

JOINT FORUM

MEETING HELD AT 3:45 PM ON 25th January 2007 IN CONFERENCE
ROOM C3: 18, CASTLE BUILDINGS

In Attendance

Dr Andrew McCormick (Chair)

Mrs Mary Hinds

Mr David Bingham

Mr Danny Lambe

Mr Michael Daly

Mrs Janice Smyth

Mrs Carol McCabe

Mrs Mary Caddell

Mrs Mary Moreland (Minutes)

Mr Damian Prince

Apologies

None

1. Welcome and Introductions

Dr McCormick welcomed everyone and thanked them for being so understanding about the last minute change to the start time of the meeting.

2. Minutes of previous meetings

The minutes of 23rd November 2006 and 14th December 2006 were revised and agreed.

3. Matters arising from 14th December

Trade Union raised concerns regarding the exclusion of the Health Protection (HP) Group from the RPA affected groups. Mr Bingham reported that Mr John McMillen, Head of RPA Central Unit, OFMDFM has written confirming that the HP group do not meet the criteria for inclusion in RPA affected group, however, this decision could be revisited if subsequent policy decisions were made that impacted on this group.

4. Equality Update

Mrs Carol McCabe reported that a paper had been issued to the CJF in December summarising the roles of the Equality Directorate within the Office of the First Minister and Deputy First Minister (OFMDFM). Current work underway includes monitoring the impact, of decisions taken by Departments, in terms of promoting equality of opportunity, throughout the RPA implementation as well as developing a process for gathering and monitoring screening and Equality Impact Assessment (EQIA) outcomes to ensure a cross sectoral, co-ordinated approach. Data snapshots of the changing face of staff locations will also help inform future decisions. Mrs McCabe advised that one of the Directorate's major responsibilities was to help colleagues across Departments share screening and EQIA information across sectors to assist in mitigating future adverse impact.

5. Implementation Update

Mr Prince tabled paper 02/07 and provided the Forum with an overview of the current position relating to RPA implementation. In response to a question from Mrs Hinds about the programme health-check paper circulated at the previous meeting, Mr Prince confirmed that the proposed refinement of RPA costs and efficiencies should improve the financial information in support of the reform. The programme remains keen to be able to demonstrate the financial benefits of the changes. Trade Union Side asked for clarification surrounding the establishment of the stakeholder group for which nominations are currently being sought. It was agreed that Mr Prince would provide Trade Union side with the ToR for this group and also a diagram to identify the association between the various other groups.

Action

01/07 Mr Prince to provide Trade Union Side with the ToR for the stakeholder group to Trade Union and a diagram to link the various groups.

6. Cross Sector Update

Guiding Principles

Paper 01/07 on Severance had been circulated prior to the meeting. Mr Daly tabled paper 03/07 Guiding Principles (at 22/01/07), which provided an update on the current position on the seven Guiding Principles (GP) already published. Mr Daly noted that the 5th GP on Severance was the subject of on-going discussions with PSC.

The PSC is currently looking at capacity building, which may result in a further Guiding Principle.

Trade Union Side stated their appreciation that papers are now being received although they expressed some concern surrounding structures within this period where appointments have not yet been made.

Trade Union Side stated that they have written to Chief Executive's setting out their expectations in relation to structures. Mr Bingham reported that decisions on structures will not be made 'en bloc' and that Trade Union Side will be given 2 clear weeks to comment.

Trade Union Side also expressed concern that a Director of Primary Care is not being appointed to the HSSA. Mr Bingham agreed to raise this at his meeting with Mr Sissling.

Legislation

The draft of Health Legislation, the Libraries Legislation and the Public Authorities Reform are ready for publication, with a further three pieces of legislation expected to be ready later in the year.

Action

02/07 Mr Bingham to raise with Mr Sissling the concern of Trade Union Side with regards to a Director of Primary Care in the HSSA.

7. Date of the next meeting

Thursday 22nd February 2007, Conference Room C3: 18, Castle Buildings

SEVERANCE (MEMBER UNDER 50 AT DATE OF LEAVING)

1. Pension and Lump Sum Elements

All three schemes offer a pension and lump sum, payable under the rules of the pension scheme of which the person is a member and subject to qualifying criteria, that is:

<u>Civil Service</u>	2 or more years reckonable service
<u>Local Government</u>	a minimum of 3 months membership of the scheme
<u>HPSS</u>	2 years superannuable service.

