

Silverdale Parish Council

Adopted on 24th May 2017

SCHEME EMPLOYER DISCRETIONS POLICY : Specific discretions under the LGPS Regulations 2013 and the LGPS Transitional Regulations 2014

Details of the **five discretions** available are as follows:

1. Shared cost Additional Pension Contributions - Regulation 16 (2)(e) and 16 (4)(d)

*Note: the specific provisions of Regulation 16 allow an active member who is paying into the main scheme to enter into an arrangement to pay additional contributions, either by regular contributions (Regulation 16(2)(e)) or by a lump sum payment (Regulation 16(4)(d). This may be funded in whole or in part by **Silverdale Parish Council**.*

Silverdale Parish Council does not consider contribution towards additional pension contributions to be an essential part of its employment strategy. However, **Silverdale Parish Council** will consider applications made under these specific provisions having regard to **Silverdale Parish Council's** general policy from time to time, on the employee pay strategy and the particular circumstances surrounding each case.

It is likely that decisions will be made on the merits of each case having particular regard to factors such as:

- **Silverdale Parish Council's** ability to meet the cost of granting such a request; and/or
- the member's personal circumstances.

2. Awarding Additional Pension - Regulation 31

*Note: Regulation 31 allows employers to grant additional pension up to the maximum allowed by the scheme rules provided that the member is active **or** is within 6 months of leaving **for reasons of redundancy or business efficiency or whose employment was terminated by mutual consent on grounds of business efficiency**. Employers may wish to use this Regulation as an aid to recruitment, an aid to retention or to compensate or reward an employee who is retiring. Employers should also consider provisions of this Regulation, in particular Regulation 31(4), if they decide to exercise their power under **Section 1 (general power of competence) of the Localism Act 2011**.*

Silverdale Parish Council will consider applications made under this *Regulation* having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to the following:

- the member's personal circumstances;
- the interests of **Silverdale Parish Council**;
- the additional contributions due to the Fund by **Silverdale Parish Council** in respect of the exercise of this discretion;
- any potential benefits or savings to **Silverdale Parish Council** arising from the exercise of this discretion;
- other options that are, from time to time, available under **Silverdale Parish Council's** severance arrangements;
- the funding position of **Silverdale Parish Council** within the Fund;
- the ability of **Silverdale Parish Council** to meet the cost of granting such an award.

3. Flexible Retirement - Regulation 30(6)

Note: this provision in the Regulations allows Silverdale Parish Council to consent for a member who has attained the age of 55 to draw all or part of their retirement benefits (both pension and lump sum) whilst continuing in employment and Fund membership provided that:

- there has been a reduction in hours, or
- a reduction in grade.

Employers can choose to waive any reductions that apply under

Regulation 30(8).

Silverdale Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the operating requirements of the employing department
- **Silverdale Parish Council's** ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances.

4. Waiving actuarial reductions - Regulation 30(8)

Note: Silverdale Parish Council may waive the actuarial reductions applied to a member's benefits, unless 85 year rule protections exist, employers can waive:

- *all of the reductions in respect of pre 1 April 2014 benefits but only on compassionate grounds (paragraph 2 of Schedule 2 of the LGPS Transitional Regulations 2014);*
- *all or some of the actuarial reduction in respect of post 1 April 2014 on any grounds.*

Where 85 year rule protections exist and the member has full or tapered protection Silverdale Parish Council can waive all of the reductions but only on compassionate grounds for the service up to the date the 85 year rule protection ends (31 March 2016 (full) or 31 March 2020 (tapered)).

Silverdale Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- **Silverdale Parish Council's** ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances.

Applications for the payment of unreduced benefits for service before 1 April 2014 on the grounds of compassion will be granted if:

- in **Silverdale Parish Council's** sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- **Silverdale Parish Council** can meet the cost of granting such a request.