



## SOLIHULL METROPOLITAN BOROUGH COUNCIL PAY POLICY STATEMENT – 2024

### 1. Introduction and Purpose

1.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘statement’) sets out Solihull Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees (excluding those working in local authority schools) by identifying:

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
- the Remuneration Committee responsibilities for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to Full Council.

1.2 For the purpose of this document:

*‘Workforce’ is defined as all Local Authority employees, excluding those working in schools.*

*‘Full Council’ is a formal meeting to which all 51 members of the Council are invited and is the body that approves the Council’s major plans and policies which are implemented by the Cabinet.*

1.3 The ‘Chief Officers’ referred to in this statement are detailed in paragraphs 7.1a) – 7.1c).

1.4 Once approved by Full Council, this policy statement will come into immediate effect and will be reviewed annually in accordance with the relevant legislation prevailing at that time. The Pay Policy Statement may be amended during the course of a financial year to reflect changes or developments in the Council’s pay policy. However, any amendments will only be made by resolution of Full Council. Any amended statement will be published as soon as is reasonably practicable.

## **2. Legislative Framework**

- 2.1 In determining the pay and remuneration of all its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part-time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and, where relevant, the Transfer of Undertakings (Protection of Employment) Regulations.
- 2.2 With regard to the Equal Pay requirements contained within the Equality Act, the Council will ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality-proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.
- 2.3 In accordance with the Equality Act 2010 the Council published its Gender Pay Gap Report based on pay information as at 31 March 2023.

## **3. Accountability and Decision Making**

- 3.1 In accordance with the Constitution of the Council, the Remuneration Committee is authorised to determine any activity within its terms of reference, the parameters of the Pay Policy and the budget framework agreed by the Council. The full Terms of Reference of the Remuneration Committee are shown at Appendix A.

## **4. Pay Structure (see also Section 6)**

- 4.1 The pay of Chief Officers is referred to in paragraph 7.1.
- 4.2 The Council currently uses the nationally negotiated pay spine as the basis for its local grading structure. Points 1-43 of the pay spine are determined nationally and points 44-70 were determined locally in April 2020 as part of the Single Status Collective Agreement.
- 4.3 With effect from April 2023, NJC spinal column pay points 1 to 43 were increased by £1,925 per annum and spinal column pay points 44 to 70 were increased by 3.88% in accordance with the Local Government Pay Agreement 2023. This resulted in an increase equivalent to 10.41% at the bottom of band A and 3.88% at the top of Band J.
- 4.4 The Council remains committed to adherence with national pay bargaining in respect of the national pay spine.
- 4.5 The pay structure as shown in Appendix B applies to all staff on NJC Terms and Conditions including those employed in Solihull schools and any increases are nationally negotiated.
- 4.6 There are two groups of staff (excluding Chief Officers) who are not covered by the pay structure shown at Appendix B. They are those staff who transferred into the Council and whose pay is protected in law under the Transfer of Undertakings (Protection of Employment) or who have historically been paid under Soulbury\* terms and conditions.

*\*The Soulbury Committee was established in 1948 to provide voluntary collective bargaining machinery for advisory staff in local education authorities. The Council employs 3 staff members who are employed in accordance with Soulbury Terms and Conditions. In addition to the annual pay discussions, this Committee determines the national salary framework.*

- 4.7 In determining its grading structure and setting remuneration levels for all posts, the Council has taken account of the need to ensure value for money in respect of the use of public resources. This is balanced against the need to attract, retain and motivate competent and talented staff on a sustainable basis to deliver the required public services.
- 4.8 All pay related allowances paid as a means of remuneration for non-standard working patterns, are the subject of either nationally or locally negotiated rates, having been determined from time-to-time in accordance with collective bargaining machinery and/or as determined by Council policy.
- 4.9 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the most suitable candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capability. The Market Forces policy was agreed by the Remuneration Committee in January 2013. A review of this policy commenced in 2023 and any changes will be submitted to Remuneration Committee for approval in 2024.
- 4.10 Where necessary the Council ensures the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the Local Government Sector.

