

Pensions & Pension Discretions Policy



Policy Title	Pensions and Pensions Discretions Policy
Policy Author	HR Team - PSPS Limited
Policy Issue date	January 2026
Policy Review date	January 2030
Policy Consultation	Trade Unions recognised by the Council Council Reader Panel Senior Leadership Team
Policy Sign-off	BBC Council ELDC Council SHDC Council

Introduction

The Local Government Pension Scheme (LGPS) in England and Wales was amended from 1 April 2014. The provisions of the new LGPS, together with protections for member's benefits accrued before 1 April 2014, are now contained in the Local Government Pension Scheme Regulations 2013 (the '**LGPS Regulations 2013**'), and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (the '**LGPS Transitional Regulations 2014**') (as of 14th May 2018).

Therefore, this statement now relates to the application of discretions under:

- (a) the **LGPS Regulations 2013**
- (b) **LGPS Transitional Regulations 2014**; and
- (c) the Local Government Pension Scheme Regulations 1997 ('**LGPS Regulations 1997**') and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 ('**LGPS Benefits Regulations 2007**'), which continue to have effect in so far as is necessary under *Regulation 3 (Membership before 1 April 2014) of the LGPS Transitional Regulations 2014*.

Pension administration

The council will administer membership for new starters, active members and leavers/ retirements in accordance with the Employer Administration guides provided by the pension administrators. Information for active, deferred or pensioner members is available from the pension administrator:

West Yorkshire Pension Fund
PO Box 67 Bradford BD1 1UP
E-mail: pensions@wypf.org.uk
Phone: 01274 434999

Employee Contribution rates are set by LGPS based on pay bands, and contributions at the appropriate band rate (or at half that rate if the employee is in the 50/50 section) will be made accordingly through payroll deductions on all pensionable pay (along with Additional Voluntary Contribution (AVC's) / Additional Pension Contributions (APC's) as applicable).

Employees who work beyond their normal pension age who are members of the LGPS will remain entitled to the benefits of the scheme, in accordance with its

rules. Further details are available from HR or the Pension Scheme Administrator
<https://www.wypf.org.uk/lgps-members/>

Scope

Employers are under a legal duty to prepare and publish a written statement of its policy relating to certain discretionary powers under the Regulations which apply to the Local Government Pension Scheme the LGPS. This document sets out the pension provisions to which employees are entitled, and the discretions that the council will consider in line with the provisions set out under the LGPS and detailed in Appendix A.

The provisions of this policy apply to all eligible employees.

The Council's Responsibilities

In applying this policy, the Council will ensure that:

- It applies the discretions reasonably, after taking account of all relevant factors, for example the cost to the Council balanced against the benefit to scheme member.
- Its discretions are not fettered, i.e. being used in such a way that individual circumstances cannot be considered; and
- That all discretionary decisions are recorded.

Policy Implementation

This policy confers no contractual rights. The Council as the employer retains the right to change this policy at any time, and only the version of the policy which is current at the time that a relevant event occurs to the employee/scheme member will be the one applied to that employee/member. The Council will send a copy of its revised statement to the administering authority and will publish the revised policy.

Review of policy

This policy is reviewed as a minimum every 4 years by the Council. We will monitor the application and outcomes of this policy to ensure it is working effectively.

Employee Responsibilities

Employees are responsible for deciding whether or not they wish to be a member of the pension scheme and for taking the necessary actions to request the transfer in of any other scheme membership as outlined in this policy. They are responsible for informing their Managers of planned retirement dates. They are also responsible for following the relevant processes outlined below in respect of pension transfers, early retirement or flexible retirement. Employees should seek information from the pension provider to ensure they are clear on the impacts of any requests they make

under this policy, before proceeding and seek their own independent advice if required.

Table of Contents

1 Opting out.	
2 Re-joining the LGPS	5
3 Paying Less - 50/50 Contribution scheme.	
4. Normal Retirement (Normal Pension Age).....	6
5. Normal Minimum Pension Age (Retiring Early)	
6 Flexible Retirement	8
7 Ill-Health Retirement	
8. Additional Contributions	11
9. Pension Discretions	

Appendix A - Table of Pension Discretions

1. Opting out

- 1.1 You have the right to opt-out of the LGPS if you decide you do not wish to be a member. What happens if you opt out depends on how long you have been a member of the Scheme. You should think carefully before opting out. Opting out may reduce your income in later life. You may wish to get help from an independent financial adviser.
- 1.2 What happens after you opt out depends on how long you have been a member of the LGPS. If you opt out of the LGPS before you complete three months' membership, you will be treated as never having been a member. Your employer will refund any contributions that you have paid through your pay.
- 1.3 If you have been a member for three months or more, but you have not met the two year vesting period, you will have different options:
- You can take a refund of the contributions you have paid. 20% tax will be taken from your contribution refund.

