

**Addendum for
Cabinet 26 February 2013 Agenda item 6
Appendix P.
Council 26 February 2013 Agenda item 7
Appendix P.**

Supplementary Guidance on Openness and accountability in local pay issued by the Secretary of State: Implications and Recommendations

On 20 February 2013, without advance warning, and after publication of the Council papers for both full Council and Corporate Services Committee, the Secretary of State issued supplementary statutory guidance - "Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011" ("the supplementary guidance") which impacts on the contents of the Council's pay policy statement for 2013-14 and the role which Council fulfils in respect of certain remuneration arrangements for staff.

The Pay Policy statement at Appendix P to the Financial Strategy 2013/17 was drafted in accordance with and in compliance with the guidance as was then applicable. The guidance provides that full Council should be given an opportunity to vote before salary packages in excess of a specified threshold are offered. Similarly the supplementary guidance provides that full Council should be offered the opportunity to vote before severance packages beyond a particular threshold are approved for staff leaving the Council. For both these purposes, the specified threshold is currently £100,000.

Accordingly, it is recommended that:

1. That Full Council delegates to Corporate Services Committee the functions in respect of voting on salary packages upon appointment and severance packages of staff above such specified threshold as may, from time to time, be updated by statutory guidance.
2. That Full Council delegates the function of deciding, in respect of severance packages, whether the Council wishes to vote on a severance package above the specified threshold to Corporate Services Committee;
3. That Council notes that the specified threshold is currently set at £100,000.
4. The Council's pay policy statement 2013-14 be updated to reflect the above requirements by:

4.1 The addition of a new paragraph 1.4 and the renumbering of the subsequent paragraphs in section 1. The new paragraph 1.4 to read as follows:

"In accordance with the Secretary of State's Guidance "Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011" issued in February 2012 and the Supplementary Guidance issued in February 2013 the Council has delegated to Corporate

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Services Committee the function of deciding, in respect of severance packages, whether the Council wishes to vote on a severance package above such specified threshold as may, from time to time, be updated by statutory guidance. In addition the Council has delegated to the Corporate Services Committee the functions of voting respectively on salary packages upon appointment of staff and, where the Corporate Services Committee has determined that it wishes to exercise its power to vote, in respect of severance packages of staff where the packages are above such specified threshold as may, from time to time, be updated by statutory guidance. For these purposes the specified threshold is currently £100,000”

4.2 The wording of 1.5, as renumbered, is to be updated by removing the word “*immediately*” in line 1 and replacing it with the words “*as of 1 April 2013*”.

4.3 The addition of the following words “*Subject to paragraph 1.4 above*” to the beginning of paragraph 3.8 so that it reads: “*Subject to paragraph 1.4 above, in exceptional circumstances...*”

5. That recommendation 1.1 (xvi) to the Financial Strategy 2013/17 report be updated to read: To recommend to the Council the adoption of the Pay Policy Statement at Appendix P, as amended.

6. That Full Council delegates to the Council Solicitor, Director of Democratic and Legal Services the authority to update the Constitution to reflect these changes including to make such consequential changes as are necessary to the Staff Employment Procedure Rules and the Corporate Services Committee functions to give effect to these changes.

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Croydon Council

Pay Policy Statement 2013-14

Agreed by Council

1. Introduction

- 1.1. The Council aims to ensure that its remuneration packages are fair, equitable and transparent and offer suitable reward for the employment of high quality staff with the necessary skills and experience to deliver high quality services.
- 1.2. 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”. In accordance with Section 38 of the Localism Act, this Pay Policy Statement sets out the Council’s policy for 2013-14 on:
- The remuneration of its chief officers
 - The remuneration of its lowest paid employees
 - The relationship between the remuneration of its chief officers and the remuneration of staff who are not chief officers
- 1.3. Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements and termination payments.
- 1.4. In accordance with the Secretary of State’s Guidance “Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011” issued in February 2012 and the Supplementary Guidance issued in February 2013 the Council has delegated to Corporate Services Committee the function of deciding, in respect of severance packages, whether the Council wishes to vote on a severance package above such specified threshold as may, from time to time, be updated by statutory guidance. In addition the Council has delegated to the Corporate Services Committee the functions of voting respectively on salary packages upon appointment of staff and, where the Corporate Services Committee has determined that it wishes to exercise its power to vote, in respect of severance packages of staff where the packages are above such specified threshold as may, from time to time, be updated by statutory guidance. For these purposes the specified threshold is currently £100,000”
- 1.5. Once approved, this statement will come into effect as of 1 April 2013, and all remuneration paid to officers will comply with this policy for the 2013-14 financial year. The statement will be reviewed in accordance with legislation prevailing at the time.
- 1.6. The provisions of the Localism Act do not apply to schools that are excluded from this statement.