## **5. Incremental Progression**

- 5.1 There is no automatic progression through the incremental salary scale. Progression within the relevant grade is subject to achieving challenging objectives and routinely demonstrating corporately determined behavioural qualities, which are agreed in advance by managers and assessed annually. Any salary progression is dependent upon there being demonstrable evidence of achieving performance improvements and delivering defined targets.
- 5.2 The Council's Performance and Development Review (PDR) Framework provides the means of recognising and valuing the individual contribution of every employee within the organisation. The framework is designed to be a motivator of performance, reward high achievement, support continued career development and recognise the importance of employee wellbeing. This scheme aims to support and maximise the potential of our workforce and is an enabler of the way we need to work to support the Council's purpose and vision where everyone has an equal chance to be healthier, happier, safer and more prosperous through growth that creates opportunities for all.
- 5.3 The 'Scheme Guidance' and 'Employee and Manager Responsibilities' set out the expectations of an employee and those of a manager and their role in making PDR a meaningful experience so everyone is clear. PDR is recognised as one of the core pillars of mandatory competencies for managers, underpinned by the requirement for every manager to undertake the core training or being assessed as competent in this

professional area of expertise.

- 5.4 The framework enables every employee to:
- understand what is required of them in their role;
  - understand how their daily work and objectives link to performance plans and the Council's key priorities;
  - receive constructive feedback on their performance;
  - understand what is expected of them and what they can expect of each other as well as how their behaviours impact on others;
  - explore and agree their development needs and options.
- 5.5 As part of the Performance and Development Review Framework the maximum award an employee can receive is one increment. Where employees are at the top of their grade, a non-consolidated award that is equivalent to one increment can be paid. These awards are only made to employees who deliver strong performance and are exemplary in displaying the Council's behaviours and rated 1:1. In 2023, 520 employees (21.78% of employees assessed) received a non-consolidated award. This is an increase from 481 employees who received a non-consolidated lump sum in the previous year (20.48% of employees assessed).
- 5.6 From the Chief Executive down to first-level line managers, objective setting and measurement are part of the day-to-day skills of managing people. A programme of coaching and training has been established to support any employee who is required to review the performance of others. This is aimed at ensuring honest and regular feedback becomes the foundation of any performance conversation, and that all employees are treated fairly, equally and consistently.

## 6. Senior Management Hierarchy

Position	Salary Grade
Chief Executive	Chief Executive
Director of Adult Social Care and Deputy Chief Executive	Deputy CE
Director	Director 1
Director	Director 2
Assistant Director	AD
Head of Service	Band J
Head of Service	Band I

## 7. Senior Management Remuneration

- 7.1 For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act.

The posts falling within the statutory definition are set out below together with salaries effective from 1 April 2023.

a) **Chief Executive**

The salary for the post is £181,125. The salary falls within a range of three incremental points between £175,950 and a maximum of £186,300.

Additional payments are made for Returning Officer duties in years when national and regional elections are held. These Returning Officer fees are determined by Statutory Instrument and are paid by the Cabinet Office for parliamentary elections, the Home Office for Police and Crime Commissioner elections, and by the West Midlands Combined Authority for running their elections, rather than by the Council.

In 2023 there were no elections for which additional payments were made.

The duties of the Returning Officer are detailed in Appendix C.

- b) **Director of Adult Social Care and Deputy Chief Executive**  
The salary for the post is £144,045. The salary of the post falls within a range of three incremental points between £137,172 and a maximum of £144,045.
- c) **Directors and Corporate Leadership Team Members**

Grade	No. of Posts	Salary Range (£)
Director 1	4	127,760 – 133,998
Director 2	0	100,194 – 107,060

(Details of the Council's Corporate Leadership Team are provided in Appendix C.)

#### Other Directors

Grade	No. of Posts	Salary Range (£)
Assistant Director	12	89,933 – 95,809

- d) **Other Officers (Heads of Service and/or reports to a Director)**

Post	No. of Posts	Salary Range (£)
Head of Service / Band J	28	77,866 – 82,225
Head of Service / Band I	18	67,909 – 71,218
Other staff reporting to Directors	1	58,026 – 64,619
	2	35,745 – 41,418
	2	30,296 - 34,834

The salaries quoted in section 7.1 are effective from 1 April 2023.

## 8. Recruitment of Chief Officers

- 8.1 When recruiting to all posts, the Council takes full and proper account of its own Recruitment and Equality & Diversity policies.
- 8.2 The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of market forces supplements in accordance with its relevant policies.

8.3 Where the Council remains unable to recruit chief officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

## **9. Payments on Termination**

9.1 The Council's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, (within the terms of the Local Government Pension Scheme) is set out within its policy statements in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2008 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2008 (amended for the 2014 changes to the Pension Scheme). These statements are shown in Appendix D.

