



# SAFFRON WALDEN TOWN COUNCIL

## **LGPS Regulations 2013**

Version	Adopted Date	Minute Reference	Review Date
1	November 2017		November 2019
2	July 2021	F & E 082-21	July 2024
3	September 2024	F&E 137-24	September 2027

## **Policy for Discretions under LGPS Regulations 2013**

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 2013, LGPS 2008, LGPS 1997, Compensation and Injury Allowances Regulations.

This document includes discretionary policies for LGPS Regulations 2013 as required by regulation 60, (LGPS Administration) Regulations 2008 as required by regulation 66 and 1997 LGPS Regulations as required by regulation 106 (for pre-1 April 2008 leavers and/or councilor members as applicable).

Such policy decisions are to be kept under review.

Policy Statement of Employee Discretions  
Local Government Pension Scheme Regulations 2013

<b>Discretion</b>	<b>Regulation</b>	<b>Employer Policy</b>
Whether, how much, and in what circumstances to contribute to a shared cost APC scheme.	R16(2)e & R16(4)(d)	SWTC will not consider contributing to a shared cost APC scheme unless there are compelling business reasons which warrant such consideration.
Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	SWTC will consent to the payment of benefits on flexible retirement if a member permanently reduced their hours by at least 25% or permanently reduces their grade by at least one grade in accordance with the criteria set out within EDC's flexible retirement policy.
Whether to waive, in whole or in part, actuarial reduction on benefits paid or flexible retirement.	R30(8)	SWTC will not consider waiving actuarial reductions on a flexible retirement unless there are compelling business reason which warrant such consideration.
Whether to waive, in whole or in part, actuarial reduction on befits which a member voluntarily draws before normal pension age.	R30(8)	SWTC will not consider waiving actuarial reductions on a flexible retirement unless there are compelling business reason which warrant such consideration.
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) & 2(2)	SWTC will not consider "switching on" the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 unless there are compelling business reasons which warrant such consideration.
Whether to waive, any actuarial reduction on pre and/or post April 2014 benefits.	TP3(1), TPSch 2, paras 2(1) & 2(2), B30(5) & B30A(5)	SWTC will not consider waiving actuarial reductions on pre and or post 2014 benefits unless there are compelling reasons which warrant such consideration.
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	SWTC will not consider granting additional pensions to a member ceasing to be an active member by reason of redundancy or business efficiency unless there are compelling business reasons which warrant such consideration.
Determine rate of employee's contributions	R9(1) 7 & R9(3)	SWTC will allocate employees to a contribution band following an assessment on 1 April of their expected actual pensionable pay for the following 12 months.
In determining Assumed Pensionable Pay, whether a lump sump payment is made in the previous 12 months is a "regular lump sum"	R21(5)	SWTC will determine that a bonus paid in the previous year is not a regular payment for the purposes of calculating AAP.
Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(68)	See statement below
Which employees to nominate for membership	R3(1)(C) & R4(2)(b)	Open admission agreement: SWTC will nominate any new members of staff who are employed on a permanent contract.

## **Extension beyond normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS:**

Any employee may transfer an existing pension with another provider into the Essex Pension Fund provided they do this within one year of starting their employment with SWTC.

For employees outside this time limit transfer is possible with the permission of the F&E committee.

This has, until now, been done on a case by case basis. This has the potential for creating anomalies should one person be permitted to do so and another be denied.

To avoid such confusion in the future the following policy should be enacted:

1. The Finance and Establishment Committee should be kept informed of all requests to transfer funds.
2. The employee who wishes to transfer will be encouraged to seek professional independent advice.
3. The employee acknowledges that no one at SWTC is qualified to give advice on pensions. Information can be given and copies of the tri-annual actuarial report made available to the employee.
4. The transaction is ultimately between the employee and Essex Pension Fund although staff are happy to help with the drafting of letters. These letters will be from the employee not SWTC.
5. Subject to these provisions any employee may transfer their pension into Essex Pension Fund.

### **Notes:**

- i. The qualifying criteria may be changed from time to time by amendment to the Public Service Pension Schemes Act 2013 or its successor.
- ii. Details on the qualifying criteria are published on the Local Government Pension Scheme website: <https://www.lgpsmember.org>