

Report to: Cabinet
Council

Date of Meeting: 26 February 2015
5 March 2015

Subject: Pay Policy

Report of: Director of Corporate Services

Wards Affected:

Is this a Key Decision? No

Is it included in the Forward Plan? Yes

Exempt/Confidential No

Purpose/Summary

To recommend a Pay Policy for the Council as required by the Localism Act 2011.

Recommendation(s) That

Cabinet

The proposed Pay Policy at Annex A to this report be recommended to the full Council for approval.

Council

The proposed Pay Policy at Annex A to this report be approved.

How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy		✓	

Reasons for the Recommendation: To comply with the Localism Act 2011

What will it cost and how will it be financed?

(A) Revenue Costs N/A

(B) Capital Costs N/A

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<p>Legal The Council has the following duties under the following sections of the Localism Act 2011 :- Section 38- The Council must prepare a Pay Policy Statement for each financial year which sets out its policies relating to the remuneration of its chief officers and its lowest-paid employees and the relationship between the remuneration of its chief officers and its employees who are not chief officers. Section 39-The Council's Pay Policy Statement must be approved by resolution of the authority before it comes into force and prior to 31st March immediately preceding the financial year to which it relates. Section 40- With regard to its functions under sections 38 and 39 [above] ,the Council must have regard to any guidance issued or approved by the Secretary of State</p>	
<p>Human Resources The Pay Policy has been amended and updated to reflect any changes that have occurred since the last report.</p>	
<p>Equality</p>	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery: N/A

What consultations have taken place on the proposals and when? N/A

The Head of Corporate Finance (FD3391/15) notes that this report is to meet the Authorities statutory duties under the Localism Act 2011 to produce an Annual Pay Policy statement and has no other financial implications.

Head of Corporate Legal Services (LD 2683/15) have been consulted and has no comments on the report.

Are there any other options available for consideration? No

Implementation Date for the Decision: Immediately following the Council meeting.

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Background Papers:

The following papers are available for inspection by contacting the above officer(s).

DCLG guidance: "Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011".

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5956/2091042.pdf

DCLG further guidance: "Openness and Accountability in Local Pay Guidance under Section 40 of the Localism Act 2011 – Supplementary Guidance"

<https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance>

INTRODUCTION/BACKGROUND

1. This report deals with a requirement in the Localism Act 2011 (the Act) which became statute in November 2011. The Act introduces a requirement for Local Authorities to agree and publish an Annual Pay Policy Statement effective from December 2011. The Department of Communities and Local Government (DCLG) also published statutory guidance on openness and accountability in local pay.
2. This report outlines the amendments to the pay policy.
3. On 20th February 2012 the DCLG issued statutory guidance “Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011”. Local Authorities in England are required to take account of the supplementary guidance when preparing their Pay Policy Statements.
4. At its meeting on 23rd January 2013 Council agreed the Pay Policy Statement for 2013/14 which included specifically a mechanism for the consideration of new appointments which have a remuneration package of £100,000 or above. Full Council, in accordance with the Pay Policy, have the opportunity to vote on this remuneration prior to a new appointment with a recommendation made by the Employment Procedure Committee. No changes are proposed and this process will remain in force.
5. Council also agreed that in relation to severance packages for senior officers. It is recommended in respect of any severance package of £100,000 or above that full Council are given an opportunity to vote to determine in respect of the Chief Executive, Deputy Chief Executive and Service Directors. This would be after a recommendation from Pay and Grading Committee. All other employees’ severance packages of £100,000 or above are to be determined by the Pay and Grading Committee and may come before Full Council as part of the Budget process.
6. The reasoning for utilising the Pay and Grading Committee was to allow operational effectiveness in seeking the approval of such payments, leaving Full Council to deal with Senior Officers as detailed above.
7. The Pay Policy itself has been shortened to remove some details which are referenced elsewhere in the interests of providing a more readable document. No substantial changes have occurred in the Policy.