9.2 In cases where severance payments are over £100,000, Full Council approval is required. All severance packages, where the total cost exceeds the annual salary (plus on-costs), require the agreement of Remuneration Committee members (the Director of Resources has delegated authority to approve these after consultation with members of the Remuneration Committee). Any severance packages above £100,000 are considered by the Remuneration Committee prior to being presented to Full Council.

9.3 Where an employee leaves the Council through early retirement or redundancy, the maximum payback period will generally be 3 years. The payback period is calculated by comparing the total cost to the Council of the early leaver payments to the annual gross salary saved. In the case of a compulsory redundancy, the maximum 3 year period will still apply, unless otherwise approved by the relevant Director and the Director of Resources.

9.4 New statutory guidance on making Special Severance Payments (SSP) issued under section 26 of the Local Government Act 1999, came into effect in May 2022, setting out the obligations placed on Local Authorities in this regard. SSPs are described as payments made outside of statutory, contractual or other requirements when leaving employment in public service.

9.5 The Council's approach in determining any case for a SSP will firstly be to ensure these are only paid in exceptional circumstances and where it is demonstrated that all relevant internal policies have been fully explored and alternate actions considered; and that any SSP arrangements are fair, proportionate, lawful and provide value for money.

9.6 SSPs that are of £100,000 and above must be approved by Full Council; payments of £20,000 and above, but below £100,000, must be personally approved and signed off by the Head of Paid Service with a clear record of the Leader's approval and that of any others who have signed off the payment and payments below £20,000 require the approval of the Director of Resources in line with the Council's scheme of delegation.

9.7 Where the proposed SSP is to the Head of Paid Service, to avoid a conflict of interest the payment will be approved by a panel including at least two independent persons.

## **10. Publication**

10.1 Upon approval by the Full Council, this statement will be published on the Council's Website. In addition, for posts where an employee reports to the Chief Executive, the Council's Annual Statement of Accounts will include a note setting out the total amount (gross) of:

- salary, fees or allowances paid to or receivable by the person in the current and previous year;
- any bonuses so paid or receivable by the person in the current and previous year;
- any sums payable by way of expenses;
- any compensation for loss of employment and any other payments connected with termination;
- any other emoluments;
- total remuneration.

## **11. Lowest Paid Employees**

11.1 The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement. The lowest paid Council employees are those on Band A, £22,366 – £22,737 per annum.

11.2 From 1 April 2024 the National Living Wage will increase for individuals aged 21 and over by £1.02 per hour to £11.44. This equates to a minimum annual salary of £22,071.

11.3 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector (2010)'. The Hutton Report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. One of the key drivers behind the use of the multiple was concern due to the growth in the pay of senior managers and, specifically, in relation to the rest of the workforce. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median salary of the whole of the authority's workforce.

11.4 The pay levels with effect from 1 April 2023 within the Council define the multiple between the lowest paid (full time equivalent) employee and the Chief Executive as 1:8.1. This is a marginal increase from 1:8.0 last year. The median salary (based on April 2023 rates) is £34,834 and the multiple between the median full-time equivalent earnings and the Chief Executive is 1:5.2. This is a small increase from 1:4.9 last year.

11.5 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information, as appropriate.

11.6 The Council employs Apprentices who are engaged on a training contract. The salary paid to these employees does not fall within the nationally negotiated pay spine and they are not included within the definition of 'lowest paid employees'.

11.7 Effective from 1 April 2023 the minimum pay rate for all apprentices in Core Council was increased to £10.42 per hour irrespective of age. This rate is linked to the national minimum wage for apprentices who are aged 23 and over. From 1 April 2024 the pay rate for apprentices will increase to £11.44 per hour.

## **12. Trade Union Facility Time**

12.1 The Trade Union (Facility Time Publication Requirements) Regulations came into force on the 1 April 2017. The regulations place a legislative requirement on relevant public sector bodies to collate and publish, on an annual basis, a range of data on the amount and cost of facility time provided to trade union officials. In accordance with the Regulations the Council has published its' information for the period 1 April 2022 to 31 March 2023 on the Council web site, in addition to the central government website.



**Remuneration Committee  
Terms of Reference**

**Authority**

The Committee is authorised to determine any activity within its Terms of Reference and within the parameters of the Pay Policy and budget framework agreed by Council.

