



**CORPORATE POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

Pay Policy Statement April 2017 - March 2018

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BURNLEY BOROUGH COUNCIL
PAY POLICY STATEMENT – 2017

Purpose of the Policy

1. Under section 112 of the Local Government Act 1972, the Council has the “*power to appoint officers on such reasonable terms and conditions as the authority thinks fit*”. The purpose of the Pay Policy Statement is to:
 - maintain a transparent approach to the setting of the pay of the Council’s employees;
 - comply with the requirements of the Localism Act 2011, Section 38- 43 Pay Accountability

The policy details:

- the methods by which salaries of all employees are determined;
- the details of the remuneration of its senior employees, i.e. Chief Officers;
- the relationship between the salary of its Chief Officers and other employees.

Background

2. The Localism Act 2011 – (Chapter 8 - Pay Accountability) requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees.
3. This Statement will reflect where appropriate, relevant aspects of other already existing personnel policies, such as the Pay Policy, which details the Council’s agreements on pay for those employees on the National Joint Council (NJC) terms and conditions and/or whose jobs have been evaluated using the NJC Job Evaluation Scheme.
4. The Statement must be approved by Full Council, by the end of March each year and then be published on the Council’s website – www.burnley.gov.uk

Legislation relevant to Pay and Remuneration

5. In determining the pay and remuneration of its employees the Council will comply with all relevant employment legislation. This includes the Equality Act 2010 and the Part-time Regulations 2008. The Council will ensure that there is no pay discrimination within its pay structures and that pay differentials can be quantified through the application of its Job Evaluation Schemes.
6. The Council operates the NJC Scheme for all posts not defined as a Chief Officer. In November 2014 the salary of the post of Chief Executive was re-assessed by utilising the external expertise of the North West Employers’ Organisation, which includes comparative benchmarking data from other local authorities and reset. The posts of Chief Operating Officer and Head of Service have been evaluated using the Local Government Association’s Senior Manager Job Evaluation Scheme.

Pay Structure

7. The Council complies with the nationally negotiated spinal column points for all posts, with the exception being those senior level posts referred to within the Statement. The salary grades that the Council applies for all other posts are at Appendix A. This was revised in April 2013 to implement the Foundation Living Wage (FLW) removing national spinal pay points 5 – 9. Spinal point 10 was also removed in April 2016. In October 2016 the FLW was increased from £8.25 to £8.45/hour which the Council will implement from April 2017 in line with local agreements.
8. The Council adopts the national pay bargaining arrangements in respect of its employees' remuneration, including any revisions to the national pay spine, for example through agreed annual pay increases negotiated through collective bargaining between the national Employers and Trade Unions. The exception would be the lowest pay point which is based on the FLW. A 1% pay award for 2017 has already been agreed.
9. The pay and grading structure for the majority of posts, including other pay related allowances, was established as part of the NJC Pay Policy approved by Council in 2006, further revised in 2010, in 2013 and in 2016. This Policy was developed as part of the Council's approach to the job evaluation of posts and the harmonisation of key terms and conditions of employment. Since 2006 all newly created posts and post variations are subject to evaluation against the nationally agreed Job Evaluation Scheme. The current policy is at Appendix B.
10. The pay and grading structure for Chief Officers, other than the Chief Executive, (approved by Full Council from April 2012), is made up of three bands with a single pay point in each band. In establishing the salary structure for Chief Officers, the Council applied the nationally agreed Senior Manager Job Evaluation Scheme and referred to the most relevant median salary, in terms of local authority population and type, as required under the Chief Officer terms and conditions of employment. It sought and received independent external advice on the relevant pay data to be used from the Local Government Association.
11. In December 2016 Council approved a revision to Band 1 of the Chief Officer Pay Policy following a management restructure resulting in the deletion of two Director posts, replaced with one Chief Operating Officer. The revised salary was agreed following an external job evaluation and receipt of median benchmark pay data.
12. National pay awards for 2016 and 2017 for Chief Officers and the Chief Executive have been previously agreed at 1%. Details are at Appendix C.
13. On occasion, although not currently, it may be necessary to take account of external pay levels in the labour market in order to attract and retain employees with particular skills, knowledge and experience. On such occasions the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate. Any supplement that would take a salary above £100,000 would require the approval of Full Council.

Definitions

14. The Localism Act 2011 refers to the position of Chief Officer defined as: the Head of Paid Service; Statutory Chief Officers; non-statutory Chief Officer posts and their direct reports (Deputy Chief Officers). It should be noted that this definition is very broad, and takes account of Metropolitan and County Councils as well as District Councils
15. It is considered that the posts the term 'Chief Officer' applies to at Burnley Council, in relation to the Localism Act 2011 are; Chief Executive, Chief Operating Officer (1 post) and Head of Service (7 posts).
16. Remuneration is defined as the pay and rewards an individual receives.

Chief Executive Remuneration

17. The appointment and employment terms relating to the Chief Executive were agreed at a meeting of Full Council on 26th January 2015. An independent review of the role and the remuneration package was undertaken prior to the advertisement for this post. This review involved obtaining external guidance and advice from North West Employers' Organisation. As a result of this review the salary for the post was reduced.
18. The post of Chief Executive is paid on a single pay point of £107,110 (from April 2017). Additional allowances can be paid in relation to the role of Returning Officer and Electoral Registration fees (see para 17). No such fees were paid in the financial year 2016/17
17. Returning Officer and Electoral Registration Officer fees for various elections and referendums

In accordance with the national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Return Officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

For local elections the fees and charges have been set in consultation with other authorities in Lancashire.

Fees for Returning Officer and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda. As these relate to performance and delivery of specific elections duties as and when they arise, they are distinct from the process for the determination of pay for Chief Officers.

The other terms and conditions of service relating to this post are in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities.

Any other allowances relating to the post are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Chief Operating Officer Remuneration

18. There is one post of Chief Operating Officer :
19. The post of Chief Operating Officer is paid on a single pay point of £84,880 (from April 2017) at Band 1 of the Chief Officer grading structure, as determined by the Senior Manager Job Evaluation Scheme.
20. Additional allowances may arise from personal fees for performing the duties of Returning Officer, Acting Returning Officer, Deputy Returning Officer or Deputy Acting Return Officer and similar positions as detailed in paragraph 17 above. The roles are currently appointed to by the Returning Officer prior to each election, or in the case of the Returning Officer, by full Council.
22. The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service. Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Head of Service Remuneration

23. The outsourcing of a number of Council services in January 2016 reduced the number of Heads of Service in the Council from 9 to 7 currently. These heads of service report to either the Chief Executive or the Chief Operating Officer. These are shown on the chart at Appendix D.
24. The post of Head of Service is paid on a single pay point at either Band 2 or Band 3 of the agreed pay structure as shown below. The banding was determined by the Senior Manager Job Evaluation Scheme.

	April 2016	January 2017	April 2017
Band 1	£75,369	£84,040	£84,880
Band 2	£56,670	£56,670	£57,237
Band 3	£51,273	£51,273	£51,786

25. Additional Allowances for Head of Service posts are:

Reimbursement of one professional subscription fee per annum - this applies to the Head of Governance Law, Regulation and Property only.

Deputy Returning Officer - If these duties are undertaken by any Head of Service additional allowances are payable as described in paragraph 17 above. The role is currently appointed to by the Returning Officer prior to each election.

26. The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

Recruitment of Chief Executive and Chief Officers

27. Under Section 112 of the Local Government Act 1972, the Council has the “*power to appoint officers on such reasonable terms and conditions as the authority thinks fit*”. Where there is a requirement to recruit to the post of Chief Executive or a Chief Officer, the Council’s Constitution, Section 4.8 will apply. Details are at Appendix E.

Salary upon Appointment

28. Under normal circumstances, all new appointments to the post of Chief Executive will be made at a salary level reviewed and agreed by Full Council after external advice has been received. Chief Officer appointments will be made at the agreed single pay point. Any variance to these provisions will be subject to an analysis of the objective reasons for doing so and the approval of Council.

Performance-Related Pay

29. The Localism Act 2011 requires Councils to provide details of any performance related pay for its Chief Officers however Burnley Borough Council does not have any such arrangements.

Relationship between Chief Executive/Chief Officer Pay and other Employees

30. The relationship between the salaries of the Chief Executive and Chief Officers and the NJC median salary and the lowest paid salary are:-

Post	Benchmark Salary	Ratio
Chief Executive salary	median salary	3.9
Chief Officer salary	median salary	2.1
Chief Executive salary	lowest salary	6.7
Chief Officer salary	lowest salary	3.6

From April 2017

Chief Executive salary £107,110

Chief Officer salary £57,237– (mid salary point of Band 1-3)

Median salary = £27,668 – scp 31

Lowest salary currently paid = £15,972 Foundation Living Wage from April 2017 (£15,594 2016/17)

Lowest Paid Employees

31. The Council complies with the National Joint Council – Pay and Conditions of Service. An updated NJC Pay Policy from April 2016 created a revised grading structure, with Grade 3 reducing from 3 to 2 pay points and Grade 2, the Living Wage, being the minimum salary the Council now pays its employees, which at 1st April 2017 will be £15,972 per annum. This does not include apprentice grades.

Progression through grades other than Grade 2 occurs through the payment of an additional annual increment on 1st April, each year. Part-time posts are paid the same salary, but on a pro-rata basis. Grade 2 currently applies to one post of Support Officer.

Termination Payments

32. The Council's Redundancy Policy applies equally to all permanent employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities. The Redundancy Policy is at Appendix F.
33. For all permanent employees where there is the option for early retirement, the Council's Statement of Pensions Policy will apply. Appendix G. This Policy is only used on those occasions when there can be demonstrated savings to the Council in releasing an employee early.
34. The Government is proposing to introduce a cap on the total value of exit payments in the public sector of £95,000 enacted through the Enterprise Bill 2015-16. Regulations are still awaited and expected to be implemented during 2017. Council policies and procedures will be updated accordingly.

Employer Pension Contribution

35. The Council contributes to the Local Government Pension Scheme for its employees who are members of the Scheme. From April 2017 this will equate to 15.4 % of an employee's salary. This rate of contribution is set by actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

Employee Pension Contribution

36. Employees in the Local Government Pension Scheme currently pay the following annual contributions, based upon their salary (to be revised from April 2017).

Band	Actual Pay	Employee Contribution %
1	Up to £13,600	5.50
2	£13,601- £21,200	5.80
3	£21,201- £34,400	6.50
4	34,401- 43,500	6.80
5	£43,501- £60,700	8.50
6	£60,701- £86,000	9.90
7	£86,001- £101,200	10.50
8	£101,201- £151,800	11.40
9	More than £151,801	12.50

Re-employment / Re-engagement of former Chief Officers

37. The Council currently has no policy that would prevent the re-employment or re-engagement of a former Chief Officer who has received a redundancy payment and is subsequently engaged in a contract for service. Any decision to re-engage a former Chief Officer must be approved by the Chief Executive.
38. The Government has issued draft regulations concerning the recovery of exit payments made to employees in the public sector and returning to a public sector role within a period of 12 months. It is anticipated the regulations will be implemented during 2017 and Council policies and procedures will be updated accordingly.

