

Public Document Pack

Date of meeting Monday, 30th November, 2015
Time 7.00 pm
Venue Committee Room 1, Civic Offices, Merrial Street,
Newcastle-under-Lyme, Staffordshire, ST5 2AG
Contact Julia Cleary

Staffing Committee

AGENDA

PART 1 – OPEN AGENDA

- 1 Apologies
- 2 **DECLARATIONS OF INTEREST**
To receive Declarations of Interest from Members on items contained within the agenda.
- 3 **MINUTES OF THE EMPLOYEES CONSULTATIVE COMMITTEE (Pages 3 - 4)**
To agree, as a correct record, the minutes of the meeting held on 27 October, 2015.
- 4 **Savings in Staff Allowances (Pages 5 - 10)**
- 5 **Local Government Pension Scheme (Pages 11 - 18)**
- 6 **Any Other Business**

Members: Councillors Beech, Cooper, Dymond (Chair), Frankish, Holland, Parker, Rout, Stringer, Wallace, Williams and Woolley

PLEASE NOTE: The Council Chamber and Committee Room 1 are fitted with a loop system. In addition, there is a volume button on the base of the microphones. A portable loop system is available for all other rooms. Should you require this service, please contact Member Services during the afternoon prior to the meeting.

Members of the Council: If you identify any personal training/development requirements from any of the items included in this agenda or through issues raised during the meeting, please bring them to the attention of the Democratic Services Officer at the close of the meeting.

Meeting Quorums :- 16+= 5 Members; 10-15=4 Members; 5-9=3 Members; 5 or less = 2 Members.

FIELD_TITLE

Officers will be in attendance prior to the meeting for informal discussions on agenda items.

This page is intentionally left blank

EMPLOYEES CONSULTATIVE COMMITTEE

Tuesday, 27th October, 2015

Present:- Councillor Elizabeth Shenton – in the Chair

Councillors Beech, Cooper, Huckfield and Proctor

1. DECLARATIONS OF INTEREST

There were no declarations of interest stated.

2. APOLOGIES

Apologies were received from Councillor Mrs Hambleton.

3. MINUTES OF A PREVIOUS MEETING

Resolved: That the minutes of the meeting held on 20 July, 2015 be agreed as a correct record.

4. CAR LEASE SCHEME - INSURANCE

Members felt that a meeting should be held with the Leader, the Chief Executive and Mr Paul Pickerill before this item was discussed further.

Resolved: That a meeting be arranged in respect of the above.

5. LOCAL GOVERNMENT PENSION SCHEME

The Council's Head of Human Resources informed Members of the need to update the Council's list of Discretionary Powers Policy Statements in respect of Regulations 60 and 66 of the Local Government Pension Scheme Regulations, 2008 and 2013.

Members enquired as to whether there would be any detriment to employees from the previous Policy which had been agreed. Members agreed that the Policy should be accepted on the basis that there was no detriment to its Members.

The Chair suggested that this item be discussed at the meeting which would be arranged to discuss the Car Leasing Scheme. This in turn would give the Trade Union's more time to consider the changes.

Resolved: (i) That the information be received.
(ii) That an update report be brought to the next meeting.

6. TIME OFF DEPENDANTS - POLICY AND PROCEDURE

The Council's Head of Human Resources updated Members on the implementation of The Time off for Dependents Policy and Procedure.

At the previous meeting, held on 20 July, 2015, it had been recommended to set up a review meeting to consider the Policy. This was yet to be done. It was therefore recommended again that this meeting be arranged.

- Resolved:**
- (i) That the information be received.
 - (ii) That a review meeting be arranged to consider the Policy.

7. SAVINGS IN STAFF ALLOWANCE PAYMENTS

Members were updated on the outcome of the recent review of reductions in staff allowance payments for the Council's 2015/16 budget.

The Trade Unions suggested that the penultimate sentence of the last paragraph should not have included the wording '*which is widely used by other Councils*' and requested that this be noted.

Resolved: That the information be received and the comment noted.

8. URGENT BUSINESS

There was no Urgent Business.

9. ATTENDANCE MANAGEMENT

The Council's Head of Human Resources updated the Committee on the progress regarding attendance management.

