



# Local Government Pension Scheme Discretions Policy

## Ilfracombe Town Council

### Introduction:

The regulations governing the application of the Local Government Pension Scheme allow each employer to determine how certain discretionary provisions of the scheme will be applied. The following is a statement of Ilfracombe Town Council's policy on the exercise of these discretions. This document relates to:

- The Local Government Pension Scheme Regulations 2008 (Benefits, Membership and Contributions)
- The Local Government Pension Scheme Regulations 2013
- The Local Government Pension Scheme (Transitional Provisions & Savings) Regulations 2014

<b>Regulation R16(2)(e) &amp; R16(4)(d): Shared Cost Additional Pension Scheme</b>	<b>ITC Policy decision</b>
An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC).	Ilfracombe Town Council will not contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC).

<b>Regulation R30(6) &amp; TP11(2): Flexible Retirement</b>	<b>ITC Policy decision</b>
Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade. In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.	Ilfracombe Town Council will consider employee requests to take flexible retirement on a case by case basis after taking into account business needs and costs that may apply. Full Council will be responsible for all requests to take flexible retirement.  Full Council will be responsible for all requests to waive reduction on compassionate grounds.

<b>Regulation R30(8): Waiving of actuarial reduction</b>	<b>ITC Policy decision</b>
Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to	Ilfracombe Town Council will consider requests to waive the actuarial reduction (in whole or part) on flexible retirement on a case by case basis.

<p>members benefits paid on the grounds of flexible retirement.</p> <p>Employers may also waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to member's benefits for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits on or after age 60 and before normal pension age.</p> <p>Employers also have the power to waive, in whole or in part, the actuarial reduction applied to active members benefits when a member chooses to voluntarily draw benefits on or after age 55 and before age 60.</p>	
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<p><b>Regulation TPSch 2, para 2(2) &amp; 2(3): Power of employing authority to 'switch on' the 85 Year Rule</b></p>	<p><b>ITC Policy decision</b></p>
<p>An employer can choose whether to "switch on" 85 year rule for members who voluntarily retire on or after age 55 and before age 60.</p> <p>An employer can also choose to waive, on compassionate grounds, the actuarial reduction applied to benefits for a member voluntarily drawing benefits on or after age 55 and before age 60.</p>	<p>Iffracombe Town Council will only consider requests to 'switch on' the 85 year rule for members who voluntarily retire on or after age 55 and before age 60 on a case by case basis after considering the costs that will apply. (Full Council decision required).</p>

<p><b>Regulation R31: Power of employing authority to grant additional pension</b></p>	<p><b>ITC Policy decision</b></p>
<p>An employer can choose 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).</p> <p>(*the figure of £6,500 will be increased each April under Pensions Increase orders).</p>	<p>Iffracombe Town Council will not 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.</p>

<p><b>Regulation B18: Flexible Retirement</b></p>	<p><b>ITC Policy decision</b></p>
<p>Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to</p>	<p>Full Council will consider requests for flexible retirement on a case by case basis after consideration of the costs that would apply.</p>

the member either reducing their hours or moving to a position on a lower grade. In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.	Full Council will consider any requests to waive reduction on compassionate grounds on a case by case basis.
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<b>Regulation B30: Choice of early payment of pension B30(2), B30A(3), B30(5), B30A(5)</b>	<b>ITC Policy decision</b>
<p><b>B30(2):</b> Employers can also allow the early payment of deferred benefits to former members of the LGPS between the ages of 55 and 59.</p> <p><b>Please note where a deferred member left the LGPS before 01 April 2008 the employer policy under the 1997 Regulations will apply.</b></p> <p><b>B30A(3)</b> Employers may also grant an application for reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60.</p> <p><b>B30(5) &amp; B30A(5)</b> In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.</p>	<p>Full Council will consider requests for the early payment of deferred benefits between the ages of 55 and 59 on a case by case basis after consideration of the costs that would apply.</p>

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