Publication of the Policy

39. This Policy will be published on the Council's website in March 2017, following its approval by the Council in February 2017.

Review of Pay Policy

40. The Policy will be subject to annual review and must be approved by the Council prior to 31st March each year. If there is a need to amend the Policy between reviews, then any such amendments will be considered by the Executive, prior to approval by the Council.

Burnley Borough Council NJC Pay and Grades 2017-18 (Living Wage)

Grades 2017-2018 Living Wage +1% from 01.04.2017

			Hrly Rate				Hrly Rate
Grade 14	SCPA49	£43,821	23.18	Grade 7	SCPH28	£24,964	13.21
	SCPA48	£42,899	22.70		SCPH27	£24,174	12.79
	SCPA47	£41,967	22.20		SCPH26	£23,398	12.38
	SCPA46	£41,025	21.70		SCPH25	£22,658	11.99
Grade 13	SCPB46	£41,025	21.70	Grade 6	SCPI25	£22,658	11.99
	SCPB45	£40,057	21.19		SCPI24	£21,962	11.62
	SCPB44	£39,177	20.73		SCPI23	£21,268	11.25
	SCPB43	£38,237	20.23		SCPI22	£20,661	10.93
Grade 12	SCPC43	£38,237	20.23	Grade 5	SCPJ21	£20,138	10.65
	SCPC42	£37,306	19.74		SCPJ20	£19,430	10.28
	SCPC41	£36,379	19.25		SCPJ19	£18,746	9.92
	SCPC40	£35,444	18.75		SCPJ18	£18,070	9.56
Grade 11	SCPD40	£35,444	18.75	Grade 4	SCPK17	£17,772	9.40
	SCPD39	£34,538	18.27		SCPK16	£17,419	9.22
	SCPD38	£33,437	17.69		SCPK15	£17,072	9.03
	SCPD37	£32,486	17.19		SCPK14	£16,781	8.88
Grade 10	SCPE37	£32,486	17.19	Grade 3	SCPL13	£16,491	8.72
	SCPE36	£31,601	16.72		SCPL12	£16,123	8.53
	SCPE35	£30,785	16.29				
	SCPE34	£30,153	15.95				
Grade 9	SCPF34	£30,153	15.95	Grade 2	SCPM11	£15,972	8.45
	SCPF33	£29,323	15.51	(FLW)			
	SCPF32	£28,485	15.07				
	SCPF31	£27,668	14.64				
Grade 8	SCPG31	£27,668	14.64				
	SCPG30	£26,822	14.19				
	SCPG29	£25,951	13.73				
	SCPG28	£24,964	13.21				



CORPORATE PERSONNEL POLICY AND GUIDANCE PEOPLE AND DEVELOPMENT

NJC Pay Policy

For employees on National Joint Council (NJC) terms and conditions and/or whose jobs have been evaluated using the NJC Job Evaluation Scheme.



NJC PAY POLICY

Introduction

This policy should be read alongside the Council's Pay Policy Statement, which is reviewed annually and the purpose of which is to:

- maintain a transparent approach to the setting of the pay of the Council's employees;
- comply with the requirements of the Localism Act, Section 38 – Pay Accountability

The statement details the methods by which salaries of all employees are determined; the details of the remuneration of its senior employees, i.e. Chief Officers and the relationship between the salary of its Chief Officers and other employees.

Background

The Council complies with the National Joint Council – Pay and Conditions of Service subject to changes agreed locally in consultation with recognised trade unions.

The Pay Policy 2006, developed following a job evaluation exercise, created a 14 grade structure, each grade based on a job evaluation point range.

In April 2013 the Council amended this to a 13 grade structure by merging grades 1 and 2 and the associated job evaluation points in this pay band. It also amended the number of pay points in grade 3 from 4 to 3 in order to become a Living Wage employer. This involved a local agreement change to the value of scp10 of the nationally agreed pay spine.

In April 2016 the Council agreed to further amend the pay spine reducing the pay points in Grade 3 from 3 to 2 (points 12 and 13) and moving Grade 2 from scp10 to scp11 of the pay spine to reflect the increase in the Foundation Living Wage

Spinal column point 11 will be a minimum of the Living Wage (as calculated by the Centre for Research in Social Policy at Loughborough University) or the agreed scp11 on the national pay spine, whichever is the greater.

From April 2016 point 10 will be removed from the Council's grading structure (as were points 4-9) but may still be used for traineeships or higher level apprenticeships if required.

For employees of the Council progression through grades with more than one pay point occurs through the payment of an additional annual increment normally on 1st April, each year until the top of the grade is reached. Part-time posts are paid the same salary, but on a pro-rata basis.

The revised NJC Grading Structure and associated job evaluation point range is shown at Appendix 1 to this policy.

1. Working Week

The local agreement for normal working hours is as follows:

- The normal working week will be Monday to Friday.
- The normal working day will be within the hours of 7.30 am and 6.30 pm.

2. Definitions:

Weekends: Working Saturday and/or Sunday is part of the normal working week.

- Shifts:
- The total period covered by the shifts is 11 hours or more
 - There are at least 4 hours between the starting time of the earliest and latest shifts
 - The number of “normal office hour” shifts does not exceed one half of the total number of shifts in the rota.

Irregular Hours As part of the normal working week an employee’s hours of work during Monday to Friday fall outside the period 1 ½ hours before and/or 1 ½ hours after the Council’s normal office hours

Evenings Working beyond 8pm is part of the normal working week

3. Enhancements

- (a) Employees who work shift, weekend, irregular hours or evenings will be paid a flat fee on top of their basic salary based on the following formula:

Percentage of enhanced working hours	Percentage of Total Annual Payment	Annual Payment (£) Paid pro-rata to working hours
Less than 1%	0%	0.00
2 – 5%	33.33%	200.00
6 – 10%	66.66 %	400.00
Over 10%	100.00%	600.00

- (b) Employees who work between 1am and 6am as a regular part of their job will be paid an additional 100% for the hours worked between 8pm and 6am. Employees in this group do not qualify for payments in (a).
- (c) Employees who work 3 weekends out of 4 and work beyond 7pm at weekends and work between 8pm -11pm as a regular part of their job will receive an additional 10.5% on all hours worked. Employees in this group do not qualify for payments in (a)
- (d) As part of the local agreement on enhancements employees are provided with 1 days’ additional leave at Christmas. Employees will also contribute 1 day of annual leave, thereby facilitating full closure at Christmas. In years where 3 days are required to facilitate a full closure, (2 in 7) the Council will provide this additional day.

4. **Overtime**

Overtime will be paid at the following rates:

- Mon – Sat 33.3%
- Sunday 50%

Overtime rates only apply after 37 hours have been worked.

All Time of in Lieu (TOIL) will be calculated at the same rate as overtime.

5. **Bank Holidays**

Employees working on a Bank Holiday will be paid at 50%. In addition to the payment time off with pay shall be allowed as follows:

Time worked less than half the normal working hours on that day: Half Day

Time worked more than half the normal working hours on that day: Full Day

6. **Standby and Callout**

The Council's Standby and Callout Policy applies to all employees who are called upon to attend work in respect of emergency arrangements. Please refer to the policy for details.

7. **Market Supplements**

Pay is an important element in recruitment and retention, and if the Council is significantly and demonstrably below the market and unable to recruit or retain appropriate staff, then market supplements will be considered.

Market supplements will be used in a manner that:

- Helps preserve the integrity of the grading system
- Is fair and transparent
- Is consistent with equal opportunities policy and Equal Pay considerations

Market supplements will normally be considered where there is difficulty recruiting staff following one/two advertisements within six months or a risk assessment indicates potential retention difficulties. There would need to be investigation and analysis by the manager and People and Development to be sure that pay is the critical factor. There could be other reasons why people do not apply (e.g. hours of work, location, nature of the work, not advertising in the correct press). Consideration may also need to be given to amending the person specification of the post.

A market supplement will also be considered if retention problems are being encountered either for a job family or an individual key post. Again, it is important to investigate the reasons for retention difficulties to establish that pay is the principal and primary reason. There could be many other factors, such as staff not being able to make full use of their skills, working conditions, career development, management or training and development opportunities.

The market with which a comparison is being made will need to be carefully established. If comparison is being sought with the private sector, then the total recruitment package should be compared. A private sector company may have a higher salary but other conditions may not be as attractive, e.g. hours of work, pension, access to training and development opportunities, etc.

Where possible a reliable, reputable salary survey will be used as a comparator rather than specific jobs from other sources although these can be added to build up a comprehensive set of comparative data. The National/Regional Employers Organisation will be used as a key source, supplemented by other means. Where data is not readily available People and Development Unit will advise on the process for assembling comparative data.

Care should be taken to compare like with like (i.e. just because a job has the same title, the job content, responsibilities and remit could be vastly different).

Market Supplement Procedure

Where a manager has severe recruitment or retention difficulties, s/he should discuss these with People and Development who will advise on a range of options to investigate and to solve the difficulties. These could include —

Recruitment

- advertise in different press
- advertise in different area
- change the advertisement
- redesign the job
- consideration of flexibility over hours of work
- part-time / job share
- a survey of the people who apply for a recruitment pack but who do not convert to applicants
- a salary survey

Retention

- making better use of staff skills
- career development
- up-to-date IT

- distribution of work in the office
- flexible work arrangements
- learning from results of exit interviews

If consideration of other factors is unlikely to resolve the problem and a survey of salaries shows that Burnley Council pay is below the appropriate market, then an application to pay a market supplement should be made to the Head of People and Development who will consult the Executive Member for Resources and Performance Management and the appropriate trade union Officers. The Finance service unit should also be consulted to cost the proposal and the Head of Service must be able to identify the resources to meet the cost of the market supplement.

The market supplement will not normally exceed 4 increments.

The Head of Service must consult the trade union on the proposal prior to the formal application and may wish to work with service unit trade union representatives in assembling or researching data on comparative salaries.

If the post is one of a number of posts having identical duties, the market supplement will be applied to staff currently in post.

The market supplement will be superannuable and clearly distinguishable from basic pay. It will be reviewed every 12 months. If a further salary survey shows that there is no longer a pay differential, this will justify the removal of the supplement.

If the market supplement is withdrawn, it will reduce on a phased cash basis (i.e. gross pay would reduce by £500 per annum over a period until the market supplement is withdrawn completely).

If, after a successful job evaluation appeal, the grade of the post is increased the supplement may be adjusted to ensure that the market rate is not exceeded.

Other linked Policies and Procedures

Stand By and Call Out Payments Policy

Pay Protection Policy

Relocation Allowances Policy

Long Service Awards

Honoraria payments

Job Evaluation Request for Review Procedure

Subsistence Allowances

Car mileage rates

J:/Shared/Personnel Manual/NJC Pay Policy
February 2017



**CORPORATE PERSONNEL POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

Pay Policy

**JNC for Chief Officer of Local Authorities
Constitution and Conditions of Service Salaries**



CHIEF OFFICER PAY POLICY

1. Introduction

The terms and conditions of employment of the Council's Chief Officers are determined nationally by the Joint Negotiating Committee for Chief Officers of Local Authorities, as detailed in the Constitution Condition of Service Salaries.