PAY POLICY 2014/ 2015

(As required by the Localism Act 2011)

<u>Contents</u>	<u>Para(s)</u>
A. Opening Statement	1-4
B. Scope of Policy	5
C. Availability of Policy	6
D. Decision Making	7-13
E. Senior Officers Pay	14-27
F. Educational Professionals/Educational Psychologist/	28-34
G. Youth & Community Workers	35-36
H. National Joint Council (NJC) Employees	37-39
I. NJC Agreement	40-42
J. Ad hoc arrangements	43-45
K. Market Supplements Policy	46-47
L. Other pay	48-52
M. Pay Protection	53
N. Pay Relationships	54-59
O. Other Terms and Conditions	60-63
P. Employees Transferring into the Council	64-67
Q. Living Wage	68-69
R. Re-employment of staff in receipt of redundancy pay	70-73

Note: Reference is made in this policy to various national and local terms and conditions agreements, and policies. Where access is available the hyperlinks have been provided;

National Pay Agreements within Local Government

1. JNC Chief Executive Terms and Conditions of Service.
2. JNC Chief Officer Terms and Conditions of Service:
3. Local Government Pension Scheme: www.lgps.org.uk
4. NJC Terms and Conditions of Service (Green Book): [green book](#)
5. NJC Terms and Conditions of Services for Craft Workers (Red Book).
6. Soulbury Terms and Conditions of Service: (Education & Young People)
7. Teachers Pension Scheme: www.teacherspensions.co.uk
8. Youth and Community Workers Terms and Conditions of Service (Pink Book): (Education & Young People)

Sefton Council – Local Pay Policies

1. Local Government Pension Scheme - Discretionary Powers: [Local Government Pension Scheme](#)
2. Non-Standard Working Arrangements and Associated Payments [non-standard working arrangements](#)

Senior Salary Pay Bandings -

These can be accessed through the following link: [senior salary pay bandings](#)

SEFTON COUNCIL PAY POLICY

(As required by the Local Government transparency code 2014 and the Localism Act 2011)

A. OPENING STATEMENT

1. The aim of this policy is to help maintain and improve the quality of service provision by ensuring that all employees are valued and receive proper reward for their work and contribution. It also serves to satisfy the requirements of the Localism Act 2011 relative to pay accountability.
2. It is recognised that both financial and non-financial rewards are necessary to attract, retain and motivate employees. As such there needs to be a close link between reward and the overall approach to people management, including workforce planning and development strategies. There needs to be a fair balance between changing organisational needs and the aspirations of individuals. Equally there needs to be a recognition of the financial constraints of the current economic climate and the imperative to manage public monies responsibly.
3. This policy will assist in managing pay and other rewards in a fair, equitable, responsible and transparent manner. The Council supports the principle of equality of opportunity in employment. In this regard every endeavour will be made to ensure that employees receive equal treatment, irrespective of their age, gender, race, colour ethnic origin, family commitments, marital status, sexual orientation, disability or religious beliefs.
4. All pay related decisions will be taken in compliance with the provisions of The Equality Act 2010, The Employment Rights Act 1996, The Employment Relations Act 1999, the Employment Act 2002, The Employment Act 2008, The Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, The Fixed Term Employees' (Prevention of Less Favourable Treatment) Regulations 2002, all as amended.

B. SCOPE OF POLICY

5. This policy covers all employees other than those in schools.

C. AVAILABILITY OF POLICY

6. This policy is available on the transparency pages of Sefton's website [Pay policy](#)

D. DECISION MAKING

7. The pay policy aspects of this document are the responsibility of the Pay & Grading Committee with any recommendations for change being subject to the approval of the Council.
8. The policy will be reviewed by the Committee at least once every municipal year and referred to the Council for consideration prior to the beginning of the subsequent municipal year on 1st April. As no substantive change has occurred for 2015/16 the matter has proceeded through Cabinet and Council
9. The authority to make decisions in accordance with the policy (i.e. its application) is in accordance with the delegations described in the Council's constitution, which can be found in the documents library on Sefton's website
10. The Employment Procedure Committee will decide on the remuneration package for Senior Officer positions in cases where the proposed remuneration is over £100,000. This aspect will be debated at the point when the decision is made to fill the post. A recommendation will then be made to the full Council who will have the opportunity to vote on the remuneration proposed. The remuneration must be agreed prior to an appointment offer being made.
11. In accordance with the guidance in respect of Section 40 of the Localism Act, any severance payment of £100,000 which will potentially be made to the Chief Executive, Deputy Chief Executive and any Service Directors will be subject to an opportunity of Full Council vote following a recommendation from Pay and Grading Committee.
12. In respect of any other Officers, Council has delegated the determination of severance packages of £100,000 or above to the Pay and Grading Committee. The detail of such packages may come before Full Council as part of the Budget process.
13. In respect of the definition of severance payment (for the purposes of paragraphs 11 and 12), this is defined as:
 - (a) A redundancy payment
 - (b) Any capital cost to the pension fund
 - (c) Any other contractual payments are due to the employee
 - (d) Any other payments which the Local Authority may seek to make

E. SENIOR OFFICERS PAY

14. Senior officers are defined as those currently earning £50,000 and above. The £50,000 threshold is applied as per the Local Government transparency code 2014, issued by the Department for Communities and Local Government [CLG].

