

# Public Document Pack



## Executive Board

Thursday, 15 December 2011 11.30 a.m.  
The Board Room - Municipal Building,  
Widnes

A handwritten signature in black ink, appearing to read 'David W R'.

**Chief Executive**

### **ITEMS TO BE DEALT WITH IN THE PRESENCE OF THE PRESS AND PUBLIC**

#### **PART 1**

<b>Item</b>	<b>Page No</b>
<b>1. MINUTES</b>	
<b>2. DECLARATION OF INTEREST</b>	
Members are reminded of their responsibility to declare any personal or personal and prejudicial interest which they have in any item of business on the agenda no later than when that item is reached and, with personal and prejudicial interests (subject to certain exceptions in the Code of Conduct for Members), to leave the meeting prior to discussion and voting on the item.	
<b>3. CHILDREN YOUNG PEOPLE AND FAMILIES PORTFOLIO</b>	
<b>(A) SANDYMOOR FREE SCHOOL PROPOSAL - KEY DECISION</b>	<b>1 - 9</b>
<b>(B) UPTON ROCKS- KEY DECISION</b>	<b>10 - 12</b>

*Please contact Angela Scott on 0151 471 7529 or  
Angela.scott@halton.gov.uk for further information.  
The next meeting of the Committee is on Thursday, 12 January 2012*

Item	Page No
(C) COMMISSIONING SUPPORT FOR CHESHIRE WEST AND CHESTER	13 - 17
<b>4. RESOURCES PORTFOLIO</b>	
(A) LOCAL GOVERNMENT PENSION SCHEME - POLICY DISCRETIONS AND STATEMENTS	18 - 24
<b>PART II</b>	
<b>ITEMS CONTAINING “EXEMPT” INFORMATION FALLING WITHIN SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985</b>	
<p>In this case the Board has a discretion to exclude the press and public and, in view of the nature of the business to be transacted, it is RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, having been satisfied that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 of Part 1 of Schedule 12A to the Act.</p>	
<b>5. PHYSICAL ENVIRONMENT PORTFOLIO</b>	
(A) ST MICHAEL'S GOLF COURSE, WIDNES- CHANGE TO CAPITAL PROGRAMME - KEY DECISION	25 - 29
(B) ST MICHAEL'S GOLF COURSE, WIDNES - REMEDIATION (NORTHERN SECTION) AND FUTURE SITE OPTIONS - KEY DECISION	30 - 44

***In accordance with the Health and Safety at Work Act the Council is required to notify those attending meetings of the fire evacuation procedures. A copy has previously been circulated to Members and instructions are located in all rooms within the Civic block.***

**REPORT TO** Executive Board

**DATE:** 15 December 2011

**REPORTING OFFICER:** Strategic Director, Children and Enterprise

**PORTFOLIO:** Children Young People and Families

**SUBJECT:** Sandymoor Free School Proposal

**WARDS:** Runcorn

### 1.0 PURPOSE OF REPORT

1.1 This report provides an update on the proposed development of a Free School at Sandymoor.

### 2.0 RECOMMENDED: That Executive Board

- 1) consider and agree a response to the Sandymoor Free School Proposal; and
- 2) consider whether Local Authority services could be sold to the Free School on a full cost recovery basis.

### 3.0 BACKGROUND

3.1 An application to establish a non-denominational, 11-18 mixed secondary School on Sandymoor was submitted to the DFE for consideration in May 2011. The application is for a school which would have a maximum intake of 900 and open in 2012. On 10<sup>th</sup> October 2011 the DFE notified the authority that following a full assessment and interview the Secretary of State had approved the Sandymoor Free School application to proceed to the next stage of the process .