Pay levels do not directly depend on national negotiations. They are locally determined and operated with the intention of sustaining and continuously improving high performance outcomes from the top of the organisation.

2. Scope

This policy applies specifically to the paid remuneration of those Council employees employed on Chief Officer terms and conditions. Except where referred to in this policy or the Constitution Condition of Service Salaries, Chief Officers shall enjoy terms and conditions no less favourable than those afforded to National Joint Council (NJC) conditions.

3. Aims

The aims of this policy are to:

- promote fairness and equality;
- encourage cross organisational working;
- ensure pay levels are affordable and responsive to market pay rates;
- provide effective resourcing capacity for Chief Officer posts in order to deliver the Council's priority outcomes.

4. Determining Individual Salaries

The relative job size of each post is determined through an agreed job evaluation scheme, supported by independent assessors.

The Council agreed in 2011 to use the nationally agreed Local Government Employers JNC Job Evaluation Scheme which assesses jobs in the areas of knowledge, analysis and planning, impact and responsibility for resources.

Job questionnaires are completed and authorised for each job role and are individually evaluated. The resulting total points score will determine the salary level for each post as assessed against the Council's agreed salary structure for Chief Officers.

5. Appeals

A Chief Officer who is not satisfied with their resulting job evaluation score should set out the grounds for his/her appeal under the relevant job evaluation factor.

Step 1

The employee will discuss their appeal with the Chief Executive (Chief Operating Officer) or the Chief Operating Officer (Heads of Service), supported by the Head of People and Development or the Strategic HR Consultant. The employee is entitled to representation from a work colleague or trade union representative.

Step 2

If the concerns are not settled or withdrawn the matter will be referred to an independent expert in the scheme for an independent view of the factor concerned.

The decision of the external review will be final. Chief Officers must wait a minimum of 12 months before submitting a further request for review.

6. Salary Structure

When establishing or reviewing the salary structure for Chief Officers the Council will refer to the most relevant median salary in terms of local authority population and type. The Council will seek independent external advice on the relevant pay data to be used.

The median of the relevant benchmark pay data will normally be appropriate although pay levels may be assessed above or below the median taking account of external independent advice.

The pay rates do not take account of market factors. This is dealt with under the paragraph on Market Supplements.

In determining the pay structure other factors which may be taken into account include:

- Chief Executive's salary;
- special market / economic conditions;
- relationship of current salary levels to national median salaries;
- the management team structures compared to authorities of a similar structure and size;
- the size of each job as objectively assessed through a job evaluation scheme.

The salary structure (from April 2012) is made up of three bands with a single pay point in each band:

- Band 1 JE Score 1501 and above
- Band 2 JE Score 1101 – 1300
- Band 3 JE Score 901 - 1100

The salary in each pay band from April 2017 is as follows:

- Band 1 Chief Operating Officer £84,880 (average minimum)
- Band 2 Heads of Service £57,237 (based on median plus 5%)
- Band 3 Heads of Service £51,786 (based on median plus 5%)

Median pay levels will normally be monitored and independently reviewed every 3 years. The Council will be advised where the salary levels are significantly above or below the median for comparable local authorities as defined above.

7. Hours of Work

The normal week is 36.25 hours Monday to Friday. The normal working day is within the hours of 7.30 am and 6.30 pm. However the status of Chief Officer requires postholders to accept a high level of flexibility in the performance of the duties and responsibilities attached to the job role. Therefore the salary agreed takes account of the fact that Chief Officers will be required to attend meetings and perform other duties relating to Council business outside normal office hours. In circumstances where this is excessive some time off in lieu may be granted in consultation with the relevant line manager.

8. Honoraria

The Council may consider granting an honorarium to a Chief Officer who performs duties outside the scope of his/her post over an extended period. The amount will be assessed in line with the salary structure and job evaluation scheme and will be subject to objective justification.

9. Pay Protection

Pay protection will be limited to no more than one pay point above the existing Chief Officer salary level, subject to a maximum of £6,000 per annum on all pay bands. The Chief Officer will accept additional duties and responsibilities beyond the scope of the lower graded job description up to the value of the protection and will continue to seek employment within the Council at a higher grade when this becomes available so the cost of protection is reduced.

Protection will be on the following basis:

- Year 1 – 100% cash protection*
- Year 2 – 66% protection.
- Year 3 – 33% protection
- Year 4 and beyond – no protection.

*Cash protection means that pay is frozen at the time of redeployment with no further annual pay rises being paid. The percentages referred to are of the difference between the pay in the old and new job.

10. Market Supplements

Pay is an important element in recruitment and retention, and if the Council is unable to recruit or retain a Chief Officer then a market supplement may be considered.

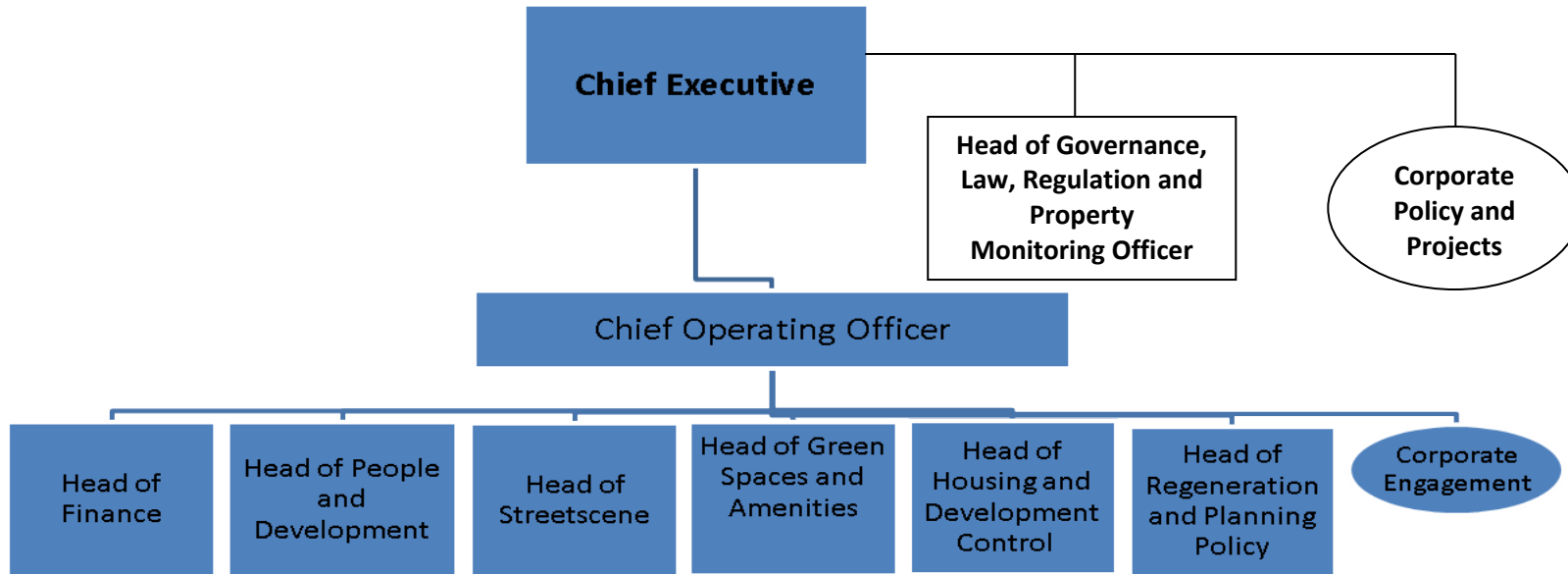
Market supplements will be used in a manner that:

- helps preserve the integrity of the salary structure;
- is fair and transparent;
- is consistent with equal pay considerations.

A market supplement or retention payment will normally be considered where there is difficulty recruiting a Chief Officer following one/two advertisements within six months or a risk assessment indicates potential retention difficulties. There would need to be investigation and analysis by the Chief Executive/Chief Operating Officer and Head of People and Development supported by the Head of Finance and external, independent advice.

Any additional payments would require the approval of the Council following receipt of appropriate advice, together with agreed mechanisms for the review and removal of the supplement.

Senior Management Structure April 2017



At April 2016	Band 1 Chief Operating Officer	1
	Band 2 Heads of Service	3
	Band 3 Heads of Service	4

Corporate Engagement and Corporate Policy are not service units.

Officer Employment Procedure Rules

1. Recruitment and appointment

The Council will follow its approved recruitment and selection procedures, including the preparation of job descriptions, person specifications and advertisements, when seeking to make officer appointments.

As part of the recruitment procedure the Council will make arrangements for a copy of the following declaration to be included in the recruitment information sent to all applicants:

'Under the Local Government Act 2000 you must declare in writing whether you are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing Member or officer of Burnley Borough Council; or the partner of such persons.

No candidate so related to a Member or officer will be appointed without the authority of the relevant chief officer or an officer nominated by him or her'.

Applicants will also be advised that the Council will disqualify any applicant who seeks the support of any Member for any appointment with the Council.

No Member will seek support for any person for any appointment with the Council.

2. Recruitment of Chief Executive/ Head of Paid Service and other officers on JNC Terms and Conditions.

Where the Council proposes to appoint the Chief Executive/Head of Paid Service or any other officer on Joint Negotiating Committee for Local Authority Chief Executives and for Chief Officers of Local Authorities (JNC Terms and Conditions) it will prepare a job description, person specification and advert. Except where the position is to be advertised internally first the Council will make arrangements for the post to be advertised in such a way as to bring it to the attention of persons who are qualified to apply for it.

A committee of the Council, constituted as an Appointments Committee as set out in Paragraphs 4, 5 & 6, will be established to recruit the relevant Officers. The Head of People and Development, or in their absence the Strategic HR Consultant, will be appointed as the Proper Officer for the appointment and will advise the Appointments Committees.

Members of the Executive will have the opportunity to raise objections to decisions about the appointments of senior officers i.e. those on JNC Terms and conditions.

3. Appointment of Chief Executive/ Head of Paid Service- by Full Council

The Full Council will approve the appointment of the Chief Executive/ Head of Paid Service following the recommendation on the appointment by the Appointments Committee as set out in Paragraph 4. That committee must include at least one member of the Executive.

4. **Appointment of Chief Executive/ Head of Paid Service**

The Appointments Committee will comprise:

Leader;
Deputy Leader;
Executive Member for Resources and Performance Management; and
the Leaders of the two largest Opposition Groups.

5. **Appointment of officers on JNC Terms and Conditions (other than the Chief Executive or Heads of Service) – i.e. Chief Operating Officer.**

The Appointments Committee will comprise:

Leader or Deputy Leader
Relevant Executive Member
Chair (Vice Chair as sub) of the Scrutiny Committee
Chief Executive

If, by the application of these Rules the membership of the Committee does not include at least one Member of an opposition group, then the Leader of largest opposition group (or their nominee) will be substituted for the Scrutiny place on the Committee.