15. Individual Senior Management pay is set out in data published on the Council's website in accordance with the Local Government transparency code 2014.
16. Senior officers (other than those paid under the Soulbury agreement) are paid in accordance with the HAY job evaluation method and HAY Pay structure which was constructed pre 2009 on the recommendation of HAY consultants taking account of market value.
17. Chief Executive – the Salary comprises of 5 incremental points within a salary band ranging from £138,543 rising to £152,403. *NOTE: The current Chief Executive is on the maximum of the grade but since February 2011 has volunteered a 10% reduction. The actual payment is £137,163 p.a.*
18. Deputy Chief Executive paid on a Personal grade.
19. Service Directors and Senior Management – Paid relative to Hay grades 6, 5, 4, 3, and 2. Ranging from £44,847 - £99,447
20. The terms and conditions for the post of Chief Executive are in accordance with the Joint National Council (JNC) Scheme for Chief Executives. In the case of HAY Grades 5 - 2 the terms and conditions are as per the JNC Scheme for Chief Officers. In the case of HAY Grade 6 the terms and conditions are in accordance with the National Joint Council (NJC) Scheme for Local Government services employees (known as the "Green Book").
21. HAY grades are allocated to posts using the HAY job evaluation system. This system enables the factors of a job to be analysed and translated into a points score which, in turn, is related to the appropriate grade associated with the score.
22. Each year the HAY group are consulted as to what is an appropriate pay rise. The HAY Group advise based on predicted awards in the general market (Public and Private Sector), the amount of inflation, and the Retail Prices Index. This is also balanced against the National Joint Council Pay award and the ability of the Council to meet the pay bill.
23. At the time of writing this report (Dec 2014) discussions are still ongoing relative to the Pay award to be awarded to HAY graded officers. The figures given above will be amended, if appropriate, once this decision has been made.

Local government Transparency Code relative to Senior Officers pay

24. Part 2.2: of the Local government Transparency Code relative to Senior officers pay stipulates that specific information must be published annually. This information includes; Organisation charts and Senior Salaries

Organisation chart

25. The organisation chart must cover staff whose salary is £50,000 or above. The following information must be provided;
- grade
 - job title
 - local authority department and team and contact details
 - whether permanent or temporary staff
 - salary information in £5,000 brackets and
 - salary ceiling (the maximum salary for the grade).

Senior salaries

26. The Council must publish details for whose remuneration in that year was at least £50,000
- in brackets of £5,000 along with the job title
 - the information is not solely based on salary but will include all remuneration i.e. overtime pay
 - employees whose salaries are £150,000 or more must be identified by name
 - details of post responsibilities must be provided for each of the Senior Officer roles.
 - The information must be produced and published not later than 2 February 2015 and annually thereafter and will be published on the council website.
27. This information will be produced once the details of any pay award have been agreed.

F. EDUCATION PROFESSIONALS PAY [Soulbury Agreement]

28. The Soulbury Committee provides national collective bargaining machinery for advisory staff in Local Authorities. Nationally it covers approximately 10,500 staff including: education improvement professionals, education psychologists, and young people's/community service managers. In addition to the annual pay increase, the Soulbury Committee also determines the national salary framework.
29. The Soulbury agreement provides three separate sets of pay spines for Education Improvement Professionals (EIPs), Educational Psychologists Scale A and Scale B for Senior and Principal staff and Trainee and Assistant Educational Psychologists.

Education Improvement Professionals (EIPs)

Spine Point	Salary from 1.9.2013
Ranges from spine point 1	32, 677

To spine point 50	86,488
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30. The Education Improvement Professionals (EIPs) salary scales consist of not more than four consecutive points, based on the duties and responsibilities of the posts and the need to recruit and motivate staff. Minimum starting points are defined in the pay conditions for Senior and Principal EIPs and include an extended range to accommodate structured professional assessments.
31. The second set of spines, for educational psychologists, comprises a single scale for main grade psychologists; a pay spine for senior and principal educational psychologists; and a scale for unqualified assistant educational psychologists.