**Duties:**

1. To formulate and recommend to Council a Pay Policy for the remuneration of the Chief Executive, Deputy Chief Executive, Directors and Heads of Service, having particular regard to the Council's strategic objectives, equality duties and the need for transparency of process.

**Within the terms set out in the Pay Policy agreed by the Council:**

2. To consider and approve severance payments to any member of staff subject to the following:
  - I. Where the total severance cost is less than the annual cost of the post, the Director of Resources has delegated authority to approve the severance cost.
  - II. Where the cost exceeds the annual cost of the post but is less than £100,000, delegated authority is granted to the Director of Resources to approve the severance cost, after consultation with members of the Remuneration Committee and after receiving confirmation that a majority of members of the Committee support the decision.
  - III. Severance cases that exceed £100,000 require the approval of Full Council.
3. To consider and, where appropriate, approve all requests for market forces payments for a period of up to three years and review ongoing need.
4. To advise on the Council's position with regards to proposals relating to nationally agreed pay awards.
5. To undertake reviews of relevant pay markets as and when required, and judge where to position Solihull Council in relation to other local authorities, taking into account what they are paying, relative to performance and affordability.
6. To approve changes to employee benefits which do not require an amendment to the Pay Policy.
7. To ensure that all provisions regarding disclosure of remuneration are fulfilled.

**Membership**

The membership of the committee will be subject to "political balance" requirements and includes:

- The Cabinet Member for Resources (Chair).
- Six other nominated elected members.
- An Independent Local Business Leader (Co-opted Non-Voting member).

**Quorum**

No business shall be transacted unless five members of the Committee are present, including the Chair or Deputy Chair.

**Frequency of Meetings**

The Committee shall meet at least twice annually, but otherwise as required. The Chair may convene a meeting at any time.

**Reporting**

The decisions of the Remuneration Committee meetings, other than those requiring the approval of Full Council, shall be reported to the Council for information.

Pay Structure from 1 April 2023

SCP		New grade ranges	
2	£22,366	A	
3	£22,737	£22,366	B
4	£23,114	£22,737	£22,737
5	£23,500		£23,114
6	£23,893		£23,500
7	£24,294		
8	£24,702		C
9	£25,119		£24,702
10	£25,545		£25,119
11	£25,979		£25,545
12	£26,421		£25,979
13	£26,873		£26,421
14	£27,334		£26,873
15	£27,803		£27,334
16	£28,282		
17	£28,770		
18	£29,269		
19	£29,777		
20	£30,296		D
21	£30,825		£30,296
22	£31,364		£30,825
23	£32,076		£31,364
24	£33,024		£32,076
25	£33,945		£33,024
26	£34,834		£33,945
27	£35,745		£34,834
28	£36,648		E
29	£37,336		£35,745
30	£38,223		£36,648
31	£39,186		£37,336
32	£40,221		£38,223
33	£41,418		£39,186
34	£42,403		£40,221
35	£43,421		£41,418
36	£44,428		F
37	£45,441		£42,403
38	£46,464		£43,421
39	£47,420		£44,428
40	£48,474		£45,441
41	£49,498		£46,464
42	£50,512		£47,420
43	£51,515		£48,474
44	£52,528		G
45	£53,626		£51,515
46	£54,729		£52,528
47	£55,824		£53,626
48	£56,921		£54,729
49	£58,026		£55,824
50	£59,119		£56,921
51	£60,222		H
52	£61,321		£58,026
53	£62,416		£59,119
54	£63,516		£60,222
55	£64,619		£61,321
56	£65,716		£62,416
57	£66,811		£63,516
58	£67,909		£64,619
59	£69,015		I
60	£70,109		£67,909
61	£71,218		£69,015
62	£72,312		£70,109
63	£73,407		£71,218
64	£74,504		
65	£75,664		
66	£76,761		
67	£77,866		J
68	£78,967		£77,866
69	£80,269		£78,967
70	£82,225		£80,269
			£82,225

## The Corporate Leadership Team

Solihull Council employs approximately 2745 employees (including apprentices and casuals but excluding schools), has a proposed annual revenue budget for 2024/25 of £200 million (indicative) and provides a wide range of public services to 217,700 residents.

The Corporate Leadership Team is responsible for managing the activities of the Council's workforce and for advising elected members on the potential implications of their decisions. By law, senior Council employees are not allowed to participate in any party-political activity.