6. **Appointment of officers on JNC Terms and Conditions (other than the Chief Executive/ Head of the Paid Service or Chief Operating Officer) – i.e. Heads of Service**

The Appointments Committee will comprise

Leader or Deputy Leader,
Relevant Executive Member; and
Chief Operating Officer or Chief Executive

Whichever of the Leader or Deputy are to be on the Appointments Committee, if they are also the Relevant Executive Member then another member of the Executive should be appointed to make up the three.

7. **Other appointments**

Appointment of assistants to political groups shall be made in accordance with the wishes of the political group.



**PERSONNEL POLICY AND GUIDANCE
PEOPLE AND DEVELOPMENT**

REDUNDANCY POLICY

Procedure and Guidance



1. INTRODUCTION

This document sets out the principles and procedures to apply where reductions in staffing levels, including compulsory redundancies, are required.

Burnley Borough Council aims to be an employer of choice and will take all reasonable steps to avoid redundancies. However it recognises that modernisation, service improvements, reorganisations and financial constraints or the need for particular knowledge and skills will affect staffing levels and therefore redundancies may become necessary.

Where this occurs, the Council is committed to minimising the effect and to providing reasonable support to those employees affected.

2. SCOPE

This procedure applies to all Council employees. Where redundancy applies to Chief Officer grades then either the Chief Operating Officer or the Chief Executive will be responsible for the consultation. Separate consultation arrangements will apply for the Chief Executive.

3. CONSULTATION

The Council believes in working positively with the recognised trade unions to resolve problems and minimise the impact on employees. Therefore consultations, including those with individual employees, will be timely and meaningful, and all positive suggestions given serious consideration. Consultation will take place as soon as practicable and notices will be issued only after meaningful consultation has taken place.

4. DEFINITION OF REDUNDANCY

Redundancy is defined in law as a dismissal for one of the following reasons:

- the employer ceases, or intends to cease the business in which the employee was employed; or
- the employer ceases or intends to cease to carry on the business in the place where the employee was employed; or
- the requirement to carry out work of a particular kind has ceased or diminished or is expected to cease or diminish.

In cases where the service transfers to another provider, employees are not necessarily redundant and would normally transfer to another employer on their existing terms and conditions, commonly referred to as "TUPE" regulations (Transfer of Undertakings Protection of Employment).

5. AVOIDING OR MINIMISING REDUNDANCY

The Council will take all reasonable steps to avoid or minimise redundancies. The strategy adopted may vary for each redundancy situation, but typically could include:

- job matching an employee to another post in the authority (see Job Matching Procedure)
- redeployment and retraining (See Redeployment Policy) ;
- achieving reductions through natural wastage;
- reviewing the use of agency or temporary staff;
- freezing external advertising and filling posts from existing employees;
- reviewing overtime working;
- reducing the hours of work:
- seeking voluntary reductions in working hours;
- seeking volunteers for early retirement / redundancy (ER/VR) where this can be justified in the financial or managerial interest of the Council.

NB Each request for ER/VR will be considered but it must be stressed that the overriding consideration will be the continued efficient running of the Council and the maintenance of a high quality skills base. Therefore the Council reserves the right to reject requests from volunteers where it is believed that it is in the Council's best interest.

6. PROCEDURE FOR THE MANAGEMENT OF REDUNDANCY

In any redundancy situation the procedure as set out below should be followed.

6.1 Consultation

Employees and relevant trade unions should be made aware of the proposals for organisational change, and the reasons, at the earliest opportunity. Failure to consult could result in a finding of unfair dismissal by an Employment Tribunal. Before starting any redundancy process advice should be sought from People and Development.

Prior to employees and trade unions being formally advised of any proposals that may involve redundancies, Management Team must be consulted and authorise commencement of consultations. Meaningful discussions should then take place with trade unions on measures that could be taken to avoid or minimise the redundancies and an agreement reached on the selection criteria that should be used. A report to the Executive should be prepared to confirm the proposal and include detail of the consultation that has taken place prior to the issue of redundancy notices.

The above reporting and consultation procedures include redundancies that occur as a result of known expiry of external funding arrangements that are agreed within existing budget arrangements.

6.2 Timescales for Statutory Consultation

There are minimum statutory timescales that indicate when formal consultation should begin. Consultation should allow for further consideration of any counter-proposals and alternatives to redundancy.

NO. OF REDUNDANCIES IN ANY 3 MONTH PERIOD	Period of Consultation
Less than 20 possible redundancies	Managers should allow a 30 day consultation prior to any redundancy notice being issued
20 – 99 possible redundancies	30 days statutory consultation period (including notification to the BIS)
100+	45 days statutory consultation period (including notification to BIS)

6.3 Notification to the Department for Business Innovation and Skills (BIS)

It is a legal requirement to notify BIS in writing of a proposal to make 20 or more employees redundant. Notification must be made on form HR1, which can be obtained from the BIS website. www.bis.gov.uk At least 45 days' notice must be given if 100 or more employees are to be made redundant, and at least 30 days for 20 to 99 employees. The Head of People & Development (or his/her representative) will normally undertake this notification.

6.4 Notification to the Trade Unions

The Head of People and Development will also formally notify the appropriate trade union(s) in line with s.188 of the Trade Union and Labour Relations (Consolidation) Act 1992 of the potential intended redundancies. Formal consultation begins when a letter is sent to appropriate representatives, disclosing in writing:

- the reason for the proposals;
- the numbers and descriptions of employees the Council proposes to dismiss as redundant;
- the total number of employees of that description employed at the establishment in question;
- the proposed method of selecting the employees who may be dismissed;
- the proposed method of carrying out the dismissals, including the period over which the dismissals are to take effect;
- the proposed method of calculating the amount of redundancy pay.

7. REDUNDANCY SELECTION

Where the redundancy applies to particular jobs held by one or more individuals, the post(s) would be redundant without the need for selection.

Where there are multiple redundancies or a reduction in posts within a group of employees the “pool” of employees from which the redundancies will be drawn must be identified. This might be one team within a Service Unit, a group of employees doing the same job, usually working to the same or similar job description, or those performing a particular function across a number of service units. Managers should seek advice from People and Development if the selection pool is not clear.

SELECTION CRITERIA

The criteria used for redundancy selection must be clear and objective and be based on the future needs of the service. It should be applied fairly and consistently and must not discriminate on the grounds of recognised [protected characteristics](#) as defined in the Equality Act 2010 which are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership (in respect of eliminating unlawful discrimination)
- Pregnancy and maternity
- Race – this includes ethnic or national origins, colour or nationality
- Religion or belief – this includes lack of belief
- Sex (Gender)
- Sexual orientation

In addition there will be no discrimination on the grounds of social background, political affiliation, spent convictions and trade union membership.

The Council reserves the right to choose a method of selection which is appropriate to the particular redundancy situation and is committed to early consultation with the recognised trade unions and individual employees over the particular method of selection in any redundancy situation.

EXAMPLES OF REDUNDANCY SELECTION CRITERIA

- selection based on merit, individuals being measured against a person specification that reflects the requirements for the skills, qualifications and experience in the new posts;
- interviews used to appoint to new posts can involve the use of tests that are relevant to the requirements of the new posts;
- attendance record (having regard for our statutory obligations* and industrial injuries);
- disciplinary and capability records;
- length of service in the redundant role or a substantially similar role, used alongside the criteria above. .

*The Equality Act 2010 makes it unlawful for an employer to treat a disabled person less favourably because of a reason relating to their disability, without a justifiable reason. Employers are required to make reasonable adjustments to working conditions or the workplace where that would help to accommodate a particular disabled person. Employers should take account of this legislation when considering the dismissal of a disabled person.

Managers selecting for redundancy should usually use a scoring matrix, including all or some of the above criteria. It is essential that all selection methods are objective and supported by documentation in case the decision is challenged. Even though the criteria may satisfy the test of objectivity, the selection will still be unfair if they are carelessly or mistakenly applied.

8. FORMAL NOTIFICATION OF REDUNDANCY

In accordance with this procedure, and following a period of consultation, notification of redundancy will be given, providing employees with appropriate notice of their employment being terminated:

Continuous Service	Period of Notice
One month or more but less than 2 years	4 weeks
Two years or more but less than 12 years	1 week for each year of continuous employment (minimum of 4 weeks)
12 years or more	Not less than 12 weeks

The Redeployment Policy is activated at the start of the consultation process and should be applied throughout the consultation process and during the period of notice. This is particularly relevant to the search for suitable alternative employment and any subsequent trial period.

9. SUITABLE ALTERNATIVE EMPLOYMENT

Please refer to the Redeployment Policy. Appendix 2

10. EMPLOYEE SUPPORT AND ADVICE

10.1 Redundancy Counselling

Once the individual(s) who are potentially redundant have been identified, an individual counselling meeting will be arranged led by the relevant Head of Service supported by a Personnel Officer. The employee will be entitled to be accompanied by a trade union representative, friend or colleague.

The Head of Service should confirm the following details:

- why the Council has decided that redundancies are necessary, the numbers and area of work involved and the selection criteria;
- the personal details of the employee e.g. in relation to full name, address, start date of employment with Burnley Borough Council, continuous employment date, date of birth and details of any disability;

- any actions being taken to reduce the impact of the potential redundancy including an explanation and copy of the Redeployment Policy, and any ongoing support with CVs, retraining, outplacement or personal support;
- details of the employee's entitlements in relation to notice period, redundancy payment and pension estimates (where applicable and as agreed under the Statement of Pensions Policy);
- the employee's entitlement to reasonable time off to search for alternative employment;
- the employee's right of appeal (Please refer to the procedure for dealing with Redundancy Appeals at Appendix 1) –

The Council's redundancy consultation process will be explained to the employee. Notes of these discussions should be made and retained on the individual's file.

10.2 Time off for Job Search

Employees will be allowed reasonable paid time off during working hours to look for work or to arrange/attend training. To ensure this is consistently applied, it is recommended that:

- the relevant manager should agree time off in advance;
- at least 24 hours' notice should be given;
- a letter confirming the appointment or training should, as far as possible, support the request for time off.

10.3 Welfare Counselling

Welfare counselling for staff is available. Employees should contact People and Development for further information.

11. **RIGHT OF APPEAL**

Please refer to the Procedure for Dealing with Redundancy Appeals – Appendix 1.

12. **REDUNDANCY PAYMENTS**

Redundancy Payments will be calculated according to the Employment Rights Act 1996, but improvements to these are permitted. These improvements require that all continuous local government service will be aggregated and also provide local authorities with the discretion to lift the limitation on the amount of "a week's pay" for redundancy payment calculation purposes from the normal statutory limit to the employee's actual weekly wage/salary. The Council has decided to use the discretion to base redundancy payments on the actual week's pay, if higher than the statutory limit.

For employees who at the date of redundancy (with three or more months' membership of the pension scheme) are entitled to early payment of pension and lump sum under the Local Government Pension Scheme Regulations

2013. Payments will be made in line with the agreed Statement of Pensions Policy.

13. WITHHOLDING REDUNDANCY PAYMENTS

If an employee, under notice of redundancy, receives an offer of work outside the local government service, they can either work their notice with the Council and receive their redundancy payment or, if they wish to start prior to the end of the notice period, resign from their post (counter notice). In this case they will forgo the remainder of their notice pay but will be entitled to their redundancy pay calculated to the date they leave their employment.