EDUCATIONAL PSYCHOLOGISTS – SCALE A

Spine Point	Salary from 1.9.013
Ranges from spine point 1	34,273
To spine point 11	50,745

32. The salary scales consist of six consecutive points, based on the duties and responsibilities of the posts and the need to recruit, retain and motivate staff and include extension to scale to accommodate structured professional assessment points.

SENIOR & PRINCIPAL EDUCATIONAL PSYCHOLOGISTS – SCALE B

Spine Point	Salary from 1.9.13
Ranges from spine point 1	42,969
To spine point 18	63,571

33. The Salary scales consist of not more four consecutive points, based on the duties and responsibilities of the posts and the need to recruit, retain and motivate staff and include an extension to range to accommodate discretionary scale points and structured professional assessments.

TRAINEE EDUCATIONAL PSYCHOLOGISTS

Spine Point	Salary from 1.9.13
Ranges from spine point 1	£22,019
To spine point 6	£30,075

ASSISTANT EDUCATIONAL PSYCHOLOGISTS

Spine Point	Salary from 1.9.13
Ranges from spine point 1	£27,067
To spine point 4	£30,377

34. The Soulbury agreement does not set its own specific conditions of service. Instead it provides that:

“The conditions of service of Soulbury officers shall be not less favourable than those prescribed for the local government services staff of the authority”

G. Youth and Community Workers

35. The pay of Youth and Community Workers is determined from pay points prescribed by the Joint National Council (JNC). There are two ranges of pay points, one for Youth and Community Support Workers and one for Professional staff. The Youth and Community pay structure ranges from Pay point 1- £14,283 to Pay point 17- £25,830. The Professional pay structure ranges from Pay point 11- £20,796 to Pay point 30- £36,741.
36. At the time of writing this report (Dec 2014) the Soulbury and Youth and Community Workers had yet to reach an Agreement in Terms of the National Pay award applicable. These figures will be amended, as appropriate, once this agreement has been concluded.

H. NATIONAL JOINT COUNCIL EMPLOYEES

37. The largest proportion of employees are paid in accordance with the NJC (Green Book) terms and conditions of employment and in conjunction with a locally determined grading structure that is derived from the spinal column points (SCPs) provided by the NJC for Local Government Services pay scales. It is influenced by market values and is ‘shaped’ to reward employees fairly relative to job requirements.
38. Grades are allocated to posts using the Local Government Single Status Job Evaluation Scheme which forms part of the NJC (Green Book) terms and conditions of employment.
39. The grading structure and the arrangements for applying the job evaluation scheme are agreed with the local trade unions.

I. NJC PAY AGREEMENT

40. Following the conclusion of the respective consultations by the National Employers and Trade Unions sides, agreement has been reached on a long term pay deal to run from 1st January 2015 to 31st March 2016. The pay scales applicable for NJC staff effective from January 2015 range from SCP 5 £13,500 to SCP 49- £42,957.

41. It has been agreed that Spinal Column Point 5 will be deleted with effect from 1 October 2015. At that point employees on SCP5 shall progress to SCP6.
42. In terms of job evaluation Grade A (jobs with a points score of up to 235) will then become a spot grade of SCP 6. Grade B will then become SCP 7-9 (jobs with a points score from 236 – 260).

J. AD HOC PAY ARRANGEMENTS (Craft Employees and Capita Grades)

43. Sefton currently employs a very limited number of staff on the former “Red Book” conditions. The salaries this group of employees have been assimilated to NJC grades. However, a small number of ad hoc terms and conditions still stem from the Red book. These terms and conditions will be reviewed in due course with a view to applying locally agreed terms.
44. In addition, some staff have TUPE’d in from Capita on the salaries and Terms and conditions applied during the Capita contract. These roles will be reviewed in due course with a view to applying the NJC or HAY job evaluation and grades as appropriate and the locally agreed allowances.
45. The NJC pay award will not be applied to Capita grades given that the grades are not directly related to a NJC defined paypoint.

