regulation 109)**

The pension payable to pensioner members who return to employment or Office covered by the Local Government Pension Scheme is subject to an abatement at the Council's discretion.

All members of the Fund who commence re-employment or who return to Office will be liable for an abatement in their pension except where Regulation 18 (Flexible Retirement ) applies. The abatement will be calculated in accordance with the provisions of Schedule 5 to the Local Government Pension Scheme Regulations 1995. In general terms, this requires abatement where pensionable earnings and pension on re-employment / return to Office, exceed pensionable earnings on retirement.

**Policy Decision:**

The Council's policy is not to abate a pension in all cases except of :-

re-employment or return to Office in local government following retirement on medical grounds. or

re-employment or return to Office with Haringey Council or its employing bodies in circumstances where the member has retired early with no percentage reduction to the retirement benefits.

### **4. Waiving of time limits**

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<sup>1</sup> For councillor members, this means membership as a councillor member in the Haringey Council Pension Fund

The Council's general policy is to waive time limits set within the Pension Scheme Regulations where it is satisfied that the individual could not have known of the option at the proper time. Each case is considered on its merits having regard to the interests of the employee and the Council's trusteeship of the pension fund.

**Policy Decision:**

That the time limits set within the Pension Scheme Regulations will be waived where the member could not have known of the requirement to make an election at the proper time.

**Waiving restriction on entry to the Fund Regulation 7 (9)**

The regulations permit elected members to opt in and opt out of the scheme. The regulations restrict the right to opt in if a member has opted out more than once. The Council has discretion to waive this restriction.

**Policy Decision**

The Council's policy is not to restrict re-entry to the Fund where a member has previously elected to opt out more than once.

**Important Note:**

*Nothing stated above confers any statutory rights or overrides the provisions of the Local Government Pension Scheme and Compensation Regulations<sup>4</sup> or related legislation.*

In the event of any dispute over your pension benefits, the appropriate legislation will prevail

**For more information contact the Pensions Team at:-**

Alexandra House 10 Station Road London N22 7TR

*Tel Number 020 8489 5916*

**E-Mail [Pensions.Mailbox@haringey.gov.uk](mailto:Pensions.Mailbox@haringey.gov.uk)**

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<sup>4</sup> The main scheme regulations referred to are :-

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

The Local Government Pension Scheme (Administration) Regulations 2008 (as amended)

The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (as amended)

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

By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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