If an employee, under notice of redundancy, receives and accepts an offer of work within the local government service, as covered by the Redundancy Modification Order, before their employment with Burnley Borough Council ends they will **not** be entitled to a redundancy payment. Their continuity of service will not be broken if they commence their new job before the 5th Monday following the date of termination of employment.

If an employee is made redundant and after their termination date obtains employment with another local authority they are entitled to retain any monies paid to them by their former employer in respect of notice and redundancy payments but cannot commence their new job until 4 weeks after the termination date.

If the Council is aware that an employee under threat of redundancy has received an offer of employment with another local authority prior to their finishing date, then no redundancy payments will be made.

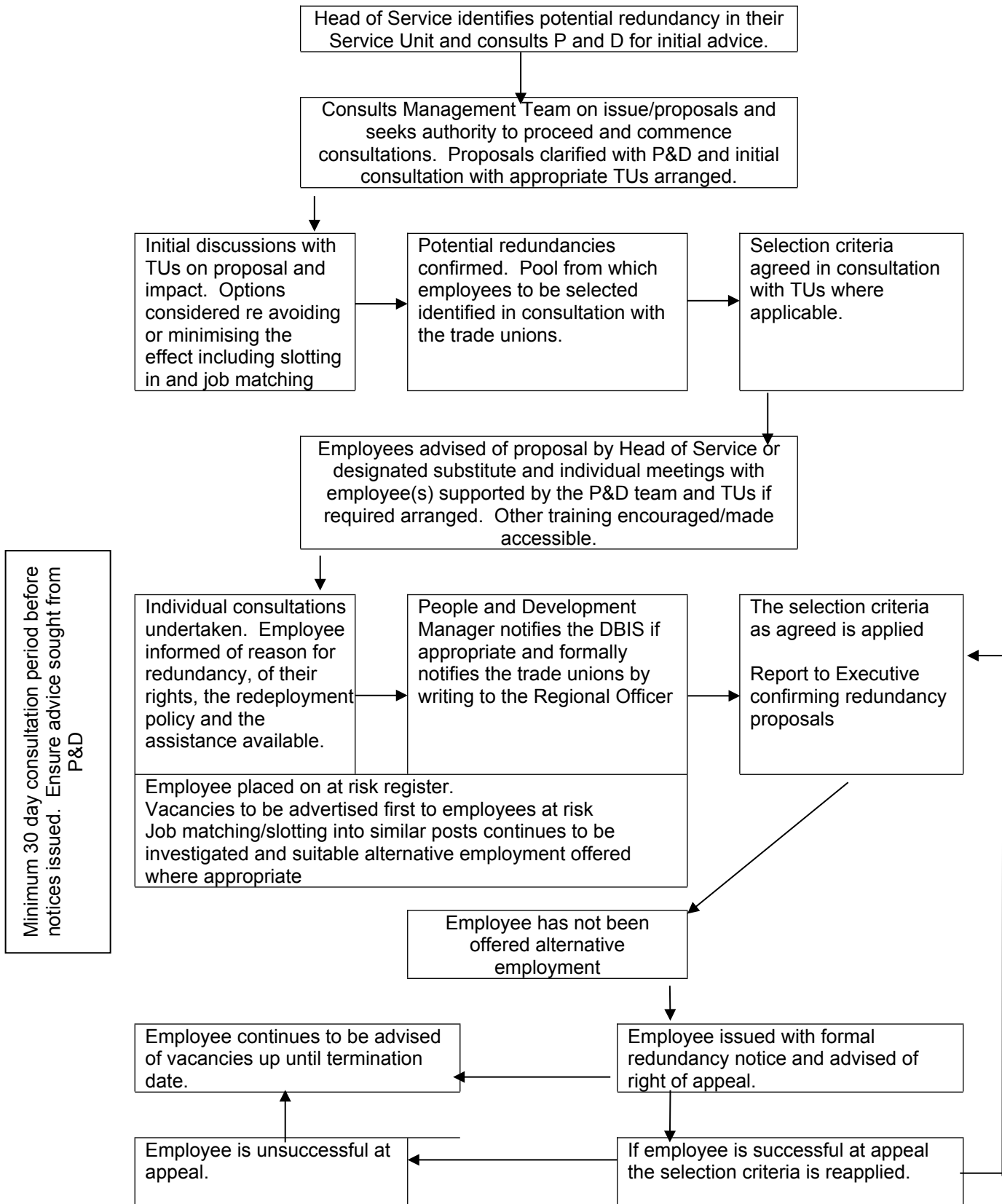
14. PAID LEAVE OF ABSENCE

It will normally be expected that employees will work through their redundancy notice period in order to continue to receive help and support from or arranged by People and Development. In some circumstances, for example where work has ceased or significantly diminished, an employee may request to have paid leave of absence for some or all of their notice period. Such requests will be considered by the Head of People & Development and must be supported by the relevant head of service. Any agreement to such requests must usually be for the mutual benefit of the Council and the employee.

15. GARDEN LEAVE

Garden Leave is the term used to describe a situation where an employee is required by their employer to remain away from work during the whole or part of the contractual notice period. Under the terms of this redundancy policy, as agreed with the trade unions, the Council may require employees to remain away from work during the whole or part of their redundancy notice period. This action will be taken in circumstances where the Council considers it needs to manage a significant risk or protect its interests. Such decisions will be made by the Head of People and Development in consultation with the relevant head of service and trade union representative.

REDUNDANCY PROCEDURE QUICK GUIDE



NORMAL REDUNDANCY SELECTION MODEL

Part 1	Personal Details	Scored out of 200 points overall Measured from (12 mths back from start of consultation)			
Full Name					
Directorate					
Service Unit					
Post No					
Job Title:					
Date of appointment to current job role					
Burnley Council service date					
Continuous service date					
Part 2 Knowledge Skills and Competence (60% 120 points)	High standard	Good standard	Satisfactory all essentials	Satisfactory most of essentials	
Heads of Service to confirm with P&D their proposed selection criteria before it is applied					
See separate guidance application of redundancy selection criteria					
Part 3 Disciplinary Record over last 2 years (10% - 20 points)	Issued on	Part 4 Absence Record over last 2 years (20% - 40 points)			Nos.
Verbal Warning		No of working days lost			
Written Warning		No of individual periods of absence			
Final Written Warning		Absence factor score			
Period from:		Period from:			
Period to:		Period to:			
Part 5 Length of Service (10% - 20 points) Length of service in current role or job roles very similar in nature with different title and grade					
Part 6 – Scoring	Records attached ✓	Banding (if applicable)	Score	Total (Out of 200)	
Example Job criteria 120 pts Met to a high standard all E & D criteria (120) Met to a good standard all E and D criteria (100) Met all E criteria to a satisfactory standard and some of D (80) Met most or all of E criteria to a satisfactory standard (60)					
Discipline 20 pts 0 (20), VW (15), WW (10), FWW (0) (over 2 years)					
Absence factor score 40 pts 0 (40), up to 25 (35), up to 63 (30), up to 100 (20), up to 500 (15) up to 1000 (10) over 1000 (0) Calc over 2 years. (Pro rata for PT staff) (NB Absences relating to industrial injury, pregnancy or disability sickness should normally be excluded)					
Length of Service 20 pts 2 points for every year of service measured over 10 years over 10 years (20), over 9 years (18), over 8 years (16) etc.... over 1 year (2) up to 1 year (0)					
Total Score (Out of 200)					

BURNLEY BOROUGH COUNCIL**PROCEDURE FOR DEALING WITH REDUNDANCY APPEALS****1.0 Redundancy Appeals Panel**

- 1.1 The Council shall establish a panel for the purpose of hearing and determining any appeals, which may be made against decisions relating to redundancies submitted by employees under this procedure. The Appeals Panel shall consist of 3 members of the Executive. Panels may be held in the evening if this helps to avoid delays and where possible an additional member identified as a substitute panel member.
- 1.2 At the appeal the Head of People and Development/Strategic Hr Consultant and/or the Head of Governance, Law, Regulation and Property/Senior Solicitor may be present throughout in an advisory capacity.
- 1.3 Redundancy appeals involving the Chief Executive, 151 Officer and Monitoring Officer will be considered by Council after the redundancy dismissal proposal has been considered by a Panel of at least two Independent Persons appointed under s.28(7) of the Localism Act 2011.
- 1.4 A member of the Appeals Panel shall not sit on any appeal that is to consider a decision on which he/she has had prior involvement.
- 1.5 Prior involvement means having a direct involvement in the selection of the employees to be made redundant including the agreement of the selection criteria (in consultation with the trade unions), the application of that criteria and the resulting decision on which employee/s the redundancy will fall. Prior involvement does not mean having an involvement in identifying savings targets and decisions on which services will be reduced or no longer supported. It will also usually be the case that the Executive Member of the service area from where the appeal originates will not take part in the appeal process. However, this will not be allowed to unreasonably delay an appeal being heard where other panel members are not available. Similarly, any other Officer with prior involvement in the redundancy selection process shall have no role in advising the Appeals Panel.

2.0 Appeals Procedure

- 2.1 All employees have the right to appeal to the Council's Redundancy Appeals Panel against dismissal for redundancy reasons. The grounds for appeal will concern the application of procedures, consultation and the fairness of selection. The decision of the Council to declare redundancies will not be grounds for appeal.
- 2.2 If the employee decides to appeal against their redundancy he/she must do so in writing, stating the grounds and enclosing relevant documents, within 10 working days of receiving formal confirmation that their post is to be made redundant. This may be in advance of the issue of the formal redundancy notice where the proposed numbers of redundancies

within a defined period are high. Notice of appeal must be sent to the Head of People and Development.

- 2.3 The Appeals Panel shall hear the appeal not later than 20 working days after the receipt of the notice of appeal from the employee, unless a later date for the hearing is mutually agreed. The employee shall be given at least five working days' notice of the hearing, in writing, stating the date, time and location.
- 2.4 The employee shall be in attendance at the hearing when the appeal is being heard and he/she may be represented by a friend or Trade Union representative, or legal adviser. If any party fails to attend, the Appeals Panel may, dependent on the circumstances, dismiss the Appeal, consider it in their absence or defer the hearing to an alternative date. Where either party intends to produce documentary evidence or call witnesses at the Appeal, details should be given to the other party in advance of the hearing.
- 2.5 The Appeals Panel shall have the right to allow the appeal or to confirm or alter the decision against which the appeal is made. The procedure to be followed at the hearing shall be as follows:

(Reference to the "Employee" should be taken to mean the employee and/or his/her representative(s) and reference to the Head of Service should be taken to mean the head of service or other appropriate senior officer).

- (a) The Head of service to put the case in the presence of the employee and may call witnesses;
- (b) The employee to have the opportunity to ask questions of the Head of Service and/or the witnesses called, on the evidence given.
- (c) The Appeals Panel to have the opportunity to ask questions of the Head of Service and witnesses.
- (d) The Head of Service to have the opportunity to re-examine his/her witnesses.

Note: Where possible witnesses should be questioned in turn by the parties and the Panel and should withdraw on completion of the questioning unless specifically requested to remain.

