

SHOTTON TOWN COUNCIL
CYNGOR DREF



Local Government Pension Scheme (LGPS)

Employer Pension Policy

The Local Government Pension Scheme (referred to as LGPS from here onwards) for England and Wales is a statutory pension scheme.

Under the LGPS Regulations, Employers are required to formulate, publish and keep under review a policy statement in relation to the exercise of a number of discretions under the LGPS. This document therefore constitutes the Policy Statement of Shotton Town Council (the employer).

Statutory Policies introduced in 2014:-

Employer Discretion: Policy No. 1

Whether, how much, and in what circumstances to contribute to a shared Cost APC (Additional Pension Contribution) scheme.

Regulations: R16(2)(e) & R16(4)(d)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

Any application requesting the Council to exercise this discretion should be supported by a robust business case which the employer will consider alongside the needs of the service.

Employer Discretion: Policy No. 2

Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).

Regulations: R30(6) & TP11(2)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances such as on compassionate grounds, where compassion is defined as "inclined to pity or mercy".

Any application requesting the Council to exercise this discretion should be supported by a robust business case which the employer will consider alongside the needs of the service.

Requests will only be considered if an employee is reducing the hours of their current job by at least 20% or are transferring to another job which is either 20% fewer hours or is at a lower grade.

Employees who have flexibly retired may not subsequently apply for positions that would result in either an increase in hours or being paid at a higher grade.

Employer Discretion: Policy No. 3

Whether to waive, in whole or in part, actuarial reduction (amount pension could be reduced by for retiring early) on benefits paid on flexible retirement.

Regulations: R30(8)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances such as on compassionate grounds, where compassion is defined as “inclined to pity or mercy”.

Any application requesting the Council to exercise this discretion should be supported by a robust business case which the employer will consider alongside the needs of the service.

Employer Discretion: Policy No. 4

Whether to waive, in whole or in part, actuarial reduction (amount pension could be reduced by for retiring early) on benefits which a member voluntarily draws before normal pension age.

Regulations: R30(8)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances such as on compassionate grounds, where compassion is defined as “inclined to pity or mercy”.

Employer Discretion: Policy No. 5

Whether to ‘switch on’ the 85 Year Rule for a member voluntarily drawing benefits on or after age 55 and before age 60.

Regulations: TP Schedule 2 paragraph 2(2)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances such as on compassionate grounds, where compassion is defined as “inclined to pity or mercy”.

Any application requesting the Council to exercise this discretion should be supported by a robust business case which the employer will consider alongside the needs of the service.

The cost of strain on the scheme must be mitigated by the salary saving over a number of years appropriate to the business needs of the service in order for the 85 Year Rule to be switched back on in any particular case.

Employer Discretion: Policy No. 6

Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits from pre 1st April 2014 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.

Regulations: TPSchedule 2 paragraph 2(3)

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances where compassion is defined as "inclined to pity or mercy".

Any application requesting the Council to exercise this discretion should be supported by a robust business case which the employer will consider alongside the needs of the service.

The cost of strain on the scheme must be mitigated by the salary saving over a number of years appropriate to the business needs of the service in order for the 85 Year Rule to be **switched back on in any particular case.**

Employer Discretion: Policy No. 7

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 per annum).

Regulations: R31

Statement of policy about exercise of discretionary functions:

The employer will not ordinarily exercise its discretion in relation to this policy but reserves the right to consider any application carefully, fairly and on its individual merits.

The employer will consider its use in exceptional circumstances such as on compassionate grounds, where compassion is defined as "inclined to pity or mercy" or to recruit/retain someone with specific qualifications and/or experience.

Chair's Signature:

08/04/2024 