3.2 The proposed annual admission number at Year 7 is 120 and for post 16 150 per year. It is, however, proposed that the school limits numbers in the years as detailed below:

<b>Year 7</b>	<b>Numbers</b>	<b>Year 12</b>	<b>Numbers</b>
2012	80	2014	75
2013	90	2015	75
2014	100	2016	150

- 3.3 The Free School will be non-selective, will abide by the Schools Admission Code and will follow the National Curriculum. It will have four specialisms; Science, Technology, Enterprise and Sport.
- 3.4 There are a range of documents on the Sandymoor Free School Website which outline the vision, the curriculum and how it will be delivered, the admissions code and age range and the proposed location. On 1<sup>st</sup> November the Free School launched a consultation exercise asking the following questions:
- Should a funding agreement be entered into so that we are able to set up this school?
  - Should the school have a specialism?
  - Does the educational vision meet the expectations of a science and sports focused secondary school?
  - Do you think that the educational plan will deliver the results that you aspire to for your child?
  - Is the admissions policy clear, fair and unambiguous?
  - Do you think the age range of students is appropriate?
  - Are you happy with the school being sited within Sandymoor?
- 3.5 Those responding to the consultation are asked to provide their name and address.
- 3.6 The next stage in the process is the statutory consultation to help shape the direction and ethos of the school. This will either be launched in December/January and is likely to run for 10 weeks. The proposers of the Free School intend to seek the views of the Local Authority, schools and other stakeholders
- 3.7 In addition , the Secretary of State has a duty to consider the impact any new school will have on the existing schools in the area. The Local Authority will be contacted by the DFE. The DFE will then consider the views and contextual information provided prior to entering into a Funding Agreement with the Free School.
- 3.8 It is intended that the Free School be accommodated in temporary classrooms in the first few years until a permanent build can be completed on Sandymoor in 2014.
- 3.9 Should the Free School be approved by the DFE the proposers wish to work in partnership with the authority and the primary and secondary schools. They have also asked whether they can purchase a range of services back from the Authority.
- 3.10 Appendix A provides a summary of the impact the Free School will have on the current provision in Halton.

## 4.0 IMPLICATIONS

### 4.1 Pupil Numbers

As part of the case made for a new school the proposers have referred to over subscription in terms of quality secondary school places and the removal of partner primary status. The oversubscription refers to Warrington Secondary provision not Halton and the removal of the links between Halton primary and Warrington secondary schools due to lack of capacity in Warrington.

The Halton January 2011 census provides details of the pupil numbers in Runcorn schools for each year group. The table below assumes all pupils in each year group will transfer from Halton primary schools to secondary schools. In 2011 there are a total of 726 pupils, however of these at least 42 have applied for school places in other authorities.

There are four mainstream secondary schools in Runcorn offering a total of 790 places.

School	PAN
St Chad's Catholic and Church of England	190
The Grange	180
Ormiston Bolingbroke	180
The Heath	240
Total	790

There are therefore sufficient secondary places in Runcorn for both current and future Runcorn pupils up to 2015. The proposed places for the Free School are surplus to the borough's requirements. The chart below shows the estimated over capacity. The real over capacity is likely to be higher than estimated when considered alongside the out borough drift.

Year	Pupil Numbers	Proposed Capacity	Surplus Places
2012	728	910	182
2013	734	910	176
2014	697	910	213
2015	785	910	125

In any future year if a small number of additional places were required consultation would be undertaken with the current schools to increase their PAN on a temporary basis. This is considered to be a more flexible and cost effective way of responding to a single year group when the numbers are higher than previous years or the prediction for future years.

### 4.2 Admissions

A number of parents have already contacted the Admissions team to ask advice on completing their application form and applying for a place at the Free School. The DFE have acknowledged that for 2012 it will not be possible for applications for the Free School to be administered as part of the co-ordinated secondary admissions process. This makes administering admissions for 2012 very difficult for both parents and the admissions team. It will also have an impact on the numbers and planning in Runcorn Secondary schools. However, applications for the Free School will need to be managed through the co-ordinated admissions process in 2013. The DFE have also suggested that the Local Authority might wish to provide advice to the Free School on how to advertise their school places in the area.

The Free School are interested commissioning the authority to manage any admissions appeals they may have.

### 4.3 Land and Buildings

A Meeting has taken place between the representatives of the Free School Steering Group and the Homes and Communities Agency on the proposed site for the Free School. At this meeting they discussed Wharford Farm but decided that it presented too many problems. They also discussed reverting the reserved primary school site to housing and using the land at the East side of the green to combine both primary (reserved for a later date), secondary and sixth form. They believe this represents the best option as it will enable sharing of resources and allow them to deliver value for money. They are now looking at the site in terms of its potential to deliver an all through school.

