

**A MEETING OF THE PERSONNEL SUB BOARD  
WAS HELD ON 20 SEPTEMBER 2006**

The Mayor (Councillor Mrs Cully) (ex-officio), Councillors Carter (P), Clinton (P), Gill (P), Hook (P), Smith (P), Wright (P)

**11. APOLOGIES**

Apologies for inability to attend the meeting were received on behalf of The Mayor (Councillor Mrs Cully).

**12. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**13. MINUTES**

RESOLVED: That the Minutes of the meeting of the Sub Board held on 7 June 2006 be approved and signed as a true and correct record.

**14. DEPUTATIONS**

There were no deputations received.

**15. PUBLIC QUESTIONS**

There were no public questions received.

**16. WORKFORCE AND STRATEGIC DEVELOPMENT PLAN**

Consideration was given to the Workforce Development Plan, together with the revised Learning and Development Policy and the Post-Entry Training Scheme (copies of which are affixed in the Minute Book at Appendix A).

Every local authority was required to produce a Workforce Development Plan (Pay and Workforce Strategy), identifying the organisation's corporate aims and objectives and requirements for the future, for example over the next 3-5 years, then ensuring that staff resources and, in particular, that knowledge, skills and abilities were and would be available to meet the needs.

As a result, a Plan for Gosport Borough Council had been produced, together with a list of issues that needed addressing. From those issues, a detailed Action Plan would be prepared and would be monitored by the Council's Management Team and its Organisation Sub Group and UNISON. The Action Plan would be reviewed annually, as would the Workforce Development Plan, so that new initiatives, changes in legislation etc were able to be incorporated.

The Local Joint Staff Committee at its meeting on 6 September 2006 had discussed the documents and recommended them for approval to this Sub Board.

In answer to a Member's question, the Chief Executive clarified the situation regarding 'succession planning' that provided career progression opportunities and would reduce the risk of an inability to maintain a service where a member of staff unexpectedly left the organisation. Succession planning was not only applied to existing officers but could apply to newly appointed staff, dependent on their experience and skills. When vacancies occurred, all jobs were advertised both internally and externally, which was providing a healthier increase in turnover of staff. Succession planning was not age related.

Thanks were extended to the Head of Personnel for the work carried out in developing the Plan.

RESOLVED: That the Workforce and Strategic Development Plan, Learning and Development Plan and Post-Entry Training Scheme be approved for adoption forthwith.

#### **17. PENSION SCHEME – EARLY RETIREMENT/DISCRETIONARY PAYMENTS PROVISIONS**

Consideration was given to a report (a copy of which is affixed in the Minute Book at Appendix B), informing the Sub Board of the need to amend the Council's statement on discretionary payments and early retirement provisions, in the near future, once the content of the new Regulations and appropriate advice had been received.

Members were aware that changes were proposed to the Local Government Pension Scheme (LGPS) and some amendments had already been made, relating to the '85 year rule', which were the subject of a judicial review on 18/19 September and a new look pension scheme was proposed for introduction from 2008.

The Sub Board were informed that it was proposed that there should be changes to the LGPS in order to ensure that the Scheme met equalities criteria, was affordable and remained a positive aid to recruitment and retention of staff. There were a number of different options, which were currently the subject of consultation and once a favoured option was selected there would be further discussion and consultation.

In addition, revised Regulations were to be introduced amending early retirement and discretionary payment provisions. The Council had an Early Retirement Scheme and a policy on discretionary payments, where a person was made redundant or granted early retirement, and the Scheme and policy would need to be changed to reflect the revised Regulations.

Advice and guidance were still awaited although there were clear indications that early retirements for the future would involve significant additional costs to local authorities, which might mean that it was not an affordable option.

The Council's Local Joint Staff Committee had considered and noted the proposed changes at their meeting on 6 September 2006.

RESOLVED: That the Sub Board note that changes to the Local Government Pension Scheme and provisions for discretionary payments are proposed and that there is a consequent need to make revisions to the Council's policy on early retirements and discretionary payments.

**18. SUPPLEMENTARY REPORT:  
PENSION SCHEME – EARLY RETIREMENT/DISCRETIONARY  
PAYMENTS PROVISIONS**

The Sub Board received a supplementary report, advising them that impending legislation meant that augmentation of pension would not be permitted for the future, unless this provision was included in the early retirement/discretionary payments provisions before the end of September 2006.

The report before the Sub Board explained that changes were being made to the Local Government Pension Scheme and to the provisions for discretionary payments, as a result of which there was a need for revisions to the Council's policies to be approved.