The team consists of the:

Chief Executive

Director of Adult Social Care and Deputy Chief Executive

Director of Resources

Director of Economy and Infrastructure

Director for Children's Services

Director of Public Health and Commissioning

An outline of the responsibilities of the roles of the Corporate Leadership Team is provided below.

### Chief Executive

The Chief Executive is the Senior Officer who leads, and takes responsibility for, the work of the paid staff of the Council. The role of Chief Executive is a full-time appointment. Post holders are selected on merit, against objective criteria, following public advertisement. They are appointed by Full Council.

The Chief Executive works closely with elected members to deliver:

- Leadership - working with elected members to ensure strong and visible leadership and direction, encouraging and enabling managers to motivate and inspire their teams.
- Strategic Direction - ensuring all staff understand and adhere to the strategic aims of the Council and follow the direction set by the elected members.
- Policy Advice - acting as the principal policy adviser to the elected members of the Council to lead the development of workable strategies which will deliver their political objectives.
- Partnerships – supporting the leadership and development of strong local and regional partnership working to achieve improved outcomes and better public services for local people.
- Operational Management - overseeing financial and performance management, risk management, people management and change management within the Council.
- Legal and Democratic Services including Monitoring Officer responsibility.

### Director of Adult Social Care and Deputy Chief Executive

The Director's role includes that of the statutory Chief Officer post of Director of Adult Social Services. The Director undertakes the Chief Executive's duties in their absence. As well as deputising for the Chief Executive, the responsibilities of the Director of Adult Social Care include assessing local needs and ensuring availability of a full range of quality adult social services; leading an appropriate Council and multi-agency response to safeguarding adults; and promoting a whole council approach to social inclusion and wellbeing with a view to promoting independence and minimising the need for intensive services. Full details of the statutory responsibilities can be found in the statutory guidance document available below.

[DH Guidance on the Statutory Chief Officer Post of the Director of Adult Social Services.pdf](#)

### **Director of Resources (Section 151 Officer)**

The Director of Resources is responsible for all the Corporate Services of the Council. As the Council's nominated Section 151 Officer, the Director has statutory responsibility for ensuring the financial health and probity of the Local Authority as well as leading the Council's strategic approach to financial planning and management; council tax and business rates collection and benefits administration; facilities and asset management; strategic land projects; Human Resources; information and communications technology; Equality and Diversity, Corporate Performance, Policy and Information, Organisational, Wellbeing and Workforce Development, Corporate Procurement, Audit, Health & Safety, Communications, Business Intelligence and Improvement and financial responsibilities for Solihull Community Housing.

### **Director of Economy & Infrastructure**

The Director has responsibility for all services associated with place – waste and recycling, parks, grounds maintenance, street cleansing, regulatory services, transport and highways, bereavement services and registrations, sustainability, promoting the economy and development in the Borough. The Director also has lead responsibility for the UK Central Programme, planning and for community related services - resettlement of refugees and new communities, Libraries, Culture and Arts, Customer Services, Community and Voluntary Sector Relations, the Safer Solihull Partnership and housing and homelessness.

### **Director for Children's Services**

In accordance with the statutory guidance, the Director of Children's Services has professional responsibility for the leadership, strategy and effectiveness of local authority children's services. The DCS is responsible for securing the provision of services which address the needs of all children and young people, including the most disadvantaged and vulnerable, and their families and carers. The DCS is responsible for the performance of local authority functions relating to the education and social care of children and young people.

### **Director of Public Health and Commissioning**

In accordance with the statutory guidance, the Director of Public Health has overall responsibility for the health of the people of Solihull, for health improvement and the reduction of health inequalities, health protection and the development and commissioning of public health programmes and services. The Director also leads on Emergency Planning, Business Continuity, Resilience, Leisure services and Employment and Skills. As an interim measure the Director has lead responsibility for Education.

### **Role of the Returning Officer**

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer who is appointed by the Council, under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one of a personal nature, and distinct and separate from their duties as an employee of the Council.

The Returning Officer is responsible for:

- the nomination process for candidates and political parties;
- provision and notification of polling stations;
- appointment of Presiding Officers and polling clerks;
- appropriate administration and security of polling stations;
- preparation of all ballot papers;
- the actual count and declaration of results;
- issue, receipt and counting of postal ballot papers;
- all candidates' election expenses returns;

- presentation of final account;
- reclamation of funding from external bodies, as prescribed.