The Trade Unions suggested that it may be worthwhile to review any current outdated Policies including this one and the Chair agreed that the last review date of the Attendance Management Policy be sought prior to deciding on any further actions.

Resolved: That the information be received and the comments noted.

COUNCILLOR ELIZABETH SHENTON
Chair

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

ITEM FOR STAFFING COMMITTEE

30 November 2015

1. **SAVINGS IN STAFF ALLOWANCE PAYMENTS**

Submitted by: Chief Executive

Portfolio: Finance, IT and Customer

Purpose of the Report

To update the Committee on the outcome of the recent review of reductions in staff allowance payments for the Council's 2015/16 budget.

Recommendations

That the Committee notes the Collective Bargaining Agreement the Council has entered into with the Joint Trade Unions.

1. **Background**

- 1.1 Recent consultations have taken place with the trade unions and employees, with a view to reduce the cost of staff allowance payments to achieve a saving of £50,000 in 2015/16 budgets.

The scope of the review and subsequent discussions included the following:

- i. Evening Meeting Allowances
Currently employees who are required to attend evening meetings are able to claim a payment instead of time off in lieu. It has been agreed to remove the 'evening meeting allowance' and staff covered by NJC terms and conditions of employment will receive time off in lieu when attending evening meetings. Those staff covered by JNC terms and conditions of employment will continue to attend evening meetings as part of their normal duties and will not be entitled to time off in lieu.

Elected Members have agreed to consider starting evening meetings earlier than 7.00pm and will endeavour to conclude meetings by 8.00pm wherever practical. This will be monitored and reviewed in January 2016 and reported back to the Joint Trade Unions.

ii) Long Service Award

Part of the original proposal was to remove the Long Service Award Scheme altogether, however during the consultation period feedback from staff and the joint trade unions was received, requesting that if the long service payments were to end, then some form of recognition of service to the council should be made. A new banded scheme was considered and agreed (see below).

20 to 30 years NBC service	31 to 40 years NBC service	41 + years NBC service
£150.00	£300.00	£450.00

It has been agreed for the existing Long Service Award Scheme to cease as of the 1st October 2015 and employees in the scheme at that date shall receive the revised payments calculated from the start of their employment with Newcastle-under-Lyme Borough Council up to their retirement leaving date, calculated in years.

The council will meet the cost of any tax and National Insurance on any payment made.

iii) Car Mileage Rates

The current mileage rates below showed that the Council paid higher mileage rates than other comparator council:

		451-999 cc	1000-1199 cc	>1200cc
Per mile for first 8,500 miles	Inside Borough	46.9p	52.2p	65.0p
	Outside Borough	31.3p	34.8p	43.3p
Per mile after 8,500 miles	Inside Borough	13.7p	14.4p	16.4p

The original proposal was to reduce the business mileage rates from 65p across the table to the HMRC mileage rate of 45p, which is widely used by other councils. However, following consultation with the Joint Trade Unions the following mileage rates have been agreed:

		451-999 cc	1000-1199 cc	> 1200 cc
Per mile for first 10,000 miles	Inside Borough	51p	53p	55p
	Outside Borough	31.3p	34.8p	43.3p
Per mile after 10,000 miles	Inside Borough	13.7p	14.4p	16.4p

- 1.2 In relation to (i), (ii) and (iii), the trade unions conducted a ballot, recommending acceptance and the majority of their members voted in favour. A Collective Agreement has been signed, agreeing to the proposed changes, effective from 1 October 2015 (Appendix A). This will deliver an estimated saving in 2015/16 of £15,800 and 2016/17 onwards an estimated saving of £30,800.
- 1.3 During the consultation process the Joint Trade Unions put forward an additional saving of approximately £800 to remove the Employee Recognition Scheme. This was agreed and forms part of the savings, effective from 1 October 2015.

2. Issues

None

3. Legal and Statutory Implications

- 3.1 Contracts of Employment and National Agreements are legally binding agreements. However, they can be lawfully varied by mutual agreement of the parties by way of collective bargaining which are provided for at this Council. The Council may delegate the discharge of its functions to officers.

4. Equality Impact Assessment

- 4.1 No significant differential impact has been identified in relation to the revised proposal.

5. Financial and Resource Implications

- 5.1 The full year (2016/17 onwards) will not achieve the targeted £50,000 saving.
- 5.2 There will be a shortfall of approximately £34,200 in respect of the estimated savings for 2015/16.