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2. Pay structure

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- 2.1. The most significant element of remuneration is basic pay and the Council uses a combination of locally and nationally determined pay structures for its workforce.
- a) The pay and grading structure, including basic pay, for the chief executive and head of paid service, chief officers and deputy chief officers is determined locally.
 - b) The basic pay for teachers, youth workers, craft workers, educational improvement advisers, educational psychologists and young people/community service managers is in accordance with nationally negotiated pay structures.
 - c) For the majority of other staff, the Council uses a locally determined grading structure aligned to the outer London pay spine of the Greater London Provincial Council.
- 2.2. Pay allowances other than basic pay are the subject of local or nationally negotiated rates having been determined from time to time in accordance with the collective bargaining machinery and/or as determined by the Council.
- 2.3. The Council adheres to national pay bargaining and will normally apply a nationally negotiated cost of living pay award for staff covered by the relevant negotiating body. There has not been a cost of living award applied to employees on chief officer grades since 2008 and for the wider workforce the last pay award was 2009.

3. Remuneration of chief officers

- 3.1. For the purpose of this pay policy statement, chief officers are: the chief executive and head of paid service; executive directors; directors; and deputy directors (those who report to a director). This covers the top three tiers of the organisation and includes the following:
- a) The chief executive and head of paid service who is paid a spot salary of £180,000.
 - b) Executive Directors: each executive director is paid on a single spinal point within the range of five incremental points between £116,772 and £137,262. There is no incremental progression although in exceptional circumstances a higher salary within the salary range may be awarded at the discretion of the chief executive and head of paid service to recognise: a substantial expansion of the role; market factors; and/or performance that has greatly exceeded that expected in the job.
 - c) Directors and deputy chief officers are placed on a grade, determined by an evaluation of their post using the Hay job evaluation scheme (for posts graded chief officer A, chief officer B, CSR A, and CSR B) or the Greater London Provincial Council job evaluation schemes (for posts graded 16 and 17). Annual increments may be awarded, subject to the postholder achieving an excellent rating in their annual appraisal.

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The grading structure for the above posts, other than for the chief executive and head of paid service who is paid a spot salary, is shown in appendix A.

- 3.2. In 1999 the Council agreed that the remuneration of employees on chief officer grades should be set with reference to market rates and include an allowance for in-borough travel and expenses. The allowance, now £6,321, has been discontinued for new appointments since 1 April 2010, but remains payable to those who were already receiving the allowance at that time. The pay of staff on chief officer grades was last reviewed against market rates, in April 2007. This assessment of Croydon's salaries against the market took into account the value of the allowance.
- 3.3. The pay of the chief executive and head of paid service is determined by reference to market rates at the time of appointment, with the assistance of external advisers. In establishing market rates, it is the Council's preference to compare remuneration data from other local authorities, rather than with central government. This allows closer benchmarking where possible to take account of factors such as population size, social demographics, budgetary responsibilities, economic and regeneration activity.

