



Dorset County Pension Fund
Administered by Dorset County Council



STATEMENT OF POLICY ON:-

The Local Government Pension Scheme 2014 Discretions

by

SWANAGE TOWN COUNCIL

Policy effective from

25th February 2019

Statement of Policy on :-

- The Local Government Pension Scheme Regulations 2013 [R]
- The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 [TP]
- The Local Government Pension Scheme (Administration) Regulations 2008 [A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [T]
- The Local Government Pension Scheme Regulations 1997 (as amended) [L]
- The Local Government Pension Scheme (Miscellaneous Regulations) 2012 [E]
- The Local Government Pension Scheme Regulation 1995 [C]

The Employing Body which is

SWANAGE TOWN COUNCIL

has resolved that the following Discretions available in the Statutory Instrument, should be implemented in compliance with the Local Government Pension Scheme Regulations as set out below:-

PART A - where formulation of policy is compulsory

Regulation	Policy Decision
<p>Regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013</p> <p><u>Power of employing authority to contribute to a shared cost APC scheme</u></p> <p>Whether, where an active member wishes to purchase extra annual pension of up to £6,822 (figure at 1 April 2018) by making additional pension contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a shared cost additional pension contribution (SCAPC)</p>	<p>Swanage Town Council will not normally contribute to a shared cost Additional Pension Contribution (APC) scheme. However, this does not preclude the Council from funding an employee's APCs in exceptional circumstances or where there is a financial or practical reason for doing so.</p>

Regulation	Policy Decision
<p>Sch 2, para 1 (1) (c) [TP]</p> <p><u>Power of employing authority to apply 85 Year Rule (always excludes flexible retirement) upon the voluntary early payment of deferred benefits</u></p> <p>Whether to "switch on" the 85 Year Rule for a member voluntarily drawing benefits on or after age 55 and before age 60.</p> <p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits 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.</p>	<p>Swanage Town Council, while agreeing in principle to support the 85 Year Rule, will only "switch on" the 85 Year Rule, and waive, on compassionate grounds, any associated actuarial reduction in exceptional circumstances. Each case will be considered on its merits giving due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Regulation 30 (6) [R]</p> <p><u>Flexible retirement</u></p> <p>Whether all or some benefits can be paid if an employee aged 55 or over reduces their hours or grade (flexible retirement)</p> <p>whether, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw</p> <ul style="list-style-type: none"> ▪ all, part or none of the pension benefits they accrued after 31 March 2008 and before 1 April 2014, and / or ▪ all, part or none of the pension benefits they accrued after 31 March 2014 <p>Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.</p>	<p>Swanage Town Council, while supporting flexible retirement, does not agree to allow blanket consent to flexible retirement and the drawing of pension benefits. Each flexible retirement request will be referred to the Personnel Committee and considered on its merits having due regard to the business case.</p>

Regulation	Policy Decision
<p>Regulation 30 (8) [R]</p> <p><u>Power of employing authority to waive actuarial reduction</u></p> <p>Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age.</p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits and may waive the actuarial reduction in exceptional circumstances.</p>

Regulation	Policy Decision
<p>Regulation 31 [R]</p> <p><u>Power of employing authority to grant additional pension</u></p> <p>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 maximum amount).</p>	<p>Swanage Town Council may consider granting additional pension payments only in exceptional circumstances of redundancy, or termination of service on the grounds of the efficiency of the service. Each case will be determined by the Council, upon recommendation by the Personnel Committee, based on its merits.</p>

Regulation	Policy Decision
<p>Sch 2, para 1 (1) (c) [TP]</p> <p><u>Power of employing authority to 'switch on' the 85 year rule upon the voluntary early payment of deferred benefits</u></p> <p>Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members</p> <p><i>For members (excluding councillor members) who ceased active membership between 1 April 2008 and 31 March 2014</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Reg 30 (5) [A] & para 2(1) [TP]</p> <p><u>Power of employing authority to waive upon the voluntary early payment of deferred benefits, any actuarial reduction on compassionate grounds</u></p> <p><i>For members (excluding councillor members) who ceased active membership between 1 April 2008 and 31 March 2014</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Sch 2, para 1 (1) (c) [TP]</p> <p><u>Power of employing authority to 'switch on' the 85 year rule upon the voluntary early payment of a suspended tier 3 ill health pension</u></p> <p>Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their suspended tier 3 ill health pension (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members</p> <p><i>For members (excluding councillor members) who ceased active membership between 1 April 2008 and 31 March 2014</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>



