

# FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO DECISION SCHEDULE



**Monday 9th January 2006**

**at 4.30pm**

**in Committee Room "C"**

Councillor Peter Jackson, Cabinet Member responsible for Performance Management will consider the following items.

**1. KEY DECISIONS**

1.1 None

**2. OTHER ITEMS REQUIRING DECISION**

- 2.1 Council Tax Base 2006/7 – *Chief Financial Officer*
- 2.2 Revenues and Benefits Anti Poverty Strategy – *Chief Financial Officer*
- 2.3 Introduction of Nationality Checking Service – *Assistant Chief Executive*
- 2.4 'Second and Third Tier Officer Salary and Grading Review' Scrutiny Referral – Request for Extension to Prescribed Timescale – *Scrutiny Manager*
- 2.5 Energy Efficiency Accreditation Scheme – *Head of Procurement and Property Services*
- 2.6 The North East Centre of Excellence (NECE) Project on LM3 – The Benefits of Procurement Within the Local Economy – *Head of Procurement and Property Services*
- 2.7 Land Between 3 and 4 Winchester Walk – *Head of Procurement and Property Services*
- 2.8 Local Authority Collaboration – *Head of Procurement and Property Services*
- 2.9 Civic Centre – Capital Maintenance Programme and Corporate Contact Centre Development – *Head of Procurement and Property Services*

**3. ITEMS FOR INFORMATION**

- 3.1 Employee Monitoring – Half Yearly Report 2005/6 – *Chief Personnel Services Officer*
- 3.2 Local Government Pension Scheme Update – *Chief Personnel Services Officer*

**4. ITEMS FOR DISCUSSION**

- 4.1 E Billing of Energy Invoices – *Head of Procurement and Property Services*

**5. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS**

5.1 None

## EXEMPT ITEMS

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs referred to below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985

6. **KEY DECISION**

6.1 None

7. **OTHER ITEMS REQUIRING DECISION**

7.1 None

8. **ITEMS FOR INFORMATION**

8.1 Newburn Bridge Industrial Estate – (para 9) – *Head of Procurement and Property Services*

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report to Portfolio Holder  
9th January 2006



**Report of:** Chief Financial Officer

**Subject:** COUNCIL TAX BASE 2006/7

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

The report seeks approval to the calculated Council Tax Base for 2006/7 which will be used for council tax billing purposes.

### **2.0 SUMMARY OF CONTENTS**

The report provides details of the Council's responsibilities for determining the council tax base, explains the tax base calculation and shows details of the calculation for 2006/7.

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Following an amendment to the Local Government Finance Act 1992, a Full Council meeting is not required to adopt the council tax base and the Chief Solicitor has confirmed this is a matter for the relevant cabinet member.

### **4.0 TYPE OF DECISION**

Non-key Decision.

### **5.0 DECISION MAKING ROUTE**

To portfolio Holder.

### **6.0 DECISION(S) REQUIRED**

Approval of the Council Tax Base for 2006/7.

**Report of:** Chief Financial Officer

**Subject:** COUNCIL TAX BASE 2006/7

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**1. PURPOSE OF REPORT**

The report seeks approval to the calculated Council Tax Base for 2006/7 which will be used for council tax billing purposes.

**2. BACKGROUND**

2.1 The Council is required by law to calculate its Council Tax Base for the forthcoming year, and inform the major precepting authorities (Cleveland Police Authority and Cleveland Fire Authority) and local precepting authorities (Parish Councils), before 31st January, 2006. The Council Tax Base is expressed as the number of band D equivalent properties.

2.2 The amount of Council Tax levied on each band D property located in the Borough of Hartlepool is determined by dividing the total amount of the precepts made by both this Council, the Police Authority and the Fire Authority on the Collection Fund in 2006/7, by the Council Tax Base. The amount of Council Tax payable for other bands is determined by applying a fixed proportion of the band D amount. A separate report on the calculation of the amount of Council Tax payable for each band will be submitted to Council at a later date.

**3. CALCULATION OF TAX BASE**

3.1 To calculate the Council Tax Base it is necessary to:-

- (a) Calculate "the relevant amount" for the year for each valuation band in the valuation list. For each band this represents the full year equivalent of each chargeable dwelling in that band, taking into account entitlement to disability reductions and discounts.
- (b) The relevant amount for each band are expressed in terms of band D equivalents.
- (c) The relevant amounts for each band are then added together and the total is multiplied by the Council's estimated collection rate for the year.

- 3.2 The following formula is used when determining the relevant amount for each valuation band:-

$$((S \times 0.75) + (D \times 0.5) + (E \times 0.9) + N) \times F/G \quad \text{where}$$

S is the estimated number of chargeable dwellings in that band with a single occupancy discount,

D is the estimated number of chargeable dwellings in that band with a 50% discount,

E is the estimated number of chargeable dwellings in that band with a 10% discount,

N is the estimated number of chargeable dwellings in that band with no discounts,

F is the ratio applicable to that band in relation to Band D,

G is the ratio applicable to band D (9).

A statement showing the calculation of the Council Tax Base for the Borough of Hartlepool is shown at **Appendix 1**.

- 3.3 The level of non-collection forming part of the calculation is reviewed and, where appropriate, adjusted on an annual basis. Given the positive collection performance in recent years a minor adjustment is being made to the collection rate to 99%. This means that an allowance of 1% is being used for non-collection based on my best estimate of the eventual level of collection achievable and taking into account my experience in collecting Council Tax to-date.

- 3.4 **Appendices 2 to 9** are attached to show the statement of calculation of the Council Tax Bases for the various Parishes who levy precepts on the collection fund. The calculations follow the same principles as those adopted in the calculation of the Council Tax Base for the whole Borough. As it is necessary to request details of precepts from the Parishes, these tax base calculations have been transmitted, on a provisional basis, to the various Chairpersons in advance of your meeting.

#### 4. RECOMMENDATIONS

- a) Approval of a Council Tax Base for 2006/7 of 27,369.
- b) Approve a Council Tax Base for those Parishes capable of levying a precept upon the Council's General Fund:

Brierton	12.0	Greatham	670.4
Claxton	14.5	Hart	222.9
Dalton Piercy	106.1	Newton Bewley	28.4
Elwick	368.2		
Headland	1007.7		

**HARTLEPOOL BOROUGH COUNCIL**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 1**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		24,941	5,871	5,302	2,746	1,345	532	358	30	41125
2	Exempt dwellings		701	113	68	31	14	11	6	0	944
3	Demolished dwellings		5	1	1	0	0	0	0	0	7
4	<b>CHARGEABLE DWELLINGS</b>		<b>24235</b>	<b>5757</b>	<b>5233</b>	<b>2715</b>	<b>1331</b>	<b>521</b>	<b>352</b>	<b>30</b>	<b>40174</b>
5	Disabled reductions		34	38	34	27	8	3	14	12	170
6	Effectively chargeable	34	38	34	27	8	3	14	12	0	170
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>34</b>	<b>24239</b>	<b>5753</b>	<b>5226</b>	<b>2696</b>	<b>1326</b>	<b>532</b>	<b>350</b>	<b>18</b>	<b>40174</b>
8	Single discounts	12	12217	1942	1275	571	210	63	49	1	16340
9	Double discounts	1	909	57	40	28	13	12	18	2	1080
10	10% Discount	0	131	39	21	7	7	4	2	2	213
11	Second Homes No discounts	21	10982	3715	3890	2090	1096	453	281	13	22541
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>30.5</b>	<b>20717.15</b>	<b>5235.1</b>	<b>4885.15</b>	<b>2538.55</b>	<b>1266.3</b>	<b>509.85</b>	<b>328.55</b>	<b>16.55</b>	<b>35527.70</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>16.9</b>	<b>13811.4</b>	<b>4071.7</b>	<b>4342.4</b>	<b>2538.6</b>	<b>1547.7</b>	<b>736.5</b>	<b>547.6</b>	<b>33.1</b>	<b>27645.9</b>
Estimated collection rate (%)											99
Council Tax Base											<b>27369</b>

**BRIERTON**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 2**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		0	4	5	2	3	0	0	0	14
2	Exempt dwellings		0	0	0	0	0	0	0	0	0
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>0</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14</b>
8	25% discounts	0	0	2	2	1	0	0	0	0	5
9	50% discounts	0	0	0	0	0	0	0	0	0	0
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	0	2	3	1	3	0	0	0	9
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>0.00</b>	<b>3.50</b>	<b>4.50</b>	<b>1.75</b>	<b>3.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12.75</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>2.72</b>	<b>4.00</b>	<b>1.75</b>	<b>3.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12.14</b>

Estimated collection rate (%)

99

Council Tax Base

12.0



**CLAXTON**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 3**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band	0	2	0	1	4	2	2	1	1	13
2	Exempt dwellings	0	0	0	0	0	0	0	0	0	0
3	Demolished dwellings	0	0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>13</b>
5	Disabled reductions	0	0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>4</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>13</b>
8	25% discounts	0	0	0	0	1	0	0	0	0	1
9	50% discounts	0	1	0	0	0	0	0	0	0	1
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	1	0	1	3	2	2	1	1	11
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0</b>	<b>1.5</b>	<b>0</b>	<b>1</b>	<b>3.75</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>12.25</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.89</b>	<b>3.75</b>	<b>2.44</b>	<b>2.89</b>	<b>1.67</b>	<b>2.00</b>	<b>14.64</b>

Estimated collection rate (%)

**99**

Council Tax Base

**14.5**

**DALTON PIERCY**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 4**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		4	10	16	12	34	14	9	0	99
2	Exempt dwellings		0	0	0	1	0	0	0	0	1
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>4</b>	<b>10</b>	<b>16</b>	<b>11</b>	<b>34</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>98</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>4</b>	<b>10</b>	<b>16</b>	<b>11</b>	<b>34</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>98</b>
8	25% discounts	0	1	3	4	5	4	0	1	0	18
9	50% discounts	0	0	0	0	0	0	1	0	0	1
10	10% discounts (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	3	7	12	6	30	13	8	0	79
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>3.75</b>	<b>9.25</b>	<b>15.00</b>	<b>9.75</b>	<b>33.00</b>	<b>13.50</b>	<b>8.75</b>	<b>0.00</b>	<b>93.00</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>2.50</b>	<b>7.19</b>	<b>13.33</b>	<b>9.75</b>	<b>40.33</b>	<b>19.50</b>	<b>14.58</b>	<b>0.00</b>	<b>107.19</b>

Estimated collection rate (%)

**99**

Council Tax Base

**106.1**

**ELWICK**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 5**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		24	32	66	83	42	33	53	18	351
2	Exempt dwellings		0	1	0	2	0	0	0	3	6
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>24</b>	<b>31</b>	<b>66</b>	<b>81</b>	<b>42</b>	<b>33</b>	<b>53</b>	<b>15</b>	<b>345</b>
5	Disabled reductions	0	0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>24</b>	<b>31</b>	<b>66</b>	<b>81</b>	<b>42</b>	<b>33</b>	<b>53</b>	<b>15</b>	<b>345</b>
8	25% discounts	0	14	4	20	15	14	5	5	1	78
9	50% discounts	0	3	1	1	3	0	0	0	1	9
10	10% discounts	0	0	0	2	0	0	1	1	2	6
11	No discounts	0	7	26	43	63	28	27	47	11	252
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>19.00</b>	<b>29.50</b>	<b>60.30</b>	<b>75.75</b>	<b>38.50</b>	<b>31.65</b>	<b>51.65</b>	<b>14.05</b>	<b>320.40</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>12.67</b>	<b>22.94</b>	<b>53.60</b>	<b>75.75</b>	<b>47.06</b>	<b>45.72</b>	<b>86.08</b>	<b>28.10</b>	<b>371.92</b>

Estimated collection rate (%)

99

Council Tax Base

368.2

**GREATHAM**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 6**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		175	427	183	77	32	7	6	1	908
2	Exempt dwellings		3	4	2	0	0	2	0	0	11
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>172</b>	<b>423</b>	<b>181</b>	<b>77</b>	<b>32</b>	<b>5</b>	<b>6</b>	<b>1</b>	<b>897</b>
5	Disabled reductions		1	1	0	0	0	0	0	1	3
6	Effectively chargeable	1	1	0	0	0	0	0	1	0	3
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>1</b>	<b>172</b>	<b>422</b>	<b>181</b>	<b>77</b>	<b>32</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>897</b>
8	25% discounts	0	92	151	34	13	7	1	2	0	300
9	50% discounts	0	2	0	4	0	0	0	1	0	7
10	10% discounts	0	0	1	0	0	0	0	0	0	1
11	No discounts	1	78	270	143	64	25	4	4	0	589
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>1</b>	<b>148.00</b>	<b>384.15</b>	<b>170.50</b>	<b>73.75</b>	<b>30.25</b>	<b>4.75</b>	<b>6.00</b>	<b>0.00</b>	<b>818.40</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.56</b>	<b>98.67</b>	<b>298.78</b>	<b>151.56</b>	<b>73.75</b>	<b>36.97</b>	<b>6.86</b>	<b>10.00</b>	<b>0.00</b>	<b>677.14</b>

Estimated collection rate (%)

99

Council Tax Base

670.4

**HART**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 7**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		14	82	89	42	30	7	4	0	268
2	Exempt dwellings		0	1	1	0	0	0	0	0	2
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>14</b>	<b>81</b>	<b>88</b>	<b>42</b>	<b>30</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>266</b>
5	Disabled reductions		0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>14</b>	<b>81</b>	<b>88</b>	<b>42</b>	<b>30</b>	<b>7</b>	<b>4</b>	<b>0</b>	<b>266</b>
8	25% discounts	0	6	30	27	9	6	3	0	0	81
9	50% discounts	0	0	2	2	0	1	0	0	0	5
10	10% discounts (second homes)	0	1	0	0	1	0	0	0	0	2
11	No discounts	0	7	49	59	32	23	4	4	0	178
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>12.40</b>	<b>72.50</b>	<b>80.25</b>	<b>39.65</b>	<b>28.00</b>	<b>6.25</b>	<b>4.00</b>	<b>0.00</b>	<b>243.05</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>8.27</b>	<b>56.39</b>	<b>71.33</b>	<b>39.65</b>	<b>34.22</b>	<b>9.03</b>	<b>6.67</b>	<b>0.00</b>	<b>225.20</b>

Estimated collection rate (%)

99

Council Tax Base

222.9

**NEWTON BEWLEY**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 8**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		2	1	9	7	8	3	0	1	31
2	Exempt dwellings		0	0	0	1	0	0	0	0	1
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>2</b>	<b>1</b>	<b>9</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>30</b>
5	Disabled reductions	0	0	0	0	0	0	0	0	0	0
6	Effectively chargeable	0	0	0	0	0	0	0	0	0	0
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>9</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>30</b>
8	25% discount	0	1	1	3	0	3	0	0	0	8
9	50% discount	0	0	0	0	0	0	0	0	0	0
10	10% discount (second homes)	0	0	0	0	0	0	0	0	0	0
11	No discounts	0	1	0	6	6	5	3	0	1	22
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.00</b>	<b>1.75</b>	<b>0.75</b>	<b>8.25</b>	<b>6.00</b>	<b>7.25</b>	<b>3.00</b>	<b>0.00</b>	<b>1.00</b>	<b>28.00</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.00</b>	<b>1.17</b>	<b>0.58</b>	<b>7.33</b>	<b>6.00</b>	<b>8.86</b>	<b>4.33</b>	<b>0.00</b>	<b>2.00</b>	<b>30.28</b>

Estimated collection rate (%)

99

Council Tax Base

28.4

**HEADLAND**  
**CALCULATION OF TAX BASE 2006/7**

**Appendix 9**

line	VALUATION BAND	@	A	B	C	D	E	F	G	H	TOTAL
1	No. of properties in band		1305	272	86	17	6	4	1	0	1691
2	Exempt dwellings		31	8	2	1	0	0	0	0	42
3	Demolished dwellings		0	0	0	0	0	0	0	0	0
4	<b>CHARGEABLE DWELLINGS</b>		<b>1274</b>	<b>264</b>	<b>84</b>	<b>16</b>	<b>6</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>1649</b>
5	Disabled reductions		1	1	0	0	0	0	0	0	2
6	Effectively chargeable	1	1	0	0	0	0	0	0	0	2
7	<b>ADJ CHARGEABLE DWELLINGS</b>	<b>1</b>	<b>1274</b>	<b>263</b>	<b>84</b>	<b>16</b>	<b>6</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>1649</b>
8	25% discounts	1	658	81	19	4	0	0	0	0	763
9	50% discounts	0	20	4	3	1	0	1	0	0	29
10	10% discounts (second homes)	0	4	2	0	0	0	0	0	0	6
11	No discounts	0	592	176	62	11	6	3	1	0	851
12	<b>TOTAL EQUIVALENT DWELLINGS</b>	<b>0.75</b>	<b>1099.10</b>	<b>240.55</b>	<b>77.75</b>	<b>14.50</b>	<b>6.00</b>	<b>3.50</b>	<b>1.00</b>	<b>0.00</b>	<b>1443.15</b>
13	Ratio to Band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
14	<b>BAND D EQUIVALENTS</b>	<b>0.42</b>	<b>732.73</b>	<b>187.09</b>	<b>69.11</b>	<b>14.50</b>	<b>7.33</b>	<b>5.06</b>	<b>1.67</b>	<b>0.00</b>	<b>1017.91</b>

Estimated collection rate (%)

99

Council Tax Base

1007.7

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report to Portfolio Holder  
9th January 2006



**Report of:** Chief Financial Officer

**Subject:** REVENUES AND BENEFITS ANTI POVERTY  
STRATEGY

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

The report seeks adoption of the Revenues and Benefits Anti Poverty Strategy which sets out a framework for assisting those that are disadvantaged and help individuals to manage their indebtedness.

### **2.0 SUMMARY OF CONTENTS**

The strategy provides details of the Council's current arrangements many of which embody best practice and also identifies a number of initiatives and opportunities to develop the Council's arrangements for the future.

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

This strategy falls within the remit of the portfolio holder.

### **4.0 TYPE OF DECISION**

Non-key Decision.

### **5.0 DECISION MAKING ROUTE**

To portfolio Holder.

### **6.0 DECISION(S) REQUIRED**

Approval of the Revenues and Benefits Anti Poverty Strategy.



**Report of:** Chief Financial Officer

**Subject:** REVENUES AND BENEFITS ANTI POVERTY STRATEGY

---

**1. PURPOSE OF REPORT**

- 1.1. The report seeks adoption of the Revenues and Benefits Anti Poverty Strategy which sets out a framework for assisting those that are disadvantaged and for helping individuals to manage their indebtedness.

**2. BACKGROUND**

- 2.1 The Audit Commission through its Best Value inspection programme has long advocated that councils should have considered and adopted Anti Poverty strategies. It is in recognition of this best practice advice and the relatively high levels of social and economic deprivation that continue to exist within the borough, that this strategy has been developed.

- 2.2 Two of the most significant costs faced by householders in the Borough are for Council Tax and their accommodation costs. In Hartlepool, about one in three households receive some level of council tax benefit support with their council tax bills and assistance with the cost of renting properties is provided to about 10,000 households.

- 2.3. The ethos of the Council, is to operate arrangements that will provide effective financial support to those groups that may be disadvantaged or vulnerable. Also, the Council is committed to offering realistic and flexible debt recovery arrangements that are “firm but fair” with the aim of minimising the burden of debt. The pursuit of these principles reflects the Council’s appreciation that whilst there is no statutory duty for the Council to undertake work on Anti Poverty it does contribute to meeting wider corporate priorities.

- 2.4. The Strategy marks the conclusion of work by a cross organisation working group which sought to:

- Provide a framework for effective, consistent and fair debt recovery whilst minimising the risk of hardship to individuals
- Improve awareness, accessibility and take up of Housing and Council Tax Benefit
- Promote partnership and integration with other agencies

- Encourage ownership and self management of debt
- Evaluate opportunities to amend procedures, processes and policies to minimise hardship for individuals and prevent debt occurring in the first place.

### **3. STRATEGY FRAMEWORK**

- 3.1. The Strategy recognises the existing good practices within the Council's arrangements which the Council will continue to undertake covering Communication, Council Tax Billing and Payment procedures, Debt Recovery and Enforcement activity, Housing Benefit Overpayment recovery, Benefits Administration and Partnerships.
- 3.2. The development of this Strategy has identified a number of initiatives and opportunities to further improve the Council's arrangements for engaging with the public, develop mechanisms for providing advice on welfare benefits generally, improve accessibility to benefits and promote more effective working relationships with external advice agencies.

### **4. RECOMMENDATION**

- 4.1. It is recommended that the portfolio holder adopts the Revenues and Benefits Anti Poverty Strategy.



Hartlepool Borough Council  
Finance Division  
Revenues and Benefits

# Anti Poverty Strategy



## **HARTLEPOOL BOROUGH COUNCIL**

### **REVENUES AND BENEFITS ANTI POVERTY STRATEGY**

#### **1. INTRODUCTION**

- 1.1. The Audit Commission through its Best Value inspection programme has long advocated that councils should have considered and adopted anti poverty strategies. It is in recognition of this best practice advice and the relatively high levels of social and economic deprivation that continue to exist within the borough, that this strategy has been developed.
- 1.2. The Office of the Deputy Prime Minister (ODPM) 2004 index of deprivation shows that overall Hartlepool ranks 14<sup>th</sup> out of 354 council's nationally. Furthermore, that analysis indicates that the level of deprivation that exists within a number of wards is particularly acute.
- 1.3. Two of the most significant costs faced by householders in the Borough are for Council Tax and their accommodation costs. In Hartlepool, about one in three households receive some level of council tax benefit support with their council tax bills and assistance with the cost of renting properties is provided to about 10,000 households.
- 1.4. The ethos of the Council, is to operate arrangements that will provide effective financial support to those groups that may be disadvantaged or vulnerable. Also, the Council is committed to offering realistic and flexible debt recovery arrangements that are "firm but fair" with the aim of minimising the burden of debt. The pursuit of these principles reflects the Council's appreciation that whilst there is no statutory duty for the Council to undertake work on Anti Poverty it does contribute to meeting wider corporate priorities (the Corporate Strategy theme of strengthening communities) and the central government agenda of " promoting the economic, social and environmental well being of communities".
- 1.5. This document does not constitute a corporate wide anti poverty strategy as such a strategy would need to encompass issues such as inclusion and accessibility to services / activities for those that are financially disadvantaged. This strategy focuses on Revenues and Benefits activities and also reflects on referral channels and opportunities for closer working with external agencies and organisations. It is intended that the strategy will form a key building block of any corporate wide anti poverty strategy.

1.6. This document marks the conclusion of work by a cross organisation working group, with the terms of reference to develop an Anti Poverty Strategy that:

- Provides a framework for effective, consistent and fair debt recovery whilst minimising the risk of hardship to individuals
- Improves awareness, accessibility and take up of Housing and Council Tax Benefit
- Promotes partnership and integration with other agencies
- Encourages ownership and self management of debt
- Evaluates opportunities to amend procedures, processes and policies to minimise hardship for individuals and prevent debt occurring in the first place.

1.7. The Strategy considers current arrangements and initiatives and how arrangements can be developed further for the future. It is recognised that the effective implementation of this strategy will require the undertaking of a number of key tasks:

- Ongoing liaison with external agencies to develop closer working and referral protocols
- Communicating the strategy to all staff and arranging training as necessary to deliver the strategy in a consistent way
- Providing information to the public about the strategy and how advice and support can be accessed

## **2. CURRENT ARRANGEMENTS**

The Council operates a range of arrangements set out below, designed to encourage those that are financially disadvantaged to access support and assist individuals to manage their indebtedness to the Council.

### **2.1. Communication**

2.1.1. As soon as individuals realise they are unable to meet their council tax payments that are due, it is imperative that they contact the Council at as early a stage as possible so that flexible payment options, the possible entitlement to discounts / exemptions and the possible availability of benefit support can be explored. As part of this strategy the Council will continue to encourage contact and publicise the availability of advice in a number of ways:

- All billing and recovery documentation issued will urge customers with 'payment problems' to contact the Council's direct recovery line immediately.
- Regular Publicity campaigns to raise awareness about the council tax benefit and reduction schemes eg. inclusion on billing envelopes of the availability of council tax reductions.
- The availability of information leaflets throughout the Borough providing details on council tax discounts, exemptions and reduction schemes, as well as information on the form and type of recovery action taken when an account falls into arrears.
- The Revenues Inspection Officer, who undertakes home visits to verify disabled band reduction entitlement, following welfare benefit training can advise customers who may not have claimed their full benefit entitlement.
- All standard recovery and enforcement documentation is subject to regular review in line with the principles of Plain English, to ensure each document is understandable and clearly informs customers of their rights.
- The operation of five benefits outreach surgeries at four venues within the borough to advise and support the making of claims, with leaflets to promote this service included with all benefit notification letters and correspondence.
- The delivery of a joint surgery with the Pension Service at the Civic Centre supported by publicity in the "Hartbeat" magazine and the "Tees Valley Retirement Magazine" to encourage take up of Pension Credit and non means tested benefits.
- Promotion of the Discretionary Housing Payment scheme through the Citizen's Advice Bureau and Landlord Liaison Forums.
- Automatically inviting new claims to benefit when a claimant is no longer passported to Housing and Council Tax benefit due to the cessation of Income Support or Income Based Job Seekers Allowance.
- Operating a Welfare Visiting service to break down the stigma attached to applying for benefit and assist individuals to access financial help by providing advice covering the full range of welfare benefits payable by the Department for Work and Pensions and the

Revenues and Customs Service as well as for Housing and Council Tax benefit.

## **2.2. Council Tax Billing and Payment**

2.2.1. By responding quickly to changes in circumstances affecting individual households and promptly issuing new Council Tax bills, individuals are given the maximum period during a financial year in which to pay their council tax bill and ensures they do not struggle financially to pay incorrect instalments. The Revenues Service operates within a framework of locally defined performance indicators which allows effective monitoring of correspondence turnaround times to be undertaken. The Council will continue to provide a variety of payment methods that are flexible and accessible, making it simpler and convenient for customers to pay:

- Direct Debit Instructions and debit and credit card payments can be made via the telephone, or payments can be made on line.
- Payments can be made at Housing Hartlepool neighbourhood offices, which is particularly beneficial to council tenants as it allows council tax payments to be made with their rent.

More fundamentally, the Council offers a range of Direct Debit payment dates throughout the month and is willing to accept weekly direct debits where that will allow individuals to better manage their personal finances. In addition, the Council currently accepts payment over 12 months (instead of the normal 10 months) for those customers who are experiencing difficulties in paying their council tax.

## **2.3 Debt Recovery & Enforcement**

2.3.1. The Council's recovery timetable involves issuing reminders for unpaid instalments in the 3<sup>rd</sup> week of the month that the instalment was due. This policy supports Anti-Poverty principles in that it encourages customer contact early in the financial year and allows them to resolve payment problems whilst the debt is still at a more manageable level.

2.3.2. The Council is measured on its performance in collecting the full year's council tax by the 31 March. However, in cases of genuine financial hardship this may be unrealistic and therefore the council will negotiate repayment levels that take into account individual financial circumstances and accept that for appropriate cases payment arrangements may fall into the next financial year.

- 2.3.3. In circumstances where council tax accounts have fallen into arrears, before issuing a final notice / summons, the Council will check its records for any outstanding post from the debtor or any benefit claim that may have been submitted but not yet processed. This control minimises distress to the public and also avoids the unfair imposition of further costs to the debt.
- 2.3.4. Once a Liability Order is issued by the Magistrates Court, the Council issues a letter to the debtor advising them of the action taken and urging them to contact the Council and make an arrangement for payment. Provided an offer of payment is reasonable and fairly reflects the individual's income and expenditure, the mutually agreed arrangement will be accepted and further enforcement action will be suspended. However, if the customer subsequently defaults on the arrangement, they will be given only one opportunity to bring their account up to date before further enforcement action is instigated. This procedure is in the spirit of a "firm but fair" approach to debt recovery and helps distinguish the genuine "can't pay" customers who the Council is keen to help from the "won't pay". The success of this framework is dependent upon the commitment of those who "can't pay" maintaining contact with the Council and advising of any unexpected situations that will prevent them from meeting their agreed repayments.
- 2.3.5. Prior to initiating any form of enforcement action, recovery staff will continue to take into consideration all aspects of the account and their local knowledge eg. if the address forms part of a sheltered housing development, no enforcement action will be taken and the account will be referred for a personal visit.
- 2.3.6. Pre-bailiff letters are issued as part of the statutory requirements, 14 days prior to an account being issued to the bailiff and the adding to the amount owed of further costs associated with the bailiff's activity. In addition, where enforcement action is delayed, a further pre-bailiff letter will continue to be issued to the debtor, this action being over and above the statutory requirements.
- 2.3.7. The Council operates a referral scheme from the Recovery Section where individuals who are identified as being in receipt of Income Support but for whom no live benefit claim is in pay are invited to apply for benefit.

## **2.4. Housing Benefit Overpayment Recovery**

- 2.4.1. The Council is empowered to recover any overpayments of benefits that have been paid. However where the overpayment is the result of an error or omission by the Council, recovery will only be made where in the opinion of the Council the claimant could reasonably have been aware that an overpayment had occurred.
- 2.4.2. The weekly rate of recovery of benefit overpayments that is applied in situations of deduction from ongoing benefit claimant entitlement is determined by reference to the guidance rates as set by the Department for Work and Pensions covering both normal overpayment scenarios and also the higher rate covering



fraud overpayment situations. However, claimants can request a reduction in the recovery rate levied (in non fraud overpayment cases) on the grounds of hardship. The claimant is required to complete an Income and Expenditure document (see Appendix A) and a designated officer will review the case with a view to setting a reasonable lower rate.

## **2.5. Benefits Administration**

- 2.5.1. In accordance with best practice, the Council operates a Benefit Liaison Unit which acts as a dedicated point of contact for landlords in resolving problems and facilitates the fast tracking of particular claims. This initiative seeks to minimize the accruing of rent arrears and assists in maintaining the security of a tenancy for claimants.
- 2.5.2. The Council has a target of processing claims within the national standards set by the DWP of 36 days. In pursuit of this target, those customers that fail to supply all evidence in support of their claim are contacted wherever possible by telephone and arrangements are made to collect the evidence.
- 2.5.3. The Council will continue to be very supportive towards those claimants who are unable to locate / obtain the supporting evidence needed to progress their claim. The Council will continue to ensure that claimants are contacted on at least two occasions before claims are cancelled.
- 2.5.4. As part of its benefits administration, the Council is committed to reducing the time taken to process changes in circumstances affecting a claim and thereby reducing the level of any overpayment that might be created. The Council's target is to process benefit changes in circumstances within the DWP National Standard of 9 days and current performance levels are consistent with this.

## **2.6. Partnership Arrangements**

- 2.6.1. Relationships with partner organizations are a key component in any Anti-Poverty Strategy. The Council's resources and debt counseling skills are limited and it is unable to assist individuals with complex multiple debt problems. In response, the Council has developed close relationships with the Citizen's Advice Bureau and Money Advice, and introduced procedures for referring customers for debt counseling in these situations.
- 2.6.2. The Council works closely with its Bailiffs, ensuring that they operate within the Council's Code of Conduct (see Appendix B) and deal with 'special' cases sympathetically, involving in some situations returning sensitive cases to the Council for action. Bailiff action will continue to be strictly monitored, with a sample of accounts checked on a monthly basis to ensure excessive enforcement costs have not been added to accounts, adding unfairly to the indebtedness of individuals.

- 2.6.3. Regular liaison meetings with Housing Hartlepool take place at which the Council promotes the availability of the Discretionary Housing Payment (DHP) scheme. A senior officer is designated to deal with all applications for DHP 's and a service standard is to determine each application within 10 days of its receipt.
- 2.6.4. Stocks of benefit claim forms have been allocated to Housing Hartlepool, Registered Social Landlords, some private landlords / agents and with the Citizen's Advice Bureau to encourage take up and make the process of making a claim simpler.

### **3 FUTURE DEVELOPMENTS**

The development of this strategy has identified a number of initiatives and opportunities set out below to improve the Council's arrangements for engaging with the public, develop mechanisms for providing advice on welfare benefits generally, improve accessibility to benefits and promote more effective working relationships with external advice agencies.

#### **3.1. Communication**

- 3.1.1 The Council will develop further its links with customer groups, particularly ethnic, disabled and pensioner groups by attendance at focus meetings and events. This will enable the Council to 'test' customer awareness of the financial support and discounts/ exemptions that are available together with an indication as to how 'understandable' the Council's billing and recovery documents are. Particular initiatives will include:
- A programme of targeted mailshots will be undertaken using existing data and that derived from using the Mozaic software to encourage debtors to be more proactive in tackling their payment problems and to encourage accessing of benefits. Emphasis will be placed on encouraging individuals to sign up to Direct debit to hopefully allow them to budget more effectively and ultimately save them additional costs.
  - Offering incentives to set up a direct debit by allowing the debtor to pay any arrears brought forward from previous years by direct debit over 12 months and cancelling any court costs involved if the agreement is honoured.
  - Reduce the target times for dealing with some revenues correspondence down to 8 days for 2005/6.
  - Investigate the feasibility of suspending recovery action automatically at all pre-summons stages, including reminder.

- Raising customer awareness via publicity of the constraints on the Council once the latter stages of enforcement are reached ie. once an account has been referred to the bailiff, the Council is unable to accept an arrangement for payment and the debtor must deal direct with the bailiff.
- 3.1.2. As an incentive for the customer to contact the Council and take advantage of the Anti-Poverty framework, the Council will cancel any court costs levied providing the customer adheres to any payment arrangements to clear the debt.
- 3.1.3. Included within the Council's Local Public Service Agreement 2 submission to the ODPM, is an initiative designed to promote take up of Council Tax disability reductions and exemptions and disregards for carers and those being cared for eg. severely and mentally infirm. Compared with the national position, the level of reductions, exemptions and disregards is low with scope to increase levels of financial help for vulnerable individuals and their carers. If approved, the Council will appoint a liaison officer to promote take up within the community and attend representative group events eg. Alzheimer's, Age Concern etc.
- 3.1.4. The Benefit Liaison Team will through an annual activity programme (see Appendix C ) develop relationships with external organizations and community representative groups to improve awareness and take up of welfare benefits generally.
- 3.1.5. Referral arrangements will be introduced between the Benefits Service, Supporting People Team and Social Services Fairer Charging staff to ensure all potential claimants are advised and assisted in submitting benefit claims. This will provide financial support on a number of fronts as where individuals have an entitlement to benefit they are excluded from fairer charging assessments.
- 3.1.6. The Council's Welfare Guidance Manual (see Appendix D) will be issued to all Revenues and Benefits staff who make visits in the community. This reference material, as supplemented by training will allow officers to "signpost" the public to potential sources of additional financial support.
- 3.1.7. Following successful evaluation of a pilot exercise, the Council will extend the mobile community based benefits assessment process. This initiative which involves the completion of new benefit claims in the claimant's home, landlord office or other agreed location will avoid claimants having to complete a complex claim form, will allow a more informed and accurate assessment as the claimant can be advised and guided by the officer, and will improve accessibility making the process of claiming simpler.
- 3.1.8. The Council will evaluate the introduction of an Internal Bailiff function as an alternative to an external bailiff for some of the recovery workload. This will offer the opportunity for closer control of bailiff work, the potential to reduce the level

of costs applied to debtor accounts and will permit closer integration with other agencies / partners.

### **3.2. Benefit Overpayments**

- 3.2.1. The Council will amend its recovery policy so that recovery of benefit overpayments will not be pursued where the value of the overpayment is less than £20.
- 3.2.2. For non fraud benefit overpayments, the Council will introduce a control to check if the claimant is in receipt of income support and if that should be the case, the Council will recover the overpayment from ongoing benefit at a lower rate of £3 per week instead of applying the much higher standard DWP guidance rates.

### **3.3. Partnerships**

- 3.3.1. The Council has appointed a dedicated senior debt recovery officer to be the named key contact for both the CAB and WVRC. This will ensure a professional, sympathetic and consistent approach is adopted by the Council. All parties will work together using a common agreed standard income / expenditure document to determine payment arrangements that are acceptable to all parties. This process will also be used to help and advise individuals on how to prioritise their debts.
- 3.3.2. To foster more effective closer working between the Council and external advice agencies a programme of secondments / exchange visits with the Citizens Advice Bureau (CAB) and West View Resource Centre (WVRC) will be undertaken. This will develop greater staff understanding and appreciation of the role of each organisation.
- 3.3.3. The CAB and WVRC will be provided with regular schedules of scenario's where the Council has granted Discretionary Housing Payments so that they can advise potential claimants accordingly.
- 3.3.4. The Council has appointed a dedicated debt recovery officer so that all parties can work together using standard income and expenditure documentation to determine payment arrangements that are acceptable to all parties.

JMREVS BENSANTI POVERTY STRAT DEC05



## **INCOME AND EXPENDITURE**

Customer Reference Number: .....

### **Income**

Usual take home pay	£..... per .....
Income Support	£..... per .....
Child Benefit	£..... per .....
Other state benefit	£..... per .....
Pensions	£..... per .....
Others living in my home give me	£..... per .....
Other income (please specify below)	£..... per .....
.....	£..... per .....
.....	£..... per .....
.....	£..... per .....