- You can transfer your pension to another qualifying pension scheme. You may have a limited time in which you can elect to transfer. Contact your pension fund to find out about any time limits that will apply.
- If you were in the Scheme before 1 April 2014, you can choose to have deferred benefits in the LGPS.

1.4 You will not be able to take a refund of contributions if you opt out after being a member for more than three months if you already have a deferred LGPS pension or an LGPS pension in payment. You will be treated the same as a member who opts out after being a member for more than two years (see 1.5)

1.5 If you opt out after meeting the two year vesting period, you will have deferred benefits in the LGPS. You will generally have the same options as anyone who leaves their job before retirement. But there are two main differences. If you opt out:

- you cannot take your deferred pension until you have left your job, unless you reach age 75
- if you re-join the LGPS, you will not be able to join your two periods of Scheme membership together. You will have two separate sets of pension benefits in the LGPS.

For more information about deferred benefits, visit the LGPS website.

2 Re-joining the LGPS

If you opt out, your employer is legally required to re-enrol you in the LGPS approximately every three years on a set re-enrolment date. This will only happen if you are an eligible jobholder.

If you opt out of the LGPS, you will almost always be able to opt back in again. You can opt in if you are still eligible to join the Scheme and you are under age 75. You will generally be able to opt in by telling your employer in writing. Please address all queries to HR@pspsl.co.uk

3 Paying Less - 50/50 Scheme

If you are thinking about opting out of the LGPS, you might want to consider instead moving to the 50/50 section of the Scheme. The LGPS offers you the flexibility to pay half your normal contribution rate and build up half your normal pension. This is called the 50/50 section of the LGPS. You keep the full life and ill-health cover that comes with LGPS if you join the 50/50 section.

Once you are a member of the main section you can elect in writing to move to the 50/50 section. You can ask your employer for a 50/50 election form, or you can Contact your pension fund (wy pf) directly. If you elect to join the 50/50 section,

you will start paying reduced contributions from the next available pay period, once processed.

There is no limit to the number of times you can elect to move from the main section to the 50/50 section and back again.

You should consider the impact on your future pension fund before considering - there is more information on LGPS website.

4. Normal Retirement (Normal Pension Age)

- 4.1 The Normal Pension Age (NPA) is the age you can retire and take the pension you have built up in full. The Normal Pension Age within the LGPS is the same as your State Pension Age which you can check online at gov.uk (<https://www.gov.uk/state-pension-age>).
- 4.2 Before deciding to retire you should look at your annual pension statement issued by West Yorkshire Pension Fund (wypf), you can also request a full estimate is sent to you, which you can request via the HR service at PSPS. WYPF will only provide one estimate per annum and may take a number of weeks to provide.
- 4.3 If you choose to take your pension before your Normal Pension Age, it will normally be reduced because it is being paid earlier. The earlier you take your pension, the bigger the reduction will be.
- 4.4 If you take your benefits later than your normal pension age your benefits will be increased. You can take it at a later date, but it must be paid by age 75, even if you continue to work.

5 Normal Minimum Pension Age (Retiring Early)

- 5.1 Members of LGPS can retire from Normal Minimum Pension Age with immediate payment of benefit if they have at least 2 years membership. If you take your pension benefits before your normal retirement age it will usually be reduced because you are getting it paid earlier – LGPS apply early retirement reduction factors - for more information refer to WYPF website or you can request a full estimate (see 4.2)
- 5.2 Change to normal minimum pension age - The Government sets the earliest age at which you can access your pension savings under normal circumstances – which you can check online at Early retirement, your pension and benefits: Personal and workplace pensions - GOV.UK . This is the normal Minimum Pension Age and is currently age 55, however it is rising to age 57 from 6 April 2028.
- 5.3 Employees who wish to retire and draw pension benefits at or after Normal Minimum Pension Age but before Normal Pension Age may be allowed to do under scheme rules, but this may be subject to a reduction of benefits. Employees who are considering this option should contact the Pension Administrator for more information.

5.4 If you were a member of the LGPS at any time between 1 April 1998 and 30 September 2006, some or all of your benefits could be paid in full before age 65 if you are protected by the 85-year rule. You can find out more about the 85-year rule from WYPF website or HR.