K. MARKET SUPPLEMENTS POLICY

46. The Council aims to recruit and retain the best possible employees with the skills, knowledge and experience needed to deliver excellent services and to meet its corporate objectives. There may be times when the grading of a post results in an inability to successfully recruit or retain to particular posts. In such cases it may be appropriate to pay a market supplement in addition to the salary to ensure that appointments can be secured. In these circumstances, the potential for the application of a Market Supplement Rate will need to be objectively justified. Such payments are lawful under the Equality Act 2010 where there is evidence to justify that market factors are the “material factor” for the post attracting a higher rate of pay than other posts with the same score. In order to establish equality of pay the Council needs factual evidence to prove that paying any Market Supplement Rate is “a proportionate means of achieving a legitimate aim”.
47. At the time of writing no posts currently attract a Market Supplement. Any cases will be subject to formal approval, annual reviews, and supplementary reviews following any pay award agreements or incremental advancement. In addition, the Joint Trade Union forum will be provided with details of any positions which have been approved for the Market Supplement Payment.

L. OTHER PAY

48. **Returning officer** The Council has to appoint a Returning Officer for elections. This is usually a senior officer of the Council who performs the role in addition to his/her normal duties. Appointment as a Returning Officer is deemed to be separate remunerable employment.
49. **Acting up payments** Employees are not eligible for honoraria or ex gratia payments under current Council policy. However, an employee who, following a fair selection arrangement, performs the full duties and responsibilities of a higher graded post on a temporary basis, will be paid in accordance with the higher graded post for the specified period and without any commitment to permanency in that post. This is known as “Acting Up”. It is an operationally practical arrangement applied throughout the workforce. It is an expedient measure that should maintain for as short a period as possible – normally less than 12 months.
50. **Advisory Staff in Local Authorities – [Soulbury Agreement]** In each of the separate Soulbury pay spines there is provision for employees to receive up to three further spine points under the Structure Professional Assessment (SPA) system. This element of the pay structure is based on performance assessment and forms part of the overall pay structure. Progression under the SPA system is subject to local assessment against nationally prescribed criteria.
51. **NJC Employees- Non-Standard Working Arrangements and Associated Payments**
In accordance with the NJC provisions the Council pays allowances in respect of employees who are required to work outside “normal” working hours.
52. On 17th February 2011 Cabinet approved a package of terms and conditions changes following consultation with the trade unions. The changes were implemented with effect from 1st April 2011, initially for two years, and have since been adopted as an ongoing contractual arrangement to assist with the budget savings.

M. PAY PROTECTION

53. In certain circumstances where employees suffer a loss in basic pay as a result of the actions of the employer, 12 months’ pay protection is available.

N. PAY RELATIONSHIPS

54. The Local Government Transparency Code 2014 Part 2.2 para 41 and Section 38 of the Localism Act 2011 requires local authorities to produce information relative to pay dispersion i.e. the relationship between remuneration of Senior Officers and the remuneration of other staff. The information in this section illustrates the Councils pay dispersion.
55. The highest level of (*full time equivalent – FTE*) employee remuneration in the Council is associated with the post of Chief Executive – para17 refers.

56. The lowest level of (FTE) employee remuneration is £12,435 p.a. With effect from 1.1.2015 the figure will increase to £13,500 p.a. (NJC Spinal Column Point 5). With effect from 1.10.2015 the figure will increase to £13,614 (NJC Spinal Column Point 6).
57. The median level of actual basic pay for central staff is £15,882 p.a. The median level of actual pay including contractual allowances (e.g. overtime, shift pay etc) is £17,333 p.a.
58. The ratio listed compares favourably with the Upper 20:1 ratio as detailed in the Hutton Fair Pay Review Report. The 2014/2015 (FTE) actual pay relationships are:
- Highest pay is 11.03 times greater than lowest pay.
 - Median basic pay is 1.27 times greater than lowest pay.
 - Median pay including contractual allowances is 1.39 times greater than lowest pay.
 - Highest pay is 8.63 times greater than median basic pay and 7.91 times greater than median pay including contractual allowances.
59. In order to achieve this calculation the pay relationships have been based on the lowest level of employee remuneration (using actual pay figures of centrally employed staff payable as at November 2014 (i.e. before the increase in accordance with the NJC agreement percentage award payable with effect from 1.1.2015) and the highest level JNC pay applicable as at November 2014.