**LOCAL GOVERNMENT PENSION SCHEME POLICY STATEMENT  
1st APRIL 2024 (updated)**

**Policy Statement for all Eligible Employees**

Under the Local Government Pension Scheme Regulations, each scheme Employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pension Regulations. The regulations to which the discretions apply are:

- The LGPS Regulations (2013)
- The LGPS Regulations (2014 (Transitional Protections and Savings)
- The LGPS Regulations (2008 (Benefits, Membership and Contributions)

This Statement is applicable to all individuals, excluding Councillors of Solihull Metropolitan Borough Council (The Council), who are eligible to be members of the Local Government Pension Scheme (LGPS).

These policies may be subject to review from time to time. Affected employees will be notified of any subsequent change to this Policy Statement.

**Pension Admission Agreements**

The Council has a choice on how pension admission agreements operate. The Council's preference for contracts relating to new schools services contracts for periods of less than 5 years is to elect to operate the "pass through" model. This does not apply to Academies or contracts let by Academies. All other contracts involving Council employees will be assessed on a case by case basis with the relevant Cabinet Member in consultation with the Cabinet Member for Resources deciding the most appropriate option.

**DISCRETIONS TO BE APPLIED UNDER THE LGPS REGULATIONS 2013, THE LGPS REGULATIONS 2014 (TRANSITIONAL PROVISIONS AND SAVINGS) AND THE LGPS REGULATIONS 2008 (BENEFITS, MEMBERSHIP AND CONTRIBUTIONS).**

**REGULATION 16(2)e, & 16(4)d**

**Explanation**

Where an active scheme member wishes to purchase extra annual pension by making Additional Pension Contributions (APCs)\*, the Employer can choose to voluntarily contribute towards the cost of purchasing that extra pension through a Shared Cost Additional Pension Contribution (SCAPC).

\*Please see LGPS Member Website for the current years maximum additional purchase pension limit: <https://www.lgpsmember.org/your-pension/paying-in/paying-more/>

**Policy**

The Council has not introduced a Shared Cost Additional Pension Contribution (SCAPC) scheme.

## **REGULATION 30(6) and TP11(2)**

### **Explanation**

An employer can decide whether to permit flexible retirement for staff aged 55 or over who reduce their working hours and/or grade and wish to access their pension benefits.

In such cases, pension benefits may be reduced in accordance with actuarial tables unless the employer waives the reduction.

The employee must reduce either their hours, and/or their grade and the employer must agree to the release of the pension.

If flexible retirement is agreed for a member aged between 55 and 60, there could be a Strain cost to be paid to the Pension Fund by the employer in respect of pension benefits paid. There would also be a Strain cost payable by the employer where actuarial reductions have been waived, in whole or in part.

### **Policy**

Each specific case will be judged on its own merits, having fully considered service delivery and financial costs.

This discretion will be exercised by the Director of Resources within their delegated authority or, if appropriate, the Council's Remuneration Committee.

The Council will permit members to draw all, part or none of the benefits accrued after 31 March 2008 and before 1 April 2014. The Council will permit members to draw all, part or none of the benefits accrued after 1 April 2014.

## **REGULATION 30(8)**

### **Explanation**

The Employer has discretion to waive, in whole or in part, actuarial reductions paid on:

- Flexible retirement.
- Voluntary retirement where a member draws before normal pension age other than the grounds of flexible retirement (where the member only has post 31 March 2014 membership)

### **Policy**

Each specific request will be assessed on its own merits. Where the Council determines that the benefits should not be reduced the cost would need to be funded by a lump-sum contribution into the pension fund.

This discretion will be exercised by the Director of Resources within their delegated authority or if appropriate the Council's Remuneration Committee.



## **TP REGULATION 1(1)(c) of SCHEDULE 2 para 1(2) & 1(1)(f) and REGULATION 60**

### **Explanation**

The Employer has discretion to “switch on” the 85 year rule for a member who chooses to voluntarily draw their benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).

The Employer has discretion to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.

### **Policy**

The Council has not approved “switching on” of the 85 year rule.

## **TP REGULATION 3(1) TP REGULATION 2 para 2(1), B30(5), B30A(5), REGULATION 31(5) 1997**

### **Explanation**

The Employer has discretion to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership):

- a) On compassionate grounds (pre 1 April 2014 membership) and/or, in whole or part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006),
- b) On compassionate grounds (pre 1 April 2014 membership) and/or, in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive),
- c) On compassionate grounds (pre 1 April 2016 membership) and/or, in whole or part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,
- d) On compassionate grounds (pre 1 April 2020 membership) and/or, in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.