6 Flexible Retirement

6.1 Key principles of Flexible Retirement policy include:

- Participation is voluntary and initiated by the employee.
- Approval is at the employer's discretion and subject to operational feasibility and cost considerations.
- Employees are not required to resign to access pension benefits.
- Pension benefits may be subject to actuarial reduction unless protected (e.g. Rule of 85).
- Employees may continue to accrue pension benefits on their new salary.

6.2 Flexible retirement allows a Scheme member who is age 55 or over to move gradually into retirement at the discretion of their employer. The member can take all or part of their retirement benefits (both pension and lump sum) if:

- The employer consents and there has been a reduction in hours, or a reduction in grade (a move to a less senior position)

It is not a requirement of this policy that the employee reduces both hours and grade. If either condition applies, flexible retirement is possible.

6.3 The 85-year rule automatically applies to flexible retirements (if the Scheme member is protected by the 85-year rule), even when the flexible retirement occurs before age 60. If members are allowed to retire under flexible retirement, and they meet the 85 year rule between the ages of 55 and 60, there may be a pension strain cost to the employer as there is no option to switch the 85 year rule off in this instance. For more information on the 85 year rule go to ([LGPS | member home](#)).

6.4 If flexible retirement occurs before Normal Pension Age, the employer has the discretion to waive in whole or in part any actuarial reduction that would otherwise apply, if their discretions policy permits this. The employer will need to request an estimate of the cost (and the members own benefits) from the pension administrator. PSPS HR can request this on behalf of the employer and employee – please note this can take up to 12 weeks. If approved, the employer would meet the cost by making a strain on fund payment to the administering authority. Not all flexible retirements attract a cost, but some do, even where the members benefits are reduced.

6.5 Flexible retirement means that an employee age over 55 (changing to 57 in April 2028) may apply to receive their accrued pension benefit and to continue working, provided they have reduced their hours or grade.

6.5 Members who choose flexible retirement will get a pension from

- all their pre 1 April 2008 membership, plus
- some, all or none of their membership between 1 April 2008 and 31 March 2014, plus
- some, all or none of their membership after 31 March 2014.

6.6 It is really important that an employee explores all options and understands fully the financial implications of each.

6.7 The process to apply:

- Employee submits a written request with proposed changes via the HR Portal for Flexible retirement.
- The HR team will request any costs and support the line manager to review the proposed flexible working request, along with the costs.
- Approval will be in line with this policy and will be subject to service considerations, including factors set out at 5.8.
- The managers recommendation will go to the Head of Paid Service for approval in consultation with the S.151 Officer.
- If approved, HR notifies the pension administrator and West Yorkshire Pension Fund will then liaise directly with the employee regarding their pension fund.

6.8 The manager will consider the following factors before making a recommendation:

- The new role must be sustainable and meet organisational needs
- Any impacts on service
- the wishes of the individual
- Affordability (the financial cost to the council including any pension strain costs)
- the opportunities that may arise
- the pension regulations

6.9 The decision will be confirmed in writing to the employee indicating the decision, normally within 1 month of the employee submitting their request and figures being received from Pensions. If, after consideration, the request is refused, the reasons should be clearly communicated to the employee

6.10 There is no automatic right to flexible retirement. Both the early release of retirement benefits and the reduction in contractual hours and/or grade are at your employer's discretion, however, all requests will be managed in line with this policy.

- 6.11 Where flexible retirement cannot be supported on cost grounds employees should consider what other alternatives might be available to them, such as a straightforward reduction in contracted hours. An employer can agree to you reducing their hours or grade without allowing the release of your pension benefits, however, business impacts will be considered.
- 6.12 If your request for the release of your pension benefits is refused, as well as asking your employer to review their decision, you may also ask for a review more formally under the pension scheme Internal Disputes Resolution Procedure. This appeal will also be considered by your employer.
- 6.13 The Council will normally require a minimum reduction in contracted hours of at least 30% of contracted hours for full time employees. A similar minimum reduction of 30 per cent (on a pro rata basis) will normally be required for part time employees.
- 6.14 Any reduction in grade must be to a 'lower graded post' in the Council's pay structure to qualify, any appointment to vacant posts will be based on merit (and the individual will be appointed to the top of the scalepoint for that graded role). Where a flexible retirement package based on a reduction in grade is agreed, this will be on the basis of a mutually agreed variation of contractual terms and therefore the Council's pay protection policy will not apply.
- 6.15 The employee will receive the revised salary for the reduced hours and/or grade in addition to their pension benefits. There is no "abatement" (reduction) of pension, so in some circumstances the combined salary and pension may amount to more than the employee previously earned.
- 6.16 Employees may continue to accrue pension benefits on their new salary unless they "opt out"
- 6.17 An employee already on flexible retirement may request further flexible retirement arrangements. We will consider these in the same manner and following the same processes as outlined in this policy.