**Total Income** £..... per .....

### **Expenditure**

Mortgage (including second mortgage)	£..... per .....
Rent	£..... per .....
Council Tax	£..... per .....
Gas	£..... per .....
Electricity	£..... per .....
Water Charges	£..... per .....
Insurance(s)	£..... per .....
Telephone	£..... per .....
TV Rental	£..... per .....
HP Repayments	£..... per .....
Mail Order	£..... per .....
Housekeeping, food, school meals	£..... per .....
Travelling expenses	£..... per .....
Children's clothing	£..... per .....
Maintenance Payments	£..... per .....
Others (including court orders, credit debts etc, please specify)	£..... per .....
.....	£..... per .....
.....	£..... per .....
.....	£..... per .....
.....	£..... per .....
.....	£..... per .....

**Total Expenditure** £..... per .....

**OFFER OF PAYMENT** £..... per .....

Signed ..... Date .....

# HARTLEPOOL BC

## BAILIFF

### CODE OF PRACTICE

The Bailiff's fundamental duty is to levy distress in a humane, firm but fair manner. A professional and courteous attitude should be adopted at all times when dealing with members of the public.

1. The Bailiff must act within the law at all times.
2. The Bailiff must ensure that all staff are fully trained in respect of the appropriate legislation.
3. The Bailiff, when attending a premises, shall at all times carry proof of his/her identity and written confirmation of the fact that the Council has instructed him/her to act on behalf of the Council. The Bailiff will provide this information to the debtor without being asked, whenever attending the debtor's property.
4. For Council Tax only, at the first visit to a property, in addition to leaving the required statutory information, the Bailiff must also leave a copy of the Council's information leaflet, "Bailiffs & Enforcement Action".
5. If the Bailiff believes that a debtor is no longer at any *home* address provided by the Council, there must be no written enquiries to that address or neighbouring properties. Discreet personal enquiries are acceptable.
6. If the Bailiff visits the property and the debtor is not at home or not available, a letter must be left in a sealed envelope, detailing the date, time and reason for the visit.
7. If the Bailiff makes more than one visit to a property with a view to levying distress, each visit must be made on a separate day.
8. The Bailiff shall take no action at a property where there is no responsible adult present.
9. Distress should be carried out at reasonable times, preferably between 8.00 a.m and 9.00 p.m on a normal working day.
10. The following guidelines shall be observed when levying distress:

## 2.2 APPENDIX 1

The Bailiff shall gain physical access to the premises without the use of force;  
The Bailiff shall identify specified items that belong to the debtor;  
Those items shall be listed on a walking possession agreement;  
The Bailiff shall request proof of ownership by another party where the debtor disputes ownership of specific goods;  
The debtor shall be provided with a walking possession agreement and allowed to read it in full;  
The Bailiff shall obtain the signature of the debtor on a copy of the agreement.

11. In addition to any legal exclusions, the Bailiff shall not levy distress on the following items:

Clothing reasonably required for the use of the debtor or a member of his/her household;  
The implements, tools of trade, books or other equipment reasonably required for the use of the debtor or a member of his/her household in the practice of a profession, trade or business;  
Medical aids or medical equipment reasonably required for the use of the debtor or a member of his/her household;  
Books or other articles reasonably required for the education or training of the debtor or any member of his/her household. If the debtor claims a personal computer is required for educational or training purposes, the Bailiff shall seek further instructions from the Council;  
Toys for the use of any child member of the debtor's household;  
Articles reasonably required for the care or upbringing of a child member of the debtor's household;  
Articles required for the care of any person suffering from a mental or physical disability;  
Cooking or heating appliances;  
A refrigerator where it is the sole refrigeration appliance in the household;  
All gas appliances in the household.

12. Where goods are removed, the debtor must be advised of the total amount due, including removal and storage costs, the identity of the auctioneer and the whereabouts of the sale room. The notice must state that the debtor may recover their goods from the sale room if they pay the total amount due within 5 working days of the goods being removed. The notice must explain what will happen after the 5 day waiting period and the nature of any costs that may be incurred after the initial 5 day period.
13. All arrangements made by the Bailiff regarding instalments shall be recorded and a written copy shall be given or sent to the debtor.
14. The Bailiff shall answer all correspondence from debtors within 10 working days of receipt and shall withhold further enforcement action on the account in question until a reply has been issued.
15. The Bailiff shall issue an official company receipt to a debtor paying in person and for every postal payment received.

**APPENDIX 1**

16. Payment by cheque is to be accepted, except in those cases where an earlier transaction by cheque has not been honoured, or where goods are about to be removed and the debtor has had prior warning that only cash payment in full will prevent further action.
17. The Bailiffs are expected to be of smart appearance, wearing appropriate, sober clothes whilst at work.
18. The Bailiffs shall at all times act in such a way as to minimise any embarrassment for the debtor or any other person at the premises.
19. The Bailiff shall see the debtor in private unless the debtor wishes other persons to be present.
20. The Bailiff may provide information to any bona fide advisor, lawyer or family member who is acting on behalf of the debtor. The Bailiff must take reasonable steps to establish that the person they are dealing with is in fact the debtor or a person acting with the express permission of the debtor.

**THE COUNCIL'S CODE OF PRACTICE IS TO SUPPLEMENT, NOT REPLACE THE BAILIFF'S OWN CODE OF PRACTICE**





**HARTLEPOOL**  
BOROUGH COUNCIL

## Appendix C

# BENEFITS LIAISON



## 2005 / 2006

“Increasing benefit take-up amongst vulnerable groups such as the disabled, pensioners and ethnic minorities continues to be one of the Council’s key priorities. We have a dedicated benefits team to undertake outreach work in the community in an effort to try and drive up benefit take-up amongst these harder to reach groups.”

**2.2**  
**APPENDIX 1**

<b>TASK</b>	<b>TARGET DATE</b>	<b>ACTION</b>	<b>HOW</b>	<b>IMPLEMENTATION DATE</b>	<b>MONITOR</b>	<b>EVALUATE</b>
Sessions to be held at Bamburgh Court	11.7.2005	TR	Contact warden at Bamburgh Court and Housing Hartlepool, clarify query type and discuss possible dates. Hold session 1 day and issue contact cards to customers (may not discuss business in front of neighbours) Arrange a home visit for the day after the session or as requested by customer.	11.7.2005	TR	Post sessions  6 residents contacted Benefits Liaison Officer, They liked the idea that someone was available to help but all stated that they thought it was not private enough. Only 2 came to the office provided and 4 took officer to the flats. To leave contact details in all flats for residents to contact in the privacy of their own homes.
Publicity	4.7.2005	TR/CA	Design and put up posters a Bamburgh Court. Leaflet drop	4.7.2005	TR	Check on response/interest. Speak to Warden. No residents had contacted warden prior to the session. Warden felt residents preferred to keep their business very private
Outreach service at Seaton Library	3.10.2005	TR	Visit Seaton Library and discuss busy times with Librarian. Tel 269808 Sharon Iddon.  Initially 2 sessions to be set up.		TR	Yes post sessions. To look into regular sessions
Publicity	23.9.2005	CA	Design posters, to be placed in all local shops in the area. Contact local councillors (Speak to Olive re which	Dates to be confirmed Tracey to visit library wc 5.9.2005 Also to visit Seaton	TR	After discussing with DWP and CA, to set up a Benefits Exhibition at the library. This will enable the Benefit

**2.2**  
**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
			councillors) via E-mail to advise of the outreach sessions. Contact Seaton Church for details of surgery to be put in the church bulletin. (see Dawn Clennett)	Church  Olive on holiday, check details on her return wc 29.8.05		section to evaluate the need for a surgery. Other partners have found that the library was not attended by the service user
Mail drop		TR/CA	Draft up a letter for the mail drop			
Outreach service on the mobile library	10.10.05	TR	Contact xt 3614 and arrange a contact with the mobile library. Arrange to go out on the mobile library and have informal discussions with service user. Discuss the possibility of having a benefit contact on the bus.	10.10.05 dates to be confirmed Elaine Terrett 523614 Joyce Smyles library bus 0778537514	TR	
Linking into Residents Associations		TR/MG	To ring Lesley Hall and Eddie Price 262641 re obtaining a list of all residents associations. Obtain main contact of each and mail drop offering a benefit service at their meetings. Can be out of hours. To contact HVDA re lists as per tel call to Mrs Smith Fens Residents association 25.8.05		TR/MG	

## 2.2 APPENDIX 1

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
Publicity		TR/CA	Draft up a letter for the mail drop			
Benefit claim at tenancy sign up	1.9.05	TR	Offer service to a wider audience, when LL or tenant telephone. Already used by Grove Property Management, Hartlepool Property Management and Housing Hartlepool use wireless service.	30.6.2005 mobile technology still undergoing testing at 8.9.05, however landlords are using the benefit liaison service when signing up tenants and Housing Hartlepool are promoting and using the mobile service within the surgeries and Housing offices using the network link	TR	Feedback from Forum. Tenants Views pre and post service. Housing Hartlepool Liaison meeting attended by TR 8.9.05 confirms mobile service within the Housing Offices are going well and they are keen to have the technology progress further. Tracey to keep Housing Hartlepool updated.
Promote	30.6.05	TR/CA	Workshop at LL Forum.	30.6.2005	TR	Feedback from forum and tenants views.
Re launch Benefit Surgeries	4.10.05	TR	Contact xt 3403 for list of all community centres in Hartlepool. Contact Rift House residents association re moving into community centre Masfield Road.	Attendance from all surgeries obtained for the period April 2005 to mid Aug 2005. Stats show that Rift House has lowest attendance of 37 appointments with 7 DNA. This surgery is to be moved to Masfield Community centre for a pilot of 13 weeks from 4.10.05. The cost of hiring the room is £12.50 per hour. The	TR/MG	Surgery to run as a drop in and appointment service. All appointments are to be made through Benefits liaison. A register will be kept of all appointments for statistical purposes. This will be reviewed with the Benefits liaison team, CA and JM after the pilot period.

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**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
				<p>surgery will run on a Tuesday afternoon and will coincide with the Community Action Team for Jobs drop in service. Mike or Tracey will attend the surgery. Housing Hartlepool advised on 8 September 2005 that the Rift House Surgery will be moved under the pilot scheme. They have requested that Benefits increase the Surgery times at Wynyard Road and have suggested another day would be beneficial. This is to be discussed with CA and Tracey to advise Housing Hartlepool. Tracey stated that all the surgeries were being looked at and further information will be available after the pilot at Rift House.</p>		
Publicity	21.9.05		<p>Draft up a letter for the mail drop. Advertise relaunch to coincide with Heartbeat</p>	<p>All properties on the Rift House estate to be notified of the new surgery times and place.</p>		

**2.2**  
**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
			issue. To ring Alaister re deadlines xt 3510	Email to Christine Armstrong 8 September 2005 requesting a copy of the electoral register for the Rift House Estate.		
Landlord forum	Continuous	TR/CA	Continue 3 monthly forums.	30.6.2005 planned Invites sent 10.6.2005 29.9.05 planned, invites to printers on 8 September 2005		Questionnaire
Town Centre Stand	14.7.05	TR/CA	Continue planned events aimed towards pensioner. Contact Centre Manager and arrange dates	14.7.2005	Town Centre exhibitions to be put on hold until next financial year. Take up at this last event was a lot lower than at previous exhibitions.	
Publicity	7.7.05	TR/CA	Posters and Hartlepool Mail	7.7.05		
Tesco Stand	7.7.05	TR/CA	Event similar to Town Centre Stand. Contact Tesco Manager to arrange meeting and set up a date. To check	Contacted Asda and Tesco re Exhibition stand. Both declined and stated that they		

**2.2**  
**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
			busiest days.	could only hold such an event for staff and that the stand could only be displayed in the staff canteens.		
Publicity		TR/CA	Posters and Hartlepool Mail. Posters to be displayed in shop.			
Salaam Centre/Ethnic minorities		TR/CA	Link into ethnic minority groups. Speak to Carl Richardson, make appointment via Olive to set up liaison between benefits and Grange Road Methodist church. Carl has strong links with the community on the Grange Ward. Pension service to possibly link into a surgery set up	Meeting arranged with Hartlepool Council Chairman Carl Richardson 15.9.05		
Pension Service	5.9.05	TR	Pension service to complete application forms for pensioners, for Housing and Council Tax benefit and verify all evidence of income rental liability and ID in relation to these claims. Training to be given by Tracey and all completed claims and verification to be sent in via Tracey.	Training to be provided by Tracey on 5.9.05. All completed application forms and evidence to be sent into enefits via Tracey. This is to keep check on quality of verification and completion and to offer constructive feedback to the Pension Service. Tracey to be point of		

**2.2**  
**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
				contact for manual calculations for the Pension Service doing home visits.		
Scott Grange Surgeries	18.7.05	TR	Benefit surgeries to be held at Scott Grange. First surgery to be on 18.7.05. Tracey took an updated list of outstanding claims to Scott Grange. The list was sent by AO, new claims, this is to help speed up the payments for Stonham. The first surgery was not attended by any of the tenants at Scott Grange. The queries from AO were dealt with by the staff at Scott Grange and responses passed to AO by TR. It was agreed that the next surgery should take place on an afternoon after Tracey returned from holiday. The staff at Stonham also requested an evening surgery as this would be more beneficial to the tenants needs. Surgery 2..9.05 was attended by 5 tenants and staff at Stonham had a further 4 enquiries dealt with	18.7.05		Feedback from tenants and Stonham, keep records of numbers attended.  18.7.05 = 0, 1pm to 2pm  02.9.05 = 5, 2pm to 4pm  21.9.05 = 6.30pm to 8pm



**2.2**  
**APPENDIX 1**

TASK	TARGET DATE	ACTION	HOW	IMPLEMENTATION DATE	MONITOR	EVALUATE
			by Tracey. It was agreed that the process of bringing outstanding issues to the surgery was beneficial to both tenants and Stonham. Tracey also advised that Benefits were able to offer an evening surgery as requested previously. The first evening Surgery will be on Wednesday 21.9.05 6.30 to 8.00 and will be covered by TR and CA.			
Hartlepool Credit Union	23.9.05	TR/CA	Attend the Credit Union conference at Belle Vue Sports Centre to promote Benefits Liaison, take up and DHP. Make partnership links.			Partners contact Details to be taken.
Breathe with Ease Support Group	12.9.05	TR/CA	CA and TR to attend and talk to the group re benefit entitlement/how to claim and promote Benefit liaison point of contact	Take business and contact cards.		
Sheltered accommodation	March 2006	TR/MG	All sheltered/warden controlled accommodation to receive maildrops as at Bamburgh Court, inviting customers to contact Benefits Liaison re benefit take up	All accommodation to receive information by March 2006. Leaflets to be designed by Benefits Liaison/CA		

# Revenues and Benefits



**A – Z**

# WELFARE BENEFITS

# Attendance Allowance

## What is it?

- Paid if you need help to look after yourself.
- Paid if you become ill or disabled on or after your 65th birthday, or are claiming on or after your 65th birthday.
- Paid at different rates depending on whether you need care during the day, during the night, or both.

## Can I get it?

**Have you:**

- Needed help for at least 6 months?

**If YES, claim AA.**

## What else should I know?

AA is paid at different rates depending on how much your disability affects you.

There are special rules for people with a terminal illness to help them get AA quickly and easily for care.

You can get AA even if no one is actually giving you the care you need.

You may not get AA if you are in hospital or [residential care](#) (This link will take you to the Pension Service website).

AA is not affected by savings.

AA is not usually affected by other money you have coming in.

AA is usually ignored as income for working out [Income Support](#) (This link will take you to the Jobcentre Plus website) and [Jobseeker's Allowance](#) (This link will take you to the Jobcentre Plus website).

### **Christmas bonus**

If you get one of the following:

- [Retirement Pension](#) (This link will take you to the Pension Service website)
- [Over 80 Pension](#) (This link will take you to the Pension Service website)
- Attendance
- [Income Support](#) paid over state pension age (This link will take you to the Jobcentre Plus website)

you will get a tax-free bonus of £10 shortly before Christmas each year.

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Weekly amounts	
Higher rate	£60.60
Lower rate	£40.55

## How do I claim?

Claim straight away. If you delay you may lose benefit.

Contact your local Jobcentre Plus office for a claim form.

Contact your social security office for a claim form.

# Applying for a National Insurance Number

## What is a National Insurance number?

A National Insurance (NI) number is a personal number used:

- to record a person's NI contributions and credited contributions
- as a reference number for the whole social security system.

A NI number should only be given to one person and must only be used by that person.

You do not have a legal right to an NI number, but there are circumstances when you are legally obliged to apply for a NI number and register for NI purposes.

## Where to apply for a National Insurance number

You should apply for a National Insurance number through your local Jobcentre Plus office, Jobcentre or social security office.

# Additional State Pension

## What is it?

Depending on your individual circumstances, you may be entitled to additional State Pension. As its name suggests, additional State Pension is paid in **addition** to the basic State Pension.

Up to April 2002, the additional State Pension was called the State Earnings-Related Pension Scheme (SERPS). SERPS was based on your record of National Insurance contributions and your level of earnings as an employee. On 6 April 2002, the State Second Pension reformed SERPS to provide a more generous additional State Pension for disability. (Any SERPS entitlement already built up is protected both for those who have already retired and for those who have not yet reached State Pension age.)

The State Second Pension gives employees earning up to £27,800 (in 2005/06 terms) a better pension than SERPS, whether or not they are contracted out into a private pension, with most help going to those on the lowest earnings (up to around £12,100 in 2005/06 terms).

When you make your claim for a State Pension any additional State Pension due to you will also be calculated.

## Contracting out

If you are an employed earner with annual earnings above a certain amount (£4,264 in 2005/06) you cannot leave the basic State pension. However, you can if you wish, choose to leave the additional State Pension and join a private pension scheme instead. This is called 'contracting out'.

If you choose to contract out by joining your employer's contracted-out occupational pension scheme, both you and your employer will pay lower, reduced rate National Insurance contributions. When you retire, your second pension will come from your employer's scheme and not from the additional State Pension. Although, most people will continue to build up a small entitlement to the additional State Pension as well.

You can also contract out with a stakeholder pension or a personal pension. If you do this, instead of paying lower National Insurance contributions, once a year the Inland Revenue will pay directly into your pension a rebate of your National Insurance contributions. The rebate is intended to provide benefits broadly the same as the additional State Pension given up.

You can also join a Stakeholder Pension scheme or a personal pension scheme without contracting out of the additional State Pension, but if you do this, you won't get the rebate.

You will usually get tax relief on your contributions to a private pension scheme. With a basic rate of income tax of 22 per cent, every £100 that goes into your pension costs you £78 (based on the tax year 2005/06). If you pay income tax at the higher rate of 40 per cent, every £100 that goes into your pension fund costs you £60 (based on the tax year 2005/06).

Some occupational Schemes and some personal pensions are organised on a 'rebate-only' basis. This means that the only money being paid into the scheme is your National Insurance contributions rebate.

If you have chosen this sort of second pension, it will give you roughly the same pension you would get from the additional State Pension. You may still need to think about whether this will be enough to support the lifestyle you want when you retire.

From 6 April 2003 the State Second Pension gives employees earning up to £27,800 (in 2005/06 terms) a better pension than SERPS, whether or not they are contracted out.

Most help goes to those who earn less than £12,100 from 11 April 2005.

A person contributing to a contracted-out personal pension earning less than £12,100 from 11 April 2005 in a tax year will also get a State Second Pension top-up for that year. The top-up reflects the more generous additional State Pension provided by State Second Pension.

If you are not sure what is the best choice you, you may want to get further help. If you want to know more about contracting out, please see [Contracted-out pensions - Your guide \(PM7\)](#).

## What else should I know?

If you contributed to the additional State Pension before April 2002 through SERPS, there is some important information you need to know about the percentage of SERPS that you may be able to pass on to your spouse if you die.

More information on [inheriting SERPS](#) is available on this website or you can [read or print our leaflet 'Important information for married people - Inheritance of SERPS'](#).

You may pass on only a maximum of 50% of your additional State Pension from State Second Pension.

# Bereavement Allowance

## What is it?

A new system of bereavement benefits for men and women was introduced in April 2001. The new system will not affect women who were already getting benefits under the previous scheme as long as they qualify under the rules. A Bereavement Allowance is:

- Based on your late husband or wife's NI contributions
- Paid for 52 weeks from the date of bereavement
- Regular payments

## Can you get it?

**Are you:**

- a widow or widower who was aged 45 or over when your husband or wife died?
- not bringing up children?
- under state pension age?

**If YES to all three, claim Bereavement Allowance.**

## What else should I know?

- If you are aged under 45 and do not have a dependent child or children you cannot get Widowed Parent's Allowance or Bereavement Allowance.
- If you were over state pension age when you were widowed you may get extra Retirement Pension based on your husband or wife's NI contributions.
- If your husband or wife died as a result of their job, you may be able to get bereavement benefits even if they did not pay enough NI.
- You cannot get bereavement benefits if you were divorced from your husband or wife.
- You cannot get bereavement benefits if you remarry or if you live with a partner as if you are married to them (in Scotland, special habit and repute provisions apply).
- Bereavement benefits are not affected if you work.
- The amount of Bereavement Allowance you get is based on your age when you were widowed or when Widowed Parent's Allowance ends, if within 52 weeks of bereavement.
- If you get Widowed Parent's Allowance you may be able to get the Additional Pension part of your husband or wife's state Retirement Pension. This is currently known as the State Earnings-Related Pension Scheme (SERPS).
- If you are already widowed you can get up to 100% of your late husband's or wife's SERPS.
- If your husband or wife is due to reach state pension age after 6 October 2002 but before 6 October 2010, when they die you will receive a maximum of between 90% and 60% of their SERPS. The exact amount will depend on when, in this period, they are due to reach state pension age.
- If your husband or wife is due to reach state pension age on or after 6 October 2010, you will receive up to 50% of their SERPS when they die.
- The Government plans to reform SERPS from 2002 to provide a more generous additional state pension for low and moderate earners, certain carers and people with a long-term illness or disability. This will be called the Second State Pension.
- The maximum amount of Second State Pension that a surviving husband or wife can inherit will be 50%.

## How much will I get?

The standard rate is £82.05.

Age related Bereavement Allowance			
The rate depends on your age at the time of your spouse's death or when Widowed Parent's Allowance stops.			
Age	Rate	Age	Rate
54	£76.31	50	£47.59
53	£70.56	49	£41.85
52	£64.82	48	£36.10
52	£59.08	47	£30.36
51	£53.33	46	£24.62

## I go into hospital or someone I claim for goes into hospital?

You must tell your Job Centre, Jobcentre Plus office or social security office as soon as you go into or come out of hospital. You must also tell them if someone you get benefit for goes into or comes out of hospital.

If you get extra money for someone who looks after your children for you, and that person goes into hospital, the extra money may stop straight away.

## How do I claim?

Claim straight away. If you delay you may lose benefit.  
Contact your local social security office for a claim form.

# Bereavement Payment (formerly Widow's Payment)

## What is it?

A new system of bereavement benefits for men and women was introduced in April 2001. The new system will not affect women who were already getting benefits under the previous scheme as long as they continue to qualify under the rules.

A Bereavement Payment is:

- based on your late husband or wife's NI contributions
- a one off payment.

## Can I get it?

Are you:

- under age 60 for women, 65 for men (state pension age)? Or
- the widow of a man or widower of a woman who was not entitled to a category A Retirement Pension when they died?
- the widow or widower of a spouse who has paid NI contributions?

**If YES to two, claim a Bereavement Payment.**

## What else should I know?

- if you were over state pension age when you were widowed you may get extra Retirement Pension based on your husband or wife's NI contributions
- if your husband or wife died as a result of their job, you may be able to get bereavement benefits even if they did not pay enough NI contributions
- you cannot get bereavement benefits if you were divorced from your husband or wife
- you cannot get bereavement benefits if you remarry or if you live with a partner as if you are married to them (in Scotland, special habit and repute provisions apply)
- bereavement benefits are not affected if you work

If you have recently come from abroad there are some extra rules.

## How much will I get?

A lump sum of £2,000.00.

## How do I claim?

Claim straight away. If you delay you may lose benefit.

Contact your social security office for a claim form.



# Carer's Allowance (CA)

## What is it?

CA (formerly called Invalid Care Allowance) is a taxable benefit for informal carers.

- Your other benefits may increase or decrease
- Certain benefits for the person you look after may sometimes reduce
- You must spend at least 35 hours a week caring, which need not be every day
- CA is not affected by any savings you may have
- The person you care for could be a relative, friend or neighbour
- CA can be paid to more than one person in a household, such as couple caring for each other.

## Can I get it?

### Are you:

- aged 16 or over?
- spending at least 35 hours a week looking after someone who is getting or waiting to hear about these benefits:
  - Attendance Allowance?
  - Disability Living Allowance at the middle or highest rate for personal care?
  - Constant Attendance Allowance at or above the normal maximum rate with an Industrial Injuries Disablement Benefit, or basic (full day) rate with a War Disablement Pension?

**If YES to both, claim CA straight away or you could lose benefit.**

## What else should I know?

Before 28 October 2002, carers aged 65 and over cannot qualify for CA. This age limit is removed from 28 October 2002. Carers aged 65 and over can make claims before this date, but entitlement will only start from 28 October 2002.

If the person you care for is getting or waiting to hear about Constant Attendance Allowance under the Industrial Injuries scheme, it must be at the normal maximum rate or above.

If the person you care for is getting or waiting to hear about Constant Attendance Allowance under the War Pensions scheme, it must be at the basic (full day) rate or above.

You cannot get CA if you are full-time education (21 hours or more a week of supervised study).

You must not earn above £82 a week. We will not count money you pay out for things like:

- some National Insurance (NI) contributions
- half of any money you pay towards a personal or occupational pension
- paying someone who is not a close relative of you or the disabled person to look after the disabled person while you are at work (up to a certain limit)
- some other expenses
- you may be able to get extra money for your husband or wife, or another adult who cares for your children.
- if you have children, you may be able to get Child Tax Credit. To find out more about Child Tax Credit, phone the Inland Revenue helpline on **0845 300 3900**. If you use a textphone, the number is **0845 300 3909**.
- you may not be able to get CA paid to you if you have another benefit paid at the same or a higher amount such as State Pension.

However, you may be able to get extra money added to Income Support, income-based Jobseeker's Allowance, Pension Credit, Housing Benefit and Council Tax Benefit. You may be able to get this if you claimed CA, but cannot get it because you already have another benefit paid at the same or a higher amount. Check with your social security office or Jobcentre Plus office or Pension Centre.

If the person you are caring for gets Income Support or income-based Jobseeker's Allowance, they may lose their severe disability premium. Check with the person whether they are getting either of these benefits.

If you have a short break from looking after the person you care for, your CA may continue.

From 6 April 2002, you may build up additional pension through State Second Pension for every complete tax year you are entitled to CA. State Pension can only be accrued up to State Pension age. For more information, see leaflet [PM9 State pensions for carers and parents - Your guide](#).

### **How much will I get?**

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Weekly amount: £45.70

Improvements to CA from 28 October 2002

Removal of the CA upper age (65) rule

Carers aged 65 or over can, for the first time, claim CA on the same basis as younger carers.

### **Who will benefit from the change?**

Abolishing the age restriction will benefit significant numbers of lower income carers and those carers with (mostly women) with no Retirement Pension or a reduced rate of Retirement Pension.

### **CA after the death of the disabled person**

If the disabled person dies, CA will continue for up to a further 8 weeks. This will help ex-carers who have recently been bereaved by giving them time to adjust and make plans for their own future.

### **How do I claim?**

Claim straight away. If you delay you may lose benefit.

Claim at your local social security office.

# Child Benefit

## What is it?

- A benefit for people bringing up children
- Paid for each child
- Not affected by income or savings

## Can I get it?

Are you bringing up a child who:

- Is aged under 16?
- Is aged under 19 and studying full-time up to A level, Advanced Vocational Certificate of Education (AVCE) or equivalent?
- Is aged 16 or 17 years old and has left school recently, and has registered for work or training with the Careers Service or Connexions Service (in Northern Ireland, Training and Employment Agency)?

**If YES to one of these, claim Child Benefit.**

## What else should I know?

If you have recently come from abroad or returned from abroad, there are some extra rules.

You do not have to be the child's parent to get Child Benefit. You may get Child Benefit if you pay towards bringing up a child who does not live with you and no one else is claiming the benefit for them.

If you get Child Benefit in your name, Home Responsibilities Protection may help protect your basic state Retirement Pension and build up entitlement to additional state pension.

## How much will I get?

For the eldest child who qualifies - £17.00 per week

For each other child who qualifies - £11.40 per week

## How do I claim?

Claim as soon as your child is born or comes to live with you. If you delay, you may lose benefit.

Get a claim pack by contacting your Child Benefit Office on:

Great Britain Residents - Tel: 0845 302 1444/Textphone: 0845 302 1474

If your child has just been born, you may receive a claim pack with your Bounty Pack from the hospital.

# Child Maintenance Bonus and Child Maintenance Premium

## What is it?

- The Child Maintenance Bonus is for people who receive child maintenance and leave benefit to start work

Child maintenance includes payment decided by a court order or the Child Support Agency, and voluntary payments.

- A one-off payment of up to £1,000

## Can I get It?

- If you are claiming Income Support or income-based Jobseeker's Allowance and receiving child maintenance, you may be eligible for either the **Child Maintenance Bonus** and the **Child Maintenance Premium**.

## What else should I know?

A new child support scheme was introduced for new cases and some existing cases from 3 March 2003.

- If your claim for Child Support Maintenance was calculated after 3 March 2003 under the new rules, you will be allowed to keep the first £10 of any maintenance paid for your child(ren). this is called the **Child Maintenance Premium**.
- If your claim for Child Support Maintenance is currently assessed under the old rules, you may be able to get a cash bonus if you take up work that lifts you off benefit. This is the **Child Maintenance Bonus**.

## How much will I get?

The amount you can get builds up while you are on benefit and getting maintenance.

## How do I claim?

Contact the office that pays your benefit about Child Maintenance Bonus. You must claim Child Maintenance Bonus within 28 days of your benefit stopping.

# Child Support Maintenance

## Changes made to Child Maintenance on 3 March 2003

The way Child Maintenance (CM) is calculated changed for new clients on 3 March 2003. If you are already getting CM, you will transfer to the new scheme. The transfer date has yet to be decided. The Child Support Agency will write to you before you are transferred to the new scheme. In the meantime, existing maintenance arrangements will stay the same.

## What is it?

- Help with the cost of bringing up a child
- If one of the child's parents are living somewhere else in the United Kingdom (UK), or working for a UK based employer.

## Can I get it?

Are you:

- bringing up a child who has a parent living somewhere else in the UK, or working abroad for a UK based employer, or is a member of HM Armed Forces living abroad?
- claiming Income Support or income based Jobseeker's Allowance?

**If YES to both, you must usually apply for child support maintenance.**

(If a child living in Scotland is aged 12 or over and has at least one parent living apart from them in the UK, they may be able to get Child Support Maintenance for themselves. They can only do this if there is no court order or written maintenance agreement in force from 5 April 1993, and no one else has applied for Child Support Maintenance for them).

Please note that there will be changes to the rules of entitlement to Child Support Maintenance Assessment, and how it will be assessed in the near future.

Existing persons with care who have an assessment for child maintenance made before 3 March 2003 continue to accrue the bonus until their case is transferred to the new arrangements. They then have an extended period of one month to satisfy the work condition. All other conditions for entitlement and claiming a bonus remain the same.

When child maintenance is calculated under the new arrangements, persons with care on Income Support or income related Jobseekers Allowance keep up to £10 a week of any child maintenance paid for their children without it affecting their benefit. This is called the child maintenance premium.

## What else should I know?

If you are claiming Income Support or JSA you may be required to make an application for Child Support Maintenance.

You may not have to apply for Child Support Maintenance if there is a risk that doing so would cause harm or undue stress to you or to any children living with you.

If you are not claiming Income Support or income-based JSA, you can still apply for Child Support Maintenance.

## How much will I get?

The amount you get will depend on the income of the parent who does not live with the child.

## How do I apply?

Apply straight away. If you delay you may lose money.

Contact the Child Support Agency National Enquiry Line for an application form on: **0845 7133 133**. The line is open from 8:00 am to 8:00 pm, Monday to Friday and 8:30 am to 5:00 pm, Saturday. Alternatively, contact your local social security office.

# Christmas Bonus

This benefit is dealt with by Jobcentre Plus.

## What is it?

The Christmas Bonus is a tax-free payment paid, before Christmas, to customers who are getting one or more qualifying benefits.

## Can I get it?

- You must be entitled to at least one of these benefits on the first Monday in December, to claim a Christmas bonus.
  - Attendance Allowance
  - Constant Attendance Allowance
  - Disability Living Allowance
  - Incapacity Benefit at the Long-term rate
  - Income Support (from age 65 (man) and 60 (woman))
  - Industrial Death Benefit
  - Invalid Care Allowance
  - Mobility Supplement
  - Retirement Pension
  - Severe Disablement Allowance
  - Unemployability Supplement or Allowance
  - War Disablement Pension (if aged 65)
  - Widow's Pension
  - Widow's Pension
  - Widowed Mother's Allowance
  - Widowed Parent's Allowance

## How do I claim?

The bonus is paid automatically in most cases.

## How much will I get?

**Rate** of Christmas bonus: £10.00

## What else should I know?

How is it paid? By Girocheque or by increasing the amount of benefit payable by the amount of the Christmas Bonus in the specified week, usually the week beginning with the first Monday in December.

How long is it paid for? One payment per entitled customer per year.

A couple (married or unmarried) may receive two payments where both are entitled to a payment of a qualifying benefit.

An additional bonus may be paid for a married or unmarried partner provided:

- they are both over pensionable age by the end of the relevant week;
- the couple are living together as husband and wife; and either,
- the customer is entitled to a payment of an increase of the qualifying benefit for the other member of the couple; or
- the only qualifying benefit is Income Support.

# Cold Weather Payment

## What is it?

Cold Weather Payments are made during periods of very cold weather.

## Can I get it?

Are you or your partner getting extra money on Income Support or income-based Jobseeker's Allowance because:

- You are aged 60 or over?
- You have a child aged under 5?
- You are long-term sick or disabled?
- You are responsible for a disabled child

**Or**

Are you or your partner getting Pension Credit?

**If YES to one, you will get a Cold Weather Payment automatically.**

(We use partner to mean a person you are married to or a person you are living with as if you are married to them.)

## What else should I know?

There is no need to claim.

By periods of very cold weather we mean the average temperature at a specified weather station is recorded as, or forecast to be, 0°C or below over 7 consecutive days.

Social Fund payments cannot usually be made to people living abroad.

## How much will I get?

£8.50

# Disability Living Allowance (DLA) for a person aged 16 or over

## What is it?

- You must claim before you reach age 65, unless you are switching from the Invalid Vehicle Service
- Paid if you need help looking after yourself
- paid if you are aged 3 or over and have severe difficulty walking, or aged 5 or over and need help getting around
- Paid at different rates depending on how your disability affects you.

## Can I get it?

### Have you:

- needed help for 3 months because of a severe physical or mental illness or disability, and are you likely to need it for at least another 6 months?

If YES, **claim DLA.**

## What else should I know?

If you have recently come to Great Britain, please first check [extra rules if you come from abroad](#).

There are special rules for people with a life expectancy of less than 6 months to help them get DLA quickly and easily.

If you are getting DLA when you reach age 65, it can continue as long as you still need to help.

You can get DLA even if no one is actually giving you the care you need.

You may not get DLA if you are in hospital or a care home.

DLA is not affected by savings.

DLA is not usually affected by other money you have coming in.

DLA is usually ignored as income for working out [Income Support](#) and [Jobseeker's Allowance](#).

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Weekly amounts:

Paid because you need looking after (care component)

Highest rate	£60.60
Middle rate	£40.55
Lowest rate	£16.05

Paid to help you get around (mobility component)

Higher rate	£42.30
Lower rate	£16.05

## How do I claim?

Claim straight away. If you delay you may lose benefit.

Contact our social security office for a form.



# Disability Living Allowance (DLA) for a child under 16

## What is it?

You can claim DLA for a child with a severe physical or mental illness or disability if they need much more help or looking after than other children of the same age because of their illness or disability.

## Can I get it for my child?

### Is the child:

- aged 3 months or over and generally needs extra help or looking after?
- aged 3 or over and has severe difficulty walking?
- aged 5 years or over and needs extra help getting around out of doors?

If YES to one, claim DLA.

## New rules for under 5s

On 9 April 2001 the law changes to allow children aged 3 and 4 to qualify for the higher rate of the mobility component of DLA. Until now, children had to be 5 years old before they could qualify for this component worth £38.65 per week.

Most children likely to benefit will already be receiving one of the rates of the Care Component of DLA. This means they are already known to the Department and arrangements have been made to write in every case to the person who deals with the child's benefit to invite them to apply for the higher rate mobility component.

## What else should I know?

You can claim DLA before the child is aged 3 months, but DLA will not be paid before the child reaches age 3 months unless they are terminally ill.

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

### Weekly amounts:

Paid because your child needs looking after

Higher rate	£60.60
Middle rate	£40.55
Lower rate	£16.05

Paid to help your child get around

Higher rate	£42.30
Lower rate	£16.05

## **How do I claim?**

Claim straight away. If you delay you may lose benefit.  
Contact your social security office for a claim form.

# Funeral Payment

## What is it?

- Help towards the cost of a funeral
- Depends on your circumstances, not those of the person who has died
- One-off payment

## Can I get it?

Are you or your partner getting:

- Income Support?
- Income-based Jobseeker's Allowance?
- Pension Credit?
- Housing Benefit?
- Council Tax Benefit?
- Child Tax Credit which includes an amount higher than the family element?
- Working Tax Credit where a disability or severe disability element is included in the award?

**If YES to one, claim a Funeral Payment.**

(We use partner to mean a person you are married to or a person you are living with as if you are married to them.) If you have applied for one of these benefits, but do not know if you will get it, you should still apply for a Funeral Payment.

