

**LOCAL GOVERNMENT PENSION SCHEME REGULATIONS
EMPLOYER DISCRETION POLICY**

FAQs

Q1. Why do we have this policy?

Without them we are **not** complying with the LGPS regulations. The Regulations require us to :

- **Publish a written** policy statement, confirming how we will exercise the compulsory discretions and any of the optional discretions allowed under the LGPS.
- **Review** the statement regularly (suggested every 2-3 years)
- **Revise** it as necessary.
- **Give the pension service a copy of our policy statement**

The pension service cannot lawfully process any award without this policy.

Q2. Why are there so many references to exceptional cases being decided by JEB?

The policy should be affordable and not likely to cause a serious loss of confidence in the public service.

Making decisions via a business case will seek to explore the affordability and have due regard to discrimination laws on a case by case basis.

Q3. Are these policies simply stating the LGPS regulations?

No. The regulations contain discretionary powers on which employers must set policy to comply. They also require local authorities to reconfirm existing policies. See Q1.

Q4. Flexible retirement - 'What if the member reduces their hours, but want to move to a higher grade role or moves to a lower grade, but increases their hours?'

This would not be allowed and thus permission to flexibly retire would not be given.

Q5. Power to award additional pension - What circumstances would you do this in and what circumstances would you not do this in?

The policy is that as a rule, we will not augment additional pension or membership with any exceptional cases to be determined by JEB. The reason is that the costs can be highly prohibitive and this can lead to a loss of public confidence thus a business case would need to be considered.

Q6. I have heard that staff who are made redundant are allowed to use their redundancy pay above statutory to buy extra years in order to augment pension. Is this true?

Staff should seek independent advice as there are usually tax implications. However we can permit the part of an employees redundancy payment that relates to earnings in excess of the statutory maximum to be used to buy additional service in the Local Government Pension Scheme. This option is only open to employees if they request it before employment ceases and it is a good way of ensuring staff that leave by way of redundancy do so on the best possible terms. There is no cost to the Council.