- (e) The employee to put his/her case in the presence of the Head of Service and to call such witnesses he/she wishes.
- (f) The Head of Service to have the opportunity to ask questions of the employee and his/her witnesses.
- (g) The Appeals Panel to have the opportunity to ask questions of the employee and his/her witnesses.
- (h) The employee to have the opportunity to re-examine his/her witnesses (See also the note at (d) above).
- (i) The Head of Service may sum up his/her case.
- (j) The employee may sum up his/her case.

- (k) The Head of Service, the employee and all witnesses will withdraw whilst the Appeals Panel considers the case in private (the Panel's adviser(s) will remain).
 - (l) The Panel may recall either party, with the other party in attendance, to clear points of uncertainty on information already given then both parties will withdraw. The Panel may at its discretion recall witnesses, further witnesses, or adjourn the hearing in order that further information may be produced by either party.
 - (m) When the Appeals Panel has reached a decision the parties will return and the Panel will announce the decision, which will be confirmed in writing within seven working days.
 - (n) In delivering its decision the Appeal Panel shall address each of the selection criteria used and advise whether they are satisfied that each has been applied fairly and consistently using all facts reasonably at the Head of Service's disposal.
- 2.6 In circumstances where the Appeals Panel upholds the employee's appeal, for example on the grounds of the incorrect application of procedures, a lack of consultation or flaws or apparent unfairness in the application of selection criteria, the matter will be referred back to the service unit who will make arrangements for a Senior Officer, who has not been involved in the process so far, to undertake a review. If the review results in no change to the employee affected then the original redundancy notice will continue to apply and there will be no further right of appeal. If the review results in a different employee being selected for redundancy agreement will be sought from the original employee to withdraw the redundancy notice with support as required from the trade unions.

3.0 **Further Rights of Appeal**

An employee who has completed two years' of continuous service with the Council on the effective date of his/her termination of employment may complain of unfair dismissal to an Employment Tribunal and he/she should consult with his/her trade union or other adviser on that possibility at the earliest opportunity. An application to an Employment Tribunal may be made as soon as the Council has given notice of dismissal and should be received by the Tribunal within a period of three months beginning with the effective date of termination.

Redundancy Appeals/Executive/Oct 2004/VW

Revised 19 September 2007 HAB

Revised November 2009 and June 2010, September 2011, September 2014

Further revised June 2016

Further revised February 2017

BURNLEY BOROUGH COUNCIL**REDEPLOYMENT POLICY****1. Introduction**

Burnley Council is committed to making every endeavour to mitigate the effect of potential and confirmed redundancies by promoting the redeployment of affected employees to suitable available vacancies wherever possible. We are also committed to the retention and redeployment of employees who can no longer carry out the duties of their job as a result of disability, injury or ill-health.

2. Scope and Purpose of the Policy

The Council has a statutory duty to consider the availability of alternative employment when an employee's current job is at risk of redundancy. The purpose of this policy is to provide the mechanism by which employees in a redundancy situation may be given every opportunity to obtain suitable alternative employment.

The policy will apply to all employees of the Council unless the reason for not doing so can be objectively justified, for example the termination of short term fixed or temporary contracts

The Council's policy on Retention and Redeployment on the grounds of Disability, Injury or Ill-Health is detailed separately at Appendix 3. Employees at risk due to redundancy or capability will be given equal access to redeployment opportunities but disabled employees must not be placed at a substantial disadvantage in comparison with non-disabled people.

3. Alternative Employment**Employees at Risk (Refer to Redundancy Policy)**

Where a potential redundancy situation is anticipated Management Team will authorise the commencement of meaningful consultations in order to identify reasonable steps to avoid or minimise redundancies. The Head of People and Development must be notified at this stage.

Subject to confirmation, arrangements will then be made for the individual identified as "at risk" to be interviewed by the head of service and a personnel officer. The employee may wish to have their trade union representative or work colleague present. The necessity for the redundancy will be fully explained and discussed with the employee.

It is essential that heads of service adopt a proactive approach to supporting employees at risk. This will include encouragement to apply for any potentially suitable job, including temporary job roles and providing early access to refresher or additional training. The employee may also be asked to complete a job application form to be used in any job matching exercise.

Arrangements will be made by the Head of People and Development for the employee to attend job search skills training or otherwise receive advice and counselling as a means of assistance in obtaining alternative employment.

Heads of service must ensure that meetings are held on a regular basis, so that necessary support towards redeployment is made available. A trade union representative or work colleague may accompany the employee at these meetings. It is particularly important to ensure that these meetings take place with an employee at risk of redundancy so that the possibilities of redeployment can be fully explored before termination of employment takes place.

People and Development will ensure that all vacancies are circulated to those employees identified for redeployment.

The employee must be given serious consideration for any suitable vacancy arising before any other internal and external candidates are considered. The test of suitability will be whether the employee could perform the duties of the vacant job given a reasonable amount of training or on the job instruction.

The procedure for dealing with the recruitment and selection process is set out in the next section.

4. Recruitment And Selection Procedure

Slotting in process (pre-advertising)

Consideration may be given to “slotting in” an employee directly into a vacant post if the following conditions apply. This approach can be applied prior to and after the issue of redundancy notices

- a) The vacant job is on the same grade or a maximum of one grade lower, when pay protection would be applied.
- b) The work is broadly similar to that in the employee’s current job role.
(**N B:** reference should be made to the job description and person specification for the old and new job to assess whether this would be similar).
- c) There is only one employee suitable for each vacant post and no competitive selection is necessary.
- d) The ‘at risk’ employee meets the essential requirements of the person specification for the vacant job, or if there is a small training gap, this could be met within a short period, e.g. the acquisition of basic keyboard skills or technical updating by a short course.
- e) There is agreement between the employee, the head of service, the trade union and the Head of People and Development.
- f) Where agreement is not possible, the post will be advertised in line with the procedure detailed below.
- g) The application of the policy results in a logical reasonable outcome.

Job Matching (pre- advertising)

Job matching is a process of identifying job roles in the organisation that have similar skill requirements which employees who are at risk, could reasonably undertake with additional training. This approach can be applied prior to and after the issue of redundancy notices.

- A completed application form will be forwarded to the People & Development who will try to match the employee against any existing vacancies. Even if the employee does not meet all the essential requirements, then an interview may still take place if it is considered the requirements can be met within twelve months.
- The matching process will only consider vacancies at the same grade or no more than one grade higher or lower than the grade of the employee's job.
- The service unit and a representative from People and Development will interview the employee/s. The suitability of the employee will be assessed in the normal way and, if necessary, a training plan will be prepared to ensure that any training gap is filled as soon as possible.
- If successful the employee will be offered the position under a variation to their contract or as suitable alternative employment.
- The Council's normal policy on pay protection will apply.

Advertising of Vacancies

When a redundancy situation has been declared, or is anticipated, the policy on advertising vacancies internally and externally concurrently will be suspended and the following process of advertising will be followed:

Stage 1 Employees at Risk

Vacancies are to be advertised first to employees who have received notice of redundancy or who have been identified as the subject of consultation with the trade union and to employees seeking redeployment under the policy for Retention and Redeployment Policy on the grounds of Disability, Injury or Ill-Health.

This is to allow them the first opportunity to apply for the vacancy and is termed as "ring fencing".

This will only apply providing that the post advertised is of the same grade, or no more than one grade above the grade of the employee (s) at risk. If this condition is not satisfied, then the process moves to stage 2. Ring-fencing of vacancies does not apply to temporary or fixed term employees who will not have completed at least twelve months service at the date of redundancy.

NB Where employees apply for posts more than one grade below their existing job role, pay protection will be limited to no more than 4 incremental points above the maximum of the lower graded job

Stage 2 Internal Advert

If there are no suitable applicants from the employees at risk or if the post is more than one grade higher than those of the employees at risk, consideration will be given to advertising the post internally if this is likely to release a vacancy lower down the grading structure which could then be slotted/job matched or advertised internally to those at risk. The decision will be made based on the job description and person specification and be confirmed by Management Team. Comments from the trade unions will be taken into consideration. In any event if the vacant post is graded 11 or above, the vacancy will normally move to stage 3 and be advertised internally and externally concurrently.

Stage 3 External Advert

Where it is not or has not been possible to fill the vacancy internally due to criteria or decisions as detailed at stage 2, or requirement for specialist qualification/experience, the job will be advertised internally and externally concurrently.

Shortlisting

The Council's recruitment and selection procedure for shortlisting should be followed. An employee at risk should be shortlisted where he/she meets the essential criteria as detailed in the person specification of the advertised post. If there is any doubt advice must be sought from People and Development.

Interviewing

Interviews must be held in accordance with the Council's recruitment and selection procedures and interviewers must be clear about the person specification for the job and the extent to which the employee either meets or does not meet it.

Comprehensive records of interviews must be kept so that decisions made can be justified if necessary. Each interviewer should complete an interview record sheet and a consensus decision should also be recorded.

In a redeployment situation People and Development should always be consulted and a personnel officer will normally be included in the panel for any interviews which take place.

5. Offer of Alternative Employment

An offer of alternative employment must be made in writing before employment under the previous contract ends. Employment in the new job must start immediately the notice expires or after an interval of not more than four weeks. Advice on the wording of the offer letter must be sought from People and Development.

If appropriate, the employee may be seconded to the new job before a period of notice in the old job has expired in order to gain more experience of the new situation. This will not, however, form the part of the trial period.

6. Trial Period

An employee who is under notice of redundancy has a statutory right to a trial period of four weeks in an alternative job where the provisions of the new contract differ from the original contract. The trial period will commence on appointment to the new job, normally immediately after the previous contract has ended. The purpose of the trial period is to give the employee the chance to decide whether the new job is suitable without necessarily losing the right to redundancy payment. The Council will also use the trial period to assess the employee's suitability.

A trial period longer than four weeks can be agreed for retraining purposes. This agreement should be in writing, specifying the date on which the trial period ends and setting out the employee's terms and conditions after it ends. If the employee works beyond the end of the four week trial period, or the jointly agreed extended trial period, any redundancy entitlement will be lost because the employee will be deemed to have accepted the new employment.

If the new employment proves to be unsatisfactory during the trial period and is terminated, then the original redundancy will take effect. If the trial period is satisfactorily completed, the original dismissal on the grounds of redundancy is held not to have taken place and continuity of employment is unbroken.

Trial periods can obviously be a stressful time for employees who will need understanding and encouragement. The progress of the employee throughout the trial period should be closely monitored by way of mutual reviews with the head of service or designated substitute at weekly intervals, with support and counselling offered where appropriate. A decision to terminate employment at the end of the trial period for unsuitability should be taken only after careful, detailed consideration and discussion with People and Development.

7. Remuneration And Conditions Of Employment

The Council currently operates a policy, which protects an individual's pay where he/she is redeployed to a lower graded post, as a result of redundancy.

Where an employee is redeployed to a lower graded post and protection is applied, he/she can be expected to carry out duties commensurate with the level of protection as and when required.

In view of the protection he/she would also be expected to apply for suitable vacancies more appropriate to the protected salary as and when they become vacant.