## What else should I know?

Funeral Payments are part of the Social Fund.

You can apply any time after the date the person died and up to three months after the date of the funeral.

You must have taken responsibility for the costs of the funeral.

The funeral must usually be in the United Kingdom.

May be affected by any other means of paying for the funeral.

May have to be paid back out of the estate of the person who has died.

## How much will I get?

The necessary cost of specified items or services. Plus up to £700 for other funeral expenses.

Contact your Jobcentre Plus office or social security office for more information.

## How do I claim?

You can apply any time after the date the person died and up to 3 months after the date of the funeral.

Contact your local office for a claim form. Find your local office on this site or look for the Jobcentre Plus, social security or Pension Service office display advert in the business numbers section of the phone book.

# Incapacity Benefit

## What is it?

- Paid if Statutory Sick Pay (SSP) has ended or you cannot get SSP
- Not paid if you were over state pension age when you became sick.

## Can I get it?

### Have you:

- Paid NI contributions?
- Been incapable of work because of sickness or disability for at least 4 days in a row including weekends and public holidays?

**If YES to both, claim Incapacity Benefit.**

### Or are you:

- Incapable of work and have been for at least 28 weeks without a break?
- Aged 16 or over but under 20 (25 if you have been in education or training at least 3 months immediately before age 20)?

### And did:

The period for which you were incapable of work begin before age 20 (25 if you were in education or training at least 3 months immediately before age 20)?

**If YES to all, claim Incapacity Benefit.**

Incapacity Benefit can be paid at three different rates.

#### **Short-term Incapacity benefit at the lower rate**

Paid if you do not get SSP and have been sick for at least four days in a row including weekends and public holidays, or if you qualify under the special rules for young people.

You will only get Incapacity Benefit under the rules for young people if you have been incapable of work for 28 weeks without a break.

#### **Short-term Incapacity Benefit at the higher rate**

Paid if you have been sick for more than 28 weeks and less than 52 weeks. If you qualify under the rules for young people, you must have been **getting** Incapacity Benefit for 28 weeks.

#### **Long-term Incapacity Benefit**

Paid if you have been sick for over 52 weeks. If you qualify under the special rules for young people, you must have been **getting** Incapacity Benefit for 52 weeks.

## What else should I know?

### Special circumstances

If you became sick before reaching state pension age, you may be able to get Incapacity Benefit after state pension age. It can be paid at the Retirement Pension rate for up to one year of sickness.

If you get the highest rate care component of Disability Living Allowance or you are terminally ill, you will get Incapacity Benefit paid at the long-term rate after you have been sick for 28 weeks.

If you qualify under the rules for young people and you get the highest rate care component of Disability Living Allowance or you are terminally ill, you will get Incapacity Benefit paid at the long-term rate after you have been **getting** Incapacity Benefit for 28 weeks.

If you get the long-term rate of Incapacity Benefit you may qualify for extra money depending on your age when you became sick.

If you have children you may be able to get extra money. This extra money can only be paid with short-term Incapacity Benefit at the higher rate or Retirement Pension rate, or with long-term Incapacity Benefit.

If your husband or wife is aged 60 or over, or another adult cares for your children, you may be able to get extra money.

From April 2003 a new Child Tax Credit has replaced the extra money claimed for children. This will be claimed from and administered by the Inland Revenue.

To apply for Tax Credits phone the Tax Credit Helpline on: 0845 605 5858 or textphone 0845 608 8844. You can also get an application pack from Inland Revenue enquiry centres, your local Jobcentre Plus office, Jobcentre or social security office. For the nearest Inland Revenue enquiry centre, look for Inland Revenue in the business numbers section of the phonebook.

You can earn extra pension through State Second Pension for every complete tax year you get long-term Incapacity Benefit, depending on your NI record.

### **Coming from abroad and social security**

You may be treated as having paid the necessary NI contributions to get these benefits if you have:

- paid enough UK NI contributions and the equivalent of NI contributions in certain other countries, or
- been working abroad for an employer based in the UK and paid NI contributions for the first 52 weeks of that employment.

You may be able to get Incapacity Benefit even if you have not paid enough NI contributions if you:

- are under 20 (25 if you were in education or training before age 20) and have been sick for 28 weeks, and
- are present and resident in Great Britain and have been present for 26 weeks in the year before you claim. You may be treated as having been present in Great Britain if you are in special occupations such as the armed forces or have lived and worked in another state in the European Economic Area.

If you have recently come from abroad there are some extra rules.

## **How much will I get?**

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Weekly amounts:

Under state pension age	
Short-term lower rate	£57.65
Short-term higher rate	£68.20
Long-term basic rate	£76.45
Over state pension age	
Short-term lower rate	£73.35
Short-term higher rate	£76.45
Incapacity Age Addition	
You may be able to get the Incapacity Age Addition if you get long-term Incapacity Benefit and were aged under 45 on the day you became unable to work. This includes days you got Statutory Sick Pay.	
Lower rate	£8.05
Higher rate	£16.05

## **How do I claim?**

Claim straight away. If you delay you may lose benefit.  
Contact your Jobcentre Plus office or social security office for a claim form.

## **I am already getting it? What happens if:**

### **I go into hospital or someone I claim for goes into hospital?**

You must tell your Jobcentre Plus office or social security office as soon as you go into or come out of hospital. You must also tell them if someone you get benefit for goes into or comes out of hospital.

Nothing will usually happen to your Incapacity Benefit straight away. But if you go into hospital from a local council residential care home, your Incapacity Benefit will usually reduce straight away.

If you get extra money for someone who looks after your children for you, and that person goes into hospital, the extra money may stop straight away.

**After 52 weeks**

Your benefit will usually reduce.

Your benefit may reduce by less if someone depends on you.

If you get extra money for your husband or wife and they are in hospital, that extra money you get for them will usually reduce.

**I go to live abroad or visit?**

Let us know as soon as you can that you are going abroad. You can usually do this by contacting your Jobcentre Plus office or social security office.

If you are going abroad permanently, you may be able to get a benefit for incapacity if you are going to a country within the EEA or one that has a social security agreement with the UK covering incapacity for work.

If your stay abroad is temporary, you can get Incapacity Benefit paid abroad for the first 26 weeks if:

- you have gone abroad only for treatment or an illness or disability which began before you went abroad (pregnancy itself is not counted as an illness), **or**
- you were incapable of work for at least 6 months before you left the United Kingdom (UK) and have been continuously incapable of work since then.

You may be able to get Incapacity Benefit paid abroad for more than 26 weeks if your stay abroad is temporary and you get Attendance Allowance or Disability Living Allowance.

# Income Support

## What is it?

- For people under 60 on a low income.
- Savings over £8,000 usually mean you cannot get Income Support.
- If you have to attend your Jobcentre regularly, you cannot get Income Support.

## Can I get it?

Are you:

- Aged between 16 and 59?
- On a low income?
- Not working or working on average less than 16 hours a week?

If YES to all, claim **Income Support**.

## Over 60?

- If you or your partner are aged 60 or over you may be entitled to Pension Credit.
- Pension Credit provides a contribution to a guaranteed minimum income and rewards people aged 65 and over who have made modest provision for their retirement.
- Pension Credit is dealt with by The Pension Service. To find out more about Pension Credit visit [The Pension Service Website](#).

## What else should I know?

You will not have to attend the Jobcentre if you are a lone parent, sick or disabled, unable to work because you are caring for someone, or registered blind.

If you have to regularly attend your Jobcentre, you may be able to get [Jobseeker's Allowance \(JSA\)](#).

If you have a partner who works an average of 24 hours a week or more you cannot usually get Income Support.

If you have a partner who works an average of less than 24 hours a week, their earnings will usually affect the amount of Income Support you can get.

Pregnant women and people with children under five get free milk and vitamins.

Savings over £3,000 usually affect how much Income Support you can get.

You may be able to get extra money to help towards certain housing costs.

You can usually get extra money for your family.

You may be able to get Income Support if you or your partner are not working because of parental leave.

You may be able to get Income Support if you are on paternity leave.

If you are a lone parent you will usually have to go to a meeting with a Personal Adviser before you can get Income Support.

If you are sick and not getting [Statutory Sick Pay \(SSP\)](#) you should claim [Incapacity Benefit](#) as well as Income Support.

If you get SSP you do not have to claim Incapacity Benefit as well as Income Support.

Check with your social security office to see if you are on a low income for Income Support or Pension Credit.

From April 2001, severely disabled people who get the highest rate of Disabled Living Allowance for care will usually be able to get more Income Support. This is part of the new Disability Income Guarantee.

If you have recently come from abroad there are some [extra rules](#).

## Studying

If you are studying, you may be able to get Income Support while you are on your course if you are a lone parent, sick or disabled, or registered blind. Check with your social security office.

If you are studying up to A level or equivalent, you may be able to get Income Support while you are on your course if you are unable to work because you are caring for someone.

If you are still at school you cannot usually get Income Support for yourself.

If you are still at school you may be able to get Income Support if you are:

- Looking after your own child
- An orphan and nobody is looking after you
- Unlikely to be able to get a job because of a severe disability.

If you are still at school you may also be able to get Income Support if you are:

- Not living with your parents or being supported by them
- Not in touch with your parents
- Separated from your parents for reasons that cannot be avoided and nobody is looking after you in their place.

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Personal allowances, premiums and payments to cover certain housing costs together make up your benefit payment.

Weekly amounts:

<b>Personal allowances for single people:</b>	<b>April 2005</b>
aged 16-17	£33.85
<b>or</b> depending on their circumstances	£44.50
aged 18-24	£44.50
aged 25 or over	£56.20

<b>Personal allowances for couples:</b>	
both aged 18 or over	£88.15
Where one or both partners are aged under 18, their personal allowance depends on their circumstances	

<b>Personal allowances for lone parents:</b>	
aged 16-17	£33.85
<b>or</b> depending on their circumstances	£44.50
aged 18 or over	£56.20

<b>Personal allowances for dependent children:</b>	
from birth to the day before 19 <sup>th</sup> birthday	£43.88

<b>Premiums:</b>	
Family	£16.10
Family (one lone parent rate for people with preserved rights)	£16.10
Bereavement Premium	£25.85
Disabled child	£43.89
Carer	£25.80
Severe disability – paid for each adult who qualified	£45.50
Pensioner	£78.90 (couple)
Enhanced pensioner – aged 75-79	£78.90 (couple)
Higher pensioner	£78.90 (couple)
Disability	£23.95 (single) £34.20 (couple)



Enhanced disability premium	£11.70 (single) £16.90 (couple) £17.71 (child)
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<b>Housing costs – deductions for non-dependants</b>		
Aged under 18		Nil
Aged under 25 and receiving Income Support or income-based Jobseeker's Allowance		Nil
Aged 18 or over, in remunerative work and not receiving Pension Credit:	gross weekly income £308.00 and over	£47.75
	gross weekly income £247.00 – £307.99	£43.50
	gross weekly income £186.00 – £246.99	£38.20
	gross weekly income £144.00 – £185.99	£23.35
	gross weekly income £97.00 – £143.99	£17.00
	gross weekly income less than £97.00	£7.40
Other cases		£7.40

### **Independent residential care homes and nursing homes**

You can claim Income Support under the same rules as when you lived at home. In addition to the normal amounts you may be entitled to what is called a residential allowance. Residential Allowance is being phased out and is not payable on new or repeat claims made after 7 April 2002.

Residential Allowance	£65.50
Residential Allowance (Greater London)	£72.85
Local authority residential accommodation allowance	£77.45
Reduction in benefit for strikers	£30.50

## **How do I claim?**

Claim straight away. If you delay you may lose benefit.  
Contact your Jobcentre Plus office.

# Industrial Injuries Disablement Benefit (accidents)

## What is it?

- For people who are disabled as a result of an accident at work
- Not paid if you were self-employed when the accident happened
- The amount you get depends on how serious your disability is
- You may also be able to get Industrial Injuries Disablement Benefit if you are disabled by a disease or deafness caused by a job you have done

## Can I get it?

Are you:

- disabled because of an accident at work?

If YES, claim **Industrial Injuries Disablement Benefit**.

## What else should I know?

The accident must have happened as a result of your work and it must usually have happened in Great Britain. We may need you to have a medical examination. The doctor will give us advice about:

- how seriously you are disabled
- how long they expect your disability to last

If you get Industrial Injuries Disablement Benefit, need daily care and attention and your disablement is assessed as 100 per cent, you may get Constant Attendance Allowance (CAA). This is paid at four different rates.

If you get Exceptional or Intermediate rate CAA and you need permanent constant care and attention, you may also get Exceptionally Severe Disablement Allowance.

If you have recently come from abroad there are some extra rules.

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

Following decisions by Social Security Commissioners, the way we work out some claims has changed.

**Weekly amounts:**

Disablement Benefit		
Disablement	aged over 18	aged under 18 with no dependants
100%	£123.80	£75.85
90%	£111.42	£68.27
80%	£99.04	£60.68
70%	£86.66	£53.10
60%	£74.28	£45.51
50%	£61.90	£37.93
40%	£49.52	£30.34
30%	£37.14	£22.76
20%	£24.76	£15.17

<b>Pensions for pneumoconiosis, byssinosis and mesothelioma assessment:</b>	
1% to 10%	£12.38
11% to 19%	£24.76
<b>Industrial Death Benefit</b>	
This may be paid to the wife or husband of someone who died before 11 April 1988 due to an industrial accident or an industrial disease. If you think you may qualify, ask your Jobcentre Plus office or social security office for details. The benefit is paid at 2 main rates, £82.05 (higher rate) and £24.62 (lower rate). These rates reduce to £16.40 after 6 weeks in hospital.	
<b>Constant Attendance Allowance</b>	
Exceptional rate	£99.20
Intermediate rate	£74.40
Normal maximum rate	£49.60
Part-time rate	£24.80
Exceptional Severe Disablement Allowance	£49.60
<b>Unemployability Supplement</b>	
Basic rate	£76.45
<b>Additions for early incapacity:</b>	
Higher rate	£16.05
Middle rate	£10.30
Lower rate	£5.15
<b>Reduced Earnings Allowance</b>	
Maximum rate	£49.52
<b>Retirement Allowance</b>	
Maximum rate	£12.38

## How do I claim?

If you are claiming Industrial Injuries Disablement Benefit because of an accident, claim after you have been disabled because of the accident for two months.

Contact your local Jobcentre Plus office for a claim form.

# Industrial Injuries Disablement Benefit (diseases and deafness)

## What is it?

- For people who are ill or disabled as a result of a disease caused by work
- You must have done certain types of work
- Not paid if you were self-employed in the work that caused your disease or deafness
- The amount you get depends on how serious your disability is
- You may also be able to get Industrial Injuries Disablement Benefit if you are disabled as a result of an accident at work
- Sufferers of certain diseases may also be able to get a payment under the Pneumoconiosis etc (Workers Compensation) Act 1979.

## Can I get it?

**Because of a job you have done, are you suffering from:**

- disabled caused by working with asbestos?
- asthma?
- chronic bronchitis?
- deafness?
- pneumoconiosis (including silicosis and asbestosis)?
- tenosynovitis?
- vibration white finger?
- another illness that may be covered by the Industrial Injuries Scheme?

**If YES to one, claim Industrial Injuries Disablement Benefit.**

## What else should I know?

If you are claiming because of a disease which is not mentioned on this page, check with your social security office to see if it is covered by the Industrial Injuries Scheme.

If you get Industrial Injuries Disablement Benefit at 100 per cent rate and need daily care and attention, you may get Constant Attendance Allowance (CAA). This is paid at four different rates.

If you get Exceptional or Intermediate rate CAA and you need permanent constant care and attention, you may also get Exceptionally Severe Disablement Allowance.

If you have recently come from abroad there are some extra rules.

**A disease because of working with asbestos.**

If you have one of the four following diseases because of working with asbestos:

- pneumoconiosis (asbestos)
- mesothelioma
- primary carcinoma of the lung where there is evidence of asbestosis or diffuse pleural thickening or both
- diffuse pleural thickening

You must have worked in a job which exposed you to asbestos. The level of exposure must be above the level normally found in the air.

We may need to contact your employer to check what jobs you have worked in.

We will need you to have a medical examination. The doctor will give us advice about:

- whether you have one of the four diseases
- how seriously you are disabled
- how long they expect your disablement to last.

### **Asthma**

At some time in the 10 years before you claim, you must have been in contact at work with a substance that caused your asthma.

We may need you to have a medical examination. The doctor will give us advice about:

- whether you have asthma
- how serious you are disabled
- how long they expect your disability to last.

### **Chronic Bronchitis or emphysema or both**

You must have worked underground in a coal mine. The work must have lasted for 20 years or more, but can be for more than one employer.

The 20 years does not have to be one unbroken period and we may be able to ignore breaks in employment.

We will usually need you to take a breathing test to see if your disability is serious enough for you to get benefit.

We may also need you to go for a medical examination.

### **Deafness because of work**

You must have worked for at least 10 years in certain jobs known to cause deafness.

The work must have been within 5 years of the date you claim.

You may also be able to get benefit if you worked very close to someone who was doing a job known to cause deafness.

We will arrange for your hearing to be tested.

Your hearing loss must be at least 50 decibels in each ear because of damage to your inner ear. In at least one ear, this must be caused by noise at work.

After the hearing test the doctor will give us advice about:

- whether your deafness was caused by work
- how badly you are disabled because of your deafness

### **Pneumoconiosis (including silicosis and asbestosis)**

You must have worked in certain jobs which exposed you to dust.

We may need you to have a medical examination. The doctor will give us advice about:

- whether you have pneumoconiosis
- how serious you are disabled
- how long they expect your disability to last.

You may also need to have a chest x-ray.

If you claimed Industrial Injuries Disablement Benefit because of pneumoconiosis and we have turned you down because we said you did not have the disease, ask us to look at your claim again. For more information check:

- your questions and answers
- leaflet '[Industrial Injuries Disablement Benefit – If you have pneumoconiosis](#)' 874k PDF.

### **Tenosynovitis**

You must have worked in a job involving manual labour or frequent and repeated movement of the hand or write. We may need you to have a medical examination. The doctor will give us advice about:

- whether you have tenosynovitis
- how long they expect your disability to last.

### **Vibration white finger**

You must have working in certain jobs known to cause vibration white finger.

Whether you can get benefit depends on how many of your fingers are affected and how seriously.

We may need you to have a medical examination. The doctor will give us advice about:

- whether you have vibration white finger
- how serious you are disabled
- how long they expect your disability to last.

### **Other diseases**

Some other diseases caused by work and covered by the Industrial Injuries scheme are:

- diseases caused by exposure to asbestos, for example pneumoconiosis (asbestosis), diffuse mesothelioma, diffuse pleural thickening and lung cancer. See also [Pneumoconiosis etc \(Workers Compensation\) Act 1979](#)
- diseases caused by radiation
- diseases caused by exposure to certain dangerous chemicals
- diseases caused by exposure to certain biological agents such as animals, plants and other organisms
- carpal tunnel syndrome caused by hand-held powered tools with internal vibrating parts

- dermatitis

If you want to know whether a disease is covered by the scheme, check with your social security office

## How much will I get?

Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

get by using these amounts:

Disablement Benefit		
Disablement	aged over 18	aged under 18 with no dependants
100%	£123.80	£75.85
90%	£111.42	£68.27
80%	£99.04	£60.68
70%	£86.66	£53.10
60%	£74.28	£45.51
50%	£61.90	£37.93
40%	£49.52	£30.34
30%	£37.14	£22.76
20%	£24.76	£15.17
Pensions for pneumoconiosis, byssinosis and mesothelioma assessment:		
1% to 10%	£12.38	
11% to 19%	£24.76	
Industrial Death Benefit		
This may be paid to the wife or husband of someone who died before 11 April 1988 due to an industrial accident or an industrial disease. If you think you may qualify, ask your Jobcentre Plus office or social security office for details.		
The benefit is paid at 2 main rates, £82.05 (higher rate) and £24.62 (lower rate). These rates reduce to £16.40 after 6 weeks in hospital.		
Constant Attendance Allowance		
Exceptional rate	£99.20	
Intermediate rate	£74.40	
Normal maximum rate	£49.60	
Part-time rate	£24.80	
Exceptional Severe Disablement Allowance	£49.60	
Unemployability Supplement		
Basic rate	£76.45	
Additions for early incapacity:		
Higher rate	£16.05	
Middle rate	£10.30	
Lower rate	£5.15	
Reduced Earnings Allowance		
Maximum rate	£49.52	
Retirement Allowance		
Maximum rate	£12.38	

## How do I claim?

If you are claiming Industrial Injuries Disablement Benefit because of a disease or deafness, claim straight away. If you delay you may lose benefit. Contact your local Jobcentre Plus office for a claim form.

# Job Grant

## What is it?

Job Grant is a tax free payment payable if you are taking up full time work of at least 16 hours per week. The amount of Job Grant you will get depends on your circumstances:

- £100 for single people and couples without children, and
- £250 for all lone parents and couples with children

**A Job Grant may be payable if your partner is going into work of at least 24 hours per week and as a result your claim to benefit ends.**

## Can I get it?

**Are you:**

- starting full time work on or after 24<sup>th</sup> October 2005
- expect that work to last 5 weeks or more, and

**And have you:**

- been getting Income Support, Jobseeker's Allowance, Incapacity Benefit, Severe Disablement Allowance or a combination of these benefits for at least 26 weeks immediately before moving into full-time work?

**If YES to all, you may get Job Grant – you do not need to claim.**

## What else should I know?

If you start work, you must tell your Jobcentre Plus office or Jobcentre straightaway. For more information contact your Jobcentre Plus Office.

# Jobseeker's Allowance

## What is it?

**Jobseeker's Allowance (JSA) is paid:**

- If you are capable of working
- If you are available for work
- If you are actively seeking work.

## Can I get it?

**Are you:**

- Under 65 (for men) or under 60 (for women)?
- Not working, or working on average less than 16 hours a week?

**If YES to both, claim JSA.**

## What else should I know?

If you have been paid or have been treated as having paid NI contributions you may be able to get contribution-based JSA.

If you are on a low income you may get income-based JSA, even if you have not paid NI contributions, Income-based JSA is based on how much the law says you need to live on.

You cannot usually get JSA if you are aged under 18.

People who are studying full-time cannot usually get JSA. For more information about how studying affects JSA and other benefits, see leaflet GL19: School-leavers and students.

Redundancy payments and other money you get when a job ends, may affect JSA and the date you can get JSA from.

If you have recently come from abroad there are some extra rules.

## Contribution-based JSA

**You must have paid or be treated as having paid a certain number of NI contributions. For details of the NI contributions you need to have paid, contact your Jobcentre Plus or Jobcentre.**

You cannot get contribution-based JSA if you have only been paying NI contributions for self-employment. You may be able to get income-based JSA.

Contribution-based JSA is paid at a fixed rate based on your age for up to 26 weeks.

You can get an occupational or personal pension of up to £50 a week before your contribution based JSA is affected. This applies regardless of your age. However, if it exceeds £50, JSA entitlement is reduced penny for penny. If you are entitled to contribution-based JSA, but your income is still below the minimum level of income the law says you need to live on, you may be able to get some income-based JSA.

The rules are different from share fishermen. Check with your Jobcentre.

## Income-based JSA

Savings over £8,000 usually mean you cannot get income-based JSA. If you or your partner are aged 60 or over, savings over £12,000 usually mean you cannot get income-based JSA. If you live in a residential care home or nursing home, savings over £16,000 usually mean you cannot get income-based JSA.

Savings over £3,000 usually affect how much income-based JSA you can get. If you or your partner are aged 60 or over, savings over £6,000 usually affect how much income-based JSA you can get. If you live in a residential care home or nursing home, savings over £10,000 usually affect how much income-based JSA you can get.

If you have a partner who works an average of 24 hours a week or more you cannot usually get income-based JSA. This work does not affect your contribution-based JSA.



There are new rules for people bringing up a child or children whose parent lives somewhere else in the United Kingdom. When you or your partner claim income-based JSA it will be treated as an application for child maintenance unless you or your partner opt out.

If you have a partner who works an average of less than 24 hours a week, their earnings will usually affect the amount of income-based JSA you can get.

You may be able to get extra money to help towards certain housing costs.

You can usually get extra money to help towards certain housing costs.

You can usually get extra money for your family.

Pregnant women and people with children under 5 get free milk and vitamins.

If you or your partner are not bringing up children, you may have to make a joint claim to get income-based JSA.

For more information contact Jobcentre Plus or Jobcentre.

If you could get contribution-based JSA, but your income is still below a certain level, you may be able to get income-based JSA.

The rules are different for share fishermen, check with your Jobcentre.

To see if you are on a low income for income-based JSA, check with your Jobcentre Plus Office, Jobcentre or social security office.

(We use partner to mean the person you are married to or the person you live with as if you are married to them).

## 16 and 17 year olds

If you are aged 16 or 17 you are unlikely to have worked for long enough since reaching age 16 to pay enough NI contributions to get contribution-based JSA.

If you are an unemployed 16 or 17 year old you may be able to get income-based JSA for a short period in special circumstances. For example, if one of the following applies:

- You are forced to live away from your parents
- You will suffer severe hardship if you do not get JSA
- You are a member of a couple who has responsibility for a child.

**If you want more information about these special circumstances, contact your Jobcentre Plus or Jobcentre.**

You may be entitled to get Young Person's Bridging Allowance (YPBA). For more information on YPBA and the conditions that apply, please contact your Jobcentre.

Before you go to your Jobcentre Plus or Jobcentre to claim JSA, you should register for work and training at your local Connexions Services or Careers Services. They will arrange an appointment at the Jobcentre for you and will complete a form which you will need to take to your appointment. They can provide you with support, if needed, in making your claim, such as going with you to your New Jobseeker Interview at the Jobcentre. After you have made your claim for JSA, the Connexions Service or Careers Service, look on the website [www.connexions.gov.uk](http://www.connexions.gov.uk) or under **Connexions** or **Careers** in the business numbers section of the phone book.

If you are aged 16 or 17 and are unable to work you may be able to get Income Support. If you want more information about who can qualify for Income Support contact your social security office.

## Jobseeker Interviews

If you decide to claim JSA, we will give you an appointment for a New Jobseeker Interview and a claim form to fill in and bring to the interview.

If you need help filling in this form, we can arrange this.

At the interview, and adviser will:

- make sure you understand the rules for JSA
- discuss the kinds of work you are looking for and the best ways of finding a job
- give you information about jobs, training and other opportunities
- check that you have filled in your form fully and given us all the information we need.

To get JSA you must have a Jobseeker's Agreement. You and the adviser will make this agreement at this interview, and you will both sign it.

If you need a private room for your interview or want us to provide someone to help you at the interview, for example an interpreter, please let us know in advance.

If you are aged 18 or 19, the Connexions Service can provide you with support in making a claim for JSA, during your interview, or at any other time. For your nearest Connexions Service office, look on the website [www.connexions.gov.uk](http://www.connexions.gov.uk) or under **Connexions** in the business numbers section of the phone book.

You must usually come to the Jobcentre every two weeks to confirm that you are still entitled to JSA. We will discuss how your job search is going and how we may be able to help you.

As well as seeing us every two weeks, you must also come to regular, more detailed interviews to look at your situation.

If you are a man aged between 60-64 you can choose instead to apply for Pension Credit.

## Jobseeker's Agreement

Your Jobseeker's Agreement will include details of:

- your availability for work.
- the kind of work you are looking for
- what you will do to look for work and improve your chance of finding work
- how Jobcentre Plus aims to help you.

If you are aged 16 or 17, your Jobseeker's Agreement will cover training issues as well as work, as you will be required to actively seek both. It will also state the actions you will take to seek work and training which you will have agreed with the Connexions Service or Careers Service.

If you and the adviser cannot agree on the content of the Jobseeker's agreement, a Decision Maker will decide if the proposed contents are reasonable.

If you do not agree with their decision, you can ask for it to be looked at again by another Decision Maker. If you still do not agree, you can appeal.

You will not usually be able to get JSA until you have a Jobseeker's Agreement. In some situations you may be able to get a reduced allowance under the hardship provision.

## Hardship provision

**You may be able to get a reduced amount of JSA under the hardship provision. You can do this if your JSA cannot be paid under the normal rules for any of the following reasons.**

- You are not available for work
- You are not actively seeking work
- You do not have a Jobseeker's Agreement
- There is a doubt about whether any of these apply to you
- You unreasonably make yourself unemployed. For example, you leave your job voluntarily without good reason, you lose a job because of misconduct or you turn down a job offer

**You must be able to show that you or someone in your household suffer hardship if you do not receive any JSA.**

If you are in a vulnerable group and you qualify for a hardship payment, you will be paid the next time you would usually get your JSA. You are in a vulnerable group if you or your partner:

- are pregnant
- are looking after children
- are single and looking after a 16 or 17 year old
- have a disability
- are caring for someone who is long-term sick or disabled
- are a young person who has left local authority care in the last 3 years
- are aged 16 or 17, in some circumstances.

**If you are not in a vulnerable group you will have to wait at least 2 weeks until you become entitled to a hardship payment, and you will get the payment the next time you would usually get your JSA. This means it could be up to 4 weeks before you get a payment.**

These rules apply to both you and your partner if you have a joint claim. For more information, contact your Jobcentre Plus or Jobcentre.

For more information or to claim JSA under the hardship provision, contact your Jobcentre Plus or Jobcentre.

## Approaching retirement

**If you take voluntary early retirement you may not get JSA straightaway.**

You can get an occupational or personal pension of up to £50 a week before your contribution based JSA is affected. This applies regardless of your age. However, if it exceeds £50 JSA entitlement is reduced penny for penny. Occupational and personal pensions will be taken fully into account if you claim Income Based JSA. Men aged 60-64 who do not want to sign on at the Jobcentre or Jobcentre Plus each fortnight can apply for Pension Credit.

## Studying

You cannot usually get JSA if you are studying full-time. If you are one of a couple who are both full-time students and one of you is responsible for a child, you may be able to get JSA during the summer vacation.

If you are studying part-time, but are still available for and actively seeking work, you may be able to get JSA. This will also depend on the number of hours you study and your other circumstances.

If you are aged 25 or over and have been unemployed for 2 years or more, you may be able to do a full-time employment-related course for up to a year and still get JSA.

You may be able to do an Open University course and still get JSA.

## How much will I get?

The rules for benefits mean that your individual circumstance may affect the amount you can get. This means that you will not always be able to work out how much you will get by using these amounts.

### Weekly amounts

Contribution-based JSA		
Aged 16 - 17		£33.85
Aged 18 – 24		£44.50
Aged 25 or over		£56.20
Income-based JSA Personal allowances		
Single people	Aged 16 to 17	£33.85
	Aged 18 to 24	£44.50
	Aged 25 or over	£56.20
Couple	Both aged 16 – 17	£33.85
	Both aged 16 – 17, one disabled	£44.50
	Both aged 16 – 17, with responsibility for a child	£67.15
	One aged 16- 17, one 18 to 24	£44.50
	One aged 16 – 17, one over 25	£56.20
	Both aged 18 or over	£88.15
Lone parents	Aged 16 to 17	£33.85
	Or depending on their circumstances	£44.50
	Aged 18 or over	£56.20
Dependent children	From birth to the day before the 19 <sup>th</sup> birthday	£43.88
Premiums		
Amounts are the same as for <u>Income Support</u>		
Housing costs – deductions for non-dependants		
Amounts are the same as for <u>Income Support</u>		
Independent residential care homes and nursing homes		
Amounts are the same as for <u>Income Support</u>		
Benefit for strikers		
Reduction in benefit		<b>£30.50</b>

## How do I claim?

Claim straight away. If you delay you may lose benefits. To claim JSA, contact your Jobcentre Plus Office. It is important that we can be sure of your identity when you make a claim. We may need to ask you about your background and look at any official documents you have to support the information you give. You may be asked to show proof of your identity before your claim is paid.

### Jobseeker Interviews

If you decide to claim Jobseeker's Allowance (JSA), we will give you an appointment for a New Jobseeker Interview and a claim form to fill in and bring to the interview.

If you need help filling in the form, we can arrange this.

At the interview, an adviser will

- Make sure you understand the rules for JSA
- Discuss the kinds of work you are looking for and the best ways of finding a job
- Give you information about jobs, training and other opportunities
- Check that you have filled in your form fully and give us all the information we need.

To get JSA you must have a Jobseeker's Agreement. You and the adviser will make this agreement at this interview, and you will both sign it.

If you need a private room for your interview or want us to provide someone to help you at the interview, for example an interpreter, please let us know in advance.

You must usually come to the Jobcentre every two weeks to confirm that you are still entitled to JSA. We will also discuss how your job search is going and if we can help.

As well as seeing us every 2 weeks, you must also come to regular, more detailed interviews to look at your situation.

### Jobseeker's Agreement

Your Jobseeker's Agreement will include details of:

- Your availability for work
- The kind of work you are looking for
- What you will do to look for work and improve your chances of finding work
- The services provided to help.

If you and the adviser cannot agree on the content of the Jobseeker's Agreement, a decision maker will decide if the proposed contents are reasonable.

If you do not agree with their decision, you can ask for it to be looked at again by another decision maker. If you still do not agree, you can appeal.

You will not usually be able to get Jobseeker's Allowance until you have a Jobseeker's Agreement. In some situations you may be able to get a reduced allowance under the hardship provision.

## I am already getting it. What happens if:

### I go into hospital, or someone I claim for goes into hospital?

Nothing will usually happen to your JSA straight away.

But you must tell your Jobcentre Plus Office straight away that you have gone into hospital. If you do not, your JSA may stop.

#### After 2 weeks

If you are the person in hospital, your JSA will stop.

You may be able to get Incapacity Benefit or Income Support.

#### After 4 weeks

If your partner is the person in hospital and you get a Severe Disability Premium for then, this will usually be reduced.

#### After 12 weeks

If any children you claim for are in hospital, your JSA will usually be reduced.

#### After 52 weeks

If your partner is the person in hospital, your JSA will usually be reduced.

### I go to live abroad or visit?

Contribution-based Jobseeker's Allowance

You cannot usually get contribution-based Jobseeker's Allowance outside the European Economical Area (EEA).

You may be able to get contribution-based Jobseeker's Allowance on the day you go abroad.

- Are entitled to contribution-based Jobseeker's Allowance on the day you go abroad

- Have registered as a jobseeker for at least 4 weeks before you leave. This can be less in special circumstances
- Are available for work and actively seeking work in Great Britain up to the day you leave
- Are going abroad to look for work
- Register for work at the equivalent of a Jobcentre in the country you are going to within 7 days of last claiming Jobseeker's Allowance in the UK. If you do not, you may lose benefit.
- Follow the other country's system for claiming benefit, and
- Follow the other country's benefit rules, such as being available for and actively seeking work, that would have applied if you had stayed in the UK.

The rules are different if you get a training allowance. For more information contact your Jobcentre Plus office or Jobcentre.

**Income-based Jobseeker's Allowance**

If you are going abroad permanently you cannot get income-based Jobseeker's Allowance.

You cannot usually get income-based Jobseeker's Allowance while you are abroad for a temporary stay. For more information contact your Jobcentre Plus office or Jobcentre.

**I am part of a service family visiting or living abroad?**

If you have a partner who is a service man or woman and you have been getting contribution-based JSA in the UK, you may be able to carry on getting help when you go abroad. Where you are posted can affect the benefits you can get.

The rules for going abroad are the same as for anyone else going abroad. See above.

**I start voluntary work?**

(Voluntary work can be anything from being a good neighbour to working with charities or other organisations such as social services departments. Volunteers give their time without pay, but they may get reasonable expenses).

You can do as much voluntary work as you like. Your JSA will not usually be affected as long as:

- You are still looking for work as agreed with your adviser.
- You can be contacted quickly if the chance of a job comes up, you are willing to go for an interview within 48 hours notice and able to start work within one week.
- You do not receive any pay other than to pay for expenses like fares or special clothing you need for the voluntary work.
- It is reasonable for the person or organisation you are doing the voluntary work for not to pay you.

If it is unreasonable for them not to pay you, we will reduce your JSA by an amount you could expect to be paid for the work you are doing, even though you are not being paid.

You must tell your Jobcentre Plus Office or Jobcentre if you do any voluntary work. You must also tell us if you are paid in any way. This includes things that are sometimes called payments in kind, which could be something like meal vouchers.

**I go into residential care or a nursing home?**

Let your Jobcentre Plus office or Jobcentre know as soon as you go into care or a home and they will advise you.

# Maternity Allowance

## What is it

- If you cannot get Statutory Maternity Pay.

## Can I get it?

Are you:

- Employed or self-employed?
- Earning on average £30 a week or more?

**If YES to both, claim MA.**

If you cannot get Statutory Maternity Pay or MA, you may be able to get Incapacity Benefit.

## What else should I know?

If you have recently come from abroad or returned from abroad, there are some extra rules.

You may be able to choose when to start getting your Maternity Allowance (MA). The earliest you can start getting MA is in the 11<sup>th</sup> week before the week your baby is due.

You cannot get MA for weeks when you are at work.

MA is not taxable.

### **Changes from 6 April 2003**

From 6 April 2003, there have been changes to the maternity benefits available to pregnant women who work.

- MA is paid for up to 26 weeks.
- The latest you can start getting MA is from the day after the date your baby is born.

## How much will I get?

Up to a standard weekly rate, depending on your earnings.

Standard rate £106.00 or 90% of your average gross weekly earnings if this is less than £106.00.

## How do I claim?

Claim as soon as you can, after you have been pregnant for 26 weeks. If you claim more than 3 months after the date your MA is due to start you will lose benefit.

Contact your Jobcentre Plus office for a claim form.