In terms of buildings it is proposed that the Free school be located in temporary buildings for the first 2 years until a new building is finished. It is planned that the new build will be completed by 2014. To allay parents fears about the quality of temporary classrooms the website has a short video by Portacabin showing the quality and versatility of current mobiles.

There has already been significant capital investment in the existing Runcorn Schools.

- Over £10 million has been invested in St Chad's Catholic and Church of England High School and Specialist Language College. Through BSF it was intended to increase this investment to improve and expand provision adding a further 50 places per year group. Without BSF funding the increase in numbers is unlikely to be possible.
- The Grange School an All Through PFI school is currently being built at a costs of just below £30 million. The building work is scheduled for completion in April 2013.
- Ormiston Bolingbroke Academy have secured capital funding of over £5 million to improve and develop their existing facilities.
- We understand that a bid has been submitted by The Heath Academy under the School Priority Building Scheme to access PFI to rebuild the current school.

#### 4.4 Post-16 Provision

There are already a number of post-16 providers offering provision in Runcorn. These include:

- Riverside College;
- St Chad's Catholic and Church of England High School and Specialist College; and
- Ormiston Bolingbroke.

In addition, The Heath Academy are looking to develop a post-16 Free School for Runcorn Students.

Any additional provision could impact on the sustainability of the existing providers.

### 5.0 **FINANCIAL IMPLICATIONS**

- 5.1 The development of a Free School is likely to have a significant impact on both schools and the local authority funding levels. The Free School aims to try and recruit up to 80 pupils in September 2012. If it is successful in doing this and these are pupils that would normally have attended Halton schools the annual loss based on an estimated secondary per pupil average of £5,200 could be in the region of £416,000 in year 1. Once the school is full 5 years at 120 would equate to approximately £3,120,000. Both Ormiston Bolingbroke and The Grange are both operating

- 5.2 significantly below their capacity any further loss may impact on their future sustainability and would certainly mean they would have to look to reduce staffing. As a PFI school this would be a particular issue for The Grange as all its Facilities Management costs are fixed irrespective of the number of pupils.

The Free School would also receive a LACSEG allocation. The Local Authority Spend Equivalent Grant is funding deducted from the central budgets managed by the local authority on behalf of schools. Academies and Free schools receive this grant to fund the services they previously received from the Local Authority that they will not need to secure for themselves. As many of these services support a services staffed by centrally employed staff it may mean that staffing levels will need to be reviewed in each service.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Children & Young People in Halton**

The establishment of a Free School in Sandymoor could impact on the pupil and staffing levels of other secondary schools in Runcorn.

### **6.2 Employment, Learning & Skills in Halton**

### **6.3 A Healthy Halton**

N/A

### **6.4 A Safer Halton**

N/A.

### **6.5 Halton's Urban Renewal**

N/A

## **7.0 RISK ANALYSIS**

- 7.1 Approval of the Free School at Sandymoor will impact on the pupil numbers of a number of Runcorn secondary schools. This in turn will impact on their staffing and future funding levels.

## **8.0 REASON(S) FOR DECISION**

- 8.1 This report seeks to gain the views of Executive Board to the proposal to establish a Free School on Sandymoor so that a response can be made to the statutory consultation.



**9.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

9.1 N/A

**10.0 IMPLEMENTATION DATE**

10.1 The Free School are looking to open in September 2012.

**11.0 EQUALITY AND DIVERSITY ISSUES**

11.1 The Free School will be a non-selective secondary school.

**12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Letter from DFE October 2011	Floor 1 Eccleston Block, Grosvenor House, Runcorn	Ann McIntyre – Operational Director Children's Organisation and Provision