This page is intentionally left blank

Collective Agreement

This collective agreement is entered into by the Borough Council of Newcastle-under-Lyme, Unison, GMB and GMB/Apex (hereinafter referred to as "the Parties") on 29 September 2015. The Proposals will come in to effect on 1st October 2015.

Under the terms of this collective agreement, the Parties accept the proposal below.

The Parties agree that the Proposals constitute a collective agreement between them in accordance with local collective bargaining arrangements and local and national terms and conditions of employment. It is intended by the parties hereto to be a legally binding contract.

The savings which are achieved through the measures set out below form part of a package of cost reductions to enable the Council to partially achieve savings from staff related costs set out in its budget 2015/16.

1. Evening Meeting Allowances

- 1.1 Staff covered by the NJC terms and conditions will receive time off in lieu when attending evening meetings, with the removal of the 'evening meeting allowance'. It is proposed that staff on JNC terms and conditions will continue to attend evening meetings as part of their normal duties and will not be entitled to time off in lieu.
- 1.2 The Elected Members will consider starting evening meetings earlier than 7.00pm and will endeavour to conclude meetings by 8.00pm wherever practical. It has been agreed with the Joint Trade Unions that this should be monitored and reviewed in January 2016.

The current arrangements for paying either subsistence allowance or mileage allowance in relation to attending Evening Meetings will remain the same.

2. Long Service Award

- 2.1 The existing Long Service Award Scheme shall cease as from the 1st October 2015. Employees in the scheme at that date shall receive the revised payments calculated from the start of their employment with Newcastle-under-Lyme Borough Council up to their retirement leaving date, calculated in years as shown in the table below.

The council will meet the cost of any tax and National Insurance on any payment made.

20 to 30 years NBC service	31 to 40 years NBC service	41 + years NBC service
£150.00	£300.00	£450.00

3. Car mileage rates

3.1 The car mileage rates for non-lease cars will change from 1 October 2015 to the following:

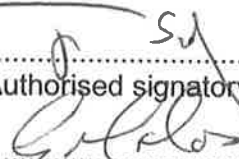
		451–999 cc	1000–1199 cc	> 1200 cc
Per mile for first 10,000 miles	Inside Borough	51p	53p	55p
	Outside Borough	31.3p	34.8p	43.3p
Per mile after 10,000 miles	Inside Borough	13.7p	14.4p	16.4p

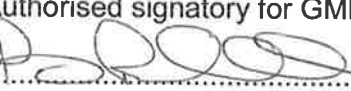
For clarification journeys to destinations within the boundary of Stoke-on-Trent should be classed as the 'inside the Borough' rate.

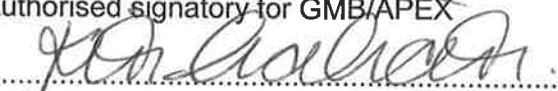
3.2 It has been agreed with the Joint Trade Unions that in December 2016 the mileage rates will be reviewed.


IN WITNESS this Agreement has been signed by the parties the 1st day of October 2015.

SIGNED:


.....
Authorised signatory for the Employer


.....
Authorised signatory for GMB


.....
Authorised signatory for GMB/APEX


.....
Authorised signatory for UNISON

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

ITEM FOR STAFFING COMMITTEE

30 November 2015

1. **LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 2014**
STATEMENT OF POLICIES CONCERNING EXERCISE OF DISCRETIONARY POWERS

Submitted by: Chief Executive

Portfolio: Finance, IT and Customer

Purpose of the Report

To obtain the Committee's approval for the new format and additional statements required under Regulations 60 and 66 of the Local Government Pension Scheme Regulations 2008 and 2013.

Recommendations

That the policy detailed at Appendix A be approved.