Additional remuneration elements

- 3.4. The Council has suspended the scheme that allowed for performance payments for executive directors. No performance payments have been made since 2009-10 and the Council does not apply any bonuses or performance payments to other chief officers. In addition to the basic pay set out in 3.1 above, elements of "additional pay", other than those that constitute re-imbursment of expenses incurred during the fulfilment of duties are as set out below:
- a) A deputy chief executive allowance of £20,000 p.a. payable to the deputy chief executive and executive director of adult services health and housing for: acting as the chief executive and head of paid service in his absence; deputising for and representing the chief executive and head of paid service at democratic and constitutional meetings and events, Member delegations; external relations and representative meetings; chairing Council Management Team and other management meetings and events.
 - b) Where the Council is unable to recruit to a post at its designated grade, it will consider the use of market supplements as approved by the director of workforce and community relations. Such supplements are subject to periodic review and there are currently 10 chief officers receiving such a supplement.
 - c) A compulsory car allowance and mileage payments may be made to authorised car users at all levels of the workforce. The compulsory car allowance applies to employees where driving a car is an integral feature of the employee's post and the employee is unable to carry out their post without providing and using their own car. The amount of the allowance depends on the engine size and emissions of the employee's car as shown in appendix A. Car allowances and mileage payments are not payable to the chief executive and head of paid service or employees on

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chief officer grades A or B, but may be paid to those on CSR A and CSR B grades.

- d) Returning Officer fees: the Council is required to appoint an officer to act as the Electoral Returning Officer (ERO) for any constituency or part of a constituency within its area, to be responsible for the preparation and maintenance of the electoral register. In addition, Section 35(1) of the Act requires that the Council appoints an officer to be the Returning Officer (RO). Such duties attract a fee payable to the individual, paid for by the Government except in relation to local elections. The fees are set by central government for national elections and referenda and for local elections fees are prescribed by and agreed on an annual basis by the Chief Executives' London Committee, which reports into the London Councils network. The Council's Electoral Returning Officer and Returning Officer is the chief executive and head of paid service, as agreed by resolution of the Council or Corporate Services Committee.
- e) From time to time the Council will consider making additional payments, as approved by the director of workforce and community resources, to chief officers who undertake additional and higher level responsibilities when covering the duties of a vacant chief officer post. Such payments are subject to periodic review and there is currently one chief officer receiving such a payment.

Remuneration on appointment

- 3.5. Where employees are appointed to a grade rather than a spot salary, it is the Council's policy to appoint all employees on the bottom spinal point of the grade unless there are exceptional circumstances as authorised by the relevant director. This principle applies to the appointment of chief officers, where executive directors or the chief executive and head of paid service may authorise appointment on a spinal point other than the bottom one.
- 3.6. The Council's policy is to not pay any form of "signing on" fee or incentive payment to employees when recruiting. In very rare circumstances and subject to approval of the director of workforce and community relations, where it is necessary for a newly appointed employee to relocate to take up appointment the Council may make a contribution towards relocation expenses. The same policy applies to the chief executive and head of paid service, chief officers and other employees in that payment will be made against a range of allowable costs for items necessarily incurred in selling and buying a property and moving into the area. A copy of the scheme is attached as appendix B.

Redundancy payments and payments on leaving

- 3.7. The Council has a single redundancy scheme which applies to all employees including chief officers (see appendix C). The Council does not make any other payments to employees on termination of their employment other than those, where there is a statutory or contractual requirement to do so, such as payment for accrued and untaken annual leave.

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- 3.8. Subject to paragraph 1.4 above, in exceptional circumstances other severance payments may be made subject to agreement of the chief executive and head of paid service and the director of workforce and community resources and as allowed for in the Council's scheme of delegation. Such payment will take account of the Council's contractual and legal obligations, value for money, reputation of the Council and goodwill towards the employee.

Re-employment of officers previously made redundant and retirement

- 3.9. Where an officer who has previously been made redundant from the Council applies for employment with the Council, their application will be treated on its own merits, the financial merits and wider interests of the Council and will have regard to any agreement under which the officer left their previous employment. Where an officer leaves the Council's employment through voluntary severance or voluntary redundancy arrangements, they will not be allowed to work for the Council in any capacity, including engagement via employment agencies or as a consultant, for a period of one year after leaving.
- 3.10. The Council permits flexible retirement, as permitted by the Local Government Pension Scheme Regulations, where by an employee can receive a salary and be in receipt of a pension for doing the same job. The Council's Policy Statement of the Exercise of Discretionary Powers under the Local Government Pension Scheme Regulations applies in these circumstances and can be viewed on the Council website at <http://www.croydon.gov.uk/contents/departments/democracy/pdf/596477/statement>

