

# LOCAL GOVERNMENT PENSION SCHEME REGULATIONS

## Policy Statement of Exercise of Discretionary Powers



Employing Authority: \_\_\_\_\_

(As Agreed by the Council – 8 July 2014)

### Discretions from 01/04/2014 in relation to post 31/3/2014

### Directions from 01/04/2014 in relation to post 31/3/2014 active members and post 31/3/2014 leavers being discretions under:

- the Local Government Pension Scheme Regulations 2013 [prefix R]
- the Local Government Pension Scheme 9Transitional provisions and Savings) regulations 2014 [prefix TP]
- the Local Government Pension (Administration) Regulations 2008 [prefix A]
- the local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix B]
- the Local Government Pension Scheme (Transitional Provisions) 2008 [prefix T]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

### Regulation R16(2) (e)\* & R16 (4) (d)\*

#### Voluntary funding of additional pension via a Shared Cost Additional Pension Contributions (either by regular on-going contribution or one-off lump sum)

The Council resolve that this regulation is applied where there are clear benefits to the Council e.g. in recruiting to a post which is extremely hard to fill. Where this is recommended there would need to be a clear business case to support any application. The final approval to be made by the Director of Human Resources following consultation with the Director of Finance & Assets

### Regulation R16(2) (e)\* & R16 (4) (d)\*

#### Awarding additional Pension (via an APC) at whole cost to the employer

The Council resolve that this regulation is applied where there are clear benefits to the Council e.g.in recruiting to a post which is extremely hard to fill. Where this is recommended there would need to be a clear business case to support any application. The final approval to be made by the Director of Human Resources following consultation with the Head of Service

## **Regulation R 31\***

**Awarding of additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a.)**

Normal retirement age will be age State Retirement Age (SPA), but with the right to take pension from age 60, and with the Council's consent from age 55. Benefits voluntarily drawn before age SPA will be subject to an actuarial reduction for early payment.

## **Regulation B 30 (5)\***

**Whether to waive, on compassionate grounds the actuarial reduction applied to deferred benefits paid early under B 30 Former members pre 2014 Scheme**

If a former scheme member requests early payment between age 55 and SPA, payment may be allowed only on compassionate grounds and subject to, the former member providing independent proof that they are required to provide constant assistance to sick husband/wife, partner or child.

## **Regulation TP3 (13) & A 70 (1)\* & A 71 (4) (c) & T1 2**

**Policy on abatement of pensions following re-employment**

The Council resolves that it will not abate the pensions of those members who have taken normal age retirement or of anyone awarded early retirement over the age of 55, where there was no cost to the employer.

Abatement will continue to be applied in all cases of ill health and in all cases where members are awarded early retirement, which resulted in the employer having to make a payment to the pension fund to release those benefits. In all such cases full abatement will be applied. This will affect most cases of redundancy with immediate payment of pension. Where abatement is applied, the rules are unchanged and the abatement will be applied in full, i.e. the pension will be abated for each pound that the combined total of salary in the new employment and the pension in payment exceeds the salary at date of retirement.

### **Regulation B 30 (2)\***

**Policy to grant application for early payment of deferred benefits on or after age 55 and before age 60**

The benefits can be voluntarily drawn between 55 and 60 however; they will be subject to an actuarial reduction for early payment.

### **Regulation B 30A (3)\***

**Whether to grant an application for early payment of suspended tier 3 ill health pension on or after age 55 and before age 60**

The Council resolve to review applications on a case by case basis.

### **Regulation TP Sch 2, para 2(2)\***

**Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after 55 and before age 60**

The Council resolve to adopt this discretion on a case by case basis.

### **Regulation TP Sch 2, para 2 (3)\***

**Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits from pre 1/4/14 membership where the employer has “switched-on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60**

The Council resolve to review applications on a case by case basis.

- these are matters about which the regulations require there must be a written policy