Regulation	Policy Decision
<p>Reg 30A (5) [A] & para 2(1) [TP]</p> <p><u>Power of employing authority to waive upon the voluntary early payment of a suspended tier 3 ill health pension, any actuarial reduction on compassionate grounds</u></p> <p><i>For members (excluding councillor members) who ceased active membership between 1 April 2008 and 31 March 2014</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Sch 2, para 1 (1) (f) & 1 (2) [TP]</p> <p><u>Power of employing authority to to 'switch on' the 85 year rule upon the voluntary early payment of deferred benefits?</u></p> <p><i>For active and deferred councillor members and any other members who ceased active membership between 1 April 1998 and 31 March 2008</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Reg 31(2) [L]</p> <p><u>Power of employing authority to grant early payment of benefits on or after age 50 and prior to age 55</u></p> <p><i>For active and deferred councillor members and any other members who ceased active membership between 1 April 1998 and 31 March 2008</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Reg 31(5) [L] & sch 2, para 2(1) [TP]</p> <p><u>Power of employing authority to waive upon the payment of benefits, any actuarial reduction on compassionate grounds</u></p> <p><i>For active and deferred councillor members and any other members who ceased active membership between 1 April 1998 and 31 March 2008</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>



Regulation	Policy Decision
<p>Reg D11 (2)(c) [C]</p> <p><u>Power of employing authority to grant early payment of benefits on compassionate grounds</u></p> <p>Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds</p> <p><i>For members who ceased active membership before 1 April 1998</i></p>	<p>Swanage Town Council will not normally exercise this discretion, but will consider each case on its merits given exceptional circumstances, having due regard to the financial implications to the Council.</p>

PART B - where formulation of a written policy is **not** compulsory

Regulation	Policy Decision
<p>Regulation 9 & 10 [R]</p> <p><u>Contributions payable by active members</u></p> <p>How the pensions contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the Scheme employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the course of a Scheme year</p>	<p>Swanage Town Council will attribute each member to the appropriate contribution band according to their salary on 1st April annually. If an employees rate of pensionable pay is amended significantly (up or down) during the course of the year, the contribution rate will be adjusted accordingly.</p>

Regulation	Policy Decision
<p>Regulation 22 (7) (b) and (8) & 10(6) [TP]</p> <p><u>Facility to extend time limits for active members to not aggregate deferred periods of LGPS membership</u></p> <p>Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment or ongoing concurrent employment.</p>	<p>Swanage Town Council will only consider extending the time limit of 12 months in exceptional circumstances and subject to the agreement of the Administering Authority.</p>

Regulation	Policy Decision
<p>Regulation 100 (6) [R]</p> <p><u>Facility to extend time limits for active members to request a transfer of previous pension rights into the LGPS</u></p> <p>Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within 12 months of becoming an active member. Employers, with agreement of Administering Authority, may allow a longer period than 12 months.</p> <p>JOINT DISCRETION WITH ADMINISTERING AUTHORITY</p>	<p>Swanage Town Council will only consider extending the time limit of 12 months in exceptional circumstances (i.e. an administrative error caused by Swanage Town Council) and subject to the agreement of the Administering Authority.</p>

Regulation	Policy Decision
<p>Reg 17 & 15(2A) [TP]</p> <p><u>Power of employing authority to determine whether to, how much and in what circumstances to contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement</u></p>	<p>Swanage Town Council will not normally exercise this discretion and will only consider contributing to SCAVCs given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Reg 17 & 15(2A) [TP]</p> <p><u>Power of employing authority to determine whether to extend the time limit for a member to elect to purchase additional pension by way of a shared cost additional pension contribution (SCAPC) upon return from a period of absence</u></p> <p>Whether to extend the 30 day deadline for member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)</p>	<p>Swanage Town Council will not normally extend the 30 day deadline and will only exercise this discretion given exceptional circumstances, having due regard to the financial implications to the Council.</p>

Regulation	Policy Decision
<p>Reg 21(4)(a)(iv), 21(4)(b)(iv) and 21(5) [R]</p> <p><u>Power of employing authority to determine whether to include a regular lump sum payment when calculating assumed pensionable pay (APP)</u></p>	<p>Swanage Town Council will determine each case on its individual merits should any such cases arise.</p>

Regulation	Policy Decision
<p>Reg 21(5A) and 21(5B) [R]</p> <p><u>Power of employing authority to determine whether, subject to qualification, to substitute a higher level of pensionable pay when calculating assumed pensionable pay (APP)</u></p>	<p>Swanage Town Council will determine each case on its individual merits should any such cases arise.</p>

Other non-compulsory discretions are available for

to consider, and cases where these may arise in the future will be considered on an individual basis; the merits of each case being fully investigated.

The in exercising the discretionary powers available under the above Regulations has acted with due prudence and propriety and considered the financial impact of applying the discretions.

These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.

Signed on behalf of:

Signature:

Date:

Please PRINT name of person signing:

The LGPC Secretariat's understanding of the discretions which exist within the LGPS regulatory framework and the parties responsible for exercising those discretions can be found at the website below.

Also on this webpage is a discretions policies document, setting out in more detail the LGPC Secretariat's understanding of the discretions that employers should have a policy on. This will be of use while compiling your policy.

<http://www.lgpsregs.org/resources/guidesetc.php>