# State Pension

## What is it?

State Pension is for people who have reached State Pension age. It is based on National Insurance (NI) contributions and is made up of different elements. More information on [National Insurance contributions](#) is available on the Inland Revenue website.

## State Pension age

From 6 April 2020, the State Pension age for women will be 65, the same as for men. Women's State Pension age will start moving gradually from 60 to 65 from 2010.

This will not affect women born on or before 5 April 1950, who can still claim their State Pension at 60. Women born on or after 6 April 1955 will have a State Pension age of 65.

Our [State Pension age calculator](#) will tell you the date you will reach State Pension age.

## Can I get it?

**Have you:**

- Reached State Pension Age?
- Paid or been credited with NI contributions or has your husband or wife?

**If you answered YES to both, you can claim State Pension.**

**State Pension is made up of the following:**

### Basic State Pension

**Basic State Pension is dependent on the number of qualifying years you have earned over your working life. Qualifying years are based on the NI contributions you have paid, been treated as having paid or been credited with. If you do not have enough, you may be able to pay some extra contributions.**

### Working life

Your working life is the period over which you have to meet the contribution conditions for the basic State Pension.

It is normally:

- 49 years for men
- 44 years for women born on or before 5 October 1950
- 45 years for women born on 6 October 1950 or on any day through to and including 5 October 1951
- 46 years for women born on 6 October 1951 or on any day through to and including 5 October 1952
- 47 years for women born on 6 October 1952 or on any day through to and including 5 October 1953
- 48 years for women born on 6 October 1953 or on any day through to and including 5 October 1954
- 49 years for women born on 6 October 1954 or later

Your working life is counted from the start of the tax year in which you reach the age of 16 to the end of the tax year before the one in which you reach State Pension age.

### **Additional State Pension (also known as SERPS or State Second Pension)**

Depending on your individual circumstances, you may be entitled to additional State Pension. As its name suggests, [additional State Pension](#) is paid in addition to the basic State Pension.

### **Graduated Retirement Benefit**

Based on any graduated NI contributions you paid between April 1961 and April 1975.

### **Long-term Incapacity Benefit Age Addition to State Pension**

Your State Pension will be automatically and permanently increased if you were getting long-term Incapacity Benefit Age Addition at anytime within the period of 8 weeks ending on the day before you reach State Pension age. Your long-term Incapacity Age Addition will be reduced if you are getting any additional State Pension.

This may mean no long-term Incapacity Benefit Age Addition is payable.

The rate you get will be the same as that which is paid with your Incapacity Benefit.

### **Age Addition**

This is currently 25p a week and is paid to anyone aged 80 or over on top of their State Pension.

### **Extra State Pension for dependants**

You may be able to get extra State Pension for your husband or wife.

Before 6 April 2003 you could get extra State Pension for any children you had responsibility for, or if someone else looked after children for you. If you were receiving this increase before 6 April 2003 it will continue to be paid. From 6 April 2003 provision for children is made through Child Tax Credits.

## What else should I know?

If you are a married woman and cannot get a full basic State Pension because you do not have enough qualifying years based on your own National Insurance (NI) contributions, you may be able to get a State Pension based on your husband's NI contributions. You can only do this if he is already getting a basic State Pension and you are aged 60 or over.

If you are a widow or widower, you may be able to get a State Pension based on your late husband's or late wife's NI contributions.

If you are a widow or widower, you may be able to get a State Pension based on your late husband's or late wife's additional State Pension.

If you are already a widow or widower you can get up to 100% of your late husband's or late wife's additional State Pension.

If your husband or wife reached State Pension age before 6 October 2002, you will receive up to 100% of their SERPS pension or Additional State Pension when they die.

More information on inheriting SERPS pensions is available on this website.

If your husband or wife is due to reach State Pension age after 5 October 2002 but before 6 October 2010, if they die before you, you will receive a maximum of between 90% and 60% of their SERPS pension. The exact amount will depend on when, in this period, they reach State Pension age.

If your husband or wife is due to reach State Pension age on or after 6 October 2010, you will receive up to 50% of their SERPS pension if they die before you.

The maximum amount of additional State Pension that a surviving husband or wife can inherit will be 50%. If you are divorced and cannot get a full basic State Pension based on the qualifying years from NI contributions, you may be able to get a basic State Pension based on your former husband's or former wife's NI contributions. They do not need to be getting their State Pension.

If you carry on working after claiming your State Pension, your earnings will not affect how much State Pension you get. But if you get an increase for a dependant, their earnings may affect how much increase you get for them. If you put off claiming your State Pension when you reach State Pension age, you can earn extra State Pension. The weekly amount of your State Pension will be higher, but you will not get any State Pension for the weeks you put off claiming.

The Government has introduced a new choice for people who put off claiming their State Pension. After 6 April 2005 people may be able to get more **extra** weekly pension when they do finally claim or the choice of a one-off taxable **lump sum** payment when they do finally claim.

This change is designed to give people more choice in how and when they retire by making it more attractive to delay taking their state Pension.

[Find out how you could benefit from the new rules](#)

For more information [contact The Pension Service](#)

## How much will I get

Only use these amounts as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.

**Basic State Pension** (per week from 11 April 2005)

Based on your own or your late spouse's NI contributions	£82.05
Based on your spouse's NI contributions	£49.15
Non-contributory over 80 pension	£49.15
Age Addition	£ 0.25

All benefits are reviewed each year with most benefits being uprated in April. We produce a leaflet GL23, Social Security benefit rates – that provides the general public with details.

You can [read or print our Social Security benefit rates leaflet \[Adobe Acrobat PDF – file 55.3kb\]](#) on the Department for Work and Pensions website. If you do not have Adobe Acrobat, you can install it for free from the [Adobe Acrobat website](#).



### **Additional State Pension**

From 1978 to 2002 additional State Pension was paid from the State Earnings – Related Pension Scheme (SERPS) and was only available to employees.

From 6 April 2002, SERPS was reformed to provide a more generous additional State Pension for low and moderate earners, and to extend access to include certain carers and people with long-term illness or disability. This is called the State Second Pension.

### **Graduated Retirement Benefit**

Based on your graduated NI Contributions paid between April 1961 and April 1975. For every £7.50 (man) or £9 (woman) of graduated contributions paid you get 9.63 pence (in 2004/05).

### **Extra benefits for dependants**

#### **Dependant children**

If you were in receipt of the increase for dependant children before 5 April 2003, you may continue to receive:

- £9.55 for the oldest child who qualifies for Child Benefit
- £11.35 for each other child who qualifies

**No claim for this benefit can be made after 6 April 2003.**

#### **Dependant adults**

You may get £47.65 (in 2004/05) for a spouse or a person looking after children paid with your State Pension (based on your NI contributions).

## **How do I claim?**

You will usually be sent a claim form for State Pension 4 months before you reach State Pension age. If you have not received your claim form 3 months before you reach State Pension age, get in touch with The Pension Service. It is important that we can be sure of your identity when you make a claim. We may need to ask you about your background and look at any official documents you have to support the information you give.

### **Read or print a form**

You can read or print a State Pension benefit claim form. You should post this completed form to your pension centre or local office.

This form does not apply in Northern Ireland. For information on pensions in Northern Ireland see the Social Security Northern Ireland website.

You can also call the State Pension claimline on 0845 300 1084 (textphone 0845 300 2086) (opening hours 8am to 8pm Monday to Friday).

## **What happens if?**

### **I go into hospital or someone I claim for goes into hospital?**

**You must tell The Pension Service as soon as you go into or come out of hospital. You must also tell them if someone you get benefit for goes into hospital.**

Nothing will happen to your State Pension straight away.

#### **After 12 weeks**

If you get Child Benefit or Guardians Allowance, and your child has been in hospital for more than 12 weeks and you no longer regularly spend money on them for things like toys, gifts and visits while they are in hospital, then these benefits will stop.

#### **After 52 weeks**

Your State Pension will reduce if you have been in hospital for 52 weeks or more. It will reduce by less if someone depends on you.

If you get extra money for your husband or wife and they are in hospital, the extra money you get for them will reduce after 52 weeks.

### **I go to live abroad or visit?**

Contact The Pension Service as soon as you can to let us know you are going abroad.

You can continue to get your State Pension anywhere in the world. Most benefits are affected if you are going abroad. You can get more information about certain countries on the Department for Work and Pensions website, or read the frequently asked questions about living overseas in our A to Z section.

### **If you are going abroad for 3 months or less**

If you have your State Pension paid into an account, this can continue. If you have a Pension book, you will be able to cash the orders when you return to the United Kingdom (UK).

If you have a Pension book, cash the orders up to the day you leave the UK and return the book to your social security office. You can ask us to pay the money into an account or we will pay your State Pension as a lump sum when you return to the UK.

**If you are going abroad for between 6 and 12 months**

If you have your State Pension paid into an account, this can continue. You can then arrange to transfer the money abroad.

If you do not want this to continue, we can send a cheque (in sterling) at the end of every 4 or 13 weeks. We can send this straight to you, your overseas bank or someone else appointed by you.

If you prefer, we can pay your State Pension as a lump sum when you return to the UK.

**If you are going abroad for more than 12 months or permanently**

We can pay your State Pension straight into your overseas account in some countries.

If this is not possible or if you prefer, we can pay your State Pension into a UK account or we can send a cheque (in sterling) at the end of every 4 or 13 weeks. We can send this straight to you, your overseas bank or someone else outside the UK chosen by you.

If you are away for less than two years we can pay your State Pension as a lump sum when you return to the UK.

If your State Pension is £5 a week or less and is paid once a year, we will continue to pay it in this way while you are abroad.

Your first payment after you leave the UK may be delayed, but we will make every effort to keep any delay as short as possible.

Special arrangements may have to be made if you need payments made to Pakistan, India or Bangladesh.

**I am part of a service family living abroad or visiting?**

You can continue to get your State Pension anywhere in the world, but in some countries you may not be able to get extra money for your dependants or the yearly increase in your payments. Contact The Pension Service before you go abroad.

**I start voluntary work?**

State Pension is not usually affected by voluntary work.

**I go into residential care or a nursing home?**

Your State Pension may be affected. Contact The Pension Service as soon as you go into care or a home and we will advise you.

## **What is Pension Credit?**

**Pension Credit is an entitlement for people aged 60 or over living in Great Britain. This could mean extra money for you every week. It guarantees everyone aged 60 and over an income of at least:**

- 109.45 a week if you are single; or
- £167.05 a week if you have a partner.

**For the first time, people aged 65 and over will be rewarded for some of their savings and income they have for their retirement. In the past, those who had managed to save a little were no better off than those who had not saved at all. Pension Credit will change this by giving new money to those who have saved – up to:**

- £16.44 if you are single; or
- £21.51 a week if you have a partner.

The person who applies for Pension Credit must be at least 60; it does not matter if their partner is under 60. *We use 'partner' to mean your husband or wife, or a person you live with as if you are married to them.*

# Severe Disablement Allowance (SDA)

## What is it?

- Paid if you have been unable to work for at least 28 weeks in a row because of illness or disability
- You may be able to get it if you have never been able to work

## Can I get it?

### Are you:

- Aged 16 or over and under 65?
- Unable to get Incapacity Benefit (IB) because you have not paid enough National Insurance (NI) contributions?

If YES to both, claim SDA.

## What else should I know?

If you have recently come from abroad or returned from abroad, there are some extra rules.

If you become unable to work after your 20<sup>th</sup> birthday your disability will be assessed by a doctor.

If you are a student under 19, and your studies are supervised for 21 hours a week or less, you may be able to get SDA.

If you have children you may be able to get extra money.

If your husband or wife is aged 60 or over, or another adult cares for your children, you may be able to get extra money.

If you were entitled to SDA immediately before you became 65, you may be able to carry on getting it.

Some people getting SDA may be able to earn up to a therapeutic earnings limit of £78.00 without it affecting their benefit.

## How much will I get?

**Only use the amounts shown as a guide. The rules for benefits mean that your individual circumstances may affect the amount you can get. This means you will not always be able to work out exactly how much you will get by using these amounts.**

Severe Disablement Allowance	
Rate	£46.20
Age-related additions	
You may be able to get an age-related addition depending on your age on the day you became unable to work	
Higher rate (under 40 when you became unable to work)	£16.05
Middle rate (40-49 when you became unable to work)	£10.30
Lower rate (50-59 when you became unable to work)	£ 5.15

## How do I claim?

**Claim straight away. If you delay you may lose benefit.**

Contact your Jobcentre Plus office or social security office for a claim form. Find your local office on this site or look for the Benefits Agency, Jobcentre Plus or social security office display advert in the business numbers section of the phone book.

It is important that we can be sure of your identity when you make a claim. We may need to ask you about your background and look at any official documents you have to support the information you give.

## New permitted work rules from 8 April 2002

From 8 April 2002 there are new rules if you want to try some paid work while getting Incapacity Benefit, Severe Disablement Allowance, National Insurance Credits or Income Support because of illness or disability. The new rules are called the permitted work rules and the work is called **permitted work**.

If you were already doing therapeutic work when the rules changed, you may be able to carry on doing it until April 2003. After that you can consider doing permitted work straight away under the new rules.

The new arrangements allow you to try some paid work **without** the need for prior approval from a doctor. You should tell the office that pays your benefit before you start work though.

You can work:

- for earnings of up to and including £20.00 a week for an unlimited period, or
- for less than 16 hours a week, on average, with earnings up to and including £78.00 a week for a 26 week period. The period can be extended for another 26 weeks if a Job Broker, Personal Adviser or Disability Employment Adviser agrees that it will help you towards work of 16 or more hours a week. There is no limit to the number of times you can do permitted work in this category while you are getting an incapacity benefit; but there must be a gap of at least 52 weeks between periods. These subsequent periods are for 52 weeks and a Job Broker, Personal Adviser or Disability Employment Adviser must support the work from the outset.
- in supported permitted work for earnings of up to and including £78.00 a week for an unlimited period.

**Supported permitted work is work done with the ongoing support or supervision from a professional caseworker (employed or engaged by a public body or voluntary organisation). This could be work done in the community or in a sheltered workshop. It also includes work done under medical supervision as part of a hospital treatment programme.**

You do not have to undergo a medical test just because you are doing permitted work. However, if a medical test is due it will go ahead as planned.

You can carry on getting Incapacity Benefit or Severe Disablement Allowance while doing permitted work without it affecting your benefit. If you get Income Support, Housing Benefit or Council Tax Benefit your benefit will be reduced if your average earnings are more than your earnings disregard.

I am already getting it. What happens if:

### **I go into hospital or someone I claim for goes into hospital?**

You must tell your Jobcentre Plus office or social security office as soon as you go into or come out of hospital. You must also tell them if someone you get benefit for goes into or comes out of hospital.

Nothing will usually happen to your Severe Disablement Allowance (SDA) straight away. But if you go into hospital from a local council residential care home, your SDA will usually reduce straight away.

If you get extra money for someone who looks after your children for you, and that person goes into hospital, the extra money may stop straightaway.

### **After 52 weeks**

Your benefit will usually reduce.

Your benefit may reduce by less if someone depends on you.

If you get extra money for your husband or wife and they are in hospital, that extra money you get for them will usually reduce.

### **I go to live abroad or visit?**

Let us know as soon as you can that you are going abroad. You can usually do this by contacting your Jobcentre Plus office or social security office.

If you are going abroad permanently you cannot get SDA.

If your stay abroad is temporary, you can get SDA paid abroad for the first 26 weeks if:

- you have gone abroad only for treatment of an illness or disability which began before you went abroad (pregnancy itself is not counted as an illness), or
- you were incapable of work for at least 6 months before you left the United Kingdom (UK) and have been continuously incapable of work since then.

You may be able to get SDA paid abroad for more than 26 weeks if your stay abroad is temporary and you get Attendance Allowance (AA) or Disability Living Allowance (DLA).

You may be able to get a benefit for incapacity in a country that has a two-way social security agreement with the UK covering incapacity for work.

Most benefits are affected if you are going abroad. You can get more information about certain countries through this site.

### **I am part of a service family living abroad or visiting?**

The rules for going abroad are the same as for anyone else going abroad. See above.

**If I start work but my sickness or disability mean I have to stop again?**

If you start work but have to stop within 52 weeks because of your sickness or disability, you may be able to go back onto SDA at the same amount you got before you started working.

To be able to do this:

- you must have been sick for at least 28 weeks **and**
- you must have started work or training within 7 days of getting SDA, **and**
- your other circumstances must still be the same.

You must let your social security office know you have started work or training within one month of the date you start.

You cannot get protection if your benefit stopped because of a medical test.

**I start voluntary work?**

**You can do as much voluntary work as you like. Your SDA will not be affected as long as you do not receive any pay other than to pay for expenses like fares or special clothing you need for the voluntary work.**

The voluntary work must not be for a close relative.

You must tell your social security office if you do any voluntary work. You must also tell us if you are paid in any way. This includes things that are sometimes called payment in kind. This could be something like meal vouchers.

## Social Fund

Social Fund is administered by Jobcentre Plus. The Social Fund provides lump sum payments, grants and loans. Loans and Community Care Grants from the Social Fund are discretionary and not for a standard amount. Savings of £500 or more (£1,000 for those aged 60 or over) may affect how much you get. You may be able to get help from the Social Fund for important costs that are hard to pay for out of your regular income.

If you are leaving institutional care or a care home, need help to stay in your own home, are part of a family under exceptional pressure, are caring for a prisoner or young offender on release / licence, are setting up a home as part of a planned resettlement programme or incurring travel costs for certain specified reasons, you may be able to get a Community Care Grant.

(Institutional care or a care home means a place where you get a lot of care or supervision, like hospital, prison or residential care and nursing homes).

If you need things for your home or other things that you cannot pay for in a lump sum, and you get Income Support, income-based Jobseeker's Allowance or Pension Credit, or payment on account of one of these benefits, you may be able to get a Budgeting Loan.

If you need immediate help with day-to-day living costs or something else in an emergency, you may be able to get a Crisis Loan.

If you need help to buy things for a new baby and you or your partner get a low-income benefit or tax credit, you may be able to get a Sure Start Maternity Grant.

# Statutory Adoption Pay (SAP)

## What is it?

- Paid by employers
- Paid for up to 26 weeks
- Available when a child is placed for adoption on or after 6 April 2003.

## Can I get it?

- Matched with a child for adoption by an adoption agency?
- Employed by your present employer without a break for at least 26 weeks up to and including the week the adoption agency told you that you had been matched with a child for adoption?
- Earning enough on average to be relevant for NI purposes (this is a lower amount than the amount when you have to start paying NI contributions)?

**If YES to all, claim SAP.**

## What else should I know?

If you want to know how much you have to earn to be relevant for NI purposes, contact your social security office.

- You must tell your employer when you intend to take leave within 7 days of being told by the adoption agency that you have been matched with a child.
- You can choose when to start getting your SAP. SAP can start from the date of the child's placement or up to 14 days before the expected date of the placement.
- Your employer cannot pay you SAP for any week in which you are at work.
- If you have more than one job, you may be able to get SAP from each employer.
- SAP is subject to tax and national insurance.

## How much will I get?

If your gross weekly earnings are £79.00 a week or more, Statutory Adoption Pay is paid for 26 weeks at: £102.80 or 90% of your average gross weekly earnings if this is less than £102.80.

## How do I claim?

To get SAP you must give your employer documentary evidence from the adoption agency. This may be given on a matching certificate. You must also notify your employer at least 28 days in advance of when payment is to start.

## What is it?

- Paid by your employer
- SMP is paid for up to 26 weeks

## Can I get it?

### Were you:

- Employed by your present employer in the 15<sup>th</sup> week before the week your baby is due?
- Employed by that employer without a break for at least 26 weeks into the 15<sup>th</sup> week before your baby is due?
- Earning enough on average for NI purposes (this amount is lower than the amount when you have to start paying NI contributions)?

If YES to all, claim SMP.

## What else should I know?

If you want to know how much you have to earn for NI purposes, contact your social security office.

You can choose when to start getting your SMP. The earliest you can start getting SMP is in the 11<sup>th</sup> week before the week your baby is due, and the latest is on the day after your baby is born.

You must tell your employer at least 4 weeks before you intend to stop work.

Your employer cannot pay you SMP for any week in which you are at work.

If you have more than one job, you may be able to get SMP from each employer.

SMP is subject to tax and National Insurance.

If you cannot get SMP but you have recently been employed or self-employed, you may be able to get Maternity Allowance.

## How much will I get?

If your average gross earnings are £79.00 a week or more, Statutory Maternity Pay is paid for 26 weeks:

First 6 weeks	90% of your weekly earnings with no upper limit
Remaining 20 weeks	£102.80 or 90% of your average weekly earnings if this is less than £102.80

## How do I claim?

To get SMP tell your employer you intend to stop work. Depending on when your baby is due you should do this at least 3 or 4 weeks before you intend to stop. You will also need to provide medical evidence of when your baby is due. Medical evidence should be on form MATB1, signed by your doctor or midwife. When you get your certificate, give it to your employer.

Medical evidence cannot be issued more than 20 weeks before the baby is due and may also be used for claims to Maternity Allowance and the Sure Start Maternity Grant.

To get Statutory Paternity Pay (SPP) you must notify your employer by the 15<sup>th</sup> week before the baby is due that you wish to claim SPP and state when you would like it to begin. You will be expected to complete a self-certificate to confirm that you meet the qualifying conditions.

What happens if my employer says I do not qualify for SMP?

Your employer will tell you why they cannot pay SMP to you. They will give you form SMP1 explaining the reason. You may be able to get Maternity Allowance. You will need to send form SMP1 to your local social security office with your Maternity Allowance claim form.



# Statutory Paternity Pay (SPP)

## What is it?

- Paid to employees whose spouse or partner gives birth to or adopts a child
- If you have or expect to have responsibility for the child's upbringing
- If you are the biological father or the mother's parents
- Paid by employers for up to two weeks.

## Can I get it?

### Were you:

- Employed by your present employer in the 15<sup>th</sup> week before the week your baby is due or employed in the week the adoption agency told your spouse or partner they had matched with a child?
- Employed by that employer without a break for at least 26 weeks by the 15<sup>th</sup> week before the baby is due, or employed up to and including the week your spouse or partner was matched with a child?
- Earning enough on average to be relevant for National Insurance (NI) purposes (this is a lower amount than the amount when you have to start paying NI contributions)?

**If YES to all, claim SPP.**

## What else should I know?

You can choose when to start getting your SPP. Leave can start on any day of the week:

- on or following the child's birth, but must be completed within 8 weeks of the actual date of birth (or 8 weeks after the expected date of birth if the baby is born early); or
- from the date of the child's placement, but must be completed within 8 weeks of the date of placement
- you can take either one week or two consecutive weeks
- your employer cannot pay you SPP for any week in which you are at work
- if you have more than one job, you may be able to get SPP from each employer.

## How much will I get?

If your average gross earnings are £79.00 a week or more, Statutory Paternity Pay is paid for 1 or 2 consecutive weeks at:

£102.80 or 90% of your average weekly earnings if this is less than £102.80

## How do I claim?

You must tell your employer when you intend to take leave by the 15<sup>th</sup> week before you baby is due, or within 7 days of your spouse or partner being told by the adoption agency that they have been matched with a child. If you change your mind you must give 28 days notice.

Statutory Sick Pay (SSP)

Last updated April 2004

What is it?

Can I get it?

What else should I know?

How much will I get?

How do I claim?

You can download from SSP1 – for employers to explain why they cannot pay SSP

I am already getting it. What happens if:

I go into hospital?

I go to live abroad or to visit?

I am part of a service family living abroad or visiting?

More information

Other help

This pay is dealt with by your employer. Cases of dispute are dealt with by your local Inland Revenue office.

## What is it?

- Paid by your employer
- Paid for up to 28 weeks

## Can I get it?

Were you:

- Sick for at least 4 days in a row including weekends and bank holidays?
- Employed when you became sick?
- Earning enough on average for NI purposes (this amount is lower than the amount when you have to start paying NI contributions)?

If YES to all, claim SSP.

If you want to know how much you have to earn for NI purposes, contact your Pension Centre, Jobcentre, Jobcentre Plus or social security office.

## What else should I know?

You can get SSP for up to 28 weeks in one spell of sickness.

Spells of at least 4 days in a row with 8 weeks or less between them are counted as one spell.

If you have more than one job you may be entitled to SSP from each employer.

If SSP ends, claim Incapacity Benefit (This link will take you to the Jobcentre Plus website)

## How much will I get?

If your average earnings before deductions such as tax and National Insurance (NI) are £82.00 a week or more:

Standard rate	£68.20
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## How do I claim?

Ask your employer about SSP. If you cannot get SSP or your SSP has ended as your employer for form SSP1, which they should fill in and give to you. You will need to send this form to your local social security office with your claim for Incapacity Benefit.

## **I am already getting it. What happens if:**

### **I go into hospital?**

SSP is not affected however long you are in hospital.

### **I go to live abroad or to visit?**

If you work abroad you may be able to get SSP if your employer is liable to pay NI contributions for you. If you go abroad to visit, SSP can still be paid provided you can prove you are still sick.

Most other benefits are affected if you are going abroad. You can get "more information" about certain countries through this site.

### **I am part of a service family living abroad or visiting?**

Serving members of the Armed Forces cannot get SSP, but members of their families may be able to get it. See above.

# What is a Winter Fuel Payment?

A Winter Fuel Payment is an annual payment to help people aged 60 or over with their winter heating bills.

## Do I qualify?

To get a Winter Fuel Payment for winter 2004/05 you needed to be aged 60 or over in the qualifying week of 20 to 26 September 2004 and normally living in the United Kingdom. There are some circumstances in which people do not qualify for a payment. These are set out below.

Payments may continue if you leave or have left the United Kingdom. For more information, see our section on Winter Fuel Payments for people living within the European Economic Area or in Switzerland.

## People who cannot get a Winter Fuel Payment

You will not be able to get a payment if, during the qualifying week:

- you were in hospital receiving free in-patient treatment and had been receiving such treatment for more than 52 weeks
- your partner was getting Pension Credit, Income Support or income-based Jobseeker's Allowance and receives a Winter Fuel Payment
- you were in custody serving a sentence (this applied from 2000/01 onwards)
- you were subject to immigration control and not eligible for help from the Department for Work and Pensions or
- you were living in a care home and had been doing so throughout that week and the preceding 12 weeks and got help with your costs through Pension Credit.

Most payments for winter 2004.05 were made during November and December 2004. If you think you might be eligible and have not yet received a payment, check if you need to make a claim. Print a claim form from this site or contact the Winter Fuel Payment Helpline.

All claims for winter 2004/05 must be received by 30 March 2005.

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report to Portfolio Holder

9th January 2006



**Report of:** Assistant Chief Executive

**Subject:** INTRODUCTION OF NATIONALITY CHECKING  
SERVICE.

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## **SUMMARY**

### **1. PURPOSE OF REPORT**

The purpose of the report is to outline the proposed introduction of Nationality Checking Service for Citizenship applications, at the Hartlepool Register Office.

### **2. SUMMARY OF CONTENTS**

The report briefly describes the Registration Service, the planned additional non statutory Nationality Checking Service, outlines the proposals for delivery and seeks approval of fee levels.

### **3. RELEVANCE TO PORTFOLIO HOLDER**

The Registration Services form part of this portfolio.

### **4. TYPE OF DECISION**

Non-key

### **5. DECISION MAKING ROUTE**

Decision for portfolio holder.

### **6. DECISION(S) REQUIRED**

The Portfolio Holder is recommended to approve that:-

A Nationality Checking Service be introduced at Hartlepool Register Office, and that

The Superintendent Registrar and one full time Registrar be nominated as Nationality Checking Officer, and that

The initial fee for the service be set at £40.00.

**Report of:** Assistant Chief Executive

**Subject:** INTRODUCTION OF NATIONALITY CHECKING SERVICE

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**1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is to outline the proposed introduction of Nationality Checking Service for Citizenship applications, at the Hartlepool Register Office
- 1.2 The report will also seek permission to nominate officers to carry out the duties and to set the initial level of fee for the service.

**2. CURRENT SERVICE**

- 2.1 The Council, in conjunction with central government, currently provides the statutory Registration Service based at the Register Office on Raby Road.
- 2.2 At present non statutory services are provided including naming and renewal of vows ceremonies which align with the statutory birth and marriage registration provision.
- 2.3 Statutory Citizenship ceremonies were introduced in 2003 and Hartlepool Borough Council provide this service on behalf of the Home Office.

**3. PLANNED CHANGES BY CENTRAL GOVERNMENT**

- 3.1 Following a successful pilot programme with six authorities the Home Office are looking to other local authorities to set up a local Nationality Checking Service to improve the efficiency of the application procedure and reduce the waiting time and the communication difficulties for the applicants.
- 3.2 The Home Office will provide full training for the nominated checking officers.

**4. INTRODUCING THE SERVICE LOCALLY**

- 4.1 The service will be provided by prior appointment in the Register Office in Raby Road, in confidential interview rooms by staff who are already involved in providing Citizenship Ceremonies.
- 4.2 It is expected that the interview and checking process will take one hour.

- 4.3 Once checked and found accurate the application form will be forwarded by the checking officer to the Home Office where it will receive priority treatment.
- 4.4 It is proposed that the Superintendent Registrar and one full time Registrar be nominated as checking officer initially.
- 4.5 It is anticipated that the service would commence on 1<sup>st</sup> March 2006.

## **5. RISKS**

- 5.1 There are no significant risks associated with the introduction of this service.

## **6. PROPOSED CHARGES**

- 6.1 The fee level should reflect the true costs of providing the service, based on the set up costs and the estimated take up of 50 customers per year.
- 6.2 In line with other locally set fees in the registration service this fee will be reviewed annually by the Proper Officer for Registration
- 6.3 It is proposed that the initial fee for this service be set at £40.00.

## **7. RECOMMENDATIONS**

- 7.1 The Portfolio Holder is recommended to approve that:-

A Nationality Checking Service be introduced at Hartlepool Register Office, and that

The Superintendent Registrar and one full time Registrar be nominated as Nationality Checking Officer, and that

The initial fee for the service be set at £40.00

## FINANCE & PERFORMANCE MANAGEMENT PORTFOLIO MEETING

9 January 2006



**Report of:** Scrutiny Manager

**Subject:** 'SECOND AND THIRD TIER OFFICER SALARY AND GRADING REVIEW' SCRUTINY REFERRAL - REQUEST FOR EXTENSION TO PRESCRIBED TIMESCALE

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### 1. PURPOSE OF REPORT

- 1.1 On behalf of the Scrutiny Co-ordinating Committee, to request an extension to the prescribed timescale of the Scrutiny Referral entitled 'Second and Third Tier Officer Salary and Grading Review'.

### 2. BACKGROUND INFORMATION

- 2.1 At an earlier meeting of the Finance and Performance Management Portfolio held on 11 November 2005, it was agreed to refer the Second and Third Tier Officer Salary and Grading Review to the Scrutiny Co-ordinating Committee for consideration of the Employers Organisation's findings, to be completed within the prescribed timescale of 10 February 2006.
- 2.2 Following consideration of the Scoping Report for this referral, by Members of the Scrutiny Co-ordinating Committee on 20 December 2005, the below timetable was agreed:-

**Scrutiny Co-ordinating Committee of 13 January 2006** – Representative from the Employers Organisation to provide evidence in relation to the review's process being undertaken

**Scrutiny Co-ordinating Committee of 10 February 2006** – Consideration of the Employers Organisation Report with particular focus on the recommended salary and grading structure.

**Scrutiny Co-ordinating Committee of 24 February 2006** – Consideration of the Committee's Draft Final Report into the Second and Third Tier Officer Salary and Grading Review.



**Cabinet of 13 March 2006** – Consideration of this Committee's Final Report into the Second and Third Tier Officer Salary and Grading Review by the Cabinet.

- 2.3 In light of the timetable above, Members of the Scrutiny Co-ordinating Committee are requesting an extension to the prescribed timescale for the undertaking of this 'referral' to that of 24 February 2006.

### 3. RECOMMENDATION

- 3.1 It is recommended that the Finance and Performance Management Portfolio Holder agrees to extend the prescribed timescale for the undertaking of this referral to that of the 24 February 2006.

**Contact Officer:-** Charlotte Burnham – Scrutiny Manager  
Chief Executive's Department - Corporate Strategy  
Hartlepool Borough Council  
Tel: 01429 523 087  
Email: charlotte.burnham@hartlepool.gov.uk

### BACKGROUND PAPERS

The following background papers were used in the preparation of this report:-

- (i) Report of the Director of Neighbourhood Services entitled 'Second and Third Tier Officer Salary and Grading Review' presented to the Finance and Performance Management Portfolio Meeting held on 11 November 2005.
- (ii) Decision Record of the Finance and Performance Management Portfolio Meeting held on 11 November 2005.
- (iii) Report of the Scrutiny Manager entitled Scrutiny Topic Referral from Cabinet Member Portfolio Holder – Second and Third Tier Officer Salary and Grading Review' presented to the Scrutiny Co-ordinating Committee on 20 December 2005.

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder

9th January 2006



**Report of:** Head of Procurement and Property Services

**Subject:** ENERGY EFFICIENCY ACCREDITATION  
SCHEME

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

To advise on the application made to the National Energy Foundation for accreditation under the Energy Efficiency Accreditation Scheme.

### **2.0 SUMMARY OF CONTENTS**

The Report describes the Scheme, the Benefits of Accreditation, Who can be accredited, How the assessment is made, How the award can be displayed and the Accreditation and Assessment procedure

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

The Energy Efficiency Accreditation Award is the national benchmark standard in energy efficiency and demonstrates good asset management and the effective and sustainable use of resources.

### **4.0 TYPE OF DECISION**

Non Key

### **5.0 DECISION MAKING ROUTE**

Portfolio Holder only

### **6.0 DECISION(S) REQUIRED**

That the Accreditation application be endorsed with the Portfolio Holders comments welcomed.

**Report of:** Head of Procurement and Property Services

**Subject:** ENERGY EFFICIENCY ACCREDITATION  
SCHEME

---

**1. PURPOSE OF REPORT**

- 1.1 To advise on the application being made to the National Energy Foundation for accreditation under the Energy Efficiency Accreditation Scheme.

**2. BACKGROUND**

- 2.1 An application has been made for accreditation of the Borough Council under the Energy Efficiency Scheme which is managed by the National Energy Foundation on behalf of the Carbon Trust.

**3 WHAT IS THE ACCREDITATION SCHEME**

- 3.1 The Energy Efficiency Accreditation Scheme is recognised as the national benchmark standard in energy efficiency. It enables achievement in the management and use of energy to be tangibly recognised, through an award from the leading professional body, the Energy Institute. Accreditation is achieved by meeting set standards that are independently assessed and moderated.
- 3.2 Over two hundred leading organisations in business, industry and the public sector have gained accreditation. They have done so by demonstrating:
- Management commitment to energy efficiency.
  - Investment, both actual and planned, in energy efficiency measures.
  - A record of progressive improvement in energy efficiency.
- 3.3 Accreditation does not require the Borough Council to be reaching 'state of the art' standards. It requires proper attention to the management of energy, evidence of progressive improvement in standards and a commitment to make further progress.
- 3.4 The award is valid for three years, after which re-accreditation is gained if, upon re-appraisal, standards are shown to have been maintained. Energy efficiency improvements have long been recognised as the cheapest and quickest way of combating the threat

of global warming, and the Scheme provides an excellent framework for a CO<sub>2</sub> reduction programme. It is therefore an excellent way of demonstrating environmental commitment as well as achievement in energy efficiency.

- 3.5 In the past few years it has often been easier to reduce energy costs by negotiating for lower prices than by improvements to energy efficiency. With the introduction of emissions trading and the Climate Change Levy, and with fuel prices now rising, the importance of good energy management is again being recognised and included in the corporate plan.
- 3.6 The Energy Efficiency Accreditation Scheme was originally developed by the Energy Systems Trade Association, in conjunction with the Energy Institute (formerly the Institute of Energy). It is now managed by the National Energy Foundation (NEF), on behalf of the Carbon Trust.

## **4 BENEFITS OF ACCREDITATION**

- 4.1 The Scheme provides a number of benefits to accredited organisations;
- A nationally recognised award for energy efficiency.
  - A means of demonstrating environmental achievement to the public, customers, shareholders and staff.
  - An independent check on energy management systems and practices.
  - Guidance from independent assessors on improving energy performance
  - Interim assessments as a check on standards
  - Recognition of good management disciplines
  - A way of reducing costs – energy efficiency means lower fuel bills
  - Membership of the Accredited Organisations Network, a forum for the exchange of information and for discussion of matters of common interest
  - Receipt of Energy Matters, the newsletter of the Scheme
- 4.2 It has been found that the process of gaining accreditation invariably identifies improvements that can be made. Accreditation itself typically enables fuel bills to be reduced by about 3%. This means that becoming accredited should be highly cost-effective investment.

## **5 WHO CAN BE ACCREDITED?**

- 5.1 The Scheme is open to any organisation from the industrial, commercial or public sectors, with single or multiple sites.

Whole organisations, separately identifiable units within them or single premises, e.g. a headquarters building, can be accredited.

## **6 HOW IS ASSESSMENT MADE?**

- 6.1 Evaluations are carried out by independent, experienced assessors who have undergone training to ensure that assessment will be made consistently and to the high standards required.

## **7 HOW CAN THE AWARD BE DISPLAYED?**

- 7.1 Most of those who gain accreditation like to publicise the fact. This can be done in a number of ways:

- Displaying the certificate in a public area such as reception
- Using the logo on corporate notepaper/business cards
- Feature articles in house magazines and trade journals
- Mention in corporate environmental reports
- Flying the 'double e' logo flag.

