

Local Government Pension Scheme (LGPS) 2014 **Discretions Policy Statement**

Bulmer Parish Council **Date 15th May 2017**

Under the LGPS Regulations 2013, effective from 1 April 2014, all employers participating in the LGPS are required to prepare and publish a written statement on how it will exercise the various discretions provided by LGPS 2014, LGPS 2008, LGPS 1997 and the Compensation and Injury Allowances Regulations.

This document includes discretionary policies for as required by the following Regulations:

- _____ Regulation 60, LGPS Regulations 2013
- _____ Regulation 66, LGPS (Administration) Regulations 2008
- _____ Regulation 106 LGPS Regulations 1997 (for pre-1 April 2008 leavers and/or councillor members as applicable).
- _____ Regulation D11(2)(c) LGPS Regulations 1995 (as amended in relation to pre 1 April 1998 leavers)

Exceptional Compassionate Grounds

Financial hardship alone is not deemed sufficient grounds to apply the discretion for early release of pension benefit. For the purposes of this Policy, exceptional compassionate grounds are where an ex-member of the pension scheme has had to give up paid employment to be the sole carer for a severely disabled or seriously ill dependent, and where reasonable additional support is not available.

This Policy will be kept under review.

Print Name

Signed

Position Chairman

Date 15th May 2017

1. Employer Discretions - Local Government Pension Scheme Regulations 2013

| Discretion | Regulation | Employer Policy |
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| Whether, how much, and in what circumstances to contribute to a shared cost APC or AVC scheme. | R16(2)(e) & R16(4)(d) R17(1) R15(1)(d) | Bulmer Parish Council will not set up a shared cost APC or AVC scheme. The only circumstances under which the Parish Council will contribute, as required, is where an employee chooses within 30 days following a period of authorised unpaid leave of absence, to purchase pension. |
| Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement). | R30(6) & TP11(2) | Bulmer Parish Council will consent to the payment of benefits on flexible retirement if a member is over the age of 55, permanently reduces his or her hours by at least 25% and or grade in accordance, |
| Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement. | R30(8) | Bulmer Parish Council will not waive actuarial reductions on a flexible retirement. |
| Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age. | R30(8) | Bulmer Parish Council will not waive, in whole or part, the actuarial reduction on benefits where a member voluntarily elects to draw his or her benefits before normal pension age. |
| Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60. | TPSch 2, paras 1(2) and 2(2) | Bulmer Parish Council will not "switch on" the 85 year rule for a member voluntarily electing to draw benefits on or after age 55 but before age 60. |
| Whether to waive any actuarial reduction on pre and/or post April 2014 benefits. | TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5) | Bulmer Parish Council will not waive actuarial reductions on pre and or post April 2014 benefits. |
| Whether to grant 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 £6,500.00 p. a.). | R31 | Bulmer Parish Council will not award additional pension to any member |

2. Additional Employer Discretions – LGPS Regulations 2013

| Discretion | Regulation | Employer Policy |
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| Determine rate of employee's contributions | R9(1) 7 R9(3) | Bulmer Parish Council will allocate employees to a contribution band based on the definition of pensionable pay on 1 April each year, following an assessment of their previous years' earnings. New staff will be allocated a contribution band on the basis of their contracted salary. Where an employee's APP (Assumed Pensionable Pay) is not clear, i.e. casual staff, they will be placed on the lower %age contribution rate for the first year and re assessed the subsequent April. The allocation of a contribution band will not be reviewed mid-year should contracts and/or pay levels change. |
| In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum" | R21(5) | Bulmer Parish Council will determine that a bonus paid in a previous year is not a regular payment for the purposes of calculating APP for a future year. |
| Extend 12 month time limit for acceptance of a transfer value | R100(68) | Bulmer Parish Council will not extend the time limit for acceptance of a transfer value, other than in exceptional circumstances as outlined in our current Policy decision and subject to fulfilling the current criteria. |
| Extend 12 month time limit for acceptance of a request not to have deferred benefits aggregated with their new or concurrent LGPS employment | R22(8)(b), R22(7)(b) | Bulmer Parish Council will not extend the time limit for acceptance of a request not to aggregate previous deferred benefits with an employee's new or concurrent LGPS employment, other than in exceptional circumstances as outlined in our current Policy decision and subject to fulfilling the current criteria. |
| Which employees to nominate for membership (admission bodies only) | R3(1)(c) & R4(2) (b) | This Regulation does not apply to Bulmer Parish Council |
| Determine whether a deferred beneficiary meets the criteria for ill health pension benefits | R38(3) | Bulmer Parish Council will determine in line with the medical assessment undertaken subject to completion of an ill health certificate by an Occupational Health specialist. |
| Decide to suspend Tier 3 benefit where member is likely to be capable of undertaking gainful employment | R38(6) | Bulmer Parish Council will determine in line with the medical assessment undertaken subject to completion of an ill health certificate by an Occupation Health specialist. |