## Impact of Free School Proposal

DESCRIPTION	IMPACT
School Places - 11-16	<p>The Free School will provide an additional 120 places per year.</p> <p>May attract some parents to take up secondary places within the authority.</p> <p>There are currently sufficient secondary school places. Will impact on numbers in existing Runcorn Secondary schools e.g. Ormiston Bolingbroke and The Grange.</p>
Post – 16 Provision	<p>The Free School will create 300 additional post-16 places.</p> <p>May attract some young people to continue in post-16 provision that would have previously considered out of borough provision</p> <p>Impact on Riverside College student numbers and student numbers at Ormiston Bolingbroke</p>
Admissions	<p>The Free School will be operating outside the current admissions round for 2012 causing disruption to parents and schools. From 2013 will operate in accordance with the co-ordinated admissions process in Halton.</p>
Funding	<p>The Free School is funded on an average secondary pupil, this sum will be removed from the Dedicated School Grant for each pupil attending the Free School.</p> <p>In addition the Free School will receive a share of LACSEG based on pupil numbers this will reduce the centrally held budgets and impact on the level of centrally managed services for schools/pupils.</p>
Capital	<p>The BSF Programme aimed to develop capital schemes at St Chad's Catholic and Church of England High School and The Heath to improve the building and increase capacity. These programmes were ceased by the DFE due to lack of funding. The Free School proposal is to build a new school on Sandymoor on this site. This does not represent value for money.</p>

### Summary

The Free School proposal does not represent value for money. This provision is not required and compromises the role the authority has effectively discharged as Strategic Commissioner of School Places. It will create surplus secondary places and impact on current post-16 provision, removing funding from the Dedicated Schools Grant. This reduction in funding is likely to have a detrimental

impact on the improving secondary performance and the ability of the schools affected by the Free School proposal to offer and sustain a broad and balanced curriculum. It will also require unnecessary and significant capital investment in the development of a new secondary school.

<b>REPORT TO</b>	<b>Executive Board</b>
<b>DATE:</b>	<b>15 December 2011</b>
<b>REPORTING OFFICER:</b>	<b>Strategic Director, Children and Enterprise</b>
<b>PORTFOLIO:</b>	<b>Children Young People and Families</b>
<b>SUBJECT:</b>	<b>Upton Rocks</b>
<b>WARDS:</b>	<b>Widnes</b>

### **1.0 PURPOSE OF REPORT**

1.1 This reports seeks to provide an update on reserved school site at Upton Rocks.

**2.0 RECOMMENDED: That the reserved school site at Upton Rocks is released.**

### **3.0 BACKGROUND**

3.1 For a number of years a piece of land has been reserved at Upton Rocks should the development of a new school be required.

3.2 In Widnes the current Primary Published Admission (PAN) is for 736 pupils per year. As part of the Basic Need capital development the total capacity will increase further to 756 once work has been completed at Lunts Heath Primary School and St Bede's Catholic Infant and Junior schools.

3.3 Based on the overall Widnes birthrates in 2013 there are likely to be 738 primary places required. This figure will increase to 767 in 2014 and reduce back to 727 in 2015. The estimated cohort survival rate (the number of births that translate into the take up a primary place) has been approximately 94% over the last four academic years. There is therefore sufficient capacity within Widnes to address the increases.

3.4 As there is no current need for an additional school to be developed in Widnes it is proposed that the site at Upton Rocks is no longer reserved for the development of a primary school. Should pupil numbers increase significantly after 2015 and there is insufficient local provision further development can be undertaken at All Saints Upton CE Voluntary Controlled Primary School.

#### **4.0 FINANCIAL IMPLICATIONS**

4.1 The site would now transfer to the Council's general land portfolio and be available for future use or disposal as determined.

4.2 Additional primary places will be available in Widnes as a result of the capital investment through the Basic Need funding. This will allow the expansion of both Lunts Heath Primary and St Bedes Catholic Infant and Junior School.

#### **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **5.1 Children & Young People in Halton**

There will be sufficient primary places in Widnes to meet pupil demand.

##### **5.2 Employment, Learning & Skills in Halton**

N/A

##### **5.3 A Healthy Halton**

N/A

##### **5.4 A Safer Halton**

N/A.

##### **5.5 Halton's Urban Renewal**

N/A

#### **6.0 RISK ANALYSIS**

6.1 A significant growth in pupil numbers could be accommodated by the development of All Saints Upton CE Voluntary Controlled Primary School. Contact has been made by Liverpool CE Diocese who would support this approach if necessary.

#### **7.0 REASON(S) FOR DECISION**

7.1 This report seeks to permission to release the reserved Primary school site to allow further development and improved access.

**8.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

8.1 Consideration was given to retaining the reserved site however Primary pupils numbers are insufficient to justify any new development.