The Employer has discretion to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member).

The Employer has discretion to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits).

The Employer has discretion to waive, on compassionate grounds, the actuarial reduction which would normally be applied to deferred benefits which are paid before age 65.

### **Policy**

Each specific request will be assessed on its own merits. Where the Council determines that the benefits should not be reduced the cost would need to be funded by a lump-sum contribution into the pension fund.

This discretion is exercised by the Director of Resources within their delegated authority or, if appropriate, the Council's Remuneration Committee.

This discretion will only be exercised in cases where it can be demonstrated that the Council can fund the cost of release within a three-year period.

## **REGULATION 31**

### **Explanation**

The Employer has discretion to grant extra annual pension to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency (by up to £6,500 p.a. on 1 April 2014 – this figure is inflation proofed annually)

### **Policy**

The Council will judge each case on its merits, having fully considered service delivery and financial costs.

This discretion is exercised by the Council's Remuneration Committee.

## **REGULATION R31(2) LGPS REGULATIONS 1997**

### **Explanation**

The Employer has discretion to grant application for early payment of deferred benefits on or after age 50 and before age 55.

### **Policy**

Each specific case will be judged on its own merits, having fully considered service delivery and financial costs.

This discretion is exercised by the Director of Resources within their delegated authority or, if appropriate, the Council's Remuneration Committee.

## **TP REGULATION 3(5A)(vi), L106(1) 1997 TRANSITIONAL & D11(2)(c) 1995 REGS**

### **Explanation**

The Employer has discretion to grant application of early payments of deferred benefits on or after age 50 and before normal retirement age on compassion grounds.

### **Policy**

Each specific case will be judged on its own merits, having fully considered service delivery and financial costs.

This discretion is exercised by the Director of Resources within their delegated authority or, if appropriate, the Council's Remuneration Committee.

**DISCRETIONS TO BE APPLIED UNDER THE LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) (ENGLAND AND WALES) REGULATIONS 2008**

**REGULATION 5 (POWER TO INCREASE STATUTORY REDUNDANCY PAYMENTS) ABOVE THE WEEKLY PAY LIMIT CONTAINED WITHIN THE EMPLOYMENT RIGHTS ACT 1996**

**Explanation**

Employers have the discretion to use actual weekly pay, if this is greater than the statutory maximum weekly pay, contained within the Employment Rights Act 1996 (as amended) when calculating a redundancy payment.

**Policy**

The Council will use actual weekly pay, if this is greater than the maximum stated in the act, for the purposes of calculating a redundancy payment.

**REGULATION 6 (DISCRETIONARY COMPENSATION FOR REDUNDANCY)**

**Explanation**

Employers have the discretion to pay compensation up to a maximum of 104 weeks' pay to an employee who ceases to be employed by reason of redundancy. This applies only where the council has not awarded an increase in total pension membership under regulation 12(b) of the Local Government Pension Scheme Regulations 1997 (as amended). Where a redundancy payment under the Employment Rights Act 1996 (as amended) (ERA), is also made then the equivalent to it shall be deducted from the compensation.

**Policy**

The Council will pay compensation at a level of 2 times the number of weeks' redundancy as calculated using the Statutory Redundancy Payments ready reckoner (occurring on or after 1 October 2006) up to a maximum of 60 weeks.

Where a redundancy payment is also made under the ERA then the equivalent to it shall be deducted from the above compensation.

**OCCUPATIONAL PENSIONS SCHEMES (INTERNAL DISPUTE RESOLUTION PROCEDURES REGULATIONS 1996 (AS AMENDED))**

**Explanation**

Responsibility for determinations of complaints regarding awards made under the Local Government Early Termination of Employment) (Discretionary Compensation) England and Wales) Regulations 2008 (as amended) now rest with your Employer. Your Employer must specify the job title and address of the person to whom applications should be directed. In the first instance you should write to the "stage 1" person, if you are then still dissatisfied with that decision you may write to the "stage 2" person.

*Name of Employer:* Solihull Metropolitan Borough Council.