Background/Issues

- 1.1 The Local Government Pension Scheme Regulations contain a number of discretionary powers for employing authorities that participate in the provision of occupational pensions via local government pension funds.
- 1.2 Under Regulation 60 of the Local Government Pension Scheme Regulations 2013 and Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008, employing authorities are required to publish, review and (if necessary) revise policy statements identifying which discretionary powers they have adopted. Copies of these statements must also be sent to the relevant administering authority (in our case, this is Staffordshire County Council).
- 1.3 The council's current list of statements was approved by Cabinet in March 2009. It was revised in April 2010 to remove references to age 50 as these were no longer relevant following the criteria that came into force on 1 April 2010 regarding entitlement to immediate benefits in cases of voluntary early retirement/redundancy (changing from age 50 to age 55).
- 1.4 The council's Flexible Retirement Scheme, which was also approved by Cabinet in March 2009, contained the following discretion under LGPS Regulations 2013 (6) Flexible Retirement:

To allow the immediate payment of benefits to an eligible employee who is a member of the Local Government Pension Scheme and satisfies the general qualification for benefits, is aged at least 55, and has the agreement of his/her employing Directorate to reduce his/her hours of work and/or rate of pay in the post in which they are employed.

This would be subject to the employing Directorate being able to demonstrate a business case for allowing flexible retirement, a reduction in the costs of employing the person of a at

least 40%, and the costs of the retirement remaining within the budget of the division concerned.

It is now necessary to incorporate this into the council's list of statements.

- 1.7 The council's discretion regarding its power to consent to a person's choice of early payment of pension is exercised under Regulation B30 (2) and is contained in the current list of statements:

To allow an application for early payment of deferred benefits on or after age 55 and before age 60. The Council will not normally give consent under this Regulation, however it may be exercised in exceptional circumstances or compassionate grounds and only if the increasing cost incurred remains within budget.

If consent is given, the pension benefits would be reduced in accordance with guidance issued by the Government Actuary.

- 1.10 The Council has the discretion to use Regulation 2013 R31, to award additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (maximum amount £6,675 per annum with effect from 01.04.2015), however the Council has chosen not to use this discretion where a LGPS member is dismissed on the grounds of redundancy and that person is entitled to a redundancy payment.
- 1.11 The full details of the Council's proposed statement on Discretionary Powers is included in Appendix A.



THE LOCAL GOVERNMENT PENSION SCHEME DISCRETIONARY POWERS

Statement of Policies of Newcastle-under-Lyme Borough Council

Introduction

This document sets out the policies of Newcastle Borough Council in relation to exercising its discretions as an employer in accordance with the following Local Government Pension Scheme (LGPS) Regulations for active members and deferred benefit members and Councillor Members.

It sets out the areas of discretion where a policy statement is mandatory in accordance with the following Regulations.

A policy statement must be formulated and published in accordance with:

- Regulation 60 of the Local Government Pension Scheme Regulations 2013
- Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008
- Paragraph 2(2) of schedule 2 Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- Regulation 106 of the Local Government Pension Scheme Regulations 1997

And Discretions under:

- The Local Government Pension Scheme Regulations 2013 (prefix **R**)
- The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 (prefix **TP**)
- The Local Government Pension Scheme (Administration) Regulations 2008 (prefix **A**)
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations (as amended) 2007 (prefix **B**)
- The Local Government Pension Scheme Regulations 1997 (as amended) (prefix **L**)

PART 1

Discretions from 01.04.2014 in relation to post 31.03.2014 active members of the Local Government Scheme and post 31.03.2014 leavers (excluding councillor members)

In accordance with Regulation 60 of the Local Government Pension Scheme Regulations 2013

In accordance with The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014

LGPS Regulations 2013 R16 (2) (4): Contribute to a shared cost additional pension contribution scheme (APC)

The Borough Council does not intend to use this power at this time.

LGPS Regulations 2013 R30 (6): Flexible Retirement

Newcastle Borough Council, as employing authority, will allow the immediate payment of benefits to an employee who:

- (a) is a member of the Local Government Pension Scheme and satisfies the general qualification for benefits
- (b) is aged at least 55, and
- (c) has the agreement of his/her employing Directorate to reduce his/her hours of work and/or rate of pay in the post in which they are employed.

This would be subject to:

- (a) the employing Directorate being able to demonstrate a business case for allowing flexible retirement
- (b) a reduction in the costs of employing the person of at least 40%, and
- (c) the costs of the retirement remaining within the budget of the division concerned.

If the payment of benefits takes effect before the members normal pension age, benefits payable may be reduced in accordance with the guidance issued by the Government Actuary.

Where a request for release of retirement benefits under this provision has been refused, no further application under the provision may be considered until the following financial year.