7 Ill Health Retirement

- 7.1 If you have to leave work because of illness, your LGPS benefits may be paid straight away. Ill health benefits can be paid at any age.
- 7.2 Qualifying for ill health benefits - You must have met the two year vesting period in the LGPS to qualify for ill health benefits. Your employer must be satisfied that:
- you are permanently unable to do your job until your Normal Pension Age, and

- you are not immediately capable of undertaking gainful employment.

7.3 The council is responsible as your employer for getting the opinion of an independent occupational health physician which they appoint from the LGPS mandated list, before it makes its decision. The council may choose to get a 2nd independent medical opinion before making its final decision.

7.4 Gainful employment is defined as “paid employment for not less than 30 hours per week for a period of not less than 12 months”. The level of benefits depends on how likely you are to be capable of gainful employment after you leave.

7.5 If you qualify, what you are paid depends on which benefit tier you qualify for. Your employer decides on the appropriate tier, guided by the independent medical advice. The benefits payable under the different tiers, there are 3 Tiers under Ill Health retirement – Tier 1, Tier 2 and Tier 3.

Tier 1 if you are unlikely to be capable of gainful employment before your normal pension age.

Tier 2 if you are unlikely to be capable of gainful employment within three years of leaving, but you are likely to be capable of gainful employment before your normal pension age.

Tier 3 if you are likely to be capable of gainful employment within three years of leaving, or before your normal pension age, if this is earlier.

8. Additional Contributions

8.1 If you want to make additional pension savings to increase your pension benefits through your LGPS pension, there are two tax-efficient ways to do this.

8.1.A Additional pension contributions (APCs)

With APCs you buy extra pension in the LGPS. You pay extra contributions each month or buy them with a lump sum.

8.1.B Additional voluntary contributions (AVCs)

With AVCs you pay extra contributions into a LGPS AVC plan.

8.2 Before you choose a way to pay extra you should consider taking advice from an independent financial adviser. The existing AVC facility available via the Prudential Assurance Company where the employee is able to make such contributions.

9 Discretions

9.1 Employers are required to regularly review and to publish a list of their discretions.

9.2 The discretions in Appendix A (mandatory and non-mandatory) have been adopted by the Council. These discretions are used in conjunction with the guidance here [Discretions \(wypf.org.uk\)](https://www.wypf.org.uk/Discretions).

9.3 The various discretions noted apply to specific groups of members of the Scheme based on their date of entry into the scheme.

9.4 Discretions are powers that enable employers to choose how to apply the rules of the Scheme in respect of certain provisions.

9.5 Discretions fall into two categories – those that must be formulated and published (Mandatory) and those that don't need to be formulated and published (non-mandatory). If a discretion has not been included in the table below then this discretion will not be exercised.

9.6 In applying this policy, the Council will ensure that:

- It applies the discretion reasonably, after taking account of all the relevant factors, for example the cost to the Council and where possible balanced against the benefit to the scheme member.
- That all discretionary decisions are recorded.

9.7 All requests by current employees for the exercise of discretion under the policy should, in the first instance, be made in writing to their Assistant Director who will liaise with HR over the approval process, with the exception of Flexible Retirement, see 6.7. The request should contain all the supporting information that the member considers relevant, and each request will be considered on its specific merits and circumstances.

Where an employee has left the council they should address their application to HR@pspsl.co.uk who will make the necessary arrangements for their request to be considered.

9.8 All decisions related to discretions under this policy are subject to approval by:

- Head of Paid Service in consultation with the S.151 Officer.

Pensionable pay - These are the earnings on which **pension contributions are deducted** and which count towards your pension benefits

1. **Basic salary or wages**
2. **Overtime (contractual and non-contractual)**
3. **Shift allowances**
4. **Bonus payments**
5. **Maternity, paternity, adoption, and shared parental pay**
6. **Honoraria (if regular and expected)**
7. **Additional hours for part-time staff**
8. **Market supplements (if paid regularly)**

Examples of Non-Pensionable Pay (excluded):

1. **Expenses or travel allowances**
2. **Redundancy payments**
3. **Severance or compensation payments**
4. **Pay in lieu of notice or holidays**
5. **Any payment made purely for loss of future earnings**

Appendix A: S&ELCP Pensions Discretions

1. Introduction

This outlines how South Holland District Council, East Lindsey District Council and Boston Borough Council will exercise its discretionary powers under the Local Government Pension Scheme (LGPS) Regulations 2013 and associated legislation.