The current agreement on pay protection is set out in Appendix 4

Redeployment Policy February 2017

Updated September 2014 and February 2017

February 2017

Retention and Redeployment Policy

Disability, Injury or Ill-Health

1. Scope

This policy provides guidelines on the retention and redeployment of employees who can no longer carry out the duties of their job as a result of disability, injury or ill-health.

The Council intends, wherever possible, to retain such employees in their own post, to offer them comparable employment or to redeploy them into a more suitable post of equal status. This post will be no more than one grade above the employee's current post.

2. Legal Requirement

The Equalities Act 2010, places an obligation on the Council to take reasonable steps to ensure that disabled people are not placed at a substantial disadvantage in comparison with non-disabled people. Examples of the types of reasonable adjustments employers are expected to consider are detailed below.

3. Retention of Employees in their Current Post

We will make every effort to retain an employee in his/her current post or where this is not possible, to redeploy him/her into an appropriate post of equal status, preferably within the same service unit.

In the event of an employee becoming unable to perform all or part of the duties of his/her current post, retirement on the grounds of ill-health will only be considered as a last resort and will be subject to the agreement of the Council's Occupational Health Consultant.

Where it becomes apparent that an employee is no longer able to fulfil all or part of the duties of their current post, for reasons of disability, ill-health or injury, their manager should meet with them to discuss the situation. It is essential that the issue be handled sensitively and confidentially. Consultation should take place, at every stage, with the employee concerned together with a chosen representative (e.g. trade union representative, or work colleague). In appropriate circumstances a close family member may be permitted to attend to support the employee.

In accordance with the Equality Act, managers should consider making the following reasonable adjustments to enable the employee to continue in employment. However, this is not an exhaustive list and other alternatives should also be considered where appropriate.

For guidance on managing the attendance of employees with disabilities, please refer to the Managing Attendance Policy and Guidelines and the Tailored Adjustment Agreement in the personnel manual.

Reasonable Adjustments:

- making adjustments to premises i.e. where cost is not an unreasonable factor;
- allocating some of the disabled employee's duties to another person*;
- agreeing a change to the employee's working hours;
- assigning the employee to a different place of work;
- allowing the employee to be absent during working hours for rehabilitation, assessment or treatment (see Disability Leave below);
- additional training;
- acquiring or modifying equipment;
- modifying instructions or reference manuals;
- modifying procedures for testing or assessment;
- providing a reader or interpreter;
- providing additional supervision;
- transferring the employee to fill an existing vacancy (see Redeployment Section below).

*In cases where other employees will be affected, e.g. if duties are to be reallocated, it is important to consult all affected employees and their representatives.

The Council has a number of schemes, including V-time, flexitime, job share, part-time working and homeworking, which should be considered in assisting an employee to continue in employment.

In some cases it may be appropriate to involve advisers from the Department of Work and Pensions (DWP) in undertaking assessments to determine appropriate, reasonable adjustments in addition to Occupational Health. The advisers can often assist in funding adjustments under the Access to Work Scheme.

<https://www.gov.uk/government/publications/access-to-work-guide-for-employers>

People and Development (P&D) is available for advice and support on all issues related to retention and redeployment.

4. Redeployment

Recruitment and selection will be managed as detailed in the Redeployment Policy. Employees will be considered for redeployment alongside those who are at risk of redundancy taking into account any reasonable adjustments that may be required.

At all stages in the redeployment procedure the employee concerned, together with his/her representative must be consulted. Discussions of this nature must be handled in a sensitive and confidential manner.

Once all parties are agreed that a return to the employee's current post is not appropriate then, wherever possible, the employing service unit is responsible for finding a suitable alternative post within their own unit.

Redeployees should be considered for all appropriate vacancies arising within the unit before they are generally advertised using the slotting in or job matching process. They should not necessarily be expected to meet all the essential criteria on the person specification. The recruiting panel should instead consider whether or not the individual

has the potential to undertake the duties of the post with the necessary training and support and within an agreed timescale. If necessary, reasonable adjustments to the duties and associated essential criteria should also be considered at the interview stage in order to comply with the Equality Act.

If it is not possible to redeploy an employee within the employing service unit the head of service should contact P & D for assistance in redeploying the employee into another service unit. P & D must be satisfied that the employing service unit cannot find anything suitable.

In accordance with the provisions of the Equality Act a reasonable adjustment to consider would involve transferring an employee to a more suitable post under the slotting/job matching process including any necessary reasonable adjustments. Advice should be sought at this stage, to arrange for a referral to Occupational Health and to seek guidance from a disability adviser from the Department of Work and Pensions.

Redeployees will be considered first for suitable, alternative posts before they are generally advertised, alongside employees at risk of redundancy, using the agreed procedures in under Section 4 of the Redeployment Policy. They should not necessarily be expected to fulfil all the requirements of the person specification immediately. Reasonable adjustments to the duties and associated essential criteria will also be considered where necessary.

If an employee is redeployed to a post at a lower grade the Pay Protection Policy will be applied.

Once it has been agreed that redeployment is the best option for the employee, People and Development will continue to try and find a suitable vacancy for a period of up to 12 weeks after the employee has been declared fit to return to work. This period may be extended dependent on the circumstances and in agreement with the Chief Operating Officer.

5. Redeployment Opportunity Not Identified

If a suitable vacancy does not arise within the agreed period the employee will be referred to the Occupational Health Unit to be considered for retirement on the grounds of ill health.

If the Occupational Health Consultant is unable to certify entitlement to early release of superannuation benefits on the grounds of ill-health, or if a suitable job offer is unreasonably refused, or if no suitable, alternative employment is available, it will be necessary to review the continued employment on the grounds of capability. This will be dealt with in accordance with the Capability Section of the Council's Disciplinary Procedure (see Managing Attendance Policy).

6. Register of Reasonable Adjustments

All reasonable adjustments that relate to an employee must be reported to People and Development to be recorded on the employee's personal record. This will assist the Council to demonstrate, if challenged, the extent to which it has made reasonable adjustments. It will also help to monitor the cost of making such adjustments.

The employee and manager will complete a Tailored Adjustment Agreement that will provide a living record of reasonable adjustments agreed between the disabled employee and his/her line manager.

7. Monitoring

Statistics relating to reasonable adjustments will be incorporated into People and Development's reporting and information processes.

8. Complaints

If an employee feels that he/she has been unfairly treated at any stage of this procedure, the Council's Grievance Procedure may be invoked.

9. Disability Leave Scheme (DLS)

The Disability Leave Scheme provides newly disabled employees or a disabled employee whose condition has significantly deteriorated with a period of time off work to adjust to the change in personal and professional circumstances. During the leave the employee is able to assess their disability or condition and how it affects their job role, bridging the gap between sickness and a return to work. It will cover the period between the end of sick leave, when the employee is judged as fit to return to work, and the employee's actual return.

The DLS provisions cover all existing employees, full-time and part time. There is no qualifying period although each case will be considered on its own merits.

The DLS is not intended to burden services but is about ensuring good practice in the workplace, creating an environment where employees are willing to discuss their disability and where disabled employees and their managers can proactively assess how the employee can remain in work.

Its purpose is to enable the employee to participate in an assessment of the changes required in their job or work environment, and/or to become familiar with new techniques and processes. It can also allow time for:

- providing time to adjust to the change in personal and professional circumstances,
- reassessing current job role, adjustments or alternative opportunities;
- adaptations to the work environment;
- equipment to be put in place and/or assessment of how it can be funded;
- undertaking a programme of rehabilitation and training on the job or residential centre;
- discussions with specialist Disability Employment Advisers or Occupational Health to plan the way forward;
- assessing/clarifying if the employee will be able to return to his/her previous employment or be redeployed to another post or if an application for ill health retirement should be pursued.

The Managing Attendance Policy already allows for a period of up to 4 weeks therapeutic return. In addition employees may also have an accumulated balance of annual leave, some of which could be used to extend the therapeutic process. The DLS can be applied where significant changes/additional assessments are required for reasons as detailed

above. In practice some of the above assessments may also take place whilst the employee is still on sick leave.

If, following a careful process of formal and informal consultation and the DLS is considered appropriate, the Chief Operating Officer, Head of Service and Head of People and Development can allow up to 4 weeks additional leave to assist in the adjustment process. The leave will be paid at the usual salary and noted on the employee's personal and leave records.

During the leave, arrangements should be made for an employment assessment to be carried out by a competent organisation before any decision is made about the employee's future e.g. Disability Employment Adviser and Occupational Health Consultant in consultation with People and Development. This assessment is intended to clarify/quantify/put in place the rehabilitation required, the time this will take, the equipment/adaptations required and how this can be funded.

It is important that assessments and resulting action plans, necessary training and medical advice are closely monitored and co-ordinated to make best use of the additional leave. This will be the responsibility of People and Development.

People and Development will make a record of:

- the employee details and the nature of their disability;
- the assessments undertaken;
- the detail and cost of equipment required and provided;
- the detail and cost of any rehabilitation/training;
- period of DL;
- cost of any temporary cover;
- other quantifiable costs;
- quantifiable savings – e.g. decreased retirement costs, savings on recruitment or induction training of new staff.

Retention and Redeployment Policy February 2017
Last reviewed May 2014/HAB

BURNLEY BOROUGH COUNCIL

Pay Protection Policy

The Council's policy on pay protection, applicable to employees on National Joint Council (NJC) terms and conditions is as follows:

1. Protection will be limited to no more than 4 incremental points above the maximum of the lower graded job.
2. The employee will accept additional duties and responsibilities beyond the scope of the lower graded job description up to the value of the protection.
3. The employee will continue to seek employment within the Authority at a higher grade when this becomes available so the cost of protection is reduced. The original limits on protection will still be applicable.
4. When assessing protection limits for an employee in receipt additional payments, the figure for comparison will include other payments and will be made to the nearest equivalent spinal column point.
5. Protection will be on the following basis
 - Year 1 – 100% cash protection*
 - Year 2 – 66% protection.
 - Year 3 – 33% protection
 - Year 4 and beyond – no protection.

*Cash protection means that pay is frozen at the time of redeployment with no further increments or annual pay rises being paid. The percentages referred to are of the difference between the pay in the old and new job.

6. **Conditions of Protection**

Subject to the overall protection limit detailed in para 1 above

- a) Protection will apply to contractual overtime and the following locally agreed additional pay enhancements encompassing
 - Shift allowance
 - Irregular hours payment
 - Weekend enhancements

[To qualify for this protection the employee must have been in receipt of the additional payment for 12 months or more. This protection would only apply in redeployment situations.]

- b) Protection will not be applied to standby/call out payments or irregular overtime.

Personnel Committee 19.1.99/Amended 2004/JB
 Last reviewed (no changes) July 2011
 Next review November 2017

Burnley Borough Council

Statement of Pensions Policy 2016

Introduction

1. This Statement outlines the Council's Policy with regard to the payment of pension benefits. The statement has been formulated following full consultation with the Trade Unions and reflects the Local Government Pension Scheme Regulations 2013 as amended and the discretions adopted by the Council.