2. Compensation Payments

In addition to the deferred pension and lump sum, all three schemes offer a compensation package

The Civil Service Scheme Classic, Premium and Classic Plus Arrangements offers a Lump Sum Compensation payment based on:

- 1 month's pensionable pay for each year of reckonable service;
- 1 month's pensionable pay for each year of service after 5 years qualifying service or qualifying service from age 30 (whichever is less); and
- 1 month's pensionable pay for each year of reckonable service after age 35.

The total compensation benefit is payable on leaving, but is limited to 3 times pensionable earnings.

Non-scheme members are entitled to receive the compensation payment as outlined above on leaving.

However, for staff with 'Reserved Rights', that is, those aged between 40 and 49 and serving in a mobile grade on 1 April 1987, the 3 times pensionable earnings limit does not apply.

SEVERANCE (MEMBER UNDER 50 AT DATE OF LEAVING) - contd

In the Local Government Scheme, employers may choose between two options.

First, the Local Government Early Termination of Employment (Discretionary Compensation) Regulations.

From 1 April 2007 each employer has the discretion to award up to 104 weeks pay (inclusive of statutory redundancy) as compensation. This is not subject to service or age qualification and it is the responsibility of each employer to formulate and publish a policy on how it will apply these regulations. This is payable on leaving.

Alternatively, the employer may use the provision in the LGPS(NI) Regulations 2002 to award up to 6 2/3 added years to scheme members. It is for each employer to make and publish a policy on how they will apply this provision. The benefits in this option are part of the deferred pension benefits package. Statutory Redundancy is payable, if applicable.

Staff who are not members of the pension scheme are covered by the Early Termination of Employment (Discretionary Compensation) Regulations

The HPSS Scheme offers a Lump Sum Compensation equivalent to 1 month's salary per year of reckonable service up to a maximum of 24 months payable on leaving service. Staff who are not members of the pension scheme are entitled to a compensation payment of 1 months pay for each year of service up to a maximum of 24 months payable on leaving. There is no age qualification.

SEVERANCE (MEMBER OVER 50 AT DATE OF LEAVING)

1. Pension and Lump Sum

All three schemes offer a pension and lump sum payment payable under the rules of the pension scheme of which the person is a member and subject to qualifying criteria, that is:

<u>Civil Service</u>	5 or more years reckonable service (special arrangements for staff with between 1 and 5 years. There are two options (see below). For Option A, these benefits are paid on leaving the service. However, in Option B, they are deferred until pension age is reached.
<u>Local Government</u>	a minimum of 3 months membership of the scheme and payable on leaving
<u>HPSS</u>	2 years superannuable service and payable on leaving

SEVERANCE (MEMBER OVER 50 AT DATE OF LEAVING) – contd

Compensation Payments

In addition to the pension and lump sum payable, all three schemes offer a compensation package

The Civil Service Scheme

Classic Arrangement has two options

For Option “A”, service is enhanced by 6 2/3 years for pension and lump sum as long as total is not then more than twice its actual length or the value of the benefits would not then be greater than those they would have received had they continued working in their current grade until pension age. A compensation payment of 6 months final pensionable earnings is also payable. The benefits are all payable on leaving service.

For “Option “B”, there is no enhancement of service to pension or lump sum.

There is a Compensation payment of:

- (I) 6 months pensionable pay
- (ii) $3/80 \times$ final pensionable earnings \times service enhancement of up to 6 2/3 years
- (iii) additional compensation payment of $3/80 \times$ final pensionable earnings \times reckonable service \times factor dependent of age at leaving (table provided by GAD)

All of these benefits are payable on leaving.

Note that Compulsory terms for both Options A and B include a compensation payment in lieu of notice payable at discretion of employer up to a maximum of 6 months pensionable pay.

Classic Plus and Premium Arrangements – as per Option B

Currently members over 60 at date of leaving in Classic, Premium and Classic Plus are not entitled to the compensation element of the package. They may have an entitlement to a Statutory Redundancy Payment but this is subject to the Statutory Redundancy Test.

Non-scheme members between age 50 and 60 are entitled to a compensation payment of 6 months pensionable earnings. Over 60's may have an entitlement to a Statutory Redundancy Payment but this is subject to the Statutory Redundancy Test.

SEVERANCE (MEMBER OVER 50 AT DATE OF LEAVING) – contd

The Local Government Scheme also has two options.

The Local Government Early Termination of Employment (Discretionary Compensation) Regulations- From 1 April 2007 the employer has the discretion to award up to 104 weeks pay (inclusive of statutory redundancy) as compensation, not subject to service or age qualifying – It is the responsibility of each employer to formulate and publish a policy on how it will apply these regulations. This is payable on leaving.

