

APPENDIX 2

Examples and comparisons.

Illustrative examples of potential **maximum compensation** costs under option A and option B detailed in the report. The salaries are based on current Harrow Council pay scales as follows:

<u>Post</u> (Salaries based on top spinal points)	<u>Salary</u> £	Option A £	Option B £
H2	16,170	32,340	80,850
H3	17,475	34,950	87,375
H4	19,632	39,264	98,160
H5	21,885	43,770	109,425
H6	23,937	47,874	119,685
H7	26,358	52,716	131,790
H8	28,578	57,156	142,890
H9	31,509	63,018	157,545
H10	35,799	71,598	178,995
H11	39,126	78,252	195,630
Service Mgr (lower)	45,189	90,378	225,945
Service Mgr (higher)	53,001	106,002	265,005
Group Mgr (lower)	56,469	112,938	282,345
Group Mgr (higher)	65,718	131,436	328,590

These figures show the maximum compensation that the proposed new regulations would permit. It is at the discretion of employers whether to make such awards and at what level to do so, subject to the maximum permitted.

Comparison

Detailed below are costs associated with Harrow Council's current policy, Option A and Option B.

Scenario 1.

Mr Patel is an Officer earning £26,358 per annum with 20 years continuous service. He is aged 58 at termination of employment on grounds of redundancy.

Current regulations
£64,609

Option A
£52,716

Option B
£131,790

Scenario 2.

Mrs Kalsi is a Group Manager earning £65,718 per annum. She is aged 59 at termination of employment on grounds of efficiency. Under the current policy, Harrow Council could award her with a credited period (Compensatory Added Years (CAY)) of 5 years.

Current regulations
£89,951

Option A
£131,436

Option B
£328,590

Scenario 3.

Mr Harris is an officer earning £19,632 per annum. He is aged 49 at termination of employment on grounds of Redundancy. He has 25 years continuous service with Harrow Council.

Current regulations
£24,917

Option A
£39,264

Option B
£98,160