2. Regulatory Background

Under the LGPS, employers must publish a written policy on certain discretionary powers. This document fulfils that requirement.

3. Policy Statement

The councils are committed to applying its discretions fairly, transparently, and in the best interests of both the Council and scheme members. Discretions have been determined based on affordability, reasonableness and with regards to foreseeable costs.

Some discretions are administered by WYPF as the Administering Authority rather than the scheme employer.

This document sets out the discretions adopted by South Holland District Council, East Lindsey District Council and Boston Borough Council and provides aligned suggestions for consistency and compliance.

2. Discretionary Policies

Discretionary policies fall broadly in two categories – policies that the Councils are required to publish (mandatory) and ones that are not (non-mandatory).

2.1 Mandatory Discretions:

Shared Cost Additional Pension Contributions (SCAPC)

Whether to fund additional pension contributions (APCs) for an employee.

Regulations: R16(2)(e) & R16(4)(d)

Policy: The Council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis except where required under R15(5). Rationale to manage financial exposure while supporting employees in exceptional circumstances. The council will take into account any financial implications. The cost of this would fall on the employer, so the expectation is this discretion will only be exercised in exceptional circumstances and subject to any current maximum annual value set by LGPS or HMRC.

Award of Additional Pension - Regulation: R31

Whether to grant additional pension to a member (up to the limit set by the regulations).

Policy: The Council will not exercise this discretion due to the financial implications.

Whether to permit Flexible Retirement Regulation: R30(6)

Whether to permit flexible retirement for staff aged 55 or over, who with the agreement of the Scheme employer, reduces their working hours or grade and, if so as part of the agreement to permit flexible retirement.

Policy: The Council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis taking into account any financial and operational implications. Requests will only be considered where the reduction in hours would result in at least 30% reduction in gross pay and or a reduction of at least a grade. This discretion may only be used where the employing department can demonstrate that there is no adverse impact to services.

If permitted (Flexible Retirement)- Whether to allow the member to choose Regulation: R 30(8)

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:

- 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

Policy: The Council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis taking into account any financial implications. The cost of this would fall on the employer so expectation is this discretion will only be exercised in exceptional circumstances.

Waiving Actuarial reductions on Flexible Retirement: Regulation: R 30(8), 3(5) of the LGPS (TPSA) Regs 2014, Reg 18 (3), R30 (6)

Whether to waive, in whole or in part, any actuarial reductions which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age

Policy: The Council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis taking into account any financial implications. The cost of this would fall on the employer so expectation is this discretion will only be exercised in exceptional circumstances.

Waiving Actuarial Reductions (excluding Flexible Retirement)

Regulation: Regulation 30(8), TP3(1), TPSch 2, para 2(1), B30(5) and B30A(5)

Whether to waive, in whole or in part, any actuarial reductions on benefits which a member voluntarily draws before normal pension age (excluding flexible retirement).

Employers can choose to waive some, or all of the reductions applied to pension benefits when a member retires early (from age 55 onwards). If they do, the cost of doing so (called the strain cost) must be paid by the employer to the pension fund.

There are four member groups, and the rules differ slightly depending on when they joined and when they reach age 60:

- Group 1 Joined before 1 Oct 2006 and reached age 60 before 1 Apr 2016, Employers
 - Can waive reductions on pre-April 2016 benefits on compassionate grounds
 - Can waive reductions on post-April 2016 benefits on any grounds
- Group 2 Joined before 1 Oct 2006, reach age 60 between 1 Apr 2016 and 31 Mar 2020, and meet Rule of 85 before 1 Apr 2020. Employers
 - Can waive reductions on pre-April 2020 benefits on compassionate ground
 - Can waive reductions on post-April 2020 benefits on any grounds
- Group 3 Joined before 1 Oct 2006, reach age 60 between 1 Apr 2016 and 31 Mar 2020, but don't meet Rule of 85 before 1 Apr 2020. Employers
 - Can waive reductions on pre-April 2014 benefits on compassionate ground
 - Can waive reductions on post-April 2014 benefits on any grounds
- Group 4 Joined after 1 Oct 2006. Employers
 - Can waive reductions on pre-April 2014 benefits on compassionate grounds
 - Can waive reductions on post-April 2014 benefits on any grounds

Policy: The Council will typically only exercise this discretion if:

- It is in the **financial or operational interest** of the employer.
- There are **compassionate grounds** that justify it.