**9.0 IMPLEMENTATION DATE**

9.1 The proposed release date is January 2012.

**10.0 EQUALITY AND DIVERSITY ISSUES**

10.1 There are no equality and diversity issues

**11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Site Plan for Upton Rocks	1 <sup>st</sup> Floor Eccleston Building Grosvenor House Runcorn	Ann McIntyre Operational Director Children's Organisation and Provision

**REPORT:** Executive Board

**DATE:** 15 December 2011

**REPORTING OFFICER:** Strategic Director Children and Enterprise

**PORTFOLIO:** Children, Young People and Families

**SUBJECT:** Commissioning Support for Cheshire West and Chester

**WARDS:** Borough-wide

### **1.0 PURPOSE OF REPORT**

**1.1** This report provides a summary of the commissioning support to be offered to Cheshire West and Chester (CWAC) Commissioning Team and outlines the proposed charge for this work. It also seeks permission to commence work on the development of a shared Children's Commissioning Service across the two authorities.

### **2.0 RECOMMENDED THAT:**

- 2.1 The commissioning support arrangements are approved;**
- 2.2 The proposed charge of £500 per person per day is approved;**
- 2.3 Work can commence on exploring the development of a shared commissioning service across the two authorities.**

### **3.0 BACKGROUND**

- 3.1** Children's Commissioning in Halton was recognized as Outstanding in the recent OFSTED inspection. As a result the team have worked with a number of authorities on a range of projects over the last 8 months. CWAC have now formally approached the authority to request dedicated commissioning support for their team.
- 3.2** As a result of the meetings which have taken place between the lead officers from the two authorities it is proposed that there are two separate areas of work. The first area is a support package. The second element is to explore the opportunity to develop a shared service for commissioning across the two authorities with Halton as the Lead.

3.3 The support package will focus on areas to assist with the introduction of foundations that will ensure a collective understanding of commissioning and what it can deliver. This will include:

- A scoping exercise on current practice and services;
- A self-assessment exercise;
- Bespoke commissioning training;
- Specific training packages
- Mentoring; and
- Sharing of practical tools around key areas of commissioning.

3.4 Once the initial scoping exercise has been undertaken a detailed plan of support can be finalized. The initial scoping will be undertaken by the Operational Director and Divisional Manager. Work will then be undertaken by the most appropriate Commissioner e.g. One of the team is qualified to deliver the Commissioning Support Training. (*Appendix A provides an example of the self assessment and commissioning training element*)

3.5 It is proposed that the cost per day per person is £500. Initially this is likely to be the Divisional Manager and two Commissioners however the whole team will be involved in the delivery of some aspects of the training and support.

3.6 The second area of work is to explore the development of a shared service for commissioning between the two authorities with Halton as the Lead. It is envisaged that this approach will not only strengthen the approach to commissioning but also provide efficiencies for both authorities. The shared service option could be explored in 2012 with a view to implementation from April 2013.

#### **4.0 FINANCIAL IMPLICATIONS**

4.1 Although the numbers of days cannot be finalised until the scoping has been completed it is estimated that there will be between 20 to 30 days support bringing additional income of between £10,000 and £15,000.

4.2 The development of a shared service between Halton and CWAC will provide the opportunity for both authorities to make efficiencies.

#### **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **5.1 Children & Young People in Halton**

Working together with CWAC will strengthen the Commissioning and partnership arrangements in both authorities.



**5.2 Employment, Learning & Skills in Halton**

N/A.

**5.3 A Healthy Halton**

N/A

**5.4 A Safer Halton**

N/A.

**5.5 Halton's Urban Renewal**

N/A

**6.0 RISK ANALYSIS**

6.1 The scoping exercise will identify the level of support required. This work can then be distributed as appropriate between the commissioning team. Monthly reviews will be undertaken to monitor the work and progress and ensure that there is no detrimental impact on the work within the Borough.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 The equality impact assessments developed in Halton for assessing commissioned services will be shared with CWAC.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Business Proposal	1 <sup>st</sup> Floor Eccleston Block – Grosvenor House	Ann McIntyre – Operational Director – Children's Organisation and Provision

## Appendix A

### Self Assessment and Commissioning Training

The aim is to support the commissioners so that they can lead change, by providing them with an understanding of the skills, and an appreciation of the support and challenge required for a strong commissioning approach. The approach will use external resources sparingly to ensure better long-term value for money. It will emphasise that changes are led by those accountable for their success, which in turn ensures ownership, understanding and commitment, and therefore the implementation of more appropriate and sustainable solutions.