O. OTHER TERMS AND CONDITIONS

60. The normal working week is 36 hours (FTE) for all employees including those defined as senior officers. This is with the understanding, in the case of most senior officers, that, additional hours will be worked, as necessary, without financial or time off recompense.
61. The Council recognises the importance of the need to balance personal and working demands. Employees are required to be receptive to such needs both in their own case and relative to those for whom they may be responsible. It is considered that an empathetic management approach to controlled attendance will contribute to high performance and outcomes.
62. The Council's terms and conditions of employment generally provide for 27 days leave for employees with less than 5 years' service and 32 days after 5 years have been completed (35 days for HAY 5 and above). The Council also recognises long service by granting an additional 5 days leave (as a one off) after 25 years' service has been completed and celebrates longer periods of service.
63. The Council also supports officers in the discharge of their duties by reimbursing expenditure, paying subsistence allowances, providing access to car loans where appropriate and operating a Corporate travel scheme for

eligible employees offering reduced cost rail travel with deductions being made direct from payroll.

P. EMPLOYEES TRANSFERRED INTO THE COUNCIL

Capita Staff

64. Employees have transferred into the Authority as part of the re-integration of the Capita Contract on 1st October 2013. The Council recognised the Transfer of Undertakings (Protection of Employment) Regulations 2006. In the majority of cases the employees transferred are paid as per the NJC or HAY gradings. The exceptions are paid as per Capita pay scales as detailed below. The roles in receipt of Capita grades will be reviewed in due course as part of the organisational change, with a view to pay being brought in line with NJC grades.

Salary Point	CAPITA Grades effective November 2014
1	9,835
2	18,000
3	20,700
4	23,473
5	23,500
6	24,000
7	27,000
8	28,000
9	29,000
10	30,000
11	31,000
12	32,000
13	40,000
14	42,500
15	44,000
16	55,000
17	56,000
18	62,184
19	64,400

Public Health Staff

65. In respect of the Public Health function, some employees transferred to the Authority on 1st April 2013. The transfer was on a statutory basis within the Health and Social Care Act 2012. All pay scales applicable at the point of transfer were as per Public Health NHS pay scales and will remain static until such time as an operational review has been undertaken.
66. New appointments to posts within the Public Health function are being appointed to either NJC or JNC HAY grades as appropriate to the role.
67. One employee transferred under the NHS Consultant Contract identified in the Pay Circular M&D 1/2013 (March 2013) for hospital, medical and dental

staff, doctors and dentists in public health, the Community Health Service and salaried primary dental care.

Q. LIVING WAGE

68. The living wage is based on the concept that a certain amount of money is needed to ensure that people are able to have a decent standard of living. The living wage is different from the National Minimum wage (currently £6.50 ph) and is £7.85 per hour following from November 2014. Adoption of the minimum wage is a legal requirement however the adoption of the Living Wage is optional. Some Authorities have implemented the living wage but only where this has had very minimal impact of the budget due to the makeup of the individual Authority. To become a true Living Wage employer the rate would need to be applied not only to employees but also be extended to employer procurement supply chains.
69. The Cabinet member has been provided with costing information relative to the implementation of the Living wage for both schools and the Council. No determination has yet been made in terms of whether Sefton Council would wish to be a Living Wage employer.

R. RE-EMPLOYMENT OF STAFF WHO HAVE BEEN IN RECEIPT OF REDUNDANCY PAY AND/OR PENSION.

70. Subject to compliance with legislative/regulatory requirements:
- An individual may be in receipt of a pension (LGPS or otherwise) in addition to remuneration from their employment with the Council.
 - An individual who has left the Council and been in receipt of a severance or redundancy payment and/or pension (LGPS or otherwise) may subsequently be re-employed or engaged under a contract for services.
71. In line with this, staff who have been in receipt of redundancy pay and or pension benefits can subsequently be re-employed or engaged under a contract with Sefton. However, given the budgetary pressures currently facing the Council such cases must satisfy robust justification.
72. All LGPS Administrating Funds have the discretion to abate pension upon re-employment to local government. MPF discretion stipulates that anyone in receipt of a pension from the LGPS, re-employed after 25 September 2006, **will not** have their pension adjusted if they return to local government employment, **unless** they were granted Compensatory Added Years when they retired due to redundancy/ interest of efficiency.
73. Pensioners re-employed before 25 September 2006 or those who received Compensatory Added Years of membership may have adjustments applied to their pension by the Administrating Fund. Further details can be obtained

relative to the LGPS via the Policy Discretions Statement on the intranet.
[discretions statement](#)

MD December 2014