Retirement

2. The Local Government Pension Scheme's normal pension age (NPA) is equal to the employee's individual State Pension Age (SPA). Employees can retire and receive their benefits without any reductions at this date. Further information on the SPA can be found at www.gov.uk/calculate-state-pension
3. Employees are able to retire at anytime from age 55 onwards without the Council's consent but their benefits may, dependent on age and service, be reduced to reflect the early payment. Further information on the reductions can be obtained from www.yourpensionservice.org.uk.
4. Employees are able to join and remain in the scheme up until 2 days before their 75th birthday. Benefits for employees who defer drawing benefits beyond their NPA will be actuarially increased to reflect the fact that they will be paid for less time.
5. With effect from 1st April 2014 pension benefits are calculated on a Career Average Re-valued Earnings (CARE) Scheme formula. A CARE pension works by taking a 1/49th of an employee's annual pensionable salary and then adds this into a pension pot. This pension pot then increases each year in line with CPI. Further information on the calculation of pension benefits pre and post 2014 can be found at www.lgps2014.org

Early Retirement with Redundancy (compulsory or voluntary)

6. Redundancy Payments will be calculated according to the Employment Rights Act 1996, but improvements to these are permitted. These improvements require that all continuous Local Government Service will be aggregated and also provide Local Authorities with the discretion to lift the limitation on the amount of "a week's pay" for redundancy payment calculation purposes from the normal statutory limit (£479 per week as at 6 April 2016) to the employee's actual weekly wage/salary. The Council has decided to use the discretion to base redundancy payments on the actual week's pay, if higher than the statutory limit.
7. Only completed years count for the purpose of calculating a redundancy payment.
8. Employees who are aged 55 or over at the date of redundancy (with two or more years membership of the Pension Scheme) are entitled to early payment of pension and lump sum under the Local Government Pension Scheme Regulations 2013.

Note: Voluntary Early Retirement with Redundancy can only be granted if there is a substantial saving to the Council in allowing the employee to leave. The saving from an early retirement must be sufficient to pay back the full capitalised cost over no longer that a 5 year period. The saving will usually involve the net loss of a post but the retirement must satisfy the statutory definition of redundancy.

Retirement in the Interests of Efficiency of the Service

9. The Council is able to retire an employee who is over 55 in the interests of efficiency of the service. The following factors will be used upon which to judge the merits of each case:
- a) The benefits in increased efficiency, for example, in service delivery or to facilitate changes to the organisation.
 - b) Any savings that will accrue.
 - c) Health grounds, where retirement on medical grounds or dismissal on capability grounds are not appropriate.
 - d) Compassionate grounds.

III-Health Retirement

10. The 2007 Regulations introduced a 3-tier system of ill-health retirement which will be applied dependant on the assessment of the Occupational Health practitioner as to the prospect of the employee obtaining gainful employment before their normal pension age (NPA) as follows:

Tier 1	No reasonable prospect of the employee obtaining gainful employment due to ill-health before NPA
Tier 2	Cannot obtain gainful employment within reasonable* period of leaving due to ill-health but likely to be able to do so before NPA
Tier 3	Can obtain gainful employment within reasonable* period of leaving

* Defined as 3 years

11. Ill health retirement benefits will be paid in conjunction with the Pension Regulations as follows:

Membership							
< 2 years	Refund or transfer out						
2 years and over	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Tier 1</td> <td>Immediate 100% enhanced</td> </tr> <tr> <td>Tier 2</td> <td>Immediate 25% enhanced</td> </tr> <tr> <td>Tier 3</td> <td>Immediate no enhancement</td> </tr> </table> <p>* The enhancements will be based on the period to the employees SPA (or age 65 if later)</p>	Tier 1	Immediate 100% enhanced	Tier 2	Immediate 25% enhanced	Tier 3	Immediate no enhancement
Tier 1	Immediate 100% enhanced						
Tier 2	Immediate 25% enhanced						
Tier 3	Immediate no enhancement						

12. Where a former employee is certified as Tier 3 they are required to inform the Council of any employment taken up, whether local government or not. Where gainful employment has not been found by 18 months following termination, the Council will refer the former employee to the Council's Medical Advisor for an opinion as to whether the former employee is capable of undertaking any gainful employment. Depending on their assessment the pension could either be suspended until their SPA or may be upgraded to tier 2.
13. The Council will not terminate employment on ill-health grounds without the recommendation of the Council's Medical Advisor. Further details can be obtained from the Council's Managing Attendance at Work Policy.
14. The formula for the calculation of benefits in ill-health retirement situations is the same as for retirement.

Auto Enrolment

15. Burnley Borough Council implemented the Government's Auto-Enrolment scheme from 1 June 2013. This means that all employees who meet the following criteria will be automatically enrolled into the Local Government Pension Scheme:
 - Earning over £10,000 per year
 - Aged 22 or over and are under State Pension Age and
 - Are not currently in a pension scheme
16. Employees that are auto-enrolled do have the opportunity to opt out. Further information on auto-enrolment into the LGPS can be found at:
<http://www.yourpensionservice.org.uk>

Flexible Retirement

17. The Local Government Pension Scheme allows scheme members aged over 55 to draw their retirement benefits even though they have not retired providing:
 - The employer consents and
 - There has been a reduction in hours or a reduction in grade equivalent to a minimum of 40%.
18. Where such a request is approved employees will receive payment of their pension (and lump sum if appropriate). Employees may also continue paying into the LGPS to build up further benefits. Further information is available in the Council's Flexible Retirement Scheme.

Contribution Rates

19. The Local Government Pension Scheme 2013 state that employee contribution rates are to be banded and assessed on actual pay as at the day of assessment.
20. Casual workers who are members of the scheme will be re-banded on a monthly basis using exact earnings x 12 to reach an annual pensionable pay figure on which to base individual employee contribution rates.

21. All Pensionable pay (including non-contractual overtime and pay protection) will be included in the calculation of employee contribution rates.
22. The Council has adopted the discretion that where there is a material change in pensionable pay the contribution rate will be re-determined.

Limitation of Payments

23. If a person who is in receipt of a pension under the Local Government Pension Scheme Regulations in respect of an ill-health retirement, is re-employed within the Service, he/she will be subject to pension abatement rules contained in the Local Government Pension Scheme Regulations 1997 and the Local Government (Early Termination of Employee) (Discretionary Compensation) (England and Wales) Regulations 2000. Where appropriate, the employee's pension will be adjusted to ensure that his/her combined income will not exceed the income that would apply had he/she remained in the former employment.

Discretions not adopted

24. For employees with membership prior to March 2014, under the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Council will not award a scheme member an additional period of membership at any time. This discretion has been removed from the 2014 scheme.
25. Under the Local Government Pension Scheme Regulations 2013, the Council will not award a scheme member an additional pension.
26. Under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 the Council will not operate an Injury Allowance Scheme.
27. Under the Local Government Pension Scheme Regulations 2013, the Council will not fund additional pension via a Shared Cost Additional Pension Contribution (SCAPC) contract, either by regular ongoing contribution or one-off lump sum.
Note: Where an employee has had a period of unpaid additional maternity, paternity or adoption leave or a period of authorised unpaid leave (including the purchase of additional leave) and makes an election to purchase the full amount of the lost pension within 30 days of their return to work, the Council will fund 2/3rds of the cost of the purchase. (In the case of buying additional leave the election should be made within 30 days of the purchase being approved)

(Transitional Provisions, Savings and Amendments) Regulations 2014, the Council will not apply the Rule of 85 protection to any scheme member who wishes to voluntarily draw benefits on or after 55 and before age 60.

Further information on the Rule of 85 can be found at:

<http://www.lgps2014.org/content/rule-85>

Transfer of Pensionable Service

29. New entrants to the Lancashire Scheme are advised that they have 12 months to request a transfer of previous service from another scheme. Individual applications by employees of Burnley Borough Council for transfers into the LGPS, that are beyond the first 12 months of active membership of the scheme, are referred to the

Head of People & Development to be dealt with under delegated powers. The Head of Finance will be consulted in the use of this delegation. The circumstances of each case will continue to be considered on an individual basis, but with reference to the following principles:

Generally applications will only be approved if:

- No previous option was given to the member due to an administrative error (e.g. service declared but the transfer quotation had never been requested).
- There has been an administrative delay in processing the initial request, which was received within the initial 12 months of active membership.
- There are exceptional circumstances that have prevented the employee from exercising their option within 12 months of active membership of the scheme.

Payment of Deferred Benefits

30. If you leave your employment as a result of redundancy or efficiency and you are aged 55 or over, you will receive immediate payment of any pension benefits relating to that employment. If you have previously chosen to combine an earlier deferred period of employment with the employment from which you are being made redundant, any pension you receive will be based on all your service. If, however, you have chosen to leave your benefits separate, any pension and lump sum you receive will relate only to service in the later employment. You will not normally be able to receive payment of any deferred benefits until your NPA. Further information on deferred benefits is available at www.yourpensionservice.org.uk

Early Release of Benefits for former employees on ill-health grounds

31. Preserved benefits are payable if the authority (as the former employer) is satisfied (based on the opinion of a medical officer suitably qualified in occupational health) that the individual is permanently incapable of discharging efficiently the duties of his/her former employment. In these cases there would be no ill-health enhancement and no reduction in benefits.
32. The LGPS (Miscellaneous) Regulations 2012 now allow a former employee who has had their Tier 3 benefits suspended to request early release of their suspended pension benefits on ill-health grounds after age 55 and before age 60 but only if they are “permanently incapable of undertaking any gainful employment”. The ill-health condition can be a new condition or the same one which has deteriorated. The assessment will be made by the Council’s Medical Advisor. In these cases any reduction in benefits could be waived at the Council’s discretion. This decision will be taken by the Executive Member for Resources and Performance Management and Head of People and Development based on the individual circumstances.

Policy for Release of Benefits on Compassionate Grounds

33. Preserved benefits (other than for ill health cases) would only be released if an ex-employee's personal circumstances are such that the Authority agrees that he/she is prevented from working by the need to provide full-time care for a husband/wife/partner/son/daughter who is suffering from a terminal or chronic illness and this results in financial hardship for the family.

The decision to release preserved benefits on compassionate grounds will be taken by the Head of People & Development in consultation with the Head of Finance and Executive Member for Resources and Performance Management.

In these circumstances any reduction in benefits could be waived at the Council's discretion. This decision will be taken by the Head of People & Development in consultation with the Head of Finance and Executive Member for Resources and Performance Management.

Pension Tax Relief

34. With effect from April 2014 the annual allowance for tax relief purposes is £40,000. This means that employees who receive a significant pay increase may need to pay tax on any contributions in excess of the annual allowance. This is only likely to affect higher earners but the Council recommends that employees who think they may exceed the annual allowance seek specialist advice from an independent financial advisor. Further information on the calculation of annual allowances can be found at www.yourpensionservice.org.uk

Further Information

35. Further information on the payment of pension benefits outlined in this statement can be obtained from the People and Development Unit (ext 7124).
36. Your Pensions Service administer the Local Government Pension Scheme on behalf of Burnley Borough Council and can be contacted on 0300 123 6717 (helpdesk) or by email AskPensions@localpensionspartnership.org.uk or via the website www.yourpensionservice.org.uk

February 2017