The purpose of this exercise is through self assessment, to identify the maturity of local commissioning arrangements and the challenges the area face. From this self assessment, a change plan and support agreement will be developed to respond to the identified needs. The Self Analysis and Planning (SAP) exercise will consist of:

- A facilitated self-analysis of the commissioning arrangements and capacity for improvement based on 12 broad commissioning standards
- Completion of a change plan setting out a programme of work to be undertaken by the local area to address the areas requiring priority attention

The 12 SAP standards relate to aspects of a strategic change in which resources are deployed to meet the needs of children, young people and families. They are divided into three broad areas:

1. Commissioning, Governance and Framework standards deal with the underpinning structures needed within a local area to establish the strategic arrangements needed to deliver effective change through commissioning.
2. Commissioning Activity standards reflect the key commissioning activities within a local area
3. Commissioning Capacity and Capability standards deal with the capacity and capability of those who lead, and contribute to the local area's commissioning arrangements

Cheshire West and Chester can measure how far they have progressed towards meeting each of the 12 standards by assessing themselves against a five-level scoring framework where:

Score 1: We have no clear agreement about what is needed to move forward

Score 2: We do agree what is needed, and have begun to move forward

Score 3: We are making progress towards meeting the standard

Score 4: We are making very good progress towards meeting the standard

Score 5: The standard is fully achieved across the Children's Trust

Following the self assessment exercise Halton will support Cheshire West and Chester formulate an action plan over a 12 month period that will show clear goals and milestones in order to measure progress.

## Commissioning Training

This four day development programme will be open to commissioners and other key partners. The training will offer the opportunity to share knowledge and experience in the leadership of commissioning with peers and to test practical applications in commissioning good practice.

The aim of training is to explore the emerging commissioning agenda for children and young people. To understand the essential elements of commissioning and purchasing good practice and to share knowledge and compare practice. This training will help explore and define the attributes of effective commissioners which are;

To be effective, both individually and collectively, commissioners will need a range of skills, experience and training so that:

- They can be effective leaders and managers with improving outcomes
- They have the ability to develop good relationships with delivery partners from all sectors and are capable of adapting to new circumstances and needs
- They are able to champion continuous improvement by remaining tenacious, open minded and challenging.

Practically speaking the training will cover some of the below areas:

- The national agenda
- What is commissioning?
- Needs analysis and systems mapping,
- Market mechanisms
- Procurement and purchasing,
- Outcome-based commissioning
- Decommissioning
- Service user engagement

<b>REPORT TO:</b>	Executive Board
<b>DATE:</b>	15 <sup>th</sup> December 2011
<b>REPORTING OFFICER:</b>	Strategic Director – Policy and Resources
<b>PORTFOLIO:</b>	Resources
<b>TITLE:</b>	Local Government Pension Scheme (LGPS) – Policy Discretions and Statements
<b>WARD:</b>	Borough-wide

### **1.0 PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to outline those aspects of the Pension Regulations that are subject to employer discretion and to review the discretions that the Council adopts and seek approval for the discretions from the Board.

### **2.0 RECOMMENDATION: That the Board approves the LGPS Pensions Policy Discretions and Statements as contained in the attached scheme and as, in the case of augmentation, further detailed in the Staffing Protocol.**

### **3.0 SUPPORTING INFORMATION**

- 3.1 Employees of Halton Borough Council, other than teachers, have an option to join the Cheshire Pension Fund, which is part of the Local Government Pension Scheme (LGPS).
- 3.2 The Scheme allows for employers to exercise certain discretions and to publish those discretions in an annual scheme. The council is required to publish an annual statement setting out which discretions it intends to adopt.
- 3.3 This policy forms an integral element in the Council's overall approach to the management of its employees – its H.R. Management. It has been negotiated and agreed with the Trade Unions.

### **4.0 REVIEW**

- 4.1 This policy will be reviewed on an annual basis by the Council to consider its continued appropriateness in the light of changes in regulations and other circumstances.

