

BELPER TOWN COUNCIL

Employer Discretions (Pensions) Policy

Belper Town Council is a Local Government Pension Scheme (LGPS) Employer and is required by law to formulate and publish a statement of how the Council will apply certain discretions allowed under the LGPS Regulations. Belper Town Council has adopted the Employer Discretions Policy published by the Derbyshire Pension Fund.

The schedule below is to be read in conjunction with guidance found at: <http://lgpsregs.org/resources/guidesetc.php> and Derbyshire Pension Fund Employers Discretions guidance at <https://derbyshirepensionfund.org.uk/employers/good-practice/employer-discretions.aspx>

Discretion	Regulation reference	DPF Guidance Reference	Discretions Policy	Adopt Discretion? Yes/No	Published Discretion if Not adopting Example Discretion (attach additional sheet if required)
<u>Discretions relating to current contributing employees and leavers after 31/03/2014</u>					
Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e) & R16(4)(d)	1.1	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether, at full cost to the Council (the Scheme Employer), to grant extra annual pension of up to £6,822 (figure at 1 April 2018) to an active member or within 6 months of leaving to a member whose employment was terminated	R31	1.2	The Council will not normally grant any additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer	Yes	N/A

Discretion	Regulation reference	DPF Guidance Reference	Discretions Policy	Adopt Discretion? Yes/No	Published Discretion if Not adopting Example Discretion (attach additional sheet if required)
on the grounds of redundancy or business efficiency					
Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	2.1	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether to waive any actuarial reduction on pre and/or post April 2014 benefits paid early on compassionate grounds	TP3(1), TPSch 2, paras 2(1)	2.2	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
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)	3	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether all or some benefits can be paid if an employee over 55 reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	4	The Council's Policy is that all pension benefits are to be paid for cases agreed on reduction of hours or grade, See flexible retirement policy for further details.	Yes	N/A

Discretion	Regulation reference	DPF Guidance Reference	Discretions Policy	Adopt Discretion? Yes/No	Published Discretion if Not adopting Example Discretion (attach additional sheet if required)
Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	4 and/or 2.1	The Council will not normally waive the actuarial reduction for routine flexible retirements but will consider on a case by case basis waiving in whole or part for workforce reduction flexible retirements – See flexible retirement policy for further details.	Yes	N/A
<u>Discretions relating to leavers 01/04/2008 to 31/03/2014:</u>					
Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5), TPSch 2, para 2(1)	2.2	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A for a suspended tier 3 member.	B30A(5), TPSch 2, para 2(1)	2.2	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether to “switch on” the 85 year rule for a deferred member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 1(1)(c)	3	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A

Discretion	Regulation reference	DPF Guidance Reference	Discretions Policy	Adopt Discretion? Yes/No	Published Discretion if Not adopting Example Discretion (attach additional sheet if required)
Whether to “switch on” the 85 year rule for a suspended tier 3 member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 1(1)(c)	3	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
<u>Discretions relating to leavers 01/04/1998 to 31/03/2008 and councillors:</u>					
Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	31(5) & TPSch 2, para 2(1)	2.2	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Whether to “switch on” the 85 year rule for a deferred member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, para 1(2) & 1(1)(f) & R60	3	The Council will not normally exercise this discretion but may consider it under exceptional circumstances, taking into account the business case and foreseeable costs to the employer.	Yes	N/A
Grant application for early payment of deferred benefits on or after age 50 and before age 55.	31(2)	5	The Council will consider early release on a case by case basis, taking into account the business case, HMRC unauthorised payment charges and foreseeable costs to the employer.	Yes	N/A

Discretion	Regulation reference	DPF Guidance Reference	Discretions Policy	Adopt Discretion? Yes/No	Published Discretion if Not adopting Example Discretion (attach additional sheet if required)
Optants out only to get benefits paid from NRD if employer agrees.	31(7A)	6	The Council will allow optants out to only get benefits paid from normal retirement date (NRD)	Yes	N/A
<u>Discretions relating to leavers before 01/04/1998:</u>					
Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds.	TL4, L106(1) & D11(2)(c)	5	The Council will consider early release on a case by case basis, taking into account the business case, HMRC unauthorised payment charges and foreseeable costs to the employer.	Yes	N/A

It will be deemed that all decisions will be made by Belper Town Council based on recommendations from Appointed Persons (Town Clerk, Responsible Financial Officer) or the Finance, Governance & Staffing Committee.