4. Remuneration of lowest paid employees

- 4.1. The definition of "lowest paid employee" is for local determination. The Council has agreed that the lowest paid employee will be those workers employed under a contract of employment on full-time equivalent hours, in accordance with the minimum grade of the Council's agreed grading structure. Workers, such as apprentices, who are engaged on fixed term training contracts, are excluded from this definition.
- 4.2. From 1 April 2013, the full-time equivalent basic pay of the lowest paid employee will be that of spinal point 10 presently £16,290 p.a. This will achieve a minimum hourly rate of pay that exceeds the current London Living Wage of £8.55.

5. The relationship between the pay of chief officers and that of other staff

- 5.1. The council does not set the pay of individuals or groups of individuals by reference to a simple multiple of the pay of another individual or group. The use of simple pay multiples cannot capture the complexities and dynamics of a highly varied workforce. The Council sets pay as outlined above by reference to the level of responsibilities of the post as determined through a job evaluation process or at a rate determined by a national pay body.
- 5.2. Although there is no requirement under the Localism Act, the Council has decided to publish its pay multiples to aid transparency and future

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benchmarking. For the purposes of this statement the multiples below are based on full-time equivalent basic pay. Based on these figures:

- The multiple between the lowest paid employee and the chief executive and head of paid service is a ratio of 1:11
- The multiple between the lowest paid employee and the median chief officer is a ratio of 1:5
- The multiple between the median pay and the chief executive and head of paid service's pay is a ratio of 1:6
- The multiple between the median pay and the average chief officers' pay is a ratio of 1:3

5.3. As part of its overall and ongoing monitoring of alignment with external payments, both within and outside the sector, the Council will use available benchmarking information as appropriate.

6. Non-permanent staffing resources

6.1. To maintain flexibility in delivering services the Council supplements its employee workforce with workers who are not Council employees or on the Council payroll. This non-permanent resource includes consultants, who are procured under a Contract for (Consultancy) Services, and interims who are procured through the Councils managed service provider (the London Borough Recruitment Partnership) or other approved third party provider.

6.2. In managing its non-permanent staffing resource, the Council seeks to ensure that: the Council and the wider public sector achieve value for money; tax and national insurance liabilities are managed appropriately; and contractual relationships between the Council, workers and thirds parties are properly reflected. In this regard, it is the Council's policy not to engage directly with self employed individuals, or wholly owned one person limited companies in all but the rarest of exceptions. Where such arrangements are used, the Council seeks to limit them to a maximum duration of 24 months.

6.3. Where it is necessary to engage a chief officer temporarily as an interim or consultant, the remuneration paid to the individual will generally fall within the following rates. The higher rates of pay, compared to those paid to directly employed staff, are in recompense of interims and consultants not receiving all of the same conditions of employment, most notably regarding leave, pension, redundancy and notice.

Grade of post	Day rate range £ (payable to the individual)
Grade 16	£300 - £350
Grade 17	£350 - £400
Croydon Special Range A	£400 - £500
Croydon Special Range B	£500 - £525
Chief Officer A	£525 - £625
Chief Officer B	£625 - £775
Executive Director	£775 - £900

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7. Publication

- 7.1. Upon approval by the full Council this statement will be published on the Council's website. In addition, the Council's Annual Statement of Accounts will include a note setting out the remuneration paid to each member of the Council Management Team (the chief executive and head of paid service and those reporting directly to him) including the total amount paid to each individual by way of: salary, including fees and allowances; performance related pay; expense allowances; compensation for loss of office; benefits in kind and employers pension contributions. The Annual Statement of Accounts is published on the Council's website.
- 7.2. The Annual Statement of Accounts will also report on termination payments for all employees in keeping with international financial reporting standards. This will show the number of termination payments, within specific financial bands, made to employees during the year.