### **5.0 POLICY IMPLICATIONS**

- 5.1 Although the provisions contained within the scheme are discretionary, this Policy and the terms for Voluntary Early Retirement, as contained in the Staffing Protocol, give guidance on the exercise of those discretions.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 The exercise of these discretions require approval of the relevant Strategic Director in consultation with the Executive Board Member for Corporate Services and will only be approved in the interests of the efficiency of the service. The advice of Accounts and H.R. must be sought when exercising these discretions.

## **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **7.1 Children & Young People in Halton**

As the schemes are discretionary they will be applied to applicants in such a way as to ensure the continued delivery of the Council's priorities and ensure that there are no implications for the children and young people in Halton.

### **7.2 Employment, Learning & Skills in Halton**

As the schemes are discretionary they will be applied to applicants in such a way as to ensure the continued delivery of the Council's priorities.

### **7.3 A Healthy Halton**

As the schemes are discretionary they will be applied to applicants in such a way as to ensure the continued delivery of the Council's priorities.

### **7.4 A Safer Halton**

As the schemes are discretionary they will be applied to applicants in such a way as to ensure the continued delivery of the Council's priorities.

### **7.5 Haltons' Urban Renewal**

As the schemes are discretionary they will be applied to applicants in such a way as to ensure the continued delivery of the Council's priorities.

## **8.0 EQUALITY & DIVERSITY ISSUES**

Application of these discretions must be applied consistently and fairly to ensure that unlawful discrimination does not take place. Human resources processes have been robustly tested over time and have been subject to consultation to reach agreement with trade union colleagues.

## **9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

**HALTON BOROUGH COUNCIL**

**LOCAL GOVERNMENT PENSION SCHEME  
(LGPS)**

**PENSIONS POLICY DISCRETIONS &**

**STATEMENTS**

## **1.0 INTRODUCTION**

- 1.1 The Local Government Pension Scheme (LGPS) has two sets of regulations – The Administration Regulations 2008 and The Benefits, Membership and Contributions Regulations 2007.
- 1.2 Regulation 66 of the Administration Regulations 2008, require the Council to produce and publish written policy statements on certain discretions contained within the LGPS Regulations. These are set out in sections 2 to 5 of this document.

## **2.0 INCREASE TOTAL MEMBERSHIP OF ACTIVE MEMBERS REGULATION 12 (BR) REGULATION 40 (AR) -AUGMENTATION**

- 2.1 Employees who are aged 55 or above and who have at least 3 months membership in the Local Government Pension Scheme (LGPS) can apply to leave in the Interest of Efficiency.
- 2.2 If Management agree that the application meets the criteria set out in the Councils Retirement Policy 2007 and the employee wishes to proceed with the voluntary retirement, the scheme gives unreduced payment of accrued pension
- 2.3 Additionally, in the case of voluntary early retirement, in agreeing to the request, the Council will augment the individuals LGPS service under the provisions of Regulation 12 of The Benefits, Membership and Contributions Regulations 2007 and Regulation 40 of The Administration Regulations 2008.
- 2.4 The total amount of membership that will be augmented under this regulation will be in accordance with the current Staffing Protocol, subject to a maximum 40 years service in the LGPS.
- 2.5 Augmentation will not be awarded on leaving if a pension member is paid a compensatory payment under The Local Government (Early termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006.

## **3.0 AWARD ADDITIONAL PENSION – REGULATION 13 (BR) REGULATION 40 (AR)**

- 3.1 The Council will not award a member of the LGPS any additional pension (in addition to any increase of total membership – Augmentation Regulation 12 Benefits, Membership and Contributions Regulations 2007) under Regulation 13 of The Benefits, Membership and Contributions Regulations 2007 and Regulation 40 of The Administration Regulations 2008.

**4.0 FLEXIBLE RETIREMENT – REGULATION 18 (BR)**

- 4.1 Employees who are aged 55 or above may apply to have their hours and/or their pay grade reduced and to seek agreement to early release of all or part payment of their accrued benefits without retiring from the Council
- 4.2 Applications will be considered if the employee's contractual hours reduce by a minimum of 25%.
- 4.3 Benefits released under the Flexible Retirement Scheme will be reduced if paid before age 65 (regardless of whether the member is in the protected group, i.e. 60 or more before 31<sup>st</sup> March 2013.)