- The **costs** of waiving the reduction can be justified and met.

The Council may waive actuarial reductions on compassionate grounds only in very exceptional circumstances. Each case will be assessed on its own merits. Rationale: To support employees facing hardship or caring responsibilities while balancing cost implications. Decisions will be made on a case-by-case basis with supporting evidence such as medical reports or financial statements. The Council allows for consideration to waive the actuarial reduction to benefits where the member has requested flexible retirement to care for a chronically ill spouse or partner. Compassionate grounds means that the scheme member is required to look after a long term sick dependent relative on a whole-time basis, is therefore unable to take up gainful employment and in consequence is suffering financial hardship. In addition, the Council will satisfy itself that the sick dependent relative has a permanent long-term condition with a reasonable life expectancy, having regard to their age. The member will need to provide evidence to demonstrate that all the criteria are met.

Determination of Contribution Banding Regulation: 9 (1) and 9 (3)

Employers must determine the appropriate contribution rate for each employee, based on pensionable pay.

Policy: The Council will use the contribution rate defined in the regulations and apply it to employees who are members of the Pension scheme in accordance with their pensionable pay. Where an employee changes their employment within the Council and there is a material change to their pensionable pay during a year, the council will change the employee's contribution rates when the material change takes effect.

2.2 Non-Mandatory Discretions:

Shared Cost AVC Regulation: 17 (1) and (2)(e)

Whether how much and in what circumstances to contribute to a shared cost AVC arrangement.

Policy: this discretion will not be exercised

Extending the 30-day deadline for members to elect for a shared cost Shared Cost APC on return from period of absence Regulation: 16 (6)

Whether how much and in what circumstances to contribute to a shared cost AVC arrangement.

Policy: this discretion will not be exercised

Forfeiture of Pension Rights Regulation: 91 (1)

Whether to apply to the Secretary of State for a forfeiture certificate following a relevant criminal conviction.

Policy: The council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis taking into account any financial implications.

Interim Payments Discretion Regulation: 92

Whether to suspend or withhold pension payments pending a forfeiture decision.

Policy: The council will reserve the right to exercise this discretion and will deal with it on a case-by-case basis taking into account any financial implications.

85-Year Rule Switch-On Regulation: TPSch 2, para 1(1)(c)

This discretion is whether to allow the rule of 85 to apply to a member who has otherwise qualified for the rule and who is voluntarily electing to retire at or after reaching age 55 and before reaching age 60. Use of the discretion waives the actuarial reduction that would otherwise arise.

Policy: The Council has a policy of 'switching off' the rule by default but may switch it on at its discretion. This allows staff who meet the 85-year rule to retire early and take the actuarial reduction themselves at no cost to the Council, in this situation members can still retire early with reductions if the rule is not switched on.

Late Transfer Requests Regulation: 100(6)

Whether to extend the 12-month time limit for a member to elect to transfer previous pension rights into LGPS.

Policy: Requests made outside the 12-month period will not be considered unless:

1) no previous option was given to the member due to a clear administration error;

- 2) Where there has been an administrative delay in processing the initial request, which was received within the 12 months of active membership, or
- 3) there is clear evidence they had not been informed of or could not have reasonably known the time limit.

Assumed Pensionable Pay (APP) Regulation 22(7)(b)

Whether to include certain payments in the calculation of APP when a member is on reduced or nil pay.

Policy: The Council will include in the Assumed Pensionable Pay (APP) calculation any regular lump sum payments where it is judged that it is reasonable to assume they would have been paid.

Issuing certificate of protection of pension benefits - Regulation: LGPS (Transitional Provisions) Regulations 2014, specifically related to final salary protections.

This discretion allows an employer to issue a certificate of protection of pension benefits on behalf of a member if the member fails to request one themselves, in situations where:

- The member's pay is reduced or restricted, and
- They are entitled to final salary protections (typically for service before 1 April 2014).

The certificate helps ensure that the member's final salary benefits are calculated using the higher pay they previously earned, rather than the reduced pay.

Policy: The Council reserves the right to exercise this discretion and will deal with it on a case-by-case basis.