End

Pay structure for chief officers (excluding the chief executive and head of paid service)

Grade	Scp	Salary
Executive Director ¹	1	£116,772
	2	£121,893
	3	£127,017
	4	£132,138
	5	£137,262

Grade	Scp	Salary
Chief Officer A	0	£76,617
	1	£78,717
	2	£80,814
	3	£82,917
	4	£85,015
Chief Officer B	5	£90,792
	6	£93,414
	7	£96,042
	8	£98,664

Grade	Scp	Salary
Croydon Special Range A	1	£56,361
	2	£58,275
	3	£60,189
	4	£62,100
	5	£64,017
Croydon Special Range B	6	£71,142
	7	£73,482
	8	£75,822
	9	£78,159

Grade	Scp	Salary
Grade 16	51	£46,050
	52	£46,962
	53	£47,907
Grade 17	55	£50,790
	56	£51,741
	57	£52,704

Car allowances and mileage payments

	<u>451 - 999cc</u>		<u>1000 - 1199cc</u>	<u>1200 - 1450cc</u>
	<u>Compulsory car users</u>	Only payable for cars within DVLA bandings A-E for CO2 emissions		
Lump sum per annum	£846	£963	£1,239	
per mile first 8,500	36.9p	40.9p	50.5p	
per mile after 8,500	13.7p	14.4p	16.4p	

	<u>451 - 999cc</u>		<u>1000 - 1199cc</u>	<u>1200 - 1450cc</u>
	<u>Other users</u>	Only payable for cars within DVLA bandings A-E for CO2 emissions		
per mile first 8,500	46.9p	52.2p	65.0p	
per mile after 8,500	13.7p	14.4p	16.4p	

¹ Appointment is to a single spinal point within the grade range.

CROYDON COUNCIL

RELOCATION SCHEME

Introduction

These guidelines may be used to overcome a skills shortage or as a recruitment and retention tool. The Council's approach to attracting, recruiting, developing and retaining talent sometimes needs to be supported to enable the placement of someone with known abilities and expertise into a specific role.

The decision to apply this scheme should be agreed before an offer of employment has been accepted and should preferably be displayed in the job advertisement. An "in principle" offer of assistance, subject to meeting the requirements of the scheme, must be contained in the offer of employment letter. An offer of a relocation package cannot be made after employment commences.

There is no automatic right to help with relocation or the amount paid. Payment is subject to management discretion, production of receipts and the amount of budget available within the service. No central relocation budget exists, so payments must be made from the relevant department's own budget.

Relocation assistance will not normally be provided to employees already employed by the Council (including those on fixed term or temporary contracts) and can be paid once only. Any subsequent moves will not attract a payment.

Eligibility

The following criteria must be met to be eligible for a relocation payment;

- The applicant is lives more than 90 minutes travelling distance away from the new workplace and is relocating to a location within that limit.
- all owners or joint owners of the residence are moving, if claiming fees connected with the sale and purchase of a property
- the applicant is moving within 6 months of starting their employment with the Council
- the applicant is not benefiting from relocation assistance from another source (e.g. their partner's employer)
- the applicant is moving to work solely for Croydon

Conditions

The recipient must sign an agreement to remain in Croydon Council's employment for a minimum of three years. If they leave voluntarily or are dismissed on grounds of misconduct or capability within three years, repayment will be due, charged at 1/36 of the total amount of expenses paid per uncompleted month of service.

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Two quotes must be obtained for removal and storage expenses for which the lower amount may be reimbursed. Records of payments made will be recorded on CHRIS and retained by the manager who signs the agreement.

The employee is responsible for:

- taking steps to sell their property (if applicable) and obtaining accommodation within reasonable travelling distance (90 minutes) within 6 months of their start date with Croydon Council.
- seeking approval for any relocation expenses prior to incurring the expense.
- signing the three year agreement
- providing a full breakdown of costs and comprehensive receipts for all expenses claimed for under the scheme. Bank statements or credit card receipts cannot be accepted.
- providing at least two quotes if claiming for removal expenses.