## **8 ACCREDITATION PROCEDURE**

- 8.1 The accreditation procedure is in two parts:

### **Stage 1 – Preliminary Application**

- The first stage involves completion of the Preliminary Application.
- Applicants are visited by their nominated assessor, who will advise on whether to proceed to the Formal Application stage or to undertake further work first. This pre assessment was completed upon the 1 December 2005

### **Stage 2 – Formal Application**

- This is the major part of the process. It involves close liaison with the nominated assessor, who will advise on the production of information for the Formal Application, and has to be assured that all the information set out is accurate and complete. In the case of a multiple-site application, a representative sample of sites may be visited in order to verify the material.

## **9 ASSESSMENT PROCEDURE**

- 9.1 The assessment falls into three major parts;

- 9.1.1 Management Commitment to energy efficiency

The following are looked for:

- A clear statement of policy which shows the commitment of management of the efficient use of energy
- A management structure which identifies where responsibilities lie
- Systematic procedures for monitoring and controlling energy consumption
- Operational procedures which encourage the efficient use of energy
- Awareness and training programmes for staff
- Support for programmes aimed at progressive improvement of energy efficiency
- Calculation of energy consumption in CO<sub>2</sub> equivalent terms and how it is reported to stakeholders
- Where appropriate incorporation of emissions trading and the carbon management approach in financial plans

#### 9.1.2 Investment in energy efficiency measures

The following will be assessed:

- Capital investment in recent years specifically to improve energy efficiency
- Provision in plans and budgets for further investment
- Energy efficiency being properly taken into account in other capital investment decisions
- Other forms of expenditure to improve energy efficiency e.g. in manpower, in management practices, in training, in outsourcing energy services, in transport systems

#### 9.1.3 Energy efficiency improvements

Evidence will be looked for of the following:

- Reduction in specific energy consumption, e.g. GJ per square metre or unit product
- Trend over past three years on a properly comparable basis
- Performance against national norms, where appropriate

9.2 Changes which affect the above, such as level of activity or acquisitions and change in business size should be taken into account.

## 10 ASSESSMENT AND RECOMMENDATION

10.1 A standard format for the assessment is used which is designed to ensure consistency of standards.

- 10.2 Assessors will score each of the above three criteria, and will recommend accreditation when the required standard in each is reached.
- 10.3 The awarding body, the Energy Institute, who have a panel of moderators, evaluates recommendations.
- 10.4 It is anticipated that the accreditation and assessment will be completed within 12 months.

## **11. FINANCIAL IMPLICATIONS**

- 11.1 The cost of accreditation depends upon the total energy bill and in Hartlepool's case is £4,300 and the cost of re accreditation every 3 years is £1500 and is being and will be funded from within existing budgets in Neighbourhood Services.

## **12. RECOMMENDATIONS**

- 12.1 The action of the Head of Procurement and Property Services in going forward with this application be endorsed.
- 12.2 That the comments of the Portfolio Holder be welcomed
- 12.3 That regular update reports be presented at appropriate times in the accreditation and assessment process.

**FINANCE & PERFORMANCE MANAGEMENT  
PORTFOLIO**

Report to Portfolio Holder

9th January 2005



**Report of:** Head of Procurement and Property Services

**Subject:** THE NORTH EAST CENTRE OF  
EXCELLENCE (NECE) PROJECT ON LM3 –  
THE BENEFITS OF PROCUREMENT WITHIN  
THE LOCAL ECONOMY

---

## SUMMARY

### 1.0 PURPOSE OF REPORT

To provide a progress report on the NECE project for regional delivery of LM3 the benefits of procurement within the local economy.

### 2.0 SUMMARY OF CONTENTS

The report highlights the significance and purpose of the LM3 project and the NECE's progress to date.

### 3.0 RELEVANCE TO PORTFOLIO MEMBER

Portfolio Holder is the Procurement Champion.

### 4.0 TYPE OF DECISION

Non key decision

### 5.0 DECISION MAKING ROUTE

Portfolio Holder only

### 6.0 DECISION(S) REQUIRED

The Portfolio Holder notes the NECE's project and progress to date and endorses the Council's involvement in the project.



**Report of:** Head of Procurement and Property Services

**Subject:** THE NORTH EAST CENTRE OF  
EXCELLENCE (NECE) PROJECT ON LM3 –  
THE BENEFITS OF PROCUREMENT WITHIN  
THE LOCAL ECONOMY

---

## **1. PURPOSE OF REPORT**

To provide a progress report on the NECE project for regional delivery of LM3 the benefits of procurement within the local economy

## **2. BACKGROUND**

- 2.1 At its meeting on 24th January 2005 Cabinet approved the revised Procurement Strategy for the Council, and the Portfolio Holder endorsed an updated version of this strategy on 8th August 2005.
- 2.2 The strategy is significant in bringing together several national agendas and setting them in a local context. The main drivers being:
  - The National Procurement Strategy and Milestones
  - The Gershon Efficiency Agenda
  - The Community Strategy
  - The Council's Way Forward
- 2.3 One of the key strands of the National Procurement Strategy in sustainability particularly the stimulation of small and medium enterprises. The importance of jobs and the local economy in our Community Strategy is reflected in the Council's Procurement Strategy.
- 2.4 Northumberland County Council (NCC) as part of their work to implement the changes brought about by the Procurement Agenda identified and implemented a method of calculating how much of the Council's spend was circulating within and therefore supporting the local economy. This method is known as LM3 (see para 3.2).
- 2.5 The NECE have established that this method could be adopted by all Council's in the North East and have launched a project to delivery the LM3 method throughout the Region.

### 3. CONSIDERATIONS

- 3.1 The objective of the project is to measure and assess the actual and potential impacts on public sector procurement mechanisms and effectiveness in the North East using the LM3 local multiplier tool, developed by the New Economic Foundation (NEF), who are a partner in the project.
- 3.2 LM3 is a simple evaluation tool and stands for local multiplier 3. It has been developed by the NEF for use in determining a benchmark.
- “Local” as it is for local use and not macroeconomic use.
  - “Multiplier” represents how money circulates through the economy and
  - “3” because it measures only the first three rounds of spending in the supply chain (including the initial income).

The three rounds of results are added together and then divided by the initial income to ascertain the LM3 evaluation. The results have to be assessed on an overall basis and purport to be an approximation and are indicative rather than an exact measure. It is a simple methodology but can help to show just how money circulates but also how it can leak out of the local economy.

- 3.3 NECE is seeking to establish a benchmarked evaluation for localised spending for each local authority within its area as pioneered by NCC during the last year and in accordance with the methodology developed by the NEF. This benchmark methodology is as incorporated in the publication ‘The Money Trail’ by Justin Sacks. The NECE have circulated a paper (**Appendix A**) which proposes the strategy and operational activity required to establish this benchmark together with related assumptions.
- 3.4 The work pioneered in Northumberland to calculate an objective value of local authority spend on the local communities that they serve will be adopted by the Centre of Excellence in the North East and delivered throughout the region. This will result in individual LM3 measures for all local authorities being generated as a complement to the regional procurement spend analysis that is already underway.
- 3.5 NECE have additionally produced a project initiation document on the Regional Delivery of LM3, attached as **Appendix B**. This outlines how the project will operate and indicates that the project will be directly funded by the NECE.

### 4. RECOMMENDATIONS

- 4.1 That the Portfolio Holder notes the NECE’s project and progress to date and endorses the Council’s involvement in the project.

## **Paper on Strategy for Establishing and Calculating the NECE and Local Authority specific LM3 Benchmarks**

### **Introduction**

NECE is seeking to establish a benchmarked evaluation for localised spending for each local authority within its area as pioneered by Northumberland County Council during the last year and in accordance with the methodology developed by the New Economics Foundation. This benchmark methodology is as incorporated in the publication 'The Money Trail' by Justin Sacks.

This paper proposes the strategy and operational activity required to establish this benchmark together with related assumptions.

### **Background**

The work pioneered in Northumberland to calculate an objective value of local authority spend on the local communities that they serve will be adopted by the Centre of Excellence in the North East and delivered throughout the region. This will result in individual LM3 measures for all local authorities being generated as a complement to the regional procurement spend analysis that is already underway.

The proactive approach from Government particularly related to the Gershon Efficiency Review and the drive to local sustainability has generated Public Spending authorities to review their internal mechanisms for provision of services to its customers.

This has especially been directed at Public Authorities to ensure non-discrimination of localised produce and the small supplier and to encourage enhanced quality of provision without necessarily increased cost.

This has encouraged Public Authorities to seek more imaginative and innovative Procurement procedures together with increased liaison between all Suppliers, the Public Authority and their customers.

This project will assist individual authorities in gaining procurement efficiency savings as required by Gershon and their AES while at the same time more effectively achieving the social, economic and environmental well-being goals that they are committed to. The target for the region will be to use this tool to demonstrate a total of 5% efficiency gain across all public sector spend.

### **Recommendation**

The evaluation of the Benchmark has been considered in the view that there are 25 authorities within the NECE region and there is a need to satisfy the NECE requirement of rolling out LM3 to each authority in accordance with each authorities definition of 'local area' spend together with establishing an individual Regional LM3 benchmark with a common definition of local spend for each local authority.

The project sees this benchmark and in particular the criteria of what is defined as local a fundamental decision. The project also believes that flexibility is key to the question and that the provision of a full dataset will deliver both NECE and individual requirements.

The proposal for the criteria of local spend is

**1) For the NECE required benchmark for both local authority and thereby regionally based on a common local definition**

If the payment address of a payment to a Supplier or any payment of Fund or Grant is within the NECE region and which will be related to the applicable post codes then this will be determined to be local.

**2) For the individual local authority**

As determined by each local authority and flexibly as either payment or purchase address and by any combination of selected post codes.

The proposal for the collection and analysis of basic data related to each authority is to utilise a dataset provided by Powerplay, a current project also within the auspices of the NECE and which major objective is the provision and visibility of supplier data and payments for 2004/5 for each authority aggregated to a Regional basis.

The proposed Path methodology to evaluate the NECE LM3 benchmark as suggested in the NEF publication and that utilised by Northumberland is that consistent to businesses and local authorities and consists of 3 rounds.

**Round 1** is probably the easiest to evaluate and is that provided from a full analysis of Supplier, funding or grant payments relating to the last complete financial year ending March 2005. This value is deemed to be income received by each local authority as received via a combination of Government funded, Council Tax and revenue generation.

**Round 2** is to be evaluated from the above analysis on the basis of postcodes relating to the payments made. For the regional benchmark requirement the postcodes to be defined as local are those relating to payments to postcodes for the whole of the NECE and which comprises from Berwick in the North to South of Middlesbrough and west bordering Cumbria.

For each local authority requirement the local definition will be individually determined.

For the 2 differing criteria the value related to payments made to Suppliers within those related postcodes will be determined to be the evaluation for round 2 as money paid to suppliers based within that area.

## APPENDIX A

**Round 3** will be the most difficult and complex and will be evaluated from a hybrid analysis in each local authority of a significant proportion of both local and non local Suppliers identified in round 2 and by surveying those suppliers. This should take account of a minimum of 75% of the individual local authority spend and incorporating a cross section of all supplier types to ensure a sound survey base.

The reason for the analysis of the non- local, out of area suppliers is to take cognisance of any significant local expenditure which may be expended, but which we may have discounted at the round 2 stages.

The survey will take the form of an A4 survey document and with an accompanying letter and prepaid return envelope, requesting a survey to be completed. It will be issued by each local authority requesting an analysis of spend based both locally and regionally. That spend will be defined by specific postcodes.

The evaluation of this round will be based on the responses of the survey and the identified average localised spend for each of all local and non-local companies will be utilised to extrapolate the balance of supplier expenditure within each individual authority .

For example if from all in area localised spend surveys there is identified 60 % of revenue from Northumberland County Council spend locally, then that proportion will be applied to the remaining in area spend not surveyed.

The same principle will be applied to the balance of out of area supplier with the average localised spend percentage for out of area suppliers identified from the survey.

I attach the latest drafts of both letter and survey form for information.

**As attached in Appendix 7 and Appendix 8.**

Dependent on the results of the initial survey a further reminder letter with attached survey form and prepaid envelope will be sent to each supplier not initially responding.

This is hoped to be a proactive effort to increase the response rate on the survey.

I attach the latest draft of the reminder letter for information.

**As attached in Appendix 9.**

### Summary

The evaluation of the above 3 rounds on the recommended basis will provide initial LM3 benchmarks for each authority and the NECE as a whole. The added value for the recommendation is that it should give results quickly and positively.

This initial way forward requires overall agreement particularly in the methodology recommended for the evaluation of the 3 rounds in order to achieve a benchmark.

B J Mitchell

## APPENDIX 7

31 October 2005

## Measuring local money flows at Northumberland County Council



### Business Spending Survey

#### APPENDIX 8

*Thank you for taking the time to complete this form. Please note your results will be kept in strictest confidence.*

Company Name

---

Address

---



---



---

Contact Name and Position

---

Telephone Number

---

**How does your organisation spend in relation to Northumberland County Council Contracts only?**

**The percentage required is the local and regional spend as a percentage of your total spend. For example if your overall NE and TD spend is 30 % of your total spend in relation to contracts with us then 30 % would be shown in the 'Total proportion of local and regional spends' Local Spend % column.**

Item of spend	Local Spend %	Regional Spend %
Staff and Salary costs		
Training		
Supplies & Materials		
Subcontractors		
Repairs & Maintenance		
Plant & vehicles		
Balance of local or regional spend		
<b>Total proportion of local and regional spends</b>	<b>%</b>	<b>%</b>

**\* For the purposes of this survey, the definition of Local is all NE and TD postcodes and for Regional it is all \*\*\*\*\* postcodes**

Your Ref:  
Contact: Mr Barry Mitchell  
Direct Line: (01670) 534145  
Email: BAMitchell@northumberland.gov.uk





## Workstream

### Regional Delivery of LM3

### Project Initiation Document

Version 1.2

<<Date>>

### **Document History**

Document Version (use major.minor e.g 1.1 etc)	Date	Comments	Distribution
1.1	17/10/2005	First Issue of Document for review	A. Ratcliffe, A. Wilkinson, J. Brown, J. Sacks
1.2	31/10/2005	Second Issue of Document for review	All NECE Authorities

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## Summary

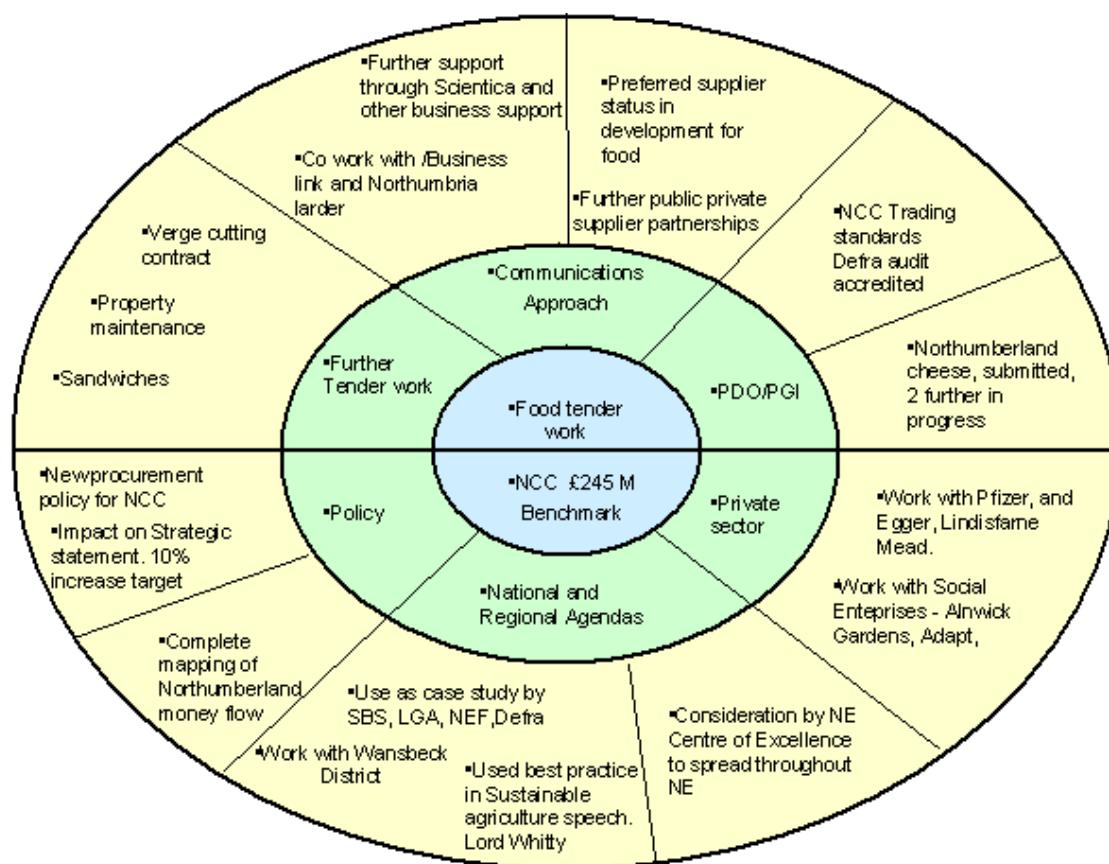
### Delivery of LM3 for the North East

The work pioneered in Northumberland to calculate an objective value of local authority spend on the local communities that they serve will be adopted by the Centre of Excellence in the North East and delivered throughout the region. This will result in individual LM3 measures for all local authorities being generated as a complement to the regional procurement spend analysis that is already underway. These measures combined onto a common data platform will then be available for aggregation to sub regional and regional figures. This will assist individual authorities in gaining procurement efficiency savings as required by Gershon and the AES while at the same time more effectively achieving the social, economic and environmental well-being goals that they are committed to. The target for the region will be to use this tool to demonstrate a total of 5% efficiency gain across all public sector spend. It is further proposed that the work pioneered by Northumberland County Council is developed to act as a lead for the region, and that the centre for excellence for the north east takes the lead nationally in this area of work. The mechanisms used will enable authorities in the North East to embed these processes within their organisations and generate further methodologies for national application in other Centres of Excellence.

## Context

Northumberland County Council initiated work in the use of LM3 in September 2003. Initial funding was raised from Northumberland Strategic Partnership via the Regeneration section for a single project officer reporting directly to the Head of Procurement. Justin Sacks from the New Economics Foundation provided support in implementation of the project (through Nef funding raised separately with Countryside agency and others and represented as funding in kind to the project). From March 2005 the project has been funded exclusively through the regeneration budget. The project has been managed with a small team consisting of Head of Procurement – Alan Ratcliffe, Manager of Social Enterprise – Adam Wilkinson and LM3 Procurement officer – Barry Mitchell.

The full scope of work undertaken including project plans, outcomes, and finance are available for further investigation. A summary is shown diagrammatically below:



This work led to a benchmark spend figure for Northumberland of 2.19. This means that for every £1.00 spent by Northumberland County Council a total of £2.19 was generated for the community of Northumberland. The major innovation in the use of the model was the application of a further analysis that differentiated in area spend (as defined by agreed postcodes) from out of area spend. This revealed that out of area spend generated only £1.36 while in area spend generated £2.76 for every pound. It is the evolution of the methodology to enable this work to take place in a managed, audited and effective way, which enables a diverse partnership to exploit the opportunities for innovation that has been the key to this project.

The project also identified that 60 % of Northumberland County Council's non-salary spend is undertaken with local suppliers.

## Objectives

The project aims are in response to two needs observed in the public sector:

- 1) The short-term need for practical solutions to delivering national policy targets on public spending
  - 2) The long-term need to reap as much value out of every public penny as possible
- First, the National Procurement Strategy for Local Government (NPS) and the 2004 Spending Review (Gershon Review) both set out targets for local authorities to improve the way they deliver public services. Interest in the work of Northumberland County Council demonstrates the need to find an objective mechanism for assessing the true financial impact of procurement decisions. Indeed until this type of measure is in place as an auditable measure of true financial impact, it is very difficult to see

how there can be any meaningful analysis and validation of the non-cash based elements of Gershon and AES. Therefore given the national procurement priorities the argument for the need for this project is self evident.

This project aims to equip councils in the North East with an effective tool to deliver practical results and to inform strategic decision making.

Second, councils need a way to squeeze as much value from every penny they spend. This need is made more acute due to decreasing regeneration budgets alongside budget cuts. Based on the practical application of LM3 by other councils in the North East and elsewhere, this project aims to equip councils with a specific tool and approach for assessing and improving the impact of their spending on the local economy.

Given this rationale the scope of the project is set out below:

- Produce an objective measure for achieving 'best value' in the North East by looking at the local multiplier effect of public spending by identifying LM3 scores for each authority / ascertaining leakage loss by supplier
- Assist interested councils in taking targeted action to make the most of their current budgets
- Liaise with procurement staff across authorities to create best practice 'LM3' contracts
- Actively encourage small local SME's and social enterprises to be more aware and competitive
- Determine best practice regeneration/social /community benefit clauses for effective tender weighting
- Generate regional impact by local producers

In the long-term, this project will enable councils to:

- Assess the true value, both positive and negative, of local authority spending across the North East
- Engage within the council (different departments) and across councils on using public spending power more effectively
- Identify targets to improve the efficiency of that spending against regeneration and community development agendas
- Improve CPA performance across the region in the areas of value for money, and use of resource categories.
- Catalyse change within each local authority in relation to how it engages with the community, including local enterprises
- Contribute significantly to most of the NPS milestones
- Identify ways to deliver the Gershon Review and AES targets
- Develop capacity within the North East local authorities to continue measuring and improving their impact and efficiency beyond project completion

#### Project Organisation and Approach

The existing LM3 project within Northumberland has operated on a triangular partnership with Procurement and Regeneration resource from within Northumberland Council and the Nef externally. Staff have either been externally financed or found time from existing commitments to pursue and deliver this work. The operational delivery of this Project within the region will be the responsibility of Northumberland County Council under the auspices of the North East Centre of Excellence. It will be funded by both the NECE and ONE.

The Project will be controlled by a steering group Chaired by the sponsor, the Director of the NECE.

The composition of the steering group will be determined by the above Director and it is proposed that it should include the Head of Procurement at Northumberland County Council and the Chief Executive of NEF –Stuart Wallis.

The project will be managed on an ongoing basis by a Project Manager employed directly by Northumberland County Council. The Project Manager will report to the Head of Procurement at Northumberland County Council but will be directed by and report to an Operational Project Board.

The Operational Project Board will consist of the Head of Procurement at Northumberland County Council, 3 nominated Officers from the Region and the Project Manager together with the NECE Programme Manager.

The 3 nominated Officers by the NECE will include representatives from both the Durham and Tees Valley Local Authorities, together with South Tyneside District Council.

The Project Manager will effect and manage all internal and external relationships in order to deliver the project objectives and have the necessary timely authority provided by the Operational Project Board to ensure that there are no undue delays in resources provided.

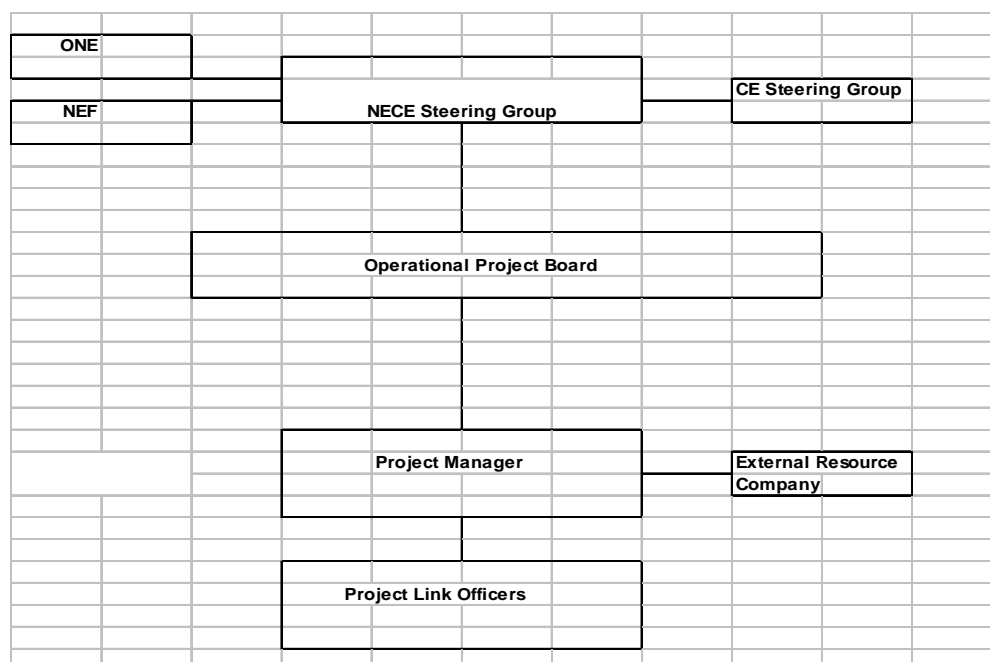
It is envisaged that further manpower resources in addition to that of the Project Manager will be provided externally together with IT support necessary to deliver the Data Platform.

The Project Manager will ensure that Operational Project Board approval is given before commitment to any external resource or external material requirements. These external requirements will also include payments for services to NEF.

Where possible the confirmation of external resource will be the subject of an SLA between Northumberland County Council and the external provider.

The monthly NECE report will be completed by the Project Manager by the required dates.

## Organisation



#### 4.1.1 Sponsor

David Wright Director, NE Centre of Procurement Excellence

#### 4.1.2 Project Manager

Barry Mitchell LM3 Project Manager

#### 4.1.3 Operational Project Board Members

Alan Ratcliffe /Helen Slocombe-Lisle Head of Procurement Northumberland County Council

Julie Brown Programme Manager North East Centre of Excellence

Barry Mitchell Northumberland County Council Project Manager

Anthony Ormond South Tyneside Strategic Procurement Manager

Peter Schofield Durham Local Authorities representative

Further Person Tees Valley Procurement Forum representative

#### 4.1.4 Project Assurance

Julie Brown Programme Manager North East Centre of Excellence

#### 4.1.5 Quality Assurance

Peter Schofield Durham Local Authorities representative

## Reporting Controls

#### 4.1.3 Project Board Meeting Frequency

The Operational Project Board will meet at a minimum of each month.

#### 4.1.4 Informal Checkpoint Meetings

A special or checkpoint can be called by any Operational Project Board member with reasonable notice.

#### 4.1.5 Highlight Reporting

The project manager will (as a minimum) compile a monthly project highlight report using the standard NECE Project Highlight Report Template

#### 4.1.6 Escalation

Problems and concerns which require resolving are to be raised as formal issues with the Project Manager and logged with a priority status.

These issues are to be reviewed at each Project Board meeting with the proposed solution or plan.



### 4.3 Change Control

The project manager is expected to operate a change control procedure, a change control proforma is provided in the NECE Project Management Pack

### 4.4 Communications Strategy

A nominated contact will be required for each authority and will be established during the outreach and participation stage of the project. All communications to that Authority from the Project Manager will be directed through that nominated contact

A Steering group meeting will be held at Stage Ends and each month during the lifetime of the project. The meeting will be attended by Members of the Project Organisation Structure as described in the Project Organisation Structure.

The Project Leader will provide **Highlight Reports** to the Steering group. These will identify achievements in the current period, achievements expected in the next period and actual or potential problems and suggestions for resolutions. The Programme Manager will raise Exception Reports and Plans and report during the meeting as required.

**End stage Review Assessments** will be provided to the Steering Group at the end of each stage when the Group will be requested to sign off stage deliverables and commit the necessary resources and authorise progress to the next stage of the project

Deliverable/ Description	Type Man./Info.	Target Audience(s)	Delivery Method	Delivery Frequency	Who Responsible
<b>Steering group End Meetings</b>	Mandatory	Steering Group Members	Formal Meeting (minutes) Emailed Stage End Report/Next Stage Plan	Scheduled Stage Ends	Project manager will report Progress/Exc ptions to Project Board
<b>Stage Interim Progress Reports</b>	As Required	Steering Group Members	Formal Meeting (minutes) Emailed Highlight Reports	Monthly/As Required.	Project manager will report Progress/Exc ptions to Project Board
<b>Operational Project Board Meetings</b>	Mandatory Project Plan/Issues Logs	Project Manager / Project Board members	Informal Update / important minutes noted	Monthly	Project Manager

### 4.5 Interfaces with Other Projects

Consideration during the initial phase of preparing and agreement of the strategy will take into account the interfacing with other projects and in particular the avoidance of effort duplication.

It is already anticipated that work already carried out during the Power play Project should be of benefit to this project and a close liaison between both Projects is seen as a necessity.

## 5. Partnership

NECE Mr. D. Wright

NEF Mr. S. Wallis

ONE Mr. J. Price

LA's All Local Authorities within the NECE

Previous work in Northumberland is a product of partnership between the Countryside Agency (now the Commission for Rural Communities), Nef (the new economics foundation), the LGA (Local Government Association), and Northumberland County Council. This project anticipates continuing that partnership.

The New Economic Foundation remains a critical component with support not only in developing the methodology but also acting as an external verification agency on the innovations undertaken in Northumberland. Finally the personal support of the executive director and the contribution to the dissemination of work remain key components of the work in the future.

The project team is also engaged in work focusing on enterprise, and anticipated relationships include: Social Enterprise Coalition (SEC), Social Enterprise Unit (SEnU), and Small Business Service (SBS), and Office of Government Commerce (OGC). Evidence for these links includes authorship by Justin Sacks for a SEC publication on public procurement and social enterprise published in July 2005, previous inclusion in the SEnU's public procurement toolkit for social enterprise, and consultation work carried out by Barry Mitchell to SBS and OGC DEFRA on case study evidence for regeneration and small enterprise .

## 6. Deliverables (Outputs and Outcomes)

Project Stage or Phase	Deliverable (description)	Completion/Delivery Date
Phase1 Strategy & Plan	Formal PID Strategy report and Project Plan agreed with NECE	7 November 2005
Phase 2 Data Analysis & Seminar	One to One visits to all authorities and inception workshop	23 December 2005
Phase 3 Benchmark creation	LM3 benchmarks established for all authorities and regionally	28 July 2006
Phase 4 One to One reviews	Review with all authorities and follow up workshop	15 September 2006
Phase 5 Platform creation	Creation of platform with data access by participants	29 September 2006
Phase 6 Specialised support and special projects	Range of Projects including Private Sector, Social Enterprise, Market enhancement for SME's, Alnwick Garden, Sector Analysis.	As required
Phase7 Documentation	Interim report and documentation	September 2006

## Implementation

### 7.1 Local

A detailed plan has been developed which incorporates the milestones and dates of delivery for the project and shows the necessary resource and anticipated costs. This plan has been provided to the NECE and the deliverables are in accordance with Sections 6 and 11.

A further detailed plan has been agreed and evolved from discussions with the NECE on the exact strategy of implementation across the region for the project and in particular the benchmarking.

This has resulted from a formal documented proposal from the Project Manager and agreement from the NECE Project Sponsor. See Appendix A.

This documented is attached and provides detail on the benchmarking strategy.

Each major initiative will be the subject of an agreed strategy proposal and agreement with project plan and costs.

### 7.2 Forward Strategy

The aim of this project is to develop local capacity to carry this work forward. An integral component of support on this project will be working with participants to identify ways to internalise this work within their respective councils. This will ensure that there is both capacity and political will to take these ideas forward beyond project completion.

NECE may determine that the benefits of this project outweigh the investment. If this is the case, then forward work will be a matter of project continuation on behalf of the councils. By the end of the project, however, the role of any people external to the councils will change from LM3 training and support to liaising and networking.

## 8. Funding and Resources

The Project cost of £250k is to be funded directly by the NECE. ONE has recognised the impact and worth of the project to the region and will contribute £145k to the total funding directly to the NECE.

A detailed plan has been developed which incorporates the milestones and dates of delivery for the project and shows the necessary resource and anticipated costs. This has been provided to the NECE Programme Manager.

The timing of payment funding will be 1 payment of £83.3k commencing immediately with successive payments to be agreed between the NECE and the Project at a later date.

Note that included within the £250k is an amount of £30k which is for the continuing LM3 development work within Northumberland County Council to cater for the vacancy created by the new LM3 Project Manager.

This development work will include the continuation of Power play project support and work associated with maintaining and ensuring an adequate Northumberland model, producing meaningful reports and highlighting areas for review and concern.

It will also include all necessary follow up of Protected Designation of Origin and Protected Geographical Indication related work supporting current and future applications to DEFRA.

It will also include supportive LM3 work in both the Private and Social Enterprise Sectors.

The support will also include the continuing assistance to local SME's and stimulation of the market in relation to tender invitations.

## 9. Risk Assessment

Project Risk Register								
Risk Index No: / Status (e.g. 001/Open)	Description of Risk	Probability High / Medium / Low	Impact High / Medium / Low	Description of Mitigating Action	Person Responsible for resolution	Date when raised	Target date for resolution	Risk closure approved by project board?
001	Required Power play cleansed datasets not available for each local authority	Medium	High	Project support to assist individual authorities	BM	10/10/2005	31/3/2006	
002	Resource not available for each local authority to assist Project including survey issue and update of results	Medium	High	Project support to assist individual authorities including provision of additional resource from Delivery company	BM	21/10/2005	31/03/2006	
003	Loss of key staff	Low	High	Immediate resource to be provided to assist Project Manager for Project life	AR	21/10/2005	30/11/2005	
004	Non participation by local authorities	Medium	Medium	One to one presentations by Project Manager if required and full resource provided	BM	21/10/2005	31/12/2005	

## 10. Estimated Value

By consultation and advice with individual authorities, the anticipated benefits of the project will be measured by ongoing data update annually. As per NCC model where target of 10% increase in local spend by 2008 has been set by the Executive and endorsed by procurement. This can be expressed as a £9.5m annual efficiency saving for NCC alone.

The example shown below highlights an exact 10% variation in local spend based on total spend of £245m which highlights a £9.9m increase on annual efficiency saving. This reflects the value of additional spend created in the local economy by the movement in local spend from non-local.

LM3 Evaluation			Example of increased local spend from 60 % to 70%						£m's
				60% Local Spend			70% Local Spend		
									Local Spend Increase
			Total	In Area	Out of Area	Total	In Area	Out of Area	
Round 1	Total	Income spend	244.9	147.0	97.9	244.9	171.5	73.4	
Round 2	Supplier total	In Area spend	147.0	147.0	0.0	171.5	171.5	0.0	24.5
Round 3	Local spend	Assessed from survey	147.5	112.3	35.2	157.4	131.0	26.4	9.9
			539.4	406.3	133.1	573.8	474.0	99.8	34.4
		LM3	2.20	2.76	1.36	2.34	2.76	1.36	

## 11. Monitoring and Review

12.

Project Stage or Phase	Milestone	Completion/Delivery Date
Phase1 Strategy & Plan	Formal PID Strategy report and Project Plan agreed with NECE	7 November 2005
Phase 2 Data Analysis & Seminar	One to One visits to all authorities and inception workshop	23 December 2005
Phase 3 Benchmark creation	LM3 benchmarks established for all authorities and regionally	28 July 2006
Phase 4 One to One reviews	Review with all authorities and follow up workshop	15 September 2006
Phase 5 Platform creation	Creation of platform with data access by participants	29 September 2006
Phase 6 Specialised support and special projects	Range of Projects including Private Sector, Social Enterprise, Market enhancement for SME's, Alnwick Garden, Sector Analysis.	As required
Phase7 Documentation	Interim report and documentation Final report and documentation	September 2006 March 2007

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder  
9th January 2006



**Report of:** Head of Procurement and Property Services

**Subject:** LAND BETWEEN 3 AND 4 WINCHESTER  
WALK

---

## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

To obtain Portfolio Holder approval to the proposed disposal of land between 3 and 4 Winchester Walk.

### **2.0 SUMMARY OF CONTENTS**

Background to disposal and summary of terms agreed.

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Portfolio Holder is responsible for the Council's land and property assets.

### **4.0 TYPE OF DECISION**

Non key

### **5.0 DECISION MAKING ROUTE**

Portfolio Holder only

### **6.0 DECISION(S) REQUIRED**

Authority to dispose of land

**Report of:** Head of Procurement and Property Services

**Subject:** LAND BETWEEN 3 AND 4 WINCHESTER WALK

---

**1. PURPOSE OF REPORT**

- 1.1 To obtain Portfolio Holder approval to the proposed disposal of land between 3 and 4 Winchester Walk.

**2. BACKGROUND**

- 2.1 In December 2005 the Estates Section were approached by the Council's Traffic and Transportation Section who were looking to close an area of footpath on Winchester Walk due to anti social behaviour problems. The area is shown hatched on the plan attached at **Appendix 1**.
- 2.2 It was decided that the land should be incorporated into the garden of 4 Winchester Walk, as the flying bedroom over this alleyway belongs to this property. Although the footpath is in an area where the majority of properties are owned by Housing Hartlepool, 4 Winchester Walk is privately owner occupied. Housing Hartlepool have been consulted with regard to the scheme and have no objections.

**3. FINANCIAL IMPLICATIONS**

- 3.1 The financial implications of the scheme are detailed in the Confidential **Appendix 2**. **This item contains exempt information under Schedule 12A Local Government Act 1972, namely terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services (para. 9)**

**4. RECOMMENDATIONS**

- 4.1 That Portfolio Holder approve the sale of land at the restricted value.





## **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder  
9th January 2006



**Report of:** Head of Procurement and Property Services

**Subject:** LOCAL AUTHORITY COLLABORATION

---

### **SUMMARY**

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

To consider the potential of collaboration with other local authorities and other organisations for the procurement of goods, services and works.