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| Recover any overpayment of Tier3 ill health pension following commencement of gainful employment | R37(3) | Bulmer Parish Council will seek to recover any overpayment where a Tier 3 pension has been paid after gainful employment has commenced, and the ex-employee has failed to disclose this information to Bulmer Parish Council. |
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3. Employer Discretions - Local Government Pension Scheme (Administration) Regulations 2008

| Discretion | Regulation | Employer Policy |
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| Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60. | B30(2) | Bulmer Parish Council will not consent to applications for early payment of deferred benefits, other than in exceptional circumstances as outlined in our current Early Release of Deferred Benefit Policy. |
| Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30. | B30(5) | Bulmer Parish Council will not waive any actuarial reductions for early release of deferred benefits where, in exceptional circumstances, the County Council has given its consent subject to satisfying the criteria for early release set in our current Early Release of Deferred Benefit Policy. |
| Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60. | B30A(3) | Bulmer Parish Council will not consent to applications for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60 other than on exceptional compassionate grounds as defined in our current Early Release of Deferred Benefit Policy. |
| Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30(A) | B30A(5) | Bulmer Parish Council will not waive any actuarial reductions for early release of deferred benefits where, in exceptional circumstances, the County Council has given its consent subject to satisfying the criteria for early release set in our current Early Release of Deferred Benefit Policy. |
| Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31 st March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this discretion is spent entirely after 30 th September 2014. | B12 | Bulmer Parish Council will not increase the years of membership of a member. |

4. Employer Discretions – Local Government Pension Scheme Regulations 1997 (as amended) in relation to pre 1 April 2008 leavers

| Discretion | Regulation | Employer Policy |
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| Grant application from a post 31 st March 1998 / pre 1 st April 2008 leaver for early payment of benefits on or after age 50/55 and before age 60. | 31(2) | Bulmer Parish Council will not consent to applications for early payment of deferred benefits from age 55+ other than in exceptional circumstances as outlined in our current Early Release of Deferred Benefit Policy. -Applications for those of age 50-54 will not be considered due to the HMRC ruling that such payments are unauthorised. |
| Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31 st March 1998 / pre 1 st April 2008. Leaver. | 31(5) | Bulmer Parish Council will not waive, on compassionate grounds, the actuarial reduction applied to the early payment of deferred benefits. |

5. Employer Discretions – Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1 April 1998 leavers

| Discretion | Regulation | Employer Policy |
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| Grant applications for early payment of deferred pension benefits on or before age 50 and before age 65 on compassionate grounds. | D11(2)(c) | Bulmer Parish Council will not consent to applications for early payment of deferred benefits from age 55+ other than in exceptional circumstances as outlined in our current Early Release of Deferred Benefit Policy. Applications for those age 50-54 will not be considered due to the HMRC ruling that such payments are unauthorised. |

6. Employer Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

| Discretion | Regulation | Employer Policy |
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| To base redundancy payments on an actual weeks pay where this exceeds the statutory week's pay limit. | 5 | Bulmer Parish Council will base redundancy payments as outlined in the Parish Councils current Organisational change policy in force. |
| To award lump sum compensation of up to 104 week's pay in cases of redundancy, | 6 | Bulmer Parish Council will not award lump sum compensation as outlined in the Parish Councils current Organisational change |

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| termination of employment on efficiency grounds or cessation of a joint appointment. | | policy in force. *except where so obliged by virtue of TUPE. |
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Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

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| How to apportion any surviving spouse's annual compensatory added years payment where the deceased person is survived by more than one spouse | 21(4) | Bulmer Parish Council will consider each case on its merits where, under earlier discretions, ECC had granted added years payment (NB ECC no longer exercises this discretion. Added years are not granted upon retirement under any circumstances |
| How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children | 25(2) | Bulmer Parish Council will consider each case on its merits where, under earlier discretions. |
| Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be dis-applied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid | 21(7) | Bulmer Parish Council approach is not to suspend/abate pension in circumstances of re-marriage, civil partnership or co-habitee where it applies to compensation added years. However The Parish Council reserves the right to review on a case by case basis, should this be deemed appropriate. |
| If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual | 21(5) | Bulmer Parish Council reserves the right to re instate any payment of compensatory added years following the end of any remarriage, new civil partnership or cohabitation should this have been the agreed preceding decision. |

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| compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation | | |
| Whether and to what extent to reduce or suspend the member's annual compensatory added years payment during any period of re-employment in local government | 17 | Bulmer Parish Council will not reduce or suspend a members annual compensatory added years during any period of re-employment in local government |
| How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government | 19 | Bulmer Parish Council will not reduce or suspend a member's annual compensatory added years during any period of re-employment in local government and therefore this discretion decision does not apply. |

7. Employer Discretions under the Local Government (Discretionary Payments) (Injury Allowance) Regulations 2011

| Discretion | Regulation | |
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| Whether to grant an injury allowance following a reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties. | 3 (1) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job. | 3(4) and 8 | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1). | 3(2) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties if the job. | 4(1) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Amount of injury allowance following cessation as a result of permanent | 4(3) and 8 | Bulmer Parish Council Policy Decision is not to set up an |

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| incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job. | | Injury Allowance Scheme at this time. |
| Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1). | 4(2) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months. | 4(5) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a reg 3 payment was being made at date of cessation of employment but reg 4 does not apply. | 6(1) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Determine whether and when to cease payment of an injury allowance payable under regulation 6(1) | 6(2) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Whether to grant an injury allowance to the spouse, civil partner, nominated co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job | 7(1) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Determine amount of any injury allowance to be paid under regulation 7(1) | 7(2) and 8 | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |
| Determine whether and when to cease payment of an injury allowance payable under regulation (7)1 | 7(3) | Bulmer Parish Council Policy Decision is not to set up an Injury Allowance Scheme at this time. |

Re-ADOPTED

15th May 2017

Minute reference 17/050 Item L.

SignedChairman