The manager is responsible for:

- obtaining approval of the director of workforce and community resources and their Director and the correct financial authorisation (including departmental expenditure panel if relevant), before offering a relocation package
- subject to the eligibility criteria, informing the successful candidate of the relocation scheme when offering the appointment
- ensuring that finances are available to fund a relocation package
- agreeing with the employee the types of expenses they are able to cover and the maximum amount to be paid
- reviewing the situation if positive steps are not being taken by the candidate/employee to sell and/or buy a new property within 6 months of starting their employment.
- ensuring an agreement is signed by the employee and storing a copy on their personal HR file
- keeping a copy of the agreement, a full breakdown of costs, receipts and quotes.
- arranging for payment(s) to be paid into the employee's bank account before the end of the tax year following their appointment date and that taxable payments are paid via Payroll

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- ensuring that records of all payments are kept on the employee's personal HR file
- arranging the recovery of expenses if the employee leaves within three years, including writing to them to confirm the outstanding amount due and informing them if it will be taken out of their final salary or pension contributions.

Tax

Relocation expenses up to £8,000 per move are currently tax free as long as they are provided by the employer before the end of the tax year following the date of appointment (including VAT on expenses), but some payments are taxable. The following expenses may or may not be included in the agreed package.

- Payment for rent where it is necessary to temporarily maintain two homes , up to a maximum of 6 months*
- Travelling costs where two homes are temporarily maintained, up to a maximum of 6 months (either standard class train fares or casual car user mileage rates)
- Legal and Estate Agents fees connected with the sale and purchase of property
- Removal and storage of household furniture and effects
- Disconnection and reconnection of utilities*
- Reinstallation of domestic appliances such as cookers and washing machines*
- Charges incurred for ending a rental agreement early *
- Deposit for rented accommodation *
- Two days paid removal leave in addition to normal leave entitlement*
- Refund of unexpired season tickets*
- Shipping costs, if moving from abroad
- Survey Fees*
- Unplanned costs such as school uniforms, carpets, curtains, *
- Redirection of mail*

*subject to tax and NI contributions

As the tax position may change, it is advisable to check with the HMRC before finalising any arrangements under this guidance.

EARLY RETIREMENT & REDUNDANCY SCHEME (incl. Efficiency of the Service)

Council approved 1981.

Amended by Corporate Services Committee on 11 October 2006; effective from 1st December 2006

Amended 010410: legislative changes

Amended 010411: Employee Based Cost Review (EBCR)

1. SCOPE AND PURPOSE OF SCHEME

- 1.1. This scheme is without prejudice to the Council's and the trade unions' general policy of opposition to redundancies. It outlines the approach the Council may use when making staffing reductions through redundancy, early retirement on the grounds of redundancy, and early retirement on the grounds of efficiency of the service.
- 1.2. The scheme covers all categories of staff except teachers and lecturers for whom a separate scheme exists.
- 1.3. The scheme sets out the normal level of payments made to employees. Certain payments in the scheme are enhanced by the Council exercising its discretion, as allowed for in legislation. The exercise of the Council's discretion is subject to a decision in each case, and the Council reserves the right to apply different payments in particular cases. The Council also reserves the right to withdraw or suspend the scheme at any time.

2. GENERAL

- 2.1. Where redundancies as defined in the Employment Rights Act 1996 are contemplated the Council may choose to seek volunteers for early retirement or redundancy from the staff. Should the number of volunteers for early retirement or redundancy exceed the required number of post reductions the Council will consult staff representatives about the method of selection.

3. EARLY RETIREMENT BY REASON OF REDUNDANCY (only for employees aged 55 and over)

- 3.1. Employees aged 55 or more who are made redundant (including those who volunteer under paragraph 2.1) will be eligible for immediate payment of pension benefits if they have 2 or more years membership in the LGPS (or have less than 2 years membership, but have had a transfer of pension rights into the LGPS from another source).
- 3.2. In addition to immediate payment of pension benefits, employees with 2 years continuous service will also be entitled to a redundancy payment. The redundancy payment will be calculated as set out in section 4.

