

Local Government Pension Scheme

DISCRETIONS POLICY

In pursuance of Regulation 60 of the Local Government Pension Scheme (LGPS) Regulations 2013 all employers are required to formulate, publish and keep under review a policy statement in relation to the exercise of a number of discretions under the Scheme. The Town Council will seek guidance from the Shropshire LGPS before implementing any actions from this Policy.

This Policy applies in conjunction with the Town Council’s Pensions and Retirement Policy.

REGULATION	DISCRETION	POLICY
31	<p>Award of additional pension up to £6,500 (at whole cost to the employer). This amount will increase annually from April 2015 under the Pension (Increase) Act 1971.</p> <p>This does not apply to employees who have been granted unpaid leave of absence and, within 30 days of return to work, have requested to work to pay a Shared Cost Additional Pension Contribution SCAPC to cover the amount of pension ‘lost’ during their absence period due to the cost to the employer.</p>	<p>The Town Council will only apply this discretion where the employee can demonstrate a need and has previously made a beneficial contribution towards the Council’s service delivery.</p>
16(2)e and 16(4)d	<p>Voluntary funding of additional pension via a (SCAPC) contract, either by regular on-going contribution or one-off lump sum.</p> <p>This discretion allows employees in the Scheme to buy extra annual pension, up to a maximum of £6,500. The employer will contribute towards this additional pension.</p> <p>This discretion applied to employees who may wish to buy extra pension because they have taken unpaid leave.</p>	<p>This discretion allows the Town Council to award an employee an extra annual pension of up to £6,500. (Applicable as at 1 April 2014.)</p> <p>The Town Council will only apply this discretion where:</p> <ul style="list-style-type: none"> i. The employee can demonstrate a need and has previously made a beneficial contribution towards the Council’s service delivery, and the award of such a discretion would not be discriminatory towards other employees. ii. The employee is absent from work e.g. for child related leave, with no pensionable pay and their absence is approved by the Council.
30(6)	<p>Flexible retirement.</p> <p>This discretion allows an employee at the age of 55 (with the consent of their employer) to reduce their hours of work or salary and receive their benefit.</p> <p>Flexible retirement allows employees to move gradually towards retirement by reducing their hours of work or responsibilities i.e. downgrading their post.</p>	<p>This policy applies in conjunction with item 8 in the Council’s ‘Pensions and Retirement Policy’.</p> <p>The Town Council will consider all requests from employees wishing to take flexible retirement. The Council’s decision will be based on the merits of the request and the financial implications for the Council and the impact this may have on the Council’s service delivery.</p>

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30(8)	<p>Waiving all or part of any actuarial reduction.</p> <p>This discretion allows employees in the Scheme aged between 55 and normal pension age to retire and take their pension. In this case the employer may waive the actuarial reduction in whole or in part in order to protect the Pension Fund against a loss of funding.</p>	<p>This policy applies in conjunction with item 7 in the Council's 'Pensions and Retirement Policy'.</p> <p>All requests will be considered on their merit. The Town Council will only waive the actuarial reduction after taking into account the possible costs that it may incur if an employee receives their benefits early.</p>