*The "stage 1 person" is:* Mr Adrian Cattell  
Head of Human Resources  
Solihull Metropolitan Borough Council  
Council House  
Manor Square  
Solihull  
West Midlands  
B91 3QB

*The "stage 2 person" is:* Mr Tim Johnson  
Chief Executive  
Wolverhampton City Council  
PO Box 3948  
Wolverhampton  
WV1 1XP

*The Council is not obliged by the regulations to publish a statement on the following discretions, but has chosen to do so.*

## **REGULATION 9(1) and 9(3) (CONTRIBUTIONS PAYABLE BY ACTIVE MEMBER)**

### **Explanation**

Employers will determine the contribution rate payable based on whole-time pensionable pay for existing members at 1 April each year or at the commencement of employment.

Where there has been a material change to a member's pensionable pay in the course of the financial year, his employing authority may re-determine the contribution rate to be applied.

### **Policy**

The Council will amend the contribution band in the course of a financial year if there is a material change to a member's pensionable pay.

### **Explanation**

The Employer has discretion to extend the 12-month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with a new employment.

The Employer has discretion to extend the 12-month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with an ongoing concurrent employment.

The Employer has discretion to extend the 12-month option period for a member (who did not become a member of the 2014 Scheme by virtue of TP5(1)) to elect that pre 1 April 2014 deferred benefits should be aggregated with a new employment.

### **Policy**

The Council will only extend the period of 12 months in exceptional circumstances or where it was beyond the member's control.

## **REGULATION 16(16)(OPTIONAL CONTRIBUTIONS DURING UNPAID ABSENCES)**

### **Explanation**

Employing Authorities have the Discretion to extend the period beyond 30 days for a person to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)

### **Policy**

The Council will extend the period of 30 days in circumstances beyond the member's control or in exceptional circumstances. Such requests must be made in writing by the member.

## **REGULATION 100(6) – INWARD TRANSFERS OF PENSION RIGHTS**

### **Explanation**

A person who becomes an active member (of the LGPS) who has relevant pension rights with a previous Employer, may request their fund authority to accept a transfer value for some or all of their former rights. An election must be made in writing before the expiry of the period of 12 months, beginning with the date that they became an active member (or any such longer period as their Employer may allow).

### **Policy**

The Council will extend the period of 12 months only in exceptional circumstances or where it was beyond the member's control.

## **REGULATION 17(1) SHARED COST ADDITIONAL VOLUNTARY CONTRIBUTION ARRANGEMENT (SCAVC)**

### **Explanation:**

The Employer has discretion to pay or contribute towards a member's Additional Voluntary Contributions through a shared cost arrangement (SCAVC).

### **Policy:**

The Council has introduced a Salary Sacrifice Shared Cost Additional Voluntary Contribution (SS SCAVC).

Subject to salary sacrifice eligibility, employees may participate in SS SCAVCs by variation to terms and conditions of employment.

## **REGULATION 21(5), 21(5A), 21(5B) CALCULATION OF ASSUMED PENSIONABLE PAY**

### **Explanation:**

The Employer has discretion to include the amount of any "regular lump sum payment" received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred. A "regular lump sum payment" is a payment for which the employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.

The Employer has discretion to substitute a higher level of pensionable pay when calculating Assumed Pensionable Pay, having had regard to the level of pensionable pay received by the member in the previous 12 months, if in the Employer's opinion, the pensionable pay received in relation to an employment (adjusted to reflect any lump sum payments) in the 3 months (or 12 weeks if not paid monthly) preceding the commencement of Assumed Pensionable Pay, is materially lower than the level of pensionable pay the member would have normally received.

### **Policy**

The Council will not include a regular lump sum payment in the calculation of Assumed Pensionable Pay if this precedes the relevant three-month calculation period.

The Council will base Assumed Pensionable Pay on the relevant three-month calculation period and will not substitute a higher level of pensionable pay.

## **REGULATION 74(1) ( ADJUDICATION OF DISAGREEMENTS)**

### **Explanation**

Each Scheme employer and administering authority must appoint a person ("the adjudicator") to consider applications from any person whose rights or liabilities under the Scheme are affected by:

- (a) A decision under regulation (first instance decisions); or
- (b) Any other act or omission by a Scheme employer or administering authority,

and to make a decision on such applications.

### **Policy**

Responsibility for determinations under the first stage of the procedure now rests with the specified person appointed by Council. The specified person is:

Name of Scheme Employer: Solihull Metropolitan Borough Council

The specified person is: Mr Adrian Cattell  
Head of Human Resources  
Solihull Metropolitan Borough Council  
Council House, Manor Square  
Solihull  
West Midlands B91 3QB