Employer may also use the provision in the LGPS(NI) Regulations 2002 to award up to 6 2/3 added years to scheme members – it is for each employer to make and publish a policy on how they will apply this provision. This is also payable on leaving. If the employee is aged 50 or over Statutory Redundancy is also paid, if applicable. If the member is over 50 (i.e. minimum pension age) when made redundant he/she has a right to immediate of pension.

Staff who are not members of the pension scheme are covered by the Early Termination of Employment (Discretionary Compensation) Regulations

SEVERANCE (MEMBER OVER 50 AT DATE OF LEAVING) – contd

The HPSS has two options,

The first is based payment of 1 month per year of reckonable service up to a maximum of 24 months and is payable on leaving

The second is if the capitalised cost of the pension benefits is less than the redundancy compensation payment, then the balance is paid to the member as a redundancy payment in addition to their pension and lump sum at date of leaving.

The member is given the choice of option.

For the HPSS Scheme, there are also Transitional Arrangements which have been agreed for staff aged 50 years at 30 September 2006 or who reach age 50 between 30 September 2006 and 30 September 2011. These arrangements ensure that

- Scheme members can continue to access **enhanced** early retirement benefits (i.e. under the old arrangements)
- No one retiring before 1 July 2006 will receive less than they would have done if they had retired on 30 September under the old arrangements.

Transition arrangements allow:

- Members the option of taking a redundancy compensation payment **and** *enhanced Superannuation Scheme benefits under the **old arrangements** as if they had retired on the 30 September,

Or

- If they prefer, opt for the new redundancy arrangements

Where a member opts to take benefits under the old arrangements i.e. pension arrangements prior to 1 October 2006 they are entitled to an enhanced pension and lump sum payment based on:

*Scheme members aged 50 and over are entitled to an enhanced pension and lump sum as follows:-

- Member with less than 10 years scheme membership, service will be doubled, subject to the maximum they could have attained by age 65

- Member with 10 or more years membership, membership increased by 10 years, subject to the maximum they could have attained by age 65
- Service cannot be increased to more than 40 years
- Enhanced service will be reduced according to the date of retirement. Whatever the enhancement is at 30 September 2006 it will be reduced on a day for day basis until 30 June 2007 and continue to reduce on a day to day basis after 30 June 2007 until 30 September 2011 in addition to a reduction of 1/60th for each whole month between 30 September 2006 and 30 September 2011.

Staff who are not members of the pension scheme are entitled to a compensation payment of 1 months pay for each year of service up to a maximum of 24 months payable on leaving. There is no age qualification.

RPA Implementation – Update Paper

Gateway Actions: The Minister has received draft documents relating to the RPA vision, scope and proposed governance arrangements as requested, which will be presented to the RPA Steering Group at their 2 February meeting.

Nominations to a new RPA Stakeholder Group are being sought from the health, education, private and voluntary sectors. Local government have already nominated. The group will be chaired by a Non-Executive director.

Legislation: Three of the Orders (Health, Libraries and Public Authorities (Reform)) are ready for publication. The target dates for the Education, Local Government (Structures) and Local Government (Functions) Orders remain challenging.

Communications: Work is underway to refresh the communications strategy and enhance the public profile of the programme. This will be an early business issue for the new programme governance arrangements.

Key Programme Activities

- The Strategic Leadership Board within DOE's revised implementation structure will meet for the first time on 15 January;
- Interviews for HSSA Director posts will continue until the end of January;
- Boundary Commissioner's public consultation completed – 5 January 2007;
- ESA Chief Executive now appointed.

NI Assembly Update

Officials attended the Assembly Sub-Committee on RPA on 8th and 13th December 2006 to provide an update on the current position and provide evidence on matters arising. The Assembly sub-group is planned to meet for a final time on 10 January 2007 to complete its draft report.

GUIDING PRINCIPLES (at 22/01/07)

1 st Guiding Principle	An Effective Communication Strategy [Issued – accepted by Government and is being taken forward by the RPA Communications Group]
2 nd Guiding Principle	Managing Vacancies Effectively [Issued and RPA Circular 05/2006 issued by Government October 2006]
3 rd Guiding Principle	Staff Transfers [Issued. Government has responded and is preparing a Code of Practice. Government is preparing a response to draft addendum]
4 th Guiding Principle	Filling New or Substantially New Posts in New Organisations being Created as a Result of the RPA [Issued and Government is preparing a draft Code of Practice]
5 th Guiding Principle	Voluntary Severance Arrangements [Issued in draft – Government has responded and has met with the PSC to discuss]
6 th Guiding Principle	Employer Statutory Obligations [Issued and Government has prepared a draft Code of Practice which has been issued for consultation]
7 th Guiding Principle	Location [Issued in draft – Government has responded. A meeting to discuss is being arranged]