



**BARNSTAPLE  
TOWN COUNCIL**

# Discretions Policy

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**The LGPS Regulations 2013**

**and**

**The LGPS Regulations 2014**

(Transitional Provisions and Savings)

**and**

**The LGPS Regulations 2008**

(Benefits, Membership and Contributions)

**Employer name:** Barnstaple Town Council

**Policy effective from:** 22 September 2016

These policies may be subject to review from time to time. Affected employees will be notified of any subsequent change to this Policy Statement.

**Signed on behalf of:** Barnstaple Town Council

**Signature of authorised officer:**

**Date:** 22 September 2016

**Print name of authorised officer:** Will Austin

**Job title:** Town Clerk

## LGPS 2013 & 2014 discretions

### Regulation R16 (2) (e) and R16 (4) (d)

#### Shared Cost Additional Pension Scheme

An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC)

### Policy decision

Barnstaple Town Council will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the expressed permission of Barnstaple Town Council after consideration of the costs that would apply.

### Regulation R17 (1) and TP15 (1) (d) and A25 (3) and definition of SCAVC in R Sch 1

#### Shared Cost Additional Voluntary Contribution Arrangement

An employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution arrangement entered into on or after 1 April 2014 through a shared cost AVC.

An employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution arrangement entered into **before** 1 April 2014 through a shared cost AVC.

### Policy decision

Barnstaple Town Council will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the expressed permission of Barnstaple Town Council after consideration of the costs that would apply.

### Regulation R30 (6) and TP11 (2)

#### Flexible Retirement (Requires a separate policy)\*\*

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.

### Policy decision

Barnstaple Town Council will consider employee requests to take flexible retirement on a case by case basis after taking into factors such as service delivery and any costs that may apply. The Town Council will be responsible for agreeing (or otherwise) to all requests to take flexible retirement.

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.

**Regulation R30 (8) , TP3 (1), TPSch2, Para 2(1), B30 (5) and B30 (A) (5)**

**Waiving of actuarial reduction**

Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members' benefits paid on the grounds of flexible retirement.

Employers may also waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members' 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.

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 before age 60.

**Policy decision**

Barnstaple Town Council will only waive the actuarial reduction on flexible retirement in exceptional circumstances following approval from the Town Council.

**Regulation TPSch 2, para 2 (2) and 2 (3)**

**Power of employing authority to 'switch on' the 85 year rule**

An employer can choose whether to switch on the 85 year rule for members who voluntarily retire on or after age 55 and before age 60.

An employer can also choose to waive, on compassionate grounds, the actuarial reduction applied to benefits for a

**Policy decision**

Barnstaple Town Council will only agree to "switch on" the rule of 85 in exceptional circumstances following approval from the Town Council after considering the costs that will apply.

member voluntarily drawing benefits on or after age 55 and before age 60.

### Regulation R31

#### Power of employing authority to grant additional pension

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). (\*the figure of £6,500 will be increased each April under Pensions Increase Orders)

### Policy decision

Barnstaple Town Council will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the express permission of Barnstaple Town Council after consideration of the costs that would apply.

**\*\* Flexible Retirement - Please note that if you wish to offer your members the option of flexible retirement, you will need to formulate a separate policy (please refer to the Guidance Notes)**

Policies not required but recommended:	
<b>R22 (8) (b)</b> - Whether to extend the 12 month option period for a member to elect that post 31st March 2014 deferred benefits should not be aggregated with a new employment	Barnstaple Town Council will only allow an extension to the 12-month period to aggregate previous Local Government service where it can be reasonably shown that the member was not provided with the required information within 6 months of starting.
<b>R22 (7) (b)</b> - Whether to extend the 12 month option period for a member to elect that post 31st March 2014 deferred benefits should not be aggregated with an ongoing concurrent employment	Barnstaple Town Council will only allow an extension to the 12-month period to separate previous Local Government service where it can be reasonably shown that the member was not provided with the required information within 6 months of starting.
<b>R100 (6)</b> - Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	Barnstaple Town Council will only allow an extension to the 12-month period to combine previous non-LG service where it can be shown that the member was not provided with the required information within 6 months of starting.
<b>R9(1) &amp; R9(3)</b> - Determine rate of employees' contributions and when the contribution rate will be assessed	Barnstaple Town Council will only review all employees contribution band as at 1 April each year. Hence, when a member salary or hours change (either temporarily or permanently) during the year, the member will remain on the same employee contribution rate until the following April.

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Peninsula Pensions is provided by Devon County Council and is a shared service with Somerset County Council  
[www.peninsulapensions.org.uk](http://www.peninsulapensions.org.uk)



## LGPS 2008 discretions

To cover scheme members who ceased active membership on or after 1 April 2008 and before 1 April 2014 (no need to complete if not applicable).

### Regulation B18

#### Flexible Retirement (Requires a separate policy)\*\*

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.

### Policy decision

Barnstaple Town Council does not agree to allow blanket consent to flexible retirement. All requests will be referred to the Finance & General Purposes and Staffing Committees and assessed on their own merit(s) taking into account factors such as:

- Cost, service delivery and career progression;
- Retention of experienced staff;
- Assisting with easing down to retirement; and
- To help avoid redundancies when facilitating reorganisations/re-structuring.

### Regulation B30

#### Choice of early payment of pension

**B