**5.0 CHOICE OF EARLY PAYMENT OF PENSIONS –REGULATION 30 (BR)**

- 5.1 The Council will only consider requests for the early release of pension benefits on compassionate grounds to employees aged 55 to 60 who have left local government employment. If the Application is approved benefits will be unreduced.

**6.0 Sections 6 to 15 below set out the out the discretions that the Council is not required to publish however it is good practice to include them in a policy statement.**

**7.0 CONTRIBUTIONS PAYABLE BY ACTIVE MEMBERS – REGULATION 3 (BR)**

- 7.1 The employee rate of pension contributions is normally calculated on 01 April each year. However, if the contract changes during the year, i.e. due to promotion or grade reduction, any change to the contribution band will be effected before 01 April. If an employee receives a mid year increment or a late pay award, which changes their contribution band, the banding will not change until the following 01 April.

**8.0 RE-EMPLOYED AND REJOINING DEFERRED MEMBERS – REGULATION 16 (AR)**

- 8.1 Where a deferred member becomes an active member again before becoming entitled to the immediate payment of retirement benefits in respect of the former membership, the member may elect to have the former membership aggregated with the current membership.
- 8.2 Employees must make the election in writing to the member's appropriate administering body before the expiry of the period of twelve months, beginning with the date that they again became an active member.



**9.0 APPLICATIONS TO MAKE ABSENCE CONTRIBUTIONS – REGULATION 22 (AR)**

9.1 Employees, who are members of the LGPS who have been absent without pay due to maternity leave, industrial dispute or authorised leave of absence must apply, in writing, to pay the relevant contributions to enable the membership to count, **within 30 days** from returning to work or termination of employment.

**10.0 INWARD TRANSFERS OF PENSION RIGHTS – REGULATION 83 (AR)**

10.1 An employee who becomes an active member who has relevant pension rights may request to transfer some or all of their former pension rights.

10.2 An election must be made in writing before the expiry of the period of twelve months, beginning with the date that they became an active member.

**11.0 FINAL PAY: FEES – REGULATION 11 (BR)**

10.1 Where a variable time employee's final pensionable pay consists of fees, the final pay is calculated by averaging the sum of all fees earned in a consecutive three year period ending with the termination date.

**12.0 EARLY LEAVERS ILL HEALTH – REGULATION 20 (BR)**

12.1 Following receipt of an ill health certificate from an independent registered medical practitioner a decision will be made as to which ill health tier the member falls into.

**12.0 EARLY LEAVERS ILL HEALTH –REGULATION 31 (BR)**

12.1 Following receipt of an ill health certificate from an independent registered medical practitioner a decision will be made whether the **deferred** member of the Local Government Pension Scheme meets the permanent ill health criteria and whether the medical condition is likely to prevent the member in undertaking any gainful employment before the normal retirement age or within three years whichever is the sooner.

**13.0 PAYMENT OF THIRD TIER PENSIONS – REGULATION 30A (BR)**

13.1 An employee who has a “suspended” tier 3 pension can apply to have their pension paid early from age 55, the same as any other Deferred Pensioner. Payment can only be made before age 60 if the Council gives consent. The pension is reduced if it is paid before age 65 (unless the member is protected under the “85 year rule”),

**14.0 AGGREGATION OF PREVIOUS LOCAL GOVERNMENT SERVICE-REGULATION 83 (AR)**

14.1 Employees who become members of the LGPS can link **any** previous periods of unlinked LGPS membership to their current period, as long as they elect, in writing, to do so **within 12 months** of becoming an active scheme member

**15.0 BACKDATING OF MEMBERSHIP FOR CONTRACT EXTENSIONS**

15.1 Employees with contracts of employment of less than three months are not eligible to join the LGPS. If the contract is extended to more than three months employees can join the LGPS and opt to backdate membership to the start of employment. An employee must request to pay arrears of contributions to backdate membership **within three months** of becoming eligible to join, i.e. six months from starting employment.

**16.0 REVIEW**

16.1 The policy will be published and disclosed to the administering authority within three months of the commencement date. The Policy will be kept under review and any revisions will be published and disclosed within one month of the revised commencement date.

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