#### **2.0 SUMMARY OF CONTENTS**

Background to potential local authority collaboration is outlined in the report.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Portfolio Holder is the Procurement Champion

#### **4.0 TYPE OF DECISION**

Non Key Decision

#### **5.0 DECISION MAKING ROUTE**

Portfolio Holder only

#### **6.0 DECISION(S) REQUIRED**

The Portfolio Holder notes the report and approves future collaboration as proposed within the report where it is in line with the Council's procurement strategy.

The Portfolio Holder approves the collaboration exercises outlined in section 9.4.

**Report of:** Head of Procurement and Property Services

**Subject:** LOCAL AUTHORITY COLLABORATION

---

**1. PURPOSE OF REPORT**

- 1.1 To consider the potential of collaboration with other local authorities or other organisations for the procurement of goods, services and works.

**2. BACKGROUND**

- 2.1 The National Procurement Strategy and Gershon Efficiency Agenda have provided drivers for local authorities to jointly procure services, supplies and works with other local authorities.
- 2.2 Some authorities have entered into a procurement process on their own, and later realised the potential benefits for joining in with other contracting authorities.
- 2.3 This can be problematic because, once anyone starts down the procurement road, it can be difficult to back track. Early consideration of potential procurement partners is, therefore, essential.

**3. EFFECTIVE JOINT PROCURMENT**

- 3.1 It is important to identify at all stages, potential procurement initiatives and whether it makes economic sense to jointly procure with other contracting authorities. Consideration should be given to:-
- The scope of the procurement and could other contracting authorities benefit from joining in?
  - Existing contract arrangements which the Council could join, for example, Office of Government Commerce arrangements, procured by the (OGC) on behalf of all local authorities Or the North East Purchasing Organisation (NEPO)
  - Who will lead the procurement, and do all of those involved have the resources and expertise to deliver?
- 3.2 With a collaborative procurement it is essential to establish whether an OJEU procurement is required at any early stage. This means assessing the value of the procurement.

#### **4. THE COUNCIL ACTING AS LEAD AUTHORITY**

##### **4.1 Issues to consider:**

- Responsibility for drafting contract documents.
- How will the relevant approvals from each authority tie into the procurement framework.
- Ensuring that there are arrangements in place for the lead authority to have the necessary authority to negotiate contracts on behalf of other authorities.
- Ensuring that all the relevant authorities' constitutional requirements – including compliance with contract and financial standing orders – are met.
- Member approval from each authority.
- Arrangements if authorities disagree.

#### **5. FINANCIAL ARRANGEMENTS**

##### **5.1 Key issues which will be address for each procurement include:-**

- Any inter-authority funding agreement that may be required.
- Any investment required from those involved.
- Funding arrangements
- Will providers be interested in a joint procurement?

#### **6. CAPTURING REQUIREMENTS**

6.1 Each authorities' requirements will be needed in the contract documents, not only to enable potential bidders to assess whether it will be commercially viable, but also so that bidders can price bids. Any party entering into joint contracting arrangements will want to know how they can get out of the contract, if things go wrong and this applies equally to joint procurement. Exit strategies will need to be developed which take on board the commercial reality that there is always a point where a contract is no longer viable or required.

6.2 Minimum value thresholds should also be considered, before the contracts are signed.

#### **7. GOVERNANCE AND RISK**

7.1 A key feature will be to decide on the corporate and governance structures for the collaboration / partnership where the situations are more complex. Contracting authorities should consider not only the initial scope of the procurement but the longer-term potential, eg. The relevant powers which we will be relying on to enter into any contractual relationship, and the powers of other public bodies which

may also want to carry out a joint procurement, e.g. PCTs, police and fire authorities will need to be considered.

- 7.2 Simple “call-off” commodity type arrangements will be most appropriate.
- 7.3 A comprehensive risk analysis will be required at all stages of the procurement.

## **8. CURRENT COLLABORATION**

- 8.1 The Council currently collaborates with a number of local authorities and other organisations such as the PCT and Housing Hartlepool e.g.
  - NEPO for commodities e.g. Energy
  - North East Centre of Excellence (NECE) for best practice
  - Tees Valley Procurement Group of Local Authorities e.g. stairlifts, rocksalt
  - Children’s and Adults Services e.g. for care services

## **9. POTENTIAL FUTURE COLLABORATION**

- 9.1 As the Council’s procurement strategy develops future collaborations will open up potential for both efficiencies and improved services.
- 9.2 Collaboration for the sake of it is not recommended and it is suggested it should only be considered where it is appropriate and benefits the Council in terms of efficiency and / or service delivery.
- 9.3 One of the options for professional services (Construction, Property and Highways could be a collaboration with another Local Authority.
- 9.4 Work with the Tees Valley Authorities is assisting in this process with some projects that require progressing:-
  - Civil Engineering materials
  - Building Cleaning materials
  - Fire Extinguishers
  - Stationery (possibly via an e auction)
- 9.5 These contracts will be used on a call off basis with minimal risk but gaining from economies of scale. All current suppliers will have the opportunity to be involved and this is particularly relevant to the stationery contract, which is a key strand of the Council’s efficiency savings strategy. The stationery contract could be undertaken via an e auction – previous local authority’s experiences have seen a 10% saving being achieved.

- 9.6 As the North East Centre of Excellence, NEPO and the Tees Valley Procurement Group develop there will be further opportunities in the future. The Portfolio Holder is requested to endorse involvement in future collaborations where they are in line with the Council's procurement strategy.
- 9.7 There are two other significant projects being undertaken across the Tees Valley in relation to potential joint working in vehicle and waste management procurement.

## **10. RECOMMENDATIONS**

- 10.1 The Portfolio Holder notes the report and approves future collaboration as proposed within the report where it is in line with the Council's procurement strategy.
- 10.2 The Portfolio Holder approves the collaboration exercises outlined in section 9.4.

## **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder  
9 January 2006



**Report of:** Head of Procurement and Property Services

**Subject:** CIVIC CENTRE – CAPITAL MAINTENANCE  
PROGRAMME AND CORPORATE CONTACT  
CENTRE DEVELOPMENT.

---

### SUMMARY

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

To provide details of the status regarding proposed major works to be undertaken at the Civic Centre comprising a programme of maintenance works over the next three years and the development of accommodation for the Corporate Contact Centre.

#### **2.0 SUMMARY OF CONTENTS**

The report gives an overview of progress to date. In particular, attention is drawn to the procurement strategy to manage the construction work.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Portfolio Holder has responsibility for asset management.

#### **4.0 TYPE OF DECISION**

Non-Key decision.

#### **5.0 DECISION MAKING ROUTE**

Portfolio holder.

#### **6.0 DECISION(S) REQUIRED**

Approval is requested for the proposals put forward in the procurement strategy.

**Report of:** Head of Procurement and Property Services

**Subject:** CIVIC CENTRE – CAPITAL MAINTENANCE  
PROGRAMME AND CORPORATE CONTACT  
CENTRE DEVELOPMENT.

---

**1. PURPOSE OF REPORT**

- 1.1 To provide details of the status regarding proposed major works to be undertaken at the Civic Centre comprising a programme of maintenance works over the next three years and the development of accommodation for the Corporate Contact Centre.

**2. BACKGROUND**

- 2.1 The Civic Centre capital maintenance programme was approved at the Cabinet Meeting held on the 20<sup>th</sup> December 2004 with respect to funding proposals. Cabinet considered and agreed an update report on the anticipated costs of the Contact Centre in the 21<sup>st</sup> March 2005 meeting
- 2.2 At the meeting of 22 July 2005 the Cabinet decided that the Civic Centre Capital Maintenance Project and Contact Centre Refurbishment Project be approved and co-ordinated in one programme of works. Also, that the Head of Procurement and Property Services and the Chief Financial Officer be authorised to explore the funding of additional maintenance works via additional prudential borrowing within the envelope of future savings. This was referred to Scrutiny.
- 2.3 The Cabinet approved the report from the Scrutiny Forum at the meeting of 24 October 2005. The main schedule of scope of work was approved, with recommendation that the public facing works be given high priority, and additional funding opportunities should be explored to fund the works. Examples of this are: possible NRF funding; the use of possible future savings (resulting from essential works being carried out); and the possible use of improved interest rates. These will be investigated further as the project develops.



### 3. PROGRESS

#### 3.1 Design of Contact Centre

The conceptual design for the Contact Centre has been accepted by the Steering Group and has been issued for consultation. Consultation with staff and management is complete, although further reviews will be held during detailed design. The proposals were supported by the Black and Minority Ethnic consultation group at a meeting on 23rd November and further public consultation has been publicised and undertaken with visitors to the Civic Centre. Consultation for disability and access issues will be reviewed via a site meeting (to be held early January 2006). Detailed design will proceed subject to Steering Group confirmation that the conceptual design basis is frozen. The consultation work has extended the project timetable but this is, of course a critical phase in ensuring success.

#### 3.2 Design of Capital Maintenance

The feasibility design is progressing, but is dependent on the final form of the contact centre, the phasing of the site work, and available space for relocation of staff during the construction work. Recent developments may allow the use of the Middleton Grange office facilities to accommodate these moves or elsewhere in the Civic Centre as a result of other accommodation moves.

#### 3.3 Procurement Strategy:

3.3.1 The initial procurement plan has been reviewed. The basis of the strategy is the proposal that the construction management role should be resourced in-house.

3.3.2 This will include the design and co-ordination of works and the advantages are:

- Health and safety management (as Principal Contractor under CDM Regulations).
- Control of what will be a complex sequence of work.
- Specialist skills and knowledge of the building.
- Flexibility for potential changes.
- Saving in procurement costs and timing.

3.3.3 Physical works coming from 3.3.2 will include (although specialist work will be provided by external providers as required):

- Mechanical and Electrical works for power and light distribution (a continuation of works in progress under the Corporate Planned Maintenance programme).
- Heating and ventilation refurbishment.

- Civic Suite refurbishment.

3.3.4 Areas of work via procurement of external providers will include:

- Main refurbishment works of the Contact Centre (including Atrium re-glazing as required).
- Concourse modifications.
- Roofing.
- Replacement of false ceilings.
- ICT via 'Northgate'.

3.3.5 All works will be the subject of value for money tests and it is proposed that the main refurbishment works of the contact centre will be best undertaken via a partnering arrangement to ensure earlier involvement of the contractor and maximum flexibility. This will be achieved via advertising and the formation of a select list. It is proposed that other works will be procured on a price-performance basis from existing select lists.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 Funding for the Civic Centre capital maintenance programme was approved at the Cabinet Meeting held on the 20<sup>th</sup> December 2004 where Members approved the proposals of the Chief Financial Officer and Corporate Management Group in their report on "Zero Base Budget Review – Draft Budget and Policy Framework 2005/2006 to 2007/2008". These included of an annual provision of £0.1m within the revenue budget to support prudential borrowing that would realise a budget of £1,000,000 per year for three years.
- 4.2 Cabinet considered and agreed an update report on the anticipated costs of the Contact Centre in March 2005. In that report Cabinet were asked to note the position of accommodation for the Contact Centre and were provided with outline costs for proposed changes to the Civic Centre. Based upon the conceptual design and the intended specification of high quality public areas with standard back office areas the estimated costs of the Contact Centre Development including works, all fees, IT/Telecom re-cabling costs and associated service operation costs is £1.1m.
- 4.3 The Cabinet agreed that the Contact Centre will also be funded from prudential borrowing of £0.1m per annum which will be achieved by efficiency savings in processes and other costs in the operation and development of the Contact Centre.
- 4.4 The contact centre is committed to making efficiency savings in order to fund building works to accommodate the team and improve front facing areas for members of the public. Over the last two years since the adoption of contact centre methods of working, the number of

services delivered to the public has increased by approximately 35% year on year with no extra staff funding. This has the effect of enabling the contact centre to provide more services as it rolls out across the authority with less staffing resources than are used at present.

- 4.5 Contact Centre methods of working along with business process re-engineering and the introduction of corporate workflow will enable the contact centre to improve customer service satisfaction levels while reducing costs and therefore making savings for the council. It is with these methods in mind that the contact centre will achieve efficiency savings needed to fund proposed building works.
- 4.6 Currently, the financial forecast remains as the Cabinet meeting of 22 July. The spend profile, however, will not be £1 million each year due to the expected workload profile. It is anticipated that year one will be a much lower expenditure, with year two being the highest expenditure.

## **5. RECOMMENDATIONS**

- 5.1 That the Portfolio Holder notes the progress.
- 5.2 That the proposed procurement strategy in Section 3 be accepted, and approval given to proceed with the arrangements for works and tender packages also detailed in Section 3.

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder

9 January 2006



**Report of:** Chief Personnel Services Officer

**Subject:** EMPLOYEE MONITORING – HALF YEARLY  
REPORT 2005/6

---

## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

To update the Portfolio Holder on the Council's performance in relation to the profile of the current workforce and applicants for jobs in the first six months of 2005/06, actions taken during the period and planned future actions.

### **2.0 SUMMARY OF CONTENTS**

The report provides details of the Council's performance in relation to the profile of the current workforce and applicants for jobs in the first six months of 2005/06, actions taken during the period and planned future actions.

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Corporate Performance

### **4.0 TYPE OF DECISION**

This is not a key decision.

### **5.0 DECISION MAKING ROUTE**

Portfolio Holder only.

### **6.0 DECISION(S) REQUIRED**

Note the report.

**Report of:** Chief Personnel Services Officer

**Subject:** EMPLOYEE MONITORING – HALF YEARLY  
REPORT 2005/6

---

**1. PURPOSE OF REPORT**

To update the Portfolio Holder on the Council's performance in relation to the profile of the current workforce and applicants for jobs in the first six months of 2005/06, actions taken during the period and planned future actions.

**2. BACKGROUND**

The Council's Equality and Diversity in Employment Policy includes a commitment to "strive for a workforce that reflects the diversity of the population of Hartlepool". The Equality Standard for Local Government (BVPI 2a) requires (to varying extents depending upon the level of the Standard) profiling of the Council workforce and the local labour market with a view to comparisons being made and action being taken to reduce any differences. In addition Corporate Health Best Value Performance Indicators apply to the workforce in terms of gender, ethnicity and disability. A comprehensive report in respect of the workforce profile at 1.4.05 and how it compared to the local labour market was submitted to the Portfolio Holder on 13 June 2005. This report provides updated details of

- a) the relevant Best Value Performance Indicators (where these are available) and
- b) the profile of applicants and appointees in respect of jobs advertised between 1 April 2005 and 30 September 2005.

**3. EMPLOYEE MONITORING ARRANGEMENTS**

3.1 The Race Relations (Amendment) Act 2000 stipulates that the Council has a responsibility to monitor, by racial group, the following

- a) staff in post in the Council and individual schools
- b) applicants for employment, training and promotion in the Council and individual schools
- c) for the Council and individual schools with 150 or more full time equivalent staff the number of staff:

- i) receiving training
- ii) benefiting or suffering a detriment as a result of performance assessment procedures
- iii) involved in grievance procedures
- iv) subject to disciplinary procedures
- v) ending employment

3.2 The Equal Opportunities Commission recommend that similar monitoring be undertaken in respect of gender and disability and the opportunity has been taken to extend this to include age given the impending age discrimination legislation (due to be introduced from 1 October 2006). Furthermore, Level 4 of BVPI2 (The level (if any) of the Equality Standard for Local Government to which the authority conforms) requires regular monitoring to take place and for this to be made widely available.

3.3 This report is the first monitoring report and is initially restricted to applicants for employment, although this will be extended as and when further data is available. The analysis excludes applicants for jobs where HR are not involved in the recruitment process (i.e. non Headteacher jobs in schools and many weekly paid jobs in the Council). The analysis does include those posts advertised internally only. Recruiting from internal candidates will not alter the workforce profile and it is intended that future analysis will exclude posts advertised internally only.

3.4 Joint guidance regarding the approach to be taken when monitoring schools recruitment data has been issued by the Employers Organisation, Department for Education and Skills and Commission for Race Equality. The guidance, most of which has general applicability, is as follows:

<b>Factor</b>	<b>Comparison or benchmark</b>
Applicants for posts	Teachers: ethnicity of teachers in the region or in comparable LEA's, using information published in DfES publication 'School Workforce in England Support Staff: economically active population
Applicants shortlisted	Use 4/5ths rule to compare "success rates" of white applicants selected for interview with black and minority ethnic applicants
Candidates appointed	Use 4/5ths rule to compare "success rates" of white applicants with black and minority ethnic applicants

#### 4. BEST VALUE PERFORMANCE INDICATORS

4.1 As part of the best Value regime, the following Corporate Health Performance Indicators have been set:

BVPI11a	The percentage of top 5% of earners that are women
BVPI11b	The percentage of top 5% of earners from black and minority ethnic communities
BVPI11c	The percentage of top 5% of earners who have a disability
BVPI16a	The percentage of staff with disabilities
BVPI16b	The percentage of the working age population with disabilities
BVPI16x	The percentage of staff with disabilities, compared with the percentage of the working age population with disabilities
BVPI17a	The percentage of staff from minority ethnic communities
BVPI17b	The percentage of the working age population from minority ethnic communities
BVPI17x	The percentage of staff from minority ethnic communities compared with the percentage of working age population from minority ethnic communities

This report provides updated performance information in respect of BVPI 16a and BVPI 17a only, since these are the ones regularly reported to the Portfolio Holder as part of the Chief Executive's Department Service Plan monitoring. The remaining BVPI's are calculated at year-end only.

#### 5. PERFORMANCE IN THE FIRST SIX MONTHS OF 2005/6

5.1 The performance in the first six months is summarised by ethnicity (section 6), disability (Section 7) gender (Section 8) and age (section 9). In each section this is broken down into performance in terms of

- a) staff in post and
- b) applicants for posts

5.2 Analysis of the applicants for posts is limited to those where the applicants provide monitoring information. To include those applicants who do not provide monitoring information would involve making

assumptions such as the proportion of male and female applicants that do not provide gender monitoring information is identical to the proportion of male and female applicants who do. Such assumptions have no basis and bring in unnecessary subjectivity.

## 6. ETHNICITY PERFORMANCE IN THE FIRST SIX MONTHS OF 2005/6

6.1 The performance information presented in respect of ethnicity performance is summarised into

- a) those from minority ethnic backgrounds and
- b) those from white backgrounds.

This ensures consistency of approach with the BVPI17a definitions and, given the small numbers involved, makes the analysis more meaningful. Further breakdowns by individual ethnic group are available if required.

- 6.2 At 30 September 2005, the percentage of employees from minority ethnic backgrounds was 0.7% compared to a performance of 0.6% at 1 April 2005 and a target of 0.7%. The actual number of employees from minority ethnic backgrounds has increased from 17 at 1 April 2005 to 23 at 30 September 2005, as a result of 2 new employees starting, 1 employee leaving and 5 employees declaring their ethnicity for the first time.
- 6.3 1483 people declaring their ethnicity applied for jobs advertised across the Council during 1 April 2005 to 30 September 2005. Details of their background and relative success in obtaining a job is detailed in Table 1.

**Table 1**

Stage	Applicants from White Backgrounds	Applicants from Minority Ethnic Backgrounds	All Applicants
%age (no.) of applications received	97.64% (1448)	2.36% (35)	100% (1483)
%age (no.) of applicants shortlisted	29.21% (423)	25.71% (9)	29.13% (432)
%age (no.) of shortlisted applicants who met the required standard but were not appointed	0.47% (2)	0.00% (0)	0.46% (2)
%age (no.) of shortlisted applicants who were appointed	26.95% (114)	22.22% (2)	26.85% (116)

Further analysis by department is attached at Appendix 1.



- 6.4 As can be seen from Table 1, a significant majority of applicants were from white backgrounds. The 4/5ths rule detailed in paragraph 3.4 is exceeded in respect of both shortlisted applicants (88.02%) and candidates appointed (82.45%) and there is therefore no statistical evidence that applicants from minority ethnic backgrounds are significantly less likely to be shortlisted or appointed than applicants from white backgrounds (although the small numbers involved mean that the analysis is not necessarily sound). On the basis of this evidence and until the numbers involved in the analysis increase, efforts need to be concentrated on encouraging people from minority ethnic backgrounds to apply for Council jobs. However, this situation will continue to be kept under review.

## 7. **DISABILITY PERFORMANCE IN THE FIRST SIX MONTHS OF 2005/6**

- 7.1 At 30 September 2005, the percentage of employees declaring a disability was 2.61% compared to a performance of 2.53% at 1 April 2005 and a target of 2.84%. The actual number of employees declaring a disability has increased from 69 at 1 April 2005 to 75 at 30 September 2005, as a result of 5 new employees starting, 4 employees leaving and 5 employees declaring a disability for the first time. It is anticipated that performance will increase as more employees, when surveyed in the new year, declare their disability for the first time, although the effect of this will be tempered by other employees declaring, for the first time, that they do not have a disability.
- 7.2 1473 people declaring whether they had a disability applied for jobs advertised across the Council during 1 April 2005 to 30 September 2005. Details of applicants with a disability and their relative success in obtaining a job is detailed in Table 2.

**Table 2**

Stage	Applicants with no declared disability	Applicants with a declared disability	All Applicants
%age (no.) of applications received	97.42% (1435)	2.58% (38)	100.00% (1473)
%age (no.) of applicants shortlisted	29.34% (421)	26.32% (10)	29.26% (431)

Stage	Applicants with no declared disability	Applicants with a declared disability	All Applicants
%age (no.) of shortlisted applicants who met the required standard but were not appointed	0.48% (2)	0.00% (0)	0.46% (2)
%age (no.) of shortlisted applicants who were appointed	26.60% (112)	20.00% (2)	26.45% (114)

Further analysis by department is attached at Appendix 2. Whilst 5 new employees with disabilities were appointed, only 2 declared their disabilities at application stage.

- 7.3 As can be seen from Table 2, a significant majority of applicants did not have a disability. The 4/5ths rule detailed in paragraph 3.4 is exceeded in respect of shortlisted applicants (89.71%) and not met in respect of candidates appointed (75.19%). There is therefore variable statistical evidence that applicants with disabilities are significantly less likely to be shortlisted or appointed than applicants with no disabilities (although the small numbers involved mean that the analysis is not necessarily sound). On the basis of this evidence and until the numbers involved in the analysis increase, efforts need to be concentrated on encouraging people with disabilities to apply for Council jobs. However, this situation will continue to be kept under review.

## 8. GENDER PERFORMANCE IN THE FIRST SIX MONTHS OF 2005/6

- 8.1 Updated performance data is not available in terms of the gender profile of the workforce. At 1 April 2005, the workforce comprised 52.45% male employees and 47.55% female employees compared to 50.90% males and 49.10% in the local (Hartlepool) labour market. Further analysis of the gender profile of the Council at 1 April 2005 (assuming the new departments had come into effect then) is attached at Appendix 3. No targets have been set in respect of the gender profile of the whole workforce, other than the commitment made in the Equality and Diversity in Employment Policy to “strive for a workforce that reflects the diversity of the population of Hartlepool”.
- 8.2 1509 people declaring their gender applied for jobs advertised across the Council during 1 April 2005 to 30 September 2005. Details of applicants gender and their relative success in obtaining a job is detailed in Table 3.

**Table 3**

Stage	Male Applicants	Female Applicants	All applicants
%age (no.) of applications received	40.69% (614)	59.31% (895)	100.00% (1509)
%age (no.) of applicants shortlisted	23.94% (147)	32.51% (291)	29.03% (438)
%age (no.) of shortlisted applicants who met the required standard but were not appointed	0.00% (0)	0.69% (2)	0.46% (2)
%age (no) of shortlisted applicants who were appointed	29.93% (44)	25.09% (73)	26.71% (117)

Further analysis by department is attached at Appendix 3.

- 8.3** As can be seen from Table 3, the majority of applicants were female. A greater proportion of females were shortlisted (compared to males) although this was reversed at appointment stage with a greater proportion of shortlisted males being appointed (compared to females). The 4/5ths rule detailed in paragraph 3.4 was exceeded at both shortlisting stage (135.80%) and at appointment stage (83.83%).

## **9. AGE PERFORMANCE IN THE FIRST SIX MONTHS OF 2005/6**

- 9.1** Updated performance data is not available in terms of the gender profile of the workforce. Table 4 details the age composition of the workforce and the local (Hartlepool) labour market at 1 April 2005.

**Table 4**

Age Group	Percentage of employees at 1.4.05	Percentage of Local (Hartlepool) Labour Market
Aged 16-17	0.33	4.64
Aged 18-24	6.74	12.05
Aged 25-34	19.32	20.02
Aged 35-44	30.25	24.5
Aged 45-54	28.94	21.58
Aged 55-64	14.17	17.03
Aged 65+	0.26	N/A

- 9.2** Further analysis of the gender profile of the Council at 1 April 2005 (assuming the new departments had come into effect then) is attached at Appendix 4. No targets have been set in respect of the age profile of

the whole workforce, other than the commitment made in the Equality and Diversity in Employment Policy to “strive for a workforce that reflects the diversity of the population of Hartlepool”.

- 9.3 1191 people declaring their age applied for jobs advertised across the Council during 1 April 2005 to 30 September 2005. Details of their age and success in obtaining a job is detailed in Table 5.

**Table 5**

Stage	Aged 16-25	Aged 26-35	Aged 36-45	Aged 46-55	Aged 56-65+	All Applicants
%age (no.) of applications received	39.42% (531)	24.94% (336)	20.27% (273)	12.03% (162)	3.34% (45)	100% (1347)
%age (no.) applicants shortlisted	21.47% (114)	34.52% (116)	39.19% (107)	29.01% (47)	24.44% (11)	29.32% (395)
%age (no.) shortlisted applicants who met the required standard but were not appointed	0.88% (1)	0.00% (0)	0.00% (0)	2.13% (1)	0.00% (0)	0.51% (2)
%age (no.) shortlisted applicants who were appointed	21.05% (24)	32.76% (38)	25.23% (27)	23.40% (11)	9.09% (1)	25.57% (101)

Further analysis by department is attached at Appendix 4. Due to disparate systems being used to collate the age profile data on applicants and employees there is a mismatch in the age groupings.

- 9.4 The most under-represented employee age group (when compared to the local labour market) is the 16-24 age group. The greatest proportion of applicants are aged 25 and under, although the relative success rate in terms of being shortlisted or appointed is generally lower than other age groups (and are the only age group not meeting (73.22%) the 4/5ths rule detailed in paragraph 3.4 when compared to all shortlisted applicants), perhaps reflecting their relative inexperience. Clearly we are having some success in attracting young applicants, although they need to be more successful in being appointed if the profile of young people in the council is to move closer to the profile of the local labour market. Applicants aged between 26 and 45 are most likely to be shortlisted with those aged between 26-35 most likely to be appointed. At appointment stage, the 56-65+ age group is the only one

not to meet the 4/5ths rule when compared to all shortlisted applicants. This is likely to move the profile of employees further away from the profile of the local labour market in these age groups although other factors such as each employee being a year older when the age profile of the workforce is next measured may have an influence.

## **10. ACTIONS UNDERTAKEN WITHIN THE FIRST SIX MONTHS OF 2005/6**

10.1 Actions designed to improve the Council's workforce profile compared to the local labour market and which were undertaken during the first six months of 2005/6 include:

- Increase in the number of Council placements made via the ILM project for those on Incapacity Benefit
- Initial meeting to discuss options for improving placement opportunities with the Council for people from minority ethnic communities
- Contribution to, to the regional website and advertising campaign to attract young people into local government.
- Initial planning for recruitment review
- Initial planning for survey of employees to ensure up to date monitoring information
- Initial meeting to discuss monitoring arrangements in respect of school employees
- Consultation event with minority groups
- Implementation of the Recruitment and Retention Strategy
- Improved arrangements to ensure, as far as possible, that employees declare their disability when medical evidence of this is available
- New disability definitions included in the guidance attached to the monitoring form
- Approval of Workforce Development Plan

## **11. ACTIONS PLANNED WITHIN THE FINAL SIX MONTHS OF 2005/6**

11.1 Planned actions designed to improve the Council's workforce profile compared to the local labour market during the final six months of 2005/6 include

- Commencement of the Recruitment Review
- Development of measures designed to improve recruitment and retention of under-represented groups
- Give consideration to setting of targets for gender and age
- Development of placement schemes for people from minority ethnic communities, including exploration of funding opportunities
- Survey of employees to ensure up to date monitoring information
- Incorporation of school employees monitoring requirements within the Children's Services Department Race Equality Group

- Exploration of options to ensure all recruitment is included in the monitoring arrangements
- Development of Exit Interview monitoring
- Amendments to computer systems to eliminate the mismatch in the age groupings

## **12. RECOMMENDATION**

That the Portfolio Member note the six monthly figures for 2005/6, the actions taken during the first six months of 2005/6, and planned future actions.

## Appendix 1

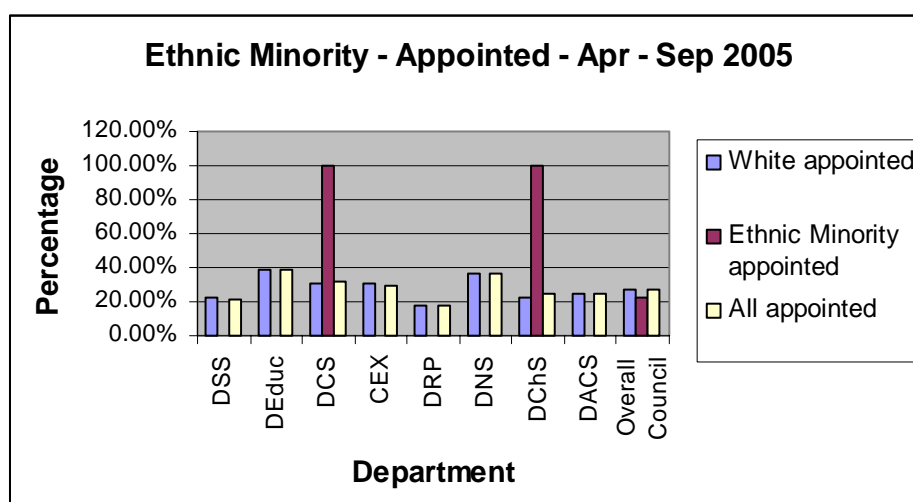
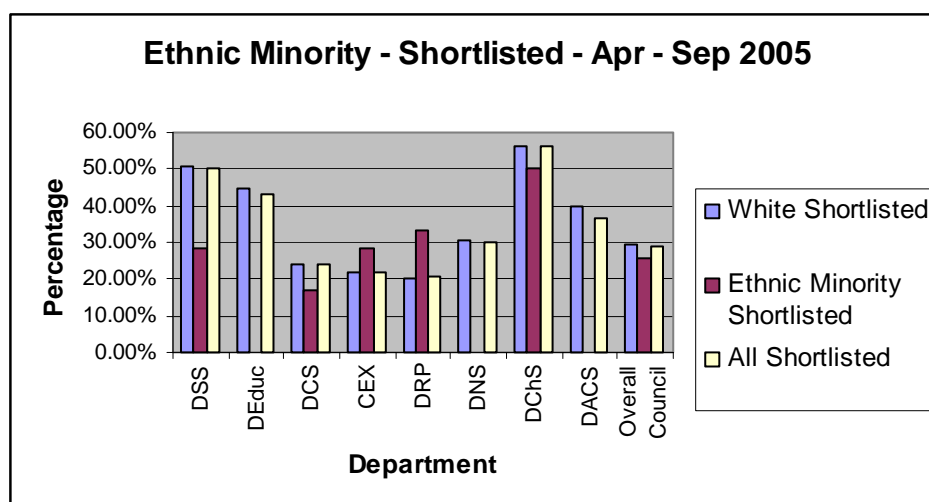
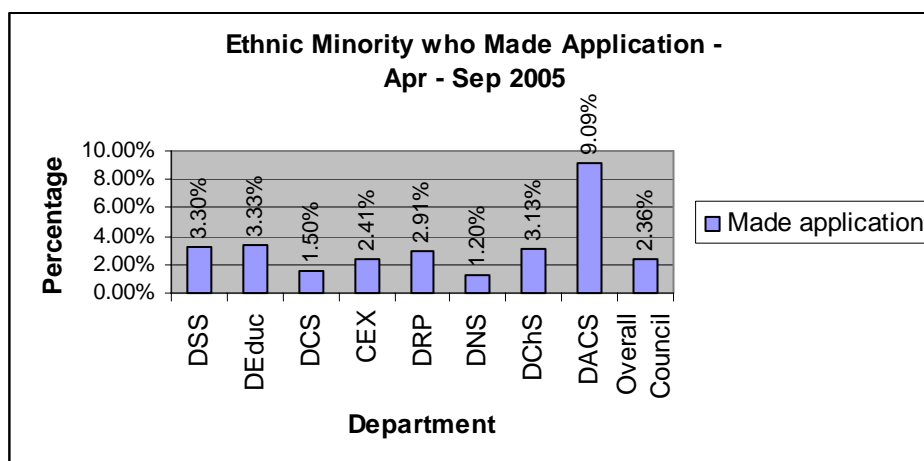
<b>ETHNICITY</b>									
<b>Apr - Sept</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
<b>White Applicants</b>									
Made application	205	29	394	284	300	164	62	10	1448
Shortlisted	104	13	94	62	61	50	35	4	423
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	23	5	29	19	11	18	8	1	114
<b>Ethnic Minority Applicants</b>									
Made application	7	1	6	7	9	2	2	1	35
Shortlisted	2	0	1	2	3	0	1	0	9
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	0	0	1	0	0	0	1	0	2
<b>All Applicants</b>									
Made application	212	30	400	291	309	166	64	11	1483
Shortlisted	106	13	95	64	64	50	36	4	432
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	23	5	30	19	11	18	9	1	116

## Appendix 1 cont.

<b>ETHNICITY</b>									
<b>Percentage - Apr - Sep</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
<b>White Applicants</b>									
Made application	96.70%	96.67%	98.50%	97.59%	97.09%	98.80%	96.88%	90.91%	97.64%
Shortlisted	50.73%	44.83%	23.86%	21.83%	20.33%	30.49%	56.45%	40.00%	29.21%
Shortlisted applicants who met Standard but not appointed	0.96%	0.00%	1.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.47%
Shortlisted applicants who are appointed	22.12%	38.46%	30.85%	30.65%	18.03%	36.00%	22.86%	25.00%	26.95%
<b>Ethnic Minority Applicants</b>									
Made application	3.30%	3.33%	1.50%	2.41%	2.91%	1.20%	3.13%	9.09%	2.36%
Shortlisted	28.57%	0.00%	16.67%	28.57%	33.33%	0.00%	50.00%	0.00%	25.71%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%	0.00%	22.22%
<b>All Applicants</b>									
Made application	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Shortlisted	50.00%	43.33%	23.75%	21.99%	20.71%	30.12%	56.25%	36.36%	29.13%
Shortlisted applicants who met Standard but not appointed	0.94%	0.00%	1.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%
Shortlisted applicants who are appointed	21.70%	38.46%	31.58%	29.69%	17.19%	36.00%	25.00%	25.00%	26.85%



## Appendix 1 cont



## Appendix 2

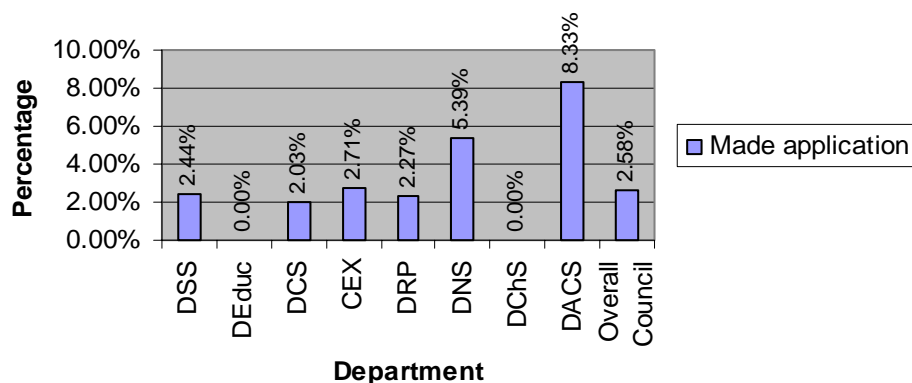
<b>DISABILITY</b>									
<b>Apr - Sep</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
<b>Disabled Applicants</b>									
Made application	5	0	8	8	7	9	0	1	38
Shortlisted	2	0	3	1	2	2	0	0	10
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	0	0	1	0	0	1	0	0	2
<b>Not Disabled Applicants</b>									
Made application	200	28	386	287	301	158	64	11	1435
Shortlisted	100	12	95	63	62	48	37	4	421
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	23	5	29	19	10	16	9	1	112
<b>All Applicants</b>									
Made application	205	28	394	295	308	167	64	12	1473
Shortlisted	102	12	98	64	64	50	37	4	431
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	23	5	30	19	10	17	9	1	114