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- 3.3. The granting of any augmentation/ added years in respect of redundancy and early retirement in the interests of the efficiency of the service is to compensate officers for the loss of position and future expectations as a result of the Council's actions. It is not in respect of past service, which is covered by pension entitlement arising from contributions made into the Pension Fund.
- 3.4. The costs of the early payment of benefits are charged to departmental budgets rather than the Pension Fund.
- 3.5. From 1 April 2007 any general expectation to receive augmentation/ added years will cease.

4. REDUNDANCY

- 4.1. Employees who are made redundant will receive a redundancy payment based on length of continuous service and age as laid down in the Employment Rights Act. The details of the statutory redundancy payments vary with age and length of service and a ready reckoner is set out in Appendix 1.
- 4.2. Continuous local government service (and certain related service) will be used where this exceeds service with the London Borough of Croydon and in calculating the redundancy payment the weekly pay used for calculating redundancy payments will be as follows:
 - a) In cases of compulsory redundancy, by reducing by 50% the amount by which an employee's actual weekly pay exceeds the statutory cap e.g. with the statutory cap at £400 and an employee's actual weekly pay at £500, redundancy pay would be calculated on a revised weekly pay of £450.
 - b) In cases of voluntary redundancy, by reducing by 25% the amount by which an employee's weekly pay exceeds the statutory cap e.g. with the statutory cap at £400 and an employee's actual weekly pay at £500, redundancy pay would be calculated on a revised weekly pay of £475.

5. EARLY RETIREMENT IN THE INTERESTS OF THE EFFICIENCY OF THE SERVICE

- 5.1. The Council will consider applications from staff, supported by their Directors, for early retirement on the grounds of the efficiency of the service. Each case will be decided on its merits by the executive director of Resources and Customer Services in consultation with the director of Workforce and Community Relations and the relevant departmental director. They will use their discretion based on the following criteria:
 - (a) staff suffering ill-health of a nature not covered by the ill-health provisions of the Pension scheme
 - (b) a change in the organisation of an establishment or department which does not give rise to redundancy
 - (c) staff who are unable to meet the changed requirements of their post

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- 5.2. Employees aged 55 or over, who retire on the grounds of efficiency of the service are eligible for immediate payment of pension benefits if they have 2 or more years membership in the LGPS (or have less than 2 years membership, but have had a transfer of pension rights into the LGPS from another source).
- 5.3. From 1 April 2007 any general expectation to receive augmentation/added years will cease.
- 5.4. In these cases there is no entitlement to a redundancy payment.

6. **COMPLYING WITH LEGISLATION**

- 6.1 The Council will only apply the above policy in a manner which is compatible with the law (inc. legislation, subordinate legislation and case law) and anything in this policy which is incompatible with the law shall be disregarded or applied only to the extent that doing so would not be contrary to the law as it is understood when the policy is applied in any particular case.

End

Figures in grid show the number of weeks pay due

Continuous Service (Years)																			
Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
18 ²	1																		
19	1	1½																	
20	1	1½	2																
21	1	1½	2	2½															
22	1	1½	2	2½	3														
23	1½	2	2½	3	3½	4													
24	2	2½	3	3½	4	4½	5												
25	2	3	3½	4	4½	5	5½	6											
26	2	3	4	4½	5	5½	6	6½	7										
27	2	3	4	5	5½	6	6½	7	7½	8									
28	2	3	4	5	6	6½	7	7½	8	8½	9								
29	2	3	4	5	6	7	7½	8	8½	9	9½	10							
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11						
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12					
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13				
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14			
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15		
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½

² It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, and therefore the table starts from age 18.

Continuous Service (Years)																			
Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61 ³	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

² The same figures should be used when calculating the redundancy payment for a person aged 61 and above.

Notes:

Statutory redundancy payments are based on length of continuous service (up to max of 20 yrs) and age as follows:

- for each completed year of service up to age 21 inclusive: half a week's pay
- for each completed year of service from age 22-40 inclusive: one week's pay.
- for each completed year of service from age 41 inclusive: one and a half week's pay.