Full information on all the changes was not yet available, but confirmation had now been received that the current provision to award compensatory added years to employees aged at least 50, who were retired on grounds of redundancy, or in the interests of efficiency of the service, would be revoked from 1<sup>st</sup> October 2006 because it was age discriminatory.

The Local Government Pension Scheme Regulations did, however, permit an employer to augment an employee's period of membership in the Scheme at any age, thus increasing their benefits at retirement. This power could be used to "top up" service, by up to 6 and two thirds years, or to age 65 if that was less, provided that the employer paid for this.

As was the case with added years, a decision regarding any such augmentation would be made by the Sub-Board, taking into account all the circumstances of each individual case.

By including the possibility of augmentation in the Council's policy, the Council would retain the option of using enhanced service for any employee, of whatever age, where the situation justified such action.

The new Regulations and guidance thereupon would mean a number of revisions to the Council's policies, which would be brought to the next meeting of the Sub-Board, following discussion at the Council's Local Joint Staff Committee. However, in order not to lose the option to enhance service in the Scheme where it was appropriate to do so, augmentation must be included in the policy by the end of September.

During discussion regarding the implications of the new Regulations, the Borough Treasurer clarified the parameters at present and the potential options for the future. The cost of augmentation was calculated by assessing the individual's age and life expectancy multiplied by the number of added years awarded and this cost must be met by the employer when the decision was made.

**RESOLVED:** That the inclusion of the option to consider and agree augmentation of membership in the Local Government Pension Scheme in a redundancy or early retirement situation, instead of an award of compensatory added years, be approved with effect from 20 September 2006.

## **19. RETIREMENT AGE**

Consideration was given to a report of the Chief Executive (a copy of which is affixed in the Minute Book at Appendix C) seeking the Committee's approval to the amendment of the Council's local agreement regarding the normal retirement age and the adoption of a new procedure for considering requests to work beyond the age of 65, in accordance with the Employment Equality (Age) Regulations 2006, which would be effective from October 2006.

At a meeting on 14 July 2004, the Sub Board had noted that legislation was pending and agreed in the interim to allow employees reaching the Council's normal retirement age of 65 to remain in employment if they so wished. The content of the new Regulations was now known and, as a result, it was necessary to formalise the Council's procedures to ensure compliance.

The new Regulations imposed on employers, inter alia, an obligation to consider requests to remain in employment beyond the age of 65. Amendments to the Council's Local Agreement on retirement age had been made and the proposed procedure to consider such requests would comply with the new Regulations.

A copy of the proposed revision to the Council's Local Agreement, together with the draft procedure notifying employees of their impending retirement date and of the right to request to work beyond the age of 65, was appended to the report. A copy of a letter it was proposed to send to staff was also provided with the report.

**RESOLVED:** That the amended Local Agreement and the procedure for considering requests to work beyond the normal retirement age, to take effect from 1 October 2006, be approved.

**20. ANY OTHER ITEMS**

There were no other items under the Chairman's special circumstances discretion to raise as a matter of urgency.

**21. EXCLUSION OF THE PUBLIC**

RESOLVED: That in relation to the following items the public be excluded from the meeting, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of exempt information within Paragraphs 1,2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

**22. RE-STRUCTURE OF IT SECTION**

Consideration was given to an exempt report of the Corporate Services Manager detailing a proposed re-structuring of the IT Section.

The proposals contained in the report would enable the IT Section to respond more effectively and efficiently to the demands placed on it by modern business activity, both in terms of supporting and developing current systems and the future implementation of new systems. It would also assist the Council in achieving the delivery of the new transformation agenda and the business efficiencies required by the Gershon report.

The report was exempt from publication as the public interest in maintaining the exemption outweighed the public interest in disclosing the information by reason that it contained personal and financial information that was not considered appropriate to be released to the public.

RESOLVED: That approval be given to the re-structuring of the IT Section, in accordance with the proposals contained in the Corporate Services Managers Report, with effect from 1 October 2006.

**23. MERIT INCREMENT – DEVELOPMENT SERVICES MANAGER**

Consideration was given to an exempt report of the Chief Executive recommending that a merit increment be paid to the Development Services Manager.

The report was exempt from publication as the public interest in maintaining the exemption outweighed the public interest in disclosing the information by reason that it contained personal and financial information that was not considered appropriate to be released to the public.

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RESOLVED: That a merit increment be paid to the Development Services Manager with effect from 1 July 2006.

The meeting commenced at 6.00pm and concluded at 6.30 pm

CHAIRMAN