## Appendix 2 cont.

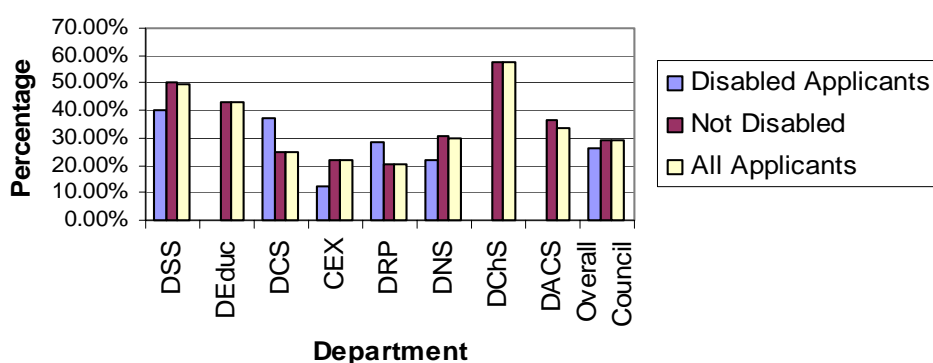
<b>DISABILITY</b>									
<b>Percentage - Apr - Sep</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
Made application	2.44%	0.00%	2.03%	2.71%	2.27%	5.39%	0.00%	8.33%	2.58%
Shortlisted	40.00%	0.00%	37.50%	12.50%	28.57%	22.22%	0.00%	0.00%	26.32%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	0.00%	0.00%	33.33%	0.00%	0.00%	50.00%	0.00%	0.00%	20.00%
<b>Not Disabled Applicants</b>									
Made application	97.56%	100.00%	97.97%	97.29%	97.73%	94.61%	100.00%	91.67%	97.42%
Shortlisted	50.00%	42.86%	24.61%	21.95%	20.60%	30.38%	57.81%	36.36%	29.34%
Shortlisted applicants who met Standard but not appointed	1.00%	0.00%	1.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.48%
Shortlisted applicants who are appointed	23.00%	41.67%	30.53%	30.16%	16.13%	33.33%	24.32%	25.00%	26.60%
<b>All Applicants</b>									
Made application	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Shortlisted	49.76%	42.86%	24.87%	21.69%	20.78%	29.94%	57.81%	33.33%	29.26%
Shortlisted applicants who met Standard but not appointed	0.98%	0.00%	1.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%
Shortlisted applicants who are appointed	22.55%	41.67%	30.61%	29.69%	15.63%	34.00%	24.32%	25.00%	26.45%

## Appendix 2 cont

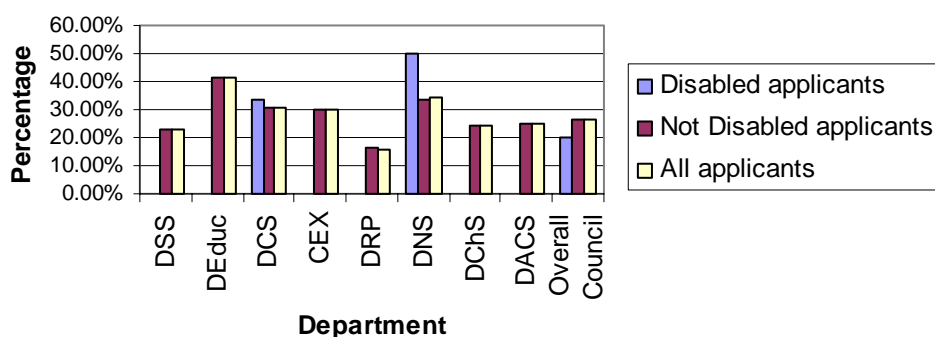
**Applicants with a Disability - Made application -  
Apr - Sept 2005**



**Applicants with a Disability who were  
Shortlisted - Apr - Sep 2005**



**Applicants with a Disability who were Appointed -  
Apr - Sep 2005**



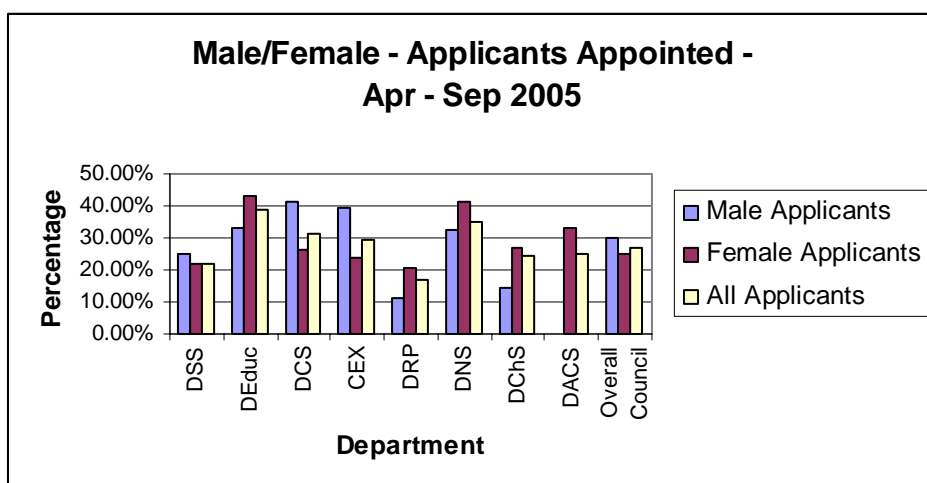
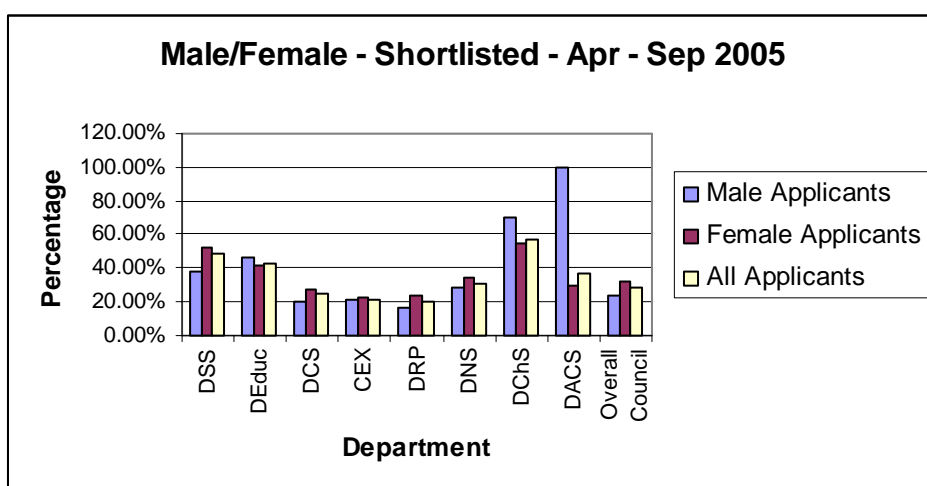
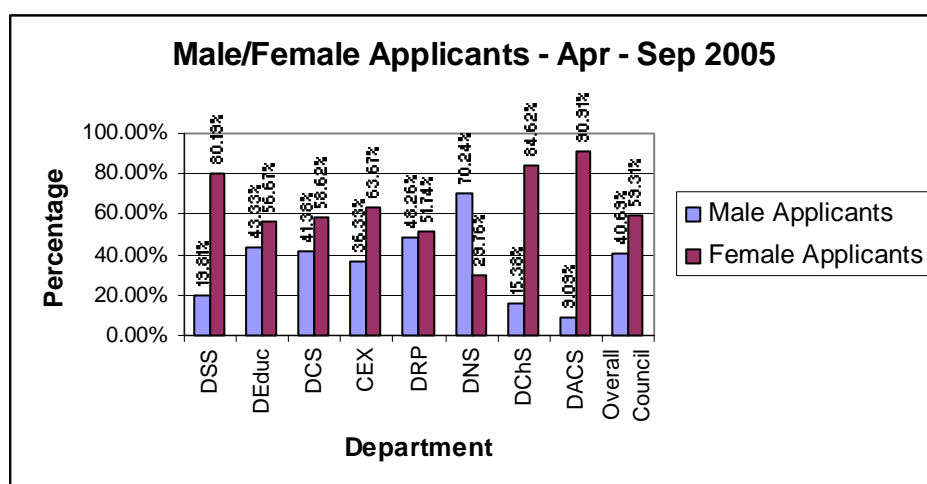
## Appendix 3

<b>GENDER</b>									
<b>Apr - Sep</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
<b>Male applicants</b>									
Made application	42	13	168	109	153	118	10	1	614
Shortlisted	16	6	34	23	26	34	7	1	147
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	4	2	14	9	3	11	1	0	44
<b>Female Applicants</b>									
Made application	170	17	238	191	164	50	55	10	895
Shortlisted	88	7	65	42	39	17	30	3	291
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	19	3	17	10	8	7	8	1	73
<b>All Applicants</b>									
Made application	212	30	406	300	317	168	65	11	1509
Shortlisted	104	13	99	65	65	51	37	4	438
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	23	5	31	19	11	18	9	1	117

## Appendix 3 cont.

<b>GENDER</b>									
<b>Percentage - Apr - Sep</b>	<b>DSS</b>	<b>DEduc</b>	<b>DCS</b>	<b>CEX</b>	<b>DRP</b>	<b>DNS</b>	<b>DChS</b>	<b>DACS</b>	<b>Overall Council</b>
<b>Male applicants</b>									
Made application	19.81%	43.33%	41.38%	36.33%	48.26%	70.24%	15.38%	9.09%	40.69%
Shortlisted	38.10%	46.15%	20.24%	21.10%	16.99%	28.81%	70.00%	100.00%	23.94%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	25.00%	33.33%	41.18%	39.13%	11.54%	32.35%	14.29%	0.00%	29.93%
<b>Female Applicants</b>									
Made application	80.19%	56.67%	58.62%	63.67%	51.74%	29.76%	84.62%	90.91%	59.31%
Shortlisted	51.76%	41.18%	27.31%	21.99%	23.78%	34.00%	54.55%	30.00%	32.51%
Shortlisted applicants who met Standard but not appointed	1.14%	0.00%	1.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.69%
Shortlisted applicants who are appointed	21.59%	42.86%	26.15%	23.81%	20.51%	41.18%	26.67%	33.33%	25.09%
<b>All Applicants</b>									
Made application	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Shortlisted	49.06%	43.33%	24.38%	21.67%	20.50%	30.36%	56.92%	36.36%	29.03%
Shortlisted applicants who met Standard but not appointed	0.96%	0.00%	1.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.46%
Shortlisted applicants who are appointed	22.12%	38.46%	31.31%	29.23%	16.92%	35.29%	24.32%	25.00%	26.71%

## Appendix 3 cont.



## Appendix 4

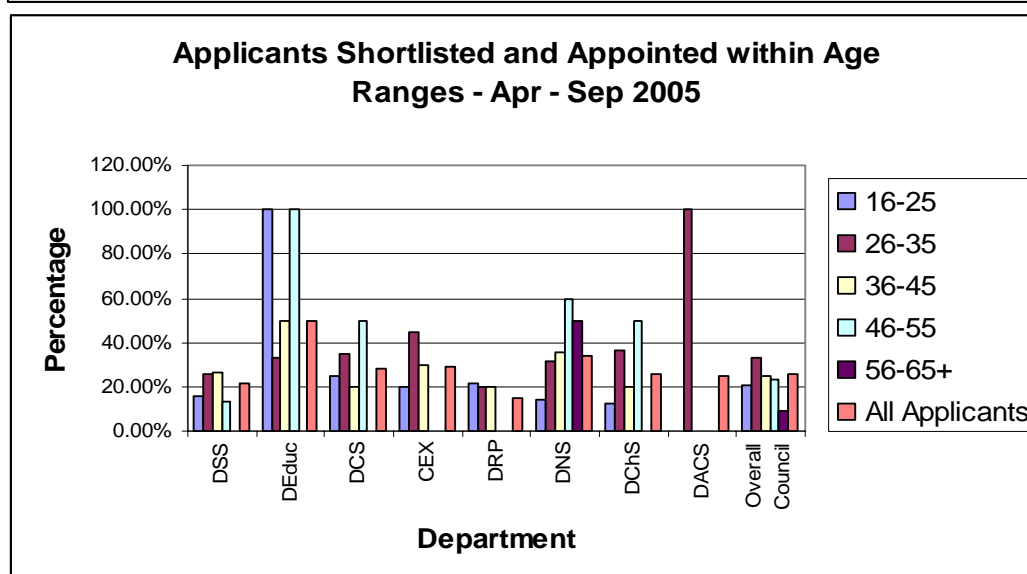
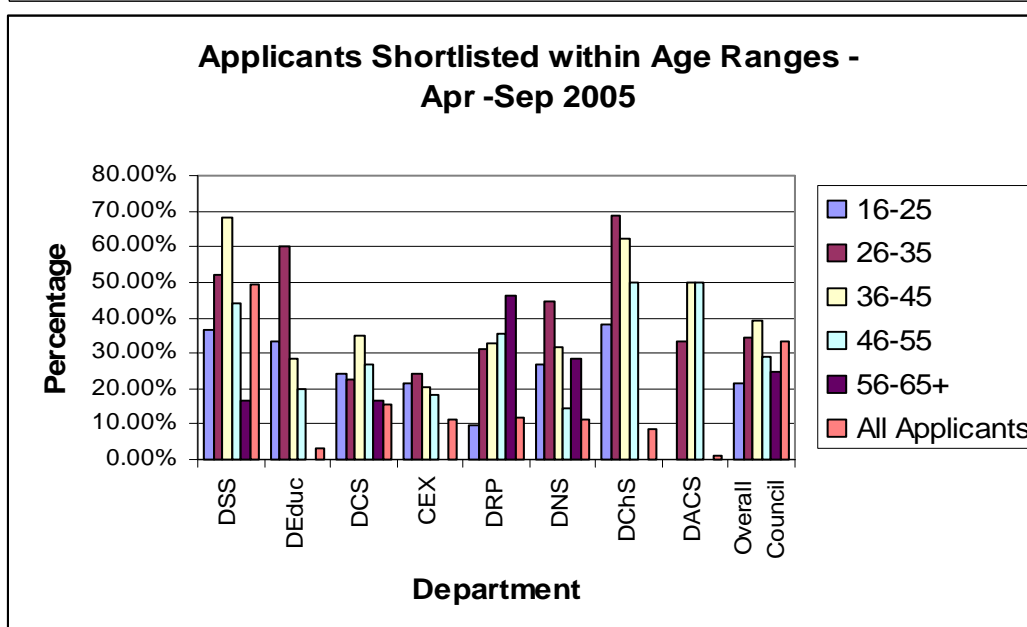
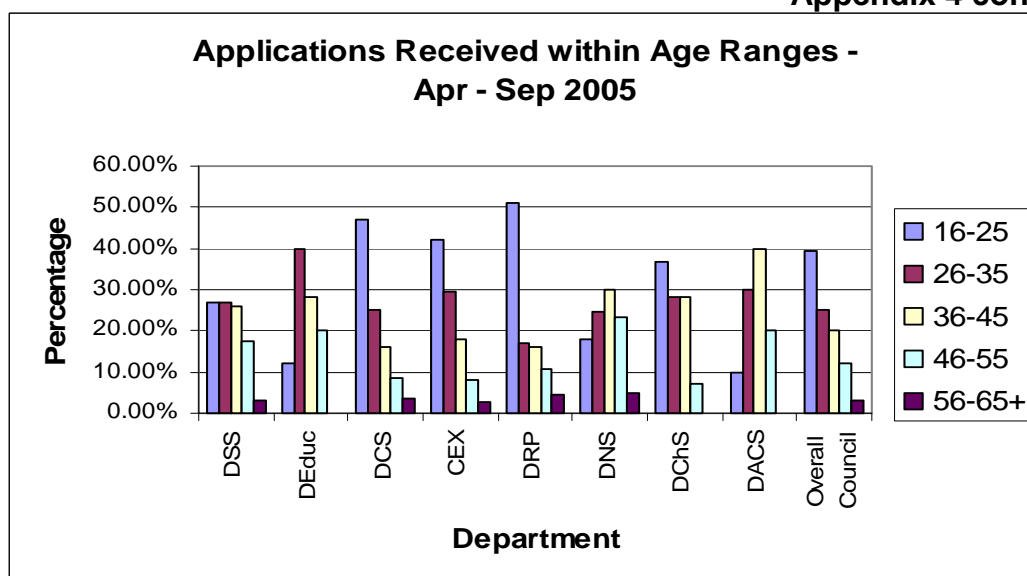
AGE									
Apr - Sep	DSS	DEduc	DCS	CEX	DRP	DNS	DChS	DACS	Overall Council
<b>16-25</b>									
Made application	52	3	167	116	145	26	21	1	531
Shortlisted	19	1	40	25	14	7	8	0	114
Shortlisted applicants who met Standard but not appointed	0	0	1	0	0	0	0	0	1
Shortlisted applicants who are appointed	3	1	10	5	3	1	1	0	24
<b>26-35</b>									
Made application	52	10	89	82	48	36	16	3	336
Shortlisted	27	6	20	20	15	16	11	1	116
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	7	2	7	9	3	5	4	1	38
<b>36-45</b>									
Made application	50	7	57	49	46	44	16	4	273
Shortlisted	34	2	20	10	15	14	10	2	107
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	9	1	4	3	3	5	2	0	27
<b>46-55</b>									
Made application	34	5	30	22	31	34	4	2	162
Shortlisted	15	1	8	4	11	5	2	1	47
Shortlisted applicants who met Standard but not appointed	1	0	0	0	0	0	0	0	1
Shortlisted applicants who are appointed	2	1	4	0	0	3	1	0	11
<b>56-65</b>									
Made application	6	0	12	7	13	7	0	0	45
Shortlisted	1	0	2	0	6	2	0	0	11
Shortlisted applicants who met Standard but not appointed	0	0	0	0	0	0	0	0	0
Shortlisted applicants who are appointed	0	0	0	0	0	1	0	0	1
<b>All Applicants</b>									
Made application	194	25	355	276	283	147	57	10	1347
Shortlisted	96	10	90	59	61	44	31	4	395
Shortlisted applicants who met Standard but not appointed	1	0	1	0	0	0	0	0	2
Shortlisted applicants who are appointed	21	5	25	17	9	15	8	1	101



## Appendix 4 cont.

AGE									
Percentage - Apr - Sep	DSS	DEduc	DCS	CEX	DRP	DNS	DChS	DACS	Overall Council
<b>16-25</b>									
Made application	26.80%	12.00%	47.04%	42.03%	51.24%	17.69%	36.84%	10.00%	39.42%
Shortlisted	36.54%	33.33%	23.95%	21.55%	9.66%	26.92%	38.10%	0.00%	21.47%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	2.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.88%
Shortlisted applicants who are appointed	15.79%	100.00%	25.00%	20.00%	21.43%	14.29%	12.50%	0.00%	21.05%
<b>26-35</b>									
Made application	26.80%	40.00%	25.07%	29.71%	16.96%	24.49%	28.07%	30.00%	24.94%
Shortlisted	51.92%	60.00%	22.47%	24.39%	31.25%	44.44%	68.75%	33.33%	34.52%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	25.93%	33.33%	35.00%	45.00%	20.00%	31.25%	36.36%	100.00%	32.76%
<b>36-45</b>									
Made application	25.77%	28.00%	16.06%	17.75%	16.25%	29.93%	28.07%	40.00%	20.27%
Shortlisted	68.00%	28.57%	35.09%	20.41%	32.61%	31.82%	62.50%	50.00%	39.19%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	26.47%	50.00%	20.00%	30.00%	20.00%	35.71%	20.00%	0.00%	25.23%
<b>46-55</b>									
Made application	17.53%	20.00%	8.45%	7.97%	10.95%	23.13%	7.02%	20.00%	12.03%
Shortlisted	44.12%	20.00%	26.67%	18.18%	35.48%	14.71%	50.00%	50.00%	29.01%
Shortlisted applicants who met Standard but not appointed	6.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.13%
Shortlisted applicants who are appointed	13.33%	100.00%	50.00%	0.00%	0.00%	60.00%	50.00%	0.00%	23.40%
<b>56-65+</b>									
Made application	3.09%	0.00%	3.38%	2.54%	4.59%	4.76%	0.00%	0.00%	3.34%
Shortlisted	16.67%	0.00%	16.67%	0.00%	46.15%	28.57%	0.00%	0.00%	24.44%
Shortlisted applicants who met Standard but not appointed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Shortlisted applicants who are appointed	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	0.00%	0.00%	9.09%
<b>All Applicants</b>									
Made application	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Shortlisted	49.48%	40.00%	25.35%	21.38%	21.55%	29.93%	54.39%	40.00%	29.32%
Shortlisted applicants who met Standard but not appointed	1.04%	0.00%	1.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.51%
Shortlisted applicants who are appointed	21.88%	50.00%	27.78%	28.81%	14.75%	34.09%	25.81%	25.00%	25.57%

## Appendix 4 cont.



# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder

9 January 2006



**Report of:** Chief Personnel Services Officer

**Subject:** LOCAL GOVERNMENT PENSION SCHEME  
UPDATE

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

To update the Portfolio Holder on the Government's proposals for the Local Government Pension Scheme and initial responses from the Local Government Association and unions.

### **2.0 SUMMARY OF CONTENTS**

The report provides details of the Government's proposals for the Local Government Pension Scheme and initial responses from the Local Government Association and unions

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Corporate issues.

### **4.0 TYPE OF DECISION**

This is not a key decision.

### **5.0 DECISION MAKING ROUTE**

Portfolio Holder only.

### **6.0 DECISION(S) REQUIRED**

Note the report.

**Report of:** Chief Personnel Services Officer

**Subject:** LOCAL GOVERNMENT PENSION SCHEME  
UPDATE

---

**1. PURPOSE OF REPORT**

- 1.1 To update the Portfolio Holder on the Government's proposals for the Local Government Pension Scheme and initial responses from the Local Government Association and unions.

**2. BACKGROUND**

- 2.1 As reported to the Portfolio holder meeting held on 28 November 2005, during the earlier part of 2005, there was a threat of industrial action by the trade unions in respect of possible and actual pension changes. The threat was averted when the ODPM agreed to revoke the changes due to be introduced in April 2005. At the same time a Tripartite Committee comprising ODPM, employers and trade union representatives was established to consider future options to meet the funding gap created.
- 2.2 The terms of reference of the Tripartite Committee were to "draw up proposals for the ongoing modernisation and development of the Scheme for implementation no later than April 2008, while, at the same time, ensuring its continued guaranteed delivery of affordable and sustainable, good quality, defined benefit pensions."
- 2.3 In November 2005, the Local Government Association and trade unions made proposals to the Tripartite Committee.
- 2.4 In early December 2005, the outcomes of recent constructive discussions with local authority employers and trades unions through the Tripartite Committee were set out in a written statement to Parliament.

**3. OUTCOMES SET OUT IN THE WRITTEN STATEMENT TO PARLIAMENT**

- 3.1 The written statement to Parliament (Appendix A) made by the Minister for Local Government, Phil Woolas detailed the agreement that had been reached on how the cost of temporarily reinstating the 85 year rule in the Scheme should be met, and a timetable for taking forward discussions on future reform of the Local Government Pension Scheme.
- 3.2 The Government's objective for the Local Government Pension Scheme is to ensure its ongoing affordability, sustainability and acceptability to taxpayers and, at the same time to provide good quality, attractive and flexible pensions that provide fairly for its existing and future membership.

- 3.3 A central tenet of this is the removal of the 85 year rule from the scheme (whereby local government workers can retire early if their age and years of service total more than 85), to comply with age discrimination legislation coming into force from 1 October 2006.

#### **4. RESPONSES TO THE WRITTEN STATEMENT TO PARLIAMENT**

- 4.1 The Local Government Association are supportive of the proposed changes. Chairman of the Local Government Association, Sir Sandy Bruce-Lockhart, said:

"The changes announced by Mr Prescott today are both needed and necessary

The key aspect of this decision is that the changes to the pension scheme do not cost the council taxpayer any more money while at the same time making sure that local government continues to be an attractive place to work in.

The Local Government Association has been pressing for these changes for the last 12 months.

In the long run, the current pensions scheme for council staff, particularly the '85 year rule' was not economically viable for council taxpayers and employers and not fair to many employees."

- 4.2 The response by the unions was not so supportive. Unison General Secretary Dave Prentis indicated they are considering taking legal action regarding the proposed removal of the "85 year rule" and consider the imposed changes as being an attack on LGPS members. He also pointed out that there are less protections than those agreed for existing members of other public-sector pension schemes at the Public Services Forum. Brian Strutton, GMB General Secretary for Public Services, indicated they are supportive of reviewing the entire Local Government Pension Scheme next year but raised concerns about the ability of the unions to negotiate protection to those closest to retirement age. The GMB wants an assurance that the approach of 'nothing ruled in and nothing ruled out' of the negotiating process still holds. Whatever is eventually agreed in the ensuing negotiations, the GMB does not believe any option, including lifetime protection, should be off limits. Further details of the Unison and GMB responses are attached at Appendices B and C respectively

#### **5. THE DRAFT REGULATIONS**

- 5.1 On 5 December 2005, the Government issued draft regulations (Appendix D) to amend the Local Government Pension Scheme Regulations 1997. The amendments, as now proposed, will have the effect of removing the 85 year rule from the scheme from 1 October 2006 and to implement, from 1 April 2006, the tax simplification regime detailed in the Finance Act 2004. An

addendum (Appendix E) to the draft regulations was issued on 10 December 2005.

- 5.2 The Government has also provided an indicative timetable (Table 10 for implementing the above changes as well as in respect of the new look LGPS for 2008

Table 1

<b>Statutory consultation exercise for 2006 amendments</b>	<b>Discussions on a new-look LGPS for 2008</b>
◆ Begin consultation (December 2005 until February 2006)	Begin discussions December 2005
◆ Discussions on contents of the consultation to continue within the framework provided by the Tripartite Committee	Monthly meetings thereafter until early summer 2006
◆ If necessary, consultations on the transitional protections to be integrated with those taking place for the new-look Scheme	Issue policy discussion paper June 2006, for comment by early September
◆ Regulations made and laid in March 2006, to achieve coming into force date of 6 April for HM Revenue and Customs taxation simplifications; and coming into force date of 1 October 2006 for provisions dealing with the 85 year rule and transitional protections	Statutory consultation exercise on draft regulations implementing a new-look LGPS to begin November 2006 until early New Year 2007  New-look LGPS provisions in place April 2007  New-look LGPS provisions coming into force April 2008.

- 5.3 Comments are invited on the draft regulations, including on the addendum, by 28 February 2006.

## **6. UNISON RESPONSE TO THE DRAFT REGULATIONS**

- 6.1 In response to the draft regulations, Unison have indicated that they intend to
- influence the draft Regulations before they are laid by using the period up to the resumption of Parliament on 9 January to get their members involved in putting pressure on MP's and key LGA councillors and
  - take a high profile in opposing the abolition of the 85 Rule with no commitment at all to protection.

**7. RECOMMENDATION**

That the Portfolio Member note the report and determine the Council's response to the draft regulations.

Written statement to Parliament by Phil Woolas, Minister for Local Government

“My Statement to the House on 13 July made it clear that, taking account of costed assessments of the effect on the Local Government Pension Scheme (the LGPS) of reinstating the rule of 85 with effect from 1 April 2005, the Deputy Prime Minister would come forward with new regulations in the autumn to address the consequences for the Scheme in time for the provisions to be in place from April 2006.

Careful consideration has been given to the representations and specialist actuarial advice received from interested parties involved with the Scheme, and to the helpful discussions involving the key stakeholders within the framework of the LGPS Tripartite Committee. The estimates provided by LGPS administering authorities of the anticipated cost pressures arising from the decision to reinstate the rule of 85 in the Scheme with effect from 1 April 2005, have also been taken into account. Draft amending regulations will shortly be circulated for consultation to all LGPS interests in England and Wales and will be laid before Parliament in the New Year once they are finalised.

The combined scope of the consultation package and the subsequent regulations will secure the on-going solvency of the Scheme without any additional calls on central or local government budgets. This meets the Government’s intention to secure the continued affordability and long term viability of the Scheme, and its acceptability to taxpayers.

Amending regulations, on which the necessary statutory consultation begins shortly, will directly contribute towards mitigating and managing the costs pressures arising from the decision to reinstate the rule of 85 in respect of pension liabilities accruing on the Scheme for the period 1 April 2005 until 30 September 2006. Other amendments, based on the responses received from a previous consultation exercise carried out over the summer, will further extend the existing flexibilities in the LGPS linked to the new tax regime for occupational pension Schemes already established by the Finance Act 2004.

Further Scheme amendments are also necessary to implement the terms of the European Employment Directive 2000/78/EC which establishes a general framework for equal treatment in employment and occupation. To give effect to the Directive and compliance with the timetable for associated Government legislation on age discrimination and employment law being introduced by DTI, the effective date for the removal of the rule of 85 from the LGPS will be 1 October 2006. Subject to the outcome of the proposed consultation exercise, it will be necessary to put in place appropriate safeguards, which can be objectively justified, for those LGPS members closest to retirement to take effect from the same date. The statutory consultation will provide a framework for discussion between the local authority employers and the trades unions in particular about the precise terms of these safeguards, and to explore how these may be associated both with the current proposed Scheme changes, and others which may be developed in the wider discussion about the future of the Scheme.



Balancing the scope of such safeguards with the opportunity to develop the longer term reform of equality proofed Scheme will form an integral part of the discussions and negotiations which the Tripartite Committee stakeholders have already agreed to undertake over the next six months. These will involve local authority employers, trades unions and other Scheme interests in a programme of discussion and analysis to modernise and reform the Scheme. These discussions will take account of wider pension policy developments, to ensure the LGPS can meet the challenges of a changing and flexible workforce, in and around local government, and deal effectively with the high incidence of part-time employees many of whom are female on lower incomes.

It is intended to consult widely on a policy discussion paper, about the proposed way forward for the LGPS in the Summer of 2006 for analysis and comment. This will allow a subsequent statutory consultation to begin later in the autumn of 2006, leading to new Scheme provisions for April 2007 with the ultimate objective of having a new-look LGPS in place for April 2008.

The continued affordability and viability of the Scheme, as well as its acceptability to taxpayers, remains a central theme of the Government's intentions for the LGPS. So too is our commitment towards ensuring the Scheme offers an equality proofed pension framework for all its increasingly diverse and part-time workforce. Delivering an effective and affordable balance between the cost of its provision to employers and tax payers on the one hand, and fairness to Scheme members on the other, remains a priority, within the overall resource framework of local government and of other employers within the Scheme. A flexible and attractive pension scheme for local government and employers associated with it is now required.

This Statement is in effect, the beginning of a series of detailed consultations with all LGPS interests about the future of the Scheme. Initially, the affordability of the existing LGPS must be established but, in doing that, it is essential to begin to move forward and begin to discuss and analyse the possible form and content of a new-look LGPS for 2008. All LGPS interests are committed to that intent and objective.”

Press release issued by Unison

“Plans to change local government retirement rules  
(02/12/05) The government faces a legal challenge over plans to change pension provision for the worse for millions of public service workers.

UNISON objects to the government's decision to end the so-called 'rule of 85' which allows some members of the Local Government Pension Scheme (LGPS) to retire at 60 with a full pension, if their age and years of service add up to 85.

A parliamentary statement by the local government minister Phil Woolas said the rule will end on 1 October 2006, to comply with proposed government legislation on age discrimination and employment.

But UNISON general secretary Dave Prentis pointed out: "The law he is referring to does not yet exist. We believe the government and the Local Government Association (LGA) have the law wrong."

Responding to a claim by LGA chair Sir Sandy Bruce Lockhart that the changes are "both needed and necessary", Prentis said: "These imposed changes are an attack on LGPS members.

"They have paid 6% of their salary all their working lives. They're not responsible for the state of the pension schemes. It is people like Sir Sandy Bruce Lockhart who took pensions holidays and reduced funding of the schemes. Why should our members pay for their mistakes?"

While the government statement spoke of "appropriate safeguards, which can be objectively justified, for those LGPS members closest to retirement", the union pointed out that this is still less than the protections agreed for existing members of other public-sector pension schemes at the Public Services Forum.

"All we have asked for is the same treatment as other public-sector workers who have their existing pension rights protected. It is a matter of fairness and equality," said Prentis.

Today's parliamentary statement said draft regulations will "shortly" be circulated for a statutory 12-week consultation. "We have 12 weeks to continue talks and make the government see sense before the order becomes final," said Prentis.

The union will consider any further response to the announcement when activists representing members in the scheme – which includes police and university staff, among others – meet on Tuesday 6 December"

Statements issued by GMB

“Brian Strutton, GMB National Secretary for Public Services made 2 statements in response to the announcement:

"On the one hand we have achieved the objective of covering the cost of revocation without having to increase employee contributions or council tax. All the Trade Unions would agree that the Rule of 85 is unfair and needs to be replaced. We also agree that the Trade Unions and employers need to review the entire LGPS next year.

However, ODPM appear to have introduced a problem of their own making. In their manner of removing the Rule of 85 they seem to be suggesting restricting the ability to negotiate protection to those closest to retirement. This would be an unnecessary and unwarranted interference. However, if the ODPM are saying we have the ability to negotiate all forms of protection for existing members of the scheme then that is a different matter.

Both the employers and Trade Unions were prepared to keep all options on the table, including the possibility of lifetime protection if that is what was decided. John Prescott has refused to be party to the negotiations so far, yet if he is imposing his own view he would be confusing his role as a politician with his duty as Regulator of the scheme.

The GMB is seeking urgent clarification with the ODPM of the scope of future negotiations, including protection."

**and**

“After intensive talks between the unions, employers and officials involved in the LGPS, the ODPM today made a statement in Parliament in accordance with the Deputy Prime Minister, John Prescott's commitment when the removal of the Rule of 85 was revoked earlier this year.

The hurdle of the supposed cost of revocation that the employers were claiming has been cleared without the need to increase employee contributions or council tax. The GMB effectively rebutted the employers' excessive claims and a way forward has now been found.

The statement from the ODPM signals the introduction of draft regulations to remove the Rule of 85 from October 2006 in light of Prescott's legal advice that the rule will contravene age discrimination legislation that is due to be published early next year. The trade unions do not agree with his interpretation of the proposed legislation - particularly when the exact law is not yet known - but are keen to negotiate a fair and equitable early retirement mechanism for all in the LGPS.

The GMB is seeking clarity from the ODPM on the scope of the negotiations on the issue of protection for existing scheme members. The statement made today is unclear on this point and the GMB wants an assurance that the approach of 'nothing ruled in and nothing ruled out' of the negotiating process still holds. Whatever is

eventually agreed in the ensuring negotiations, the GMB does not believe any option, including lifetime protection, should be off limits.

Over the next week we will be in discussion with the other local government unions to continue with cooperative approach to the next stage in the negotiating process. GMB has always maintained that it is the next stage that is most crucial i.e. the overall review of the LGPS. At least the employers' spurious arguments have been defeated, let's hope the ODPM give us a clear run at the negotiations to take place next year.

Office of the Deputy Prime Minister

From: Terry Crossley  
 Head of Local Government & Firefighters' Pensions Schemes Division  
 Zone 2/G9  
 Ashdown House  
 123 Victoria Street  
 LONDON SW1E 6DE

e-mail: [terry.crossley@odpm.gov.uk](mailto:terry.crossley@odpm.gov.uk)

Web Site: [www.odpm.gov.uk](http://www.odpm.gov.uk)

Date: 5 December 2005

To: Addressees as attached

Dear Colleague

**The Local Government Pension Scheme (Amendment) (No.3) Regulations 2005: Consultation draft**

With Ministers' agreement I enclose, for your comments, [draft regulations](#) to amend the Local Government Pension Scheme Regulations 1997 (the "principal regulations").

The amendments, as now proposed, will have the effect of removing from the Scheme the provision, commonly known as the 85 year rule, from 1 October 2006. They will also have the effect of amending the regulations in accordance with the Finance Act 2004, from 6 April 2006. The regulations have been divided into five Parts in order to achieve this objective.

This consultation follows a Statement made to Parliament on 2 December by the Minister for Local Government, Phil Woolas. A copy of the Statement is attached at Annex A.

Consultees are requested to consider the terms of the Statement carefully. It provides a context for this current national, statutory consultation exercise and the parallel discussions needed, to begin the task of reforming the LGPS, involving all LGPS interests in England and Wales.

Ministers see considerable advantage in both workstreams being seen as mutually supportive, with each contributing to and influencing the other. A timetable to summarise current intentions is set out below.

<b><u>Statutory consultation exercise for 2006 amendments</u></b>	<b><u>Discussions on a new-look LGPS for 2008</u></b>
<ul style="list-style-type: none"> <li>▪ Begin consultation (December 2005 until February 2006)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Begin discussions December 2005</li> </ul>
<ul style="list-style-type: none"> <li>▪ Discussions on contents of the consultation to continue within the framework provided by the Tripartite Committee</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monthly meetings thereafter until early summer 2006</li> </ul>
<ul style="list-style-type: none"> <li>▪ If necessary, consultations on the transitional protections to be integrated with those taking place for the new-look Scheme</li> </ul>	<ul style="list-style-type: none"> <li>▪ Issue policy discussion paper June 2006, for comment by early September</li> </ul>

<ul style="list-style-type: none"> <li>Regulations made and laid in March 2006, to achieve coming into force date of 6 April for HM Revenue and Customs taxation simplifications and coming into force date of 1 October 2006 for provisions dealing with the 85 year rule and transitional protections</li> </ul>	<ul style="list-style-type: none"> <li>Statutory consultation exercise on draft regulations implementing a new-look LGPS to begin November 2006 until early New Year 2007</li> </ul>
	<ul style="list-style-type: none"> <li>New-look LGPS provisions in place April 2007</li> </ul>
	<ul style="list-style-type: none"> <li>New-look LGPS provisions coming into force April 2008</li> </ul>

As detailed in the [Regulatory Impact Assessment](#) (RIA) accompanying this consultation, two feasible ways of meeting the cost pressures arising from the reinstatement of the 85 year rule were considered. This consultation is based on the Government's preferred option.

Your comments are invited by no later than 28 February 2006.

### **Schedule Contents**

#### **Part I: General**

This Part relates to the citation, commencement, interpretation and application of the regulations. The separate Parts of the SI have different coming into force dates, which are set out in regulation 1.