Any reduction in pay/grade and/or hours will constitute a permanent change to the employee's contract of employment.

LGPS Regulations 2013 R30 (8):

Waive all or part of the actuarial reduction on benefits which a member voluntarily draws before normal pension age (including Flexible retirement)

The Borough Council will not normally use this discretion, however, it may be exercised in exceptional circumstances or compassionate grounds and only if the increase in cost incurred remains within budget.

PART 1 Continued

LGPS (TP) Regulations 2014 TP Sch2 (2):

To “switch on” the 85 year Rule for a member who voluntarily draws benefits on or after age 55 and before age 60

The Borough Council will not normally use this discretion, however, it may be exercised in exceptional circumstances or compassionate grounds and only if the increase in cost incurred remains within budget.

LGPS Regulations 2013 R31:

To award additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (maximum amount £6,675 per annum with effect from 01.04.2015, to increase each subsequent April in line with the Pensions (increase) Act 1971)

The Borough Council will not use this discretion where a LGPS member is dismissed on the grounds of redundancy and that person is entitled to a redundancy payment.

PART 2

Discretions in relation to scheme members of the Local Government Pension Scheme who ceased active membership on or after 01.04.2008, but before 01.04.2014 (excluding Councillor Members)

The Local Government Pension Scheme (Administration) Regulations 2008 (prefix A)

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

LGPS (Benefit) Regulations B12:

To allow a member leaving on the grounds of redundancy or business efficiency on or before 31.03.2014 to augment membership

The Borough Council will only use this power where a LGPS member is dismissed on the grounds of redundancy and that person is entitled to a redundancy payment.

Newcastle Borough Council, as employing authority, may award lump sum compensation under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. At the member's request, the Borough Council will, as an alternative to this compensation payment, allow the member to receive a period of increased LGPS membership (not exceeding 10 years) under the above Regulation which will be assessed having regard to the capital value of the lump sum compensation otherwise payable, and in accordance with the factors supplied by the Fund Actuary.

The resolution to do so would have to be made within 6 months of the leaving date.

(This discretion is spent after 30 September 2014)

LGPS (Benefit) Regulations B30 (2):

To allow an application for early payment of deferred benefits on or after age 55 and before age 60

If a Scheme member elects under Regulation 30 (2) of the Benefits Regulations to receive immediate payment of deferred benefits, being age 55 or over but below age 60, Newcastle Borough Council, as employing authority, will not normally give consent under this Regulation.

The Borough Council will not normally use this discretion, however, it may be exercised in exceptional circumstances or compassionate grounds and only if the increasing cost incurred remains within budget.

Applications must be made to the Executive Director (Resources & Support Services).

If consent is given, the pension benefits would be reduced as appropriate in accordance with guidance issued by the Government Actuary.

PART 2 Continued

LGPS (Benefit) Regulations B30 (5):

To waive the actuarial reduction applied to deferred benefits paid early under B30 on compassionate grounds

The Borough Council will not normally use this discretion, however, it may be exercised in exceptional circumstances or compassionate grounds and only if the increase in cost incurred remains within budget.

Applications must be made to the Executive Director (Resources & Support Services)

LGPS (Benefit) Regulations B30 A (3):

To allow an application for early payment of a suspended Tier 3 ill health pensions on or after age 55 and before age 60

If a scheme member who has had a Tier 3 ill-health pension cancelled under regulation 20(9) and is classed as a pensioner member with deferred benefits elects under Regulation 30A (3) to receive immediate payment of the deferred benefits, being age 55 or over but below age 60, Newcastle Borough Council, as employing authority, would not normally use this discretion, however, it may be exercised in exceptional circumstances or compassionate grounds and only if the increase in cost incurred remains within budget.

Applications must be made to the Executive Director (Resources & Support Services).

If consent is given, the pension benefits would be reduced as appropriate in accordance with the guidance issued by the Government Actuary.

LGPS (Benefit) Regulations B30 A (5)

To waive the actuarial reduction applied to benefits paid early under B30A on compassionate grounds

The Borough Council will not normally use this discretion, however it may be exercised in exceptional circumstances or compassionate grounds and only if the increase in cost incurred remains within budget.

Applications must be made to the Executive Director (Resources & Support Services).