#### PENSIONABLE PAY

# When is pay pensionable under the Local Government Pension Scheme Regulations?

The Pay and Reward programme removed and replaced many historic features of pay to provide an improved package of pay and benefits for staff.

Also, the New Look LGPS 2014 covers what elements of pay are pensionable and, as importantly, what aren't.

This is therefore a good opportunity to set out categories of pay and awards available to CYC employees and whether or not they are pensionable under the LGPS regulations. Pensionable payments are included in the total 'pay' figure each year on which both the employee and the employer pay pension contribution. Where appropriate, pensionable pay is taken into account for the final salary figure when calculating retirement benefits (for pension benefits built up until 31 March 2014). LGPS 2014 is not a final salary scheme, and therefore pension benefits based on contributions paid on pensionable pay is built up each year and revalued in line with CPI so as to retain its value up until retirement.:-

#### WHAT IS PENSIONABLE PAY?

| Pensionable   | Non Pensionable   |
|---|---|
| <ul> <li>Salary, wages and fees</li> <li>Detriment or protected pay</li> <li>Market Supplement Payment</li> <li>Additional Contribution Payment</li> <li>Acting Up Payment</li> <li>Honoraria Payments for additional temporary duties</li> <li>Accelerated Incremental progression</li> <li>Stand-By Allowance</li> <li>Sleep-In Allowance</li> <li>Residential Duty Payment</li> <li>Evening Duty Allowance</li> <li>Night Work Allowance</li> <li>On Call Payment</li> </ul> | <ul> <li>Recruitment Payments</li> <li>Retention Payments</li> <li>Expenses (e.g. travel, subsistence)</li> <li>Any Payment 'representing money value for provision of vehicle or paid in lieu' (e.g. mileage payments or similar payments to cover expenses)</li> <li>Telephone Rental Payment</li> <li>Cycle Allowance</li> </ul> |

- First Aid Payment
- Lettings Allowance
- Work on Public Holiday Payment
- Weekend Working Allowance
- Additional Hours/Overtime
- SEN Allowance
- Legionnella/Asbestos Allowance
- Maternity/Paternity KIT pay
- Thank You Payment

### **Additional Hours / Overtime**

For LGPS purposes, 'additional hours' includes all hours worked above the normal contractual hours of the individual employee. Also any employee with a 'nil hours' contract where **all** hours worked are pensionable.

## **Other Working Arrangements**

With variable hours' contracts, e.g. between 5 and 15 hours per week, pensionable pay will apply to all hours worked.

Also, with annualised hours' contracts, pensionable pay will be payable on all hours worked.