#### **Part II: Cost of Liabilities**

This Part contains the provision intended to meet the cost pressures of temporarily reinstating the 85 year rule in the Scheme following the revocation of the Local Government Pension Scheme (Amendment) (No.2) Regulations which had originally removed it. It will come into force from 6 April 2006.

When the decision was taken to revoke the 2004 regulations, it was made clear, in a Statement to Parliament on 13 July, that any cost pressures arising from that decision, would have to be met, at no cost to the taxpayer.

Both the local government employers and trades unions have agreed that there is a cost pressure which needs to be met. By using a provision permissible under the Finance Act 2004, and by spreading any identified cost pressures over the period set out in the Funding Strategy Statement, it will be possible to reduce the liabilities facing the Scheme. This will ensure that the cost pressures arising from the temporary reinstatement do not fall on the taxpayer.

An illustration of how the tax provision will work, in practice, is set out in Annex B.

#### **Part III: The tax regime**

This Part of the SI relates to other tax simplification measures which need to be enacted in accordance with the Finance Act 2004. It will come into force from 6 April 2006.

This consultation follows an earlier exercise conducted from July to September 2005, which set out the planned amendments to the Local Government Pension Scheme Regulations 1997, in order that they comply with provisions as set out in the Finance Act 2004.

The Finance Act 2004 provisions introduce a single tax regime from 6 April 2006 which will:

- Introduce annual and lifetime limits;

- Allow the maximum sum an individual can put into their pension scheme in a single tax year (from 2006) to be a sum equal to their annual salary (up to a maximum of £215,000). If the maximum amount is exceeded then a tax charge will fall due;
- Introduce a capital limit of £1.5 million which may be built up over a person's working lifetime. Where the total capital value of an individual's pension rights breaches this lifetime limit, a tax recovery charge will be made. (To put this into context, only employees earning in excess of £130,000 per annum and with 40 years membership of a scheme, with accrual rates as per the current LGPS, would be affected. This follows from the method of calculating the capital value which is based on multiplying pension by 20 and adding any lump sum);
- Allow for the release of a pension from a scheme operated by an employer by whom they are still employed;
- Allow individuals to contribute towards concurrent pension arrangements in respect of the same employment.
- The 40 year limit on contributions will be removed, but a limit will be placed on the amount of added years that can be purchased from the Scheme.

The amendments in this part are intended to introduce the provisions as set out above, in the LGPS with effect from 6 April 2006.

#### **Part IV: The 85 year rule**

This Part removes the 85 year rule from the Scheme. It will come into effect from 1 October 2006.

The European Employment Directive 2000/78/EC, which establishes a framework for equal treatment in employment and occupation, requires the UK to remove any practices which could be considered age discriminatory.

To implement the Directive into UK law, draft Employment Equality (Age) Regulations 2006 were issued for consultation from July to October 2005 by the Department for Trade and Industry (DTI). These regulations will come into force from 1 October 2006.

The Government believes that the 85 year rule is age discriminatory and must, therefore, be removed from the Scheme by no later than 1 October 2006.

Further explanation of the 85 year rule and why it is deemed to be age discriminatory is contained in Annex C.

This Part of the SI also proposes a facility which would permit members to nominate a chosen individual retirement age between 60 and 65 and make further contributions so as to offset possible actuarial reduction to part of a pension. Working beyond the nominate date would result in an actuarial increase in rights accrued. This provision has been included in the light of the number of requests from Scheme members to permit specific contributions to allow for early retirement.

#### **Part V: Miscellaneous**

This part contains miscellaneous provisions and relates to transitional protections and savings, and the right to opt out. It will come into effect from 1 April 2006.

#### **Schedule: Transitional Provisions and Savings**

The Schedule is provided here for consultation purposes in order to provide an indication, to consultees and their representatives, of what form the transitional protections might take and what cost implications will need to be resolved.

This aspect of the current consultation, is intended to provide LGPS Stakeholders an opportunity to continue discussing transitional protection options, within the framework now provided by the Tripartite Committee, and in parallel with those taking place about the development of the new-look LGPS. The precise form of the transitional protections selected is intended to take effect from 1 October 2006.

It may be necessary, with the agreement of Ministers, to extend these discussions, and so this part of the current consultation. This could necessitate, a further consultation on the proposed final form of the transitional protections, as agreed by the Stakeholders. This could take place next summer, with amending regulations coming into force from 1 October 2006, as originally planned.

### **Responses**

Your comments should be sent in the first instance to Nicola Rochester, Local Government and Firefighters' Pensions Schemes Division, ODPM, Zone 2/E6, Ashdown House, 123 Victoria Street, London, SW1E 6DE, (tel: 020 7944 6016),

Electronic responses can be sent to [nicola.rochester@odpm.gsi.gov.uk](mailto:nicola.rochester@odpm.gsi.gov.uk)

A summary of responses to this consultation will be published within 3 months of the close of consultation at [www.xoq83.dial.pipex.com](http://www.xoq83.dial.pipex.com)

This consultation follows the Government code of practice on consultations, which is attached at Annex D.

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the DPA and in the majority of circumstances; this will mean that your personal data will not be disclosed to third parties.

Yours sincerely,

**T B J Crossley**



**OFFICE OF THE DEPUTY PRIME MINISTER****Local Government Pension Scheme**

**The Minister for Local Government (Phil Woolas):** My Statement to the House on 13 July made it clear that, taking account of costed assessments of the effect on the Local Government Pension Scheme (the LGPS) of reinstating the rule of 85 with effect from 1 April 2005, the Deputy Prime Minister would come forward with new regulations in the autumn to address the consequences for the Scheme in time for the provisions to be in place from April 2006.

Careful consideration has been given to the representations and specialist actuarial advice received from interested parties involved with the Scheme, and to the helpful discussions involving the key stakeholders within the framework of the LGPS Tripartite Committee. The estimates provided by LGPS administering authorities of the anticipated cost pressures arising from the decision to reinstate the rule of 85 in the Scheme with effect from 1 April 2005, have also been taken into account. Draft amending regulations will shortly be circulated for consultation to all LGPS interests in England and Wales and will be laid before Parliament in the New Year once they are finalised.

The combined scope of the consultation package and the subsequent regulations will secure the on-going solvency of the Scheme without any additional calls on central or local government budgets. This meets the Government's intention to secure the continued affordability and long term viability of the Scheme, and its acceptability to taxpayers.

Amending regulations, on which the necessary statutory consultation begins shortly, will directly contribute towards mitigating and managing the costs pressures arising from the decision to reinstate the rule of 85 in respect of pension liabilities accruing on the Scheme for the period 1 April 2005 until 30 September 2006. Other amendments, based on the responses received from a previous consultation exercise carried out over the summer, will further extend the existing flexibilities in the LGPS linked to the new tax regime for occupational pension Schemes already established by the Finance Act 2004.

Further Scheme amendments are also necessary to implement the terms of the European Employment Directive 2000/78/EC which establishes a general framework for equal treatment in employment and occupation. To give effect to the Directive and compliance with the timetable for associated Government legislation on age discrimination and employment law being introduced by DTI, the effective date for the removal of the rule of 85 from the LGPS will be 1 October 2006. Subject to the outcome of the proposed consultation exercise, it will be necessary to put in place appropriate safeguards, which can be objectively justified, for those LGPS members closest to retirement to take effect from the same date. The statutory consultation will provide a framework for discussion between the local authority employers and the trades unions in particular about the precise terms of these safeguards, and to explore how these may be associated both with the current proposed Scheme changes, and others which may be developed in the wider discussion about the future of the Scheme.

Balancing the scope of such safeguards with the opportunity to develop the longer term reform of an equality proofed Scheme will form an integral part of the discussions and negotiations which the Tripartite Committee stakeholders have already agreed to undertake over the next six months. These will involve local authority employers, trades unions and other Scheme interests in a programme of discussion and analysis to modernise and reform the Scheme. These discussions will take account of wider pension policy developments, to ensure the LGPS can meet the challenges of a changing and flexible workforce, in and around local government, and deal effectively with the high incidence of part-time employees many of whom are female on lower incomes.

It is intended to consult widely on a policy discussion paper, about the proposed way forward for the LGPS in the Summer of 2006 for analysis and comment. This will allow a subsequent statutory consultation to begin later in the autumn of 2006, leading to new Scheme provisions for April 2007 with the ultimate objective of having a new-look LGPS in place for April 2008.

The continued affordability and viability of the Scheme, as well as its acceptability to taxpayers, remains a central theme of the Government's intentions for the LGPS. So too is our commitment towards ensuring the Scheme offers an equality proofed pension framework for all its increasingly

diverse and part-time workforce. Delivering an effective and affordable balance between the cost of its provision to employers and tax payers on the one hand, and fairness to Scheme members on the other, remains a priority, within the overall resource framework of local government and of other employers within the Scheme. A flexible and attractive pension scheme for local government and employers associated with it is now required.

This Statement is in effect, the beginning of a series of detailed consultations with all LGPS interests about the future of the Scheme. Initially, the affordability of the existing LGPS must be established but, in doing that, it is essential to begin to move forward and begin to discuss and analyse the possible form and content of a new-look LGPS for 2008. All LGPS interests are committed to that intent and objective.

## Annex B

**Part II: Cost of Liabilities: An explanation**

- Scheme members may currently take 3 times the amount of their final pension, as a tax-free lump sum, when they retire.
- The current 3 times final pension permitted in the LGPS equates to roughly 15% of the capital value, using the HM Revenue and Customs stipulated conversion factor of multiplying annual pension by 20.
- From 6 April 2006, Scheme members will be able to increase this amount up to a maximum of 25% of the capital value of their pension fund.
- Any amount taken above the current three times limit would be paid for by the Scheme member commuting part of their final pension, e.g. swapping pension for tax-free cash at a commutation rate of 12:1. This means for every £1 of pension the Scheme members foregoes, they will receive £12 of tax-free cash.
- Only any amount taken above the current three times limit would be commuted.
- Any attached spouse's pension would be unaffected.
- The following illustrative examples may help:
  - Under the current rules Scheme member A is set to receive £4,000 pension per annum, with £12,000 lump sum. From 6 April if they chose they could receive £3,300 pension per annum, with £20,400 lump sum.
  - Under the current rules Scheme member B is set to receive £10,000 pension per annum, with £30,000 lump sum. From 6 April if they chose they could receive £8,500 pension per annum, with £48,000 lump sum.
  - Under the current rules Scheme member C is set to receive £30,000 pension per annum, with £90,000 lump sum. From 6 April if they chose they could receive £25,000 pension per annum, with £150,000 lump sum.

## Annex C

**Part IV: The 85 year rule**

The normal retirement age for Scheme members is 65.

The 85 year rule currently allows Scheme members, from aged 60, to voluntarily retire on an unreduced pension where the sum of their age plus service equals 85 years. Scheme members satisfying the rule between age 50 to 60 may also retire with no actuarial reduction to pension, but they need their employers' consent.

The following example may be useful in demonstrating the age-discriminatory aspects of the rule: Two Scheme members are in comparable situations but for their age; one is aged 61 and the other is aged 63; they both have 22 years service and wish to retire; the 63 year old would receive a full pension, as they satisfy the 85 year rule ( $63 + 22 = 85$ ), whereas the 61 year old would suffer an actuarial reduction to their pension ( $61 + 22 = 83$ ), as they do not satisfy the rule. The reason for the different pension entitlement is on the basis of age; therefore the rule is age discriminatory.

Retention of the rule for all Scheme members cannot be justified on the grounds that it rewards long service. For example, a scheme member aged 58 with 27 years' service satisfies the 85 year rule ( $58 + 27 = 85$ ) and therefore can retire, with their employer's consent, on a full pension. However, a scheme member aged 51 with 33 years' service would not ( $51 + 33 = 84$ ).

Under terms of reference agreed at the LGPS Tripartite Committee, the actuarial firm Hymans Robertson completed a demographic report on the LGPS in England and Wales. This showed that the 85 year rule not only discriminates against age, but it also discriminates against women, as their length of service is likely to be less than men's (because, for a number of well-known reasons, women may start work for their employer later, have career breaks, or as a result of other factors), and they are, therefore, less likely to be in a position to qualify for the 85 year rule.

## Annex D

**The consultation criteria**

The Government has adopted a code of practice on consultations. The criteria below apply to all UK national public consultations on the basis of a document in electronic or printed form. They will often be relevant to other sorts of consultation.

Though they have no legal force, and cannot prevail over statutory or other mandatory external requirements (e.g. under European Community Law), they should otherwise generally be regarded as binding on UK departments and their agencies, unless Ministers conclude that exceptional circumstances require a departure.

- 1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.**
- 2. Be clear about what your proposals are, who may be affected, what questions are being asked and the timescale for responses.**
- 3. Ensure that your consultation is clear, concise and widely accessible.**
- 4. Give feedback regarding the responses received and how the consultation process influenced the policy.**
- 5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.**
- 6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.**

The full consultation code may be viewed at  
[www.cabinet-office.gov.uk/regulation/Consultation/Introduction.htm](http://www.cabinet-office.gov.uk/regulation/Consultation/Introduction.htm)

Are you satisfied that this consultation has followed these criteria? If not, or you have any other observations about ways of improving the consultation process please contact

Adam Bond, ODPM Consultation Co-ordinator, Room 2.19, 26 Whitehall, London, SW1A 2WH;  
or by e-mail to: [adam.bond@odpm.gsi.gov.uk](mailto:adam.bond@odpm.gsi.gov.uk)

**Addressed to:**

The Chief Executive of:

County Councils (England)  
District Councils (England)  
Metropolitan Borough Councils (England)  
Unitary Councils (England)  
County and County Borough Councils in Wales  
London Borough Councils  
South Yorkshire Pension Authority  
Tameside Metropolitan Borough Council  
Wirral Metropolitan Borough Council  
Bradford Metropolitan City Council  
South Tyneside Metropolitan Borough Council  
Wolverhampton Metropolitan Borough Council  
London Pension Fund Authority  
Environment Agency.

Town Clerk, City of London Corporation  
Clerk, South Yorkshire PTA  
Clerk, West Midlands PTA

Fire and Rescue Authorities in England and Wales  
Police Authorities in England and Wales  
Employers' Organisation  
SOLACE  
CIPFA

ALAMA

UCEA

Police Authorities

Society of County Treasurers

Society of Welsh Treasurers

Society of Metropolitan Treasurers  
National Probation Service for England and Wales

Trades Union Congress  
UNISON  
TGWU  
GMB  
UCATT  
NAEIAAC  
NAPO  
AMICUS

Other Government Departments  
GAD  
DoE (NI)  
SPPA

Local Government Association (LGA)  
LGPC  
SOCPO  
ALACE

New Towns Pension Fund

Audit Commission

Fire and Rescue Authorities

Association of Consulting Actuaries

Association of District Treasurers

Society of Chief Personnel Officers  
Society of London Treasurers

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 STATUTORY INSTRUMENTS
 

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2005 No. \*

**PENSIONS, ENGLAND AND WALES****The Local Government Pension Scheme (Amendment) (No. 3) Regulations 2005***Made* - - - - *XX XXXX 2006**Laid before Parliament* *XX XXXX 2006**Coming into force* - - *In accordance with regulation 1*

These Regulations are made in exercise of the powers conferred by sections 7 and 12 of the Superannuation Act 1972(1).

In accordance with section 7(5) of that Act, the First Secretary of State has consulted (a) such associations of local authorities as appeared to him to be concerned; (b) the local authorities with whom consultation appeared to him to be desirable; and (c) such representatives of other persons likely to be affected by the Regulations as appeared to him to be appropriate.

The First Secretary of State makes the following Regulations:

**PART Error! Bookmark not defined.****General****Citation, commencement, interpretation and application**

1.0 1.—(1)a) These Regulations may be cited as the Local Government Pension Scheme (Amendment) (No. 3) Regulations 2005.

1.1 (2) These Regulations apply in relation to England and Wales(2).

1.2 (3) These Regulations shall come into force as follows—

1.2.1 (a) Parts 1,2 and 5 on 1st April 2006;

1.2.2 (b) Part 3 on 6th April 2006; and

1.2.3 (c) Part 4 on 1st October 2006.

1.3 (4) In these Regulations, “the principal Regulations” means the Local Government Pension Scheme Regulations 1997(3).

**Amendment of Regulations**

2.0 2. The principal Regulations shall be amended in accordance with regulations 3, 5 to 7(1) and 8 to 36 of these Regulations.

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(1) 1972 c. 11; section 12 was amended by section 10 of the Pensions (Miscellaneous Provisions) Act 1990 (c. 7).

(2) The Secretary of State’s functions under sections 7, 12 and 24 of the Superannuation Act 1972 in so far as they were exercisable in relation to Scotland were devolved to Scottish Ministers by section 63 of the Scotland Act 1998 (1998 c. 46) and article 2 of, and Schedule 1 to, the Scotland Act 1998 (Transfer of Functions to Scottish Ministers etc) Order 1999 (S.I. 1999/1750).

(3) S.I.1997/1612; the relevant amending instruments are S.I. 1999/1212, 2000/1164, 2001/1481, 2002/206, 2004/573, 2004/3372 and 2005/1903.

**PART Error! Bookmark not defined.**

## Cost of liabilities

**Calculations**

3.0 3. In regulation 20, after paragraph (3) insert—

“(3A) A member who retires on or after 6th April 2006 may elect to increase the retirement grant payable under paragraph (3) by commuting his pension, or a part thereof, at a rate of £12 for every £1 of annual pension entitlement surrendered.

(3B) But the total amount of the member’s retirement grant, including any sum received in accordance with an election under paragraph (3A), shall not exceed 25% of the capital value of his accrued rights.

(3C) The capital value of a person’s accrued rights shall be calculated as shown in guidance issued by the Government Actuary.”.

**Revised rates and adjustments certificates: period over which increased costs to be spread**

4.0 4.—~~(1)~~<sup>b</sup> This regulation applies where in considering whether to obtain a revised rates and adjustment certificate an administering authority pursuant to regulation 7 of the Local Government Pensions Scheme (Amendment) Regulations 2005<sup>(4)</sup> has determined an increased liability over that shown in the valuation of the relevant pension fund as at 31st March 2004 (“the 2004 valuation”).

4.1 (2) The administering authority shall spread the increased liability over the 2005 Funding Strategy Statement Period.

4.2 (3) In this regulation, “the 2005 Funding Strategy Statement Period” means the period over which the administering authority decided to spread the liabilities identified in the 2004 valuation, as set out in the first statement of their funding strategy published in accordance with regulation 76A of the principal Regulations.

4.3

**PART Error! Bookmark not defined.**

## The tax regime

**Further restrictions on eligibility**

5.0 5. In regulation 6(3), for “his 65th birthday” substitute “his 75th birthday”.

**Periods of membership**

6.0 6. In regulation 9, delete paragraph (1A).

**Employer’s discretion to reduce member’s contribution rate**

7.0 7.—~~(1)~~<sup>c</sup> Delete regulation 15.

7.1 (2) Where, before its revocation by paragraph (1), a member’s liability to make contributions to the Scheme has been reduced or, as the case may be, extinguished in accordance with regulation 15, he may elect within six months after the coming into force of this regulation to pay to the relevant fund the amount of the contributions which he would have paid had it not been for the resolution under regulation 15(1), and any period in respect of which he makes payment shall count towards his total period of membership for the purposes of regulation 9.

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(4) S.I. 2005/1903.



**Inland revenue limits on contributions**

- 8.0                                      8. Delete regulation 16.

**Optional contributions during absences**

- 9.0                                      9. For the words from “he may make” to the end of regulation 18(3) substitute—  
 “he may make a contribution under regulation 17 for the relevant contribution period at a rate calculated as the sum of the relevant employee contribution rate set out in regulation 12 and the common rate of employer contribution, calculated as set out in the most recent actuarial valuation obtained in accordance with regulation 77(4).”

**Limit on total amount of benefits**

- 10.0                                      10. After regulation 19 insert—

**“Limit on total amount of benefits**

**19A.** A member and any dependant of his shall not be entitled, under any provision of these Regulations, to receive benefits that, in total, exceed the limits calculated in accordance with the Finance Act 2004(5).”

**Calculations**

- 11.0                                      11. For regulation 20(4A) substitute—  
 “(4A) Benefits payable to a person who remains in service after his 65th birthday shall be increased at such a rate as is shown as appropriate in guidance issued by the Government Actuary.”.

**Final pay**

- 12.0                                      12. In regulation 21(1), delete the words “and Schedule 4”.

**Retirement after the normal retirement date**

- 13.0                                      13. For regulation 25A(2) substitute—  
 “(2) The pension and retirement grant are payable immediately on retirement or, if earlier, on the member’s 75th birthday.”

**Re-employed and rejoining deferred members**

- 14.0                                      14. In regulation 32, delete paragraph (2).

**Surrenders of pensions**

- 15.0                                      15. Delete regulation 33.

**Requirements as to time of payment**

- 16.0                                      16.—~~(1d)~~ After regulation 35(1) insert—  
 “(1A) But where, after 5th April 2006, a member who has attained the age of 60 elects, with his employer’s consent, to reduce the hours he works, or the grade in which he is employed, such benefits may be paid to him notwithstanding that he has not retired from that employment.  
 (1B) If the payment of benefits referred to in paragraph (1A) takes effect before the member’s earliest retirement age, the benefits payable are reduced in accordance with guidance issued by the Government Actuary.

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(5) 2004 c. 12.

(1C) But the employer may choose to waive, in whole or in part, any such reduction.

(1D) Where the employer so chooses, it shall pay to the fund the cost thereof as calculated by the fund's actuary."

16.1 (2) In paragraph (2), for "But they" substitute "In any event, retirement benefits under this Chapter".

### **Guaranteed minimum pensions etc.**

17.0 17. In regulation 36, delete paragraphs (7), (8) and (9).

### **Meaning of "eligible child"**

18.0 18. In regulation 44—

18.1.1 (a) At the beginning of paragraph (2) insert—

18.2 "Subject to paragraph (2A)".

18.2.1 (b) After paragraph (2) insert—

18.3 "(2A) Notwithstanding paragraph (2)(b), a pension coming into payment on or after 5th April 2006 which would otherwise be payable by virtue of that paragraph shall only continue while the child is aged under 23."

### **Scope of Part III: limits on benefits**

19.0 19. In regulation 51, delete paragraph (2).

### **Power of employing authority to increase total membership**

20.0 20. In regulation 52—

20.1.1 (a) at the end of sub-paragraph (2)(a) insert "or";

20.1.2 (b) delete sub-paragraph (2)(b); and

20.1.3 (c) after paragraph (10), insert—

"(11) An additional period arising from a resolution under this regulation on or after 1st October 2006 shall be treated as a period of membership after that date."

### **Effect of increases under this Chapter for older members**

21.0 21. Delete regulation 54.

### **Payments to increase total membership**

22.0 22. In regulation 55—

22.1.1 (a) for paragraph (2) substitute—

22.2 "(2) That period must not exceed 6? years"; and

22.2.1 (b) for paragraph 10(a) and (b), substitute "his NRD".

### **Effect of increases under this Chapter for older members**

23.0 23. Delete regulation 57.

### **Election for pension in lieu of retirement grant**

24.0 24. Delete regulation 58.

### **Employer's further payments**

25.0 25. In regulation 80, after paragraph (4), insert —

“(5) The appropriate administering authority may require the employing authority concerned to make additional payments to the appropriate fund in respect of any extra charge on the fund resulting from a pension and retirement grant becoming immediately payable to a member under regulations 26, 31(1) or 31(6).”.

### **Over-provision: calculation and return of surplus AVC and SVAVC funds**

26.0 26. Delete regulation 85.

### **Commencement of pensions**

27.0 27.—~~(4)e~~ In regulation 93(2), delete sub-paragraph (aa).

27.1 (2) For regulation 93(2)(b) substitute—

“(b) otherwise, unless he elects to defer payment, with his NRD (but any such deferral shall not extend beyond the date of his 75th birthday).”

### **First instance decisions**

28.0 28. In regulation 97(6) —

28.1.1 (a) at the end of sub-paragraph (b), insert “and”;

28.1.2 (b) in sub-paragraph (c), for “membership; and” substitute  
“membership.”; and

28.1.3 (c) delete sub-paragraph (d).

### **Revenue restrictions**

29.0 29. Delete Schedule 4.

## **PART Error! Bookmark not defined.**

### **The 85 year rule**

29.1

### **Normal retirement**

30.0 30. In regulation 25, delete paragraph (3A).

### **Other early leavers: deferred retirement benefits and elections for early payment**

31.0 31. In regulation 31

31.1 (1) In paragraph (4), delete the words from the beginning of the paragraph up to and including “is less than 85 years,”; and

31.2 (2) In paragraph (7), delete the words “or from such” to the end of the paragraph.

32.0 32. In regulation 32 (5)(a), for “29 and 31(4)” substitute “and 29”.

### **Nomination of early retirement date and payment of additional contributions**

33.0 33. After regulation 55 insert—

33.1 “55A(1) A member whose 60th birthday falls on or after 1st April 2013 may nominate a date after his 60th and before his 65th birthday on which he intends to retire (“his nominated date”).

(2) Such a member may elect to pay additional contributions under this regulation.

(3) The payment of such contributions offsets any actuarial reduction that would otherwise be applied to his pension in accordance with regulation 31 (Other early leavers: deferred retirement benefits and elections for early payment).

(4) The amount of such contributions shall be determined by the administering authority in accordance with guidance issued by the Government Actuary.

(5) But if the member continues in relevant employment after his nominated date, he shall cease to pay contributions under this regulation on that date.

(6) And the benefits payable to such a member on his retirement shall be increased in accordance with regulation 20(4A) which shall apply as if the words “his retirement date” were substituted for the words “his 65th birthday”.”.

### **Right to count credited period**

34.0 34. In regulation 122 —

34.1 (1) In paragraph (4), delete the words “or, if earlier” to the end of the paragraph; and

34.2 (2) After paragraph (6), insert -

“(6A) A credited period arising from a request to accept a transfer value under regulation 121 which is made by a person who was a member immediately before 1st October 2006 shall be treated as a period of membership before that date.

(6B) A credited period arising from a request to accept a transfer value under regulation 121 which is made by a person who becomes a member on or after 1st October 2006 shall be treated as a period of membership after that date.”

### **Credited periods for transferring members with mis-sold pension rights**

35.0 35. In regulation 122A(1), at the end of paragraph (1) add “(and regulation 122(6B) does not apply to a transfer value credited under this regulation)”.

### **Rights as to service not matched by credited period**

36.0 36. In regulation 123(2), delete sub-paragraph (b).

### **Excluded membership**

37.0 37. In Schedule 3, in paragraphs 7 and 8 of the Table, delete “or calculating NRD under regulation 25(3A)”.

### **Former members of the Metropolitan Civil Staffs Superannuation Scheme**

38.0 38. In Schedule 7, in paragraph 2(4), for “for the words from the beginning of the paragraph to “is less than 85 years” substitute” substitute “add at the beginning”.

## **PART Error! Bookmark not defined.**

### **Miscellaneous**

### **Transitional provisions and savings**

39.0 39. The Schedule to these Regulations (transitional provisions and savings) shall have effect.

### Right to opt out

40.0 40.—~~(1)~~<sup>f</sup> Where—

40.1.1 (a) apart from this regulation, the amendments made by these Regulations would place any relevant beneficiary in a worse position than he would otherwise be, and

40.1.2 (b) that relevant beneficiary so elects by notice in writing given to the appropriate administering authority within the period of six months beginning with 1st October 2006,

then the principal Regulations shall have effect in relation to him as if those amendments had never been made.

40.2 (2) For the purposes of paragraph (1), a relevant beneficiary is a person to whom any benefit is or may become payable being a benefit payable to or in respect of a person who—

40.2.1 (a) ceased to hold any employment in respect of which he was a member (whether or not he had subsequently recommenced any such employment), or

40.2.2 (b) dies while in such employment,

before—

40.2.2.1 (i) 1st April 2006, in respect of amendments made by Parts 2 and 5;

40.2.2.2 (ii) 6th April 2006, in respect of amendments made by Part 3; and

40.2.2.3 (iii) 1st October 2006, in respect of amendments made by Part 4.

Signed by authority of the First Secretary of State

\* 2005

Minister of State  
Office of the Deputy Prime Minister

## SCHEDULE

Regulation 39

### TRANSITIONAL PROVISIONS AND SAVINGS

#### Early leavers

1. Where a member —

(a) elects to receive the immediate payment of retirement benefits under regulation 31(1) of the principal Regulations; and

(b) satisfies the 85 year rule;

that part of his retirement pension and grant which is calculated by reference to any period of membership prior to the relevant date shall not be reduced in accordance with regulation 31(4) of the principal Regulations (as amended by regulation 31 of these Regulations).

2. For the purposes of paragraph 1 of this Schedule, the relevant date is —

- (a) in the case of a member who will be aged 60 or more on 31st March 2013, the earlier of —
  - (i) 1st April 2013; and
  - (ii) the date on the day after the day on which the member leaves local government employment;
- or
- (b) in any other case, 30th September 2006.

3. Where a member, who was a member prior to 30th September 2006 and to whom paragraph 2 of this Schedule does not apply —

- (a) elects to receive the immediate payment of retirement benefits under regulation 31(1) of the principal Regulations (as amended by regulation 31 of these Regulations); and
- (b) satisfies the 85 year rule,

that part of his retirement pensions and grant which is calculated by reference to any period of membership prior to 30th September 2006 shall not be reduced in accordance with regulation 31(4) of the principal Regulations (as amended by regulation 31 of these Regulations).

4. For the purposes of this Schedule, a member satisfies the 85 year rule if the sum of —

- (a) his age in whole years on the date his local government service ends or the date he elects under regulation 31(1) of the principal Regulations if later;
- (b) his total membership in whole years;
- (c) in a case where he elects after his local government employment ends, the period beginning with the end of that employment and ending with the date he elects; and
- (d) in the case of a person who was a member immediately before 1st April 1998, any qualifying period counted by virtue of regulation 123 which was awarded before 1st October 2006,

is 85 years or more.

5. Where a member who may elect under regulation 32(1) of the principal Regulations (re-employed and rejoining deferred members) does not do so or does not so elect as respects all periods of his membership, in applying paragraph 3 of this Schedule as respects any later membership, his total membership excludes unaggregated periods.

6. -(1) This paragraph applies to a member who —

(a) prior to 30<sup>th</sup> September 2006 elected to make additional contributions to the Scheme to increase his total membership under regulation 55(1) of the principal regulations (payments to increase total membership); and

(b) was assumed to retire from a local government employment on a date prior to his 65th birthday (“the assumed date”) for the purposes of calculating his additional contributions under regulation 55(6) of the principal Regulations.

(2) Where a member to whom this paragraph applies —

- (a) continues paying the additional contributions until the assumed date; and
- (b) retires on or after the assumed date,

he shall not pay any additional contributions after that date and the whole of the additional period may be counted as part of his total membership.

(3) An additional period counted as a period of total membership as a result of this paragraph shall be treated as a period of membership prior to 30th September 2006.

**EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

The amendments in these Regulations ...

[Link to Partial Regulatory Impact Assessment \(RIA\)](#)

[Link to cover letter](#)



Addressees as attached

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10 December 2005

Dear Colleague

**THE LOCAL GOVERNMENT PENSION SCHEME (Amendment) (No.3) REGULATIONS 2005:**  
**ADDENDUM**

A statutory consultation exercise on changes to the LGPS Regulations started on 5 December. Part III of the draft statutory instrument deals with the effects of the new tax regime which comes into place with effect from 6 April 2006. There are some further issues which all consultees need to take into account in commenting on these changes, in particular:-

**Removal of Cap**

During the earlier consultation exercise on Her Majesty's Revenue and Customs changes a small group of Class A and B members were identified who could enjoy a windfall if a simple adoption of HMRC revised allowance and lifetime limits were to be adopted as a result of removing current capping limits. It is therefore necessary for consultees to consider and comment on the following addition to the consultation draft.

- (1) This regulation applies where a member's final pay (calculated in accordance with regulation 21) would, if his final day of service were 5<sup>th</sup> April 2006, exceed £102,000.
- (2) In such a case, his period of membership for calculating his entitlement to any benefits payable under these regulations is obtained by aggregating his period of membership after that date with the period obtained by applying the formula set out in paragraph (3).
- (3) That formula is **X times 102,000 divided by Y**, where **X** is his period of membership before 6<sup>th</sup> April 2006 and **Y** is his final pay as mentioned in paragraph (1).

**Lifetime Limit**

A small number of current members may have capitalised pension rights equal too or in excess of the new lifetime limit of £1.5 million. Others may envisage a point before retirement when the limit is likely to be exceeded. It is possible for individuals, in the light of any independent financial advice, to approach HMRC and apply for primary or enhanced protection. Where such protection is given the subsequent benefit calculation will have to be done on a basis outwith a calculation for members within the lifetime allowance figure. Pensions administrators and employers will need to bring this issue to the attention of the relevant employees. The LGPS Regulations will in due course be amended to allow for such calculations.

**AVC Provision**

The consultation draft is silent on this issue, and therefore authorities should continue with the current requirement to have an AVC provider. This is to ensure consistency across all LGPS employers. Comments and observations are still, however, needed as to how Chapter IV of the 1997 Regulations could be simplified as well as how monies from AVC funds would interact with the facility to increase tax free lump sums as provided by regulation 3 of the draft consultation.



**Responses**

Responses to this letter should be made in the same way as responses to the letter of 5 December and should be received no later than 28 February 2006.

Therefore please send your comments in the first instance to Nicola Rochester, Local Government and Firefighters' Pensions Schemes Division, ODPM, Zone 2/E6, Ashdown House, 123 Victoria Street, London, SW1E 6DE, (tel: 020 7944 6016),

Electronic responses can be sent to [nicola.rochester@odpm.gsi.gov.uk](mailto:nicola.rochester@odpm.gsi.gov.uk)

Yours sincerely,

**Brian Town**

**Addressed to:**

The Chief Executive of:

County Councils (England)  
District Councils (England)  
Metropolitan Borough Councils (England)  
Unitary Councils (England)  
County and County Borough Councils in Wales  
London Borough Councils  
South Yorkshire Pension Authority  
Tameside Metropolitan Borough Council  
Wirral Metropolitan Borough Council  
Bradford Metropolitan City Council  
South Tyneside Metropolitan Borough Council  
Wolverhampton Metropolitan Borough Council  
London Pension Fund Authority  
Environment Agency.

Town Clerk, City of London Corporation  
Clerk, South Yorkshire PTA  
Clerk, West Midlands PTA

Fire and Rescue Authorities in England and Wales  
Police Authorities in England and Wales  
Employers' Organisation  
SOLACE  
CIPFA  
ALAMA  
UCEA  
Police Authorities  
Society of County Treasurers  
Society of Welsh Treasurers  
Society of Metropolitan Treasurers  
National Probation Service for England and Wales

Trades Union Congress  
UNISON  
TGWU  
GMB  
UCATT  
NAEIA  
NAPF  
AMICUS

Other Government Departments  
GAD  
DfES  
DoE (NI)  
SPPA

Local Government Association (LGA)  
LGPC  
SOCPO  
ALACE  
New Towns Pension Fund  
Audit Commission  
Fire and Rescue Authorities  
Association of Consulting Actuaries  
Association of District Treasurers  
Society of Chief Personnel Officers  
Society of London Treasurers

# **FINANCE AND PERFORMANCE MANAGEMENT PORTFOLIO**

Report To Portfolio Holder  
9<sup>th</sup> January 2006



**Report of:** Head of Procurement and Property Services

**Subject:** E BILLING OF ENERGY INVOICES

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## **SUMMARY**

### **1.0 PURPOSE OF REPORT**

To provide an update on progress towards E Billing.

### **2.0 SUMMARY OF CONTENTS**

Details of progress with implementation of E Billing

### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Good use of resources

### **4.0 TYPE OF DECISION**

Non - Key Decision

### **5.0 DECISION MAKING ROUTE**

Portfolio Holder Only

### **6.0 DECISION (S) REQUIRED**

Note and comment upon contents of Report

**Report of:** Head of Procurement and Property Services

**Subject:** E BILLING OF ENERGY INVOICES

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**1. PURPOSE OF REPORT**

- 1.1 To provide an update on progress towards E Billing

**2. BACKGROUND**

- 2.1 E Billing was first identified in 2003 as a useful route to efficiencies in time and resources and the previous update report was presented on 5<sup>th</sup> September 2005.
- 2.2 The costs were identified and agreed; funding was made available through the development fund (50%) and departmental funds.
- 2.3 Orders were placed with our database supplier Stark Software International to develop and install the software to run alongside our existing software until proven.

**3 SOFTWARE DEVELOPMENT**

- 3.1 The software has been installed recently in Newcastle City Energy Management Section and is currently under test.
- 3.2 The input modules (E Bills) have been developed and we are informed that both water and electricity modules are fully functional
- 3.3 The gas module is running but we are advised requires some further input from our chosen supplier Eon (Powergen)
- 3.4 It is apparent from initial tests on imported data that the Council's own Firewall corrupts the encrypted data to the extent it becomes useless. Northgate SX3 has been engaged to resolve the problem.
- 3.5 The E Billing package is to communicate with our financial package, currently CODA, the development of the link is to be carried out by Northgate SX3. Orders have been placed with Northgate SX3 but will be held until the replacement financial package is agreed. This will not be disruptive as the link will not become operable until we are satisfied the new software is both accurate and reliable in use in test mode.

- 3.6 The current estimate is that the system will be live by April 2006 in test mode.

#### **4. RECOMMENDATIONS**

- 4.1 The report be noted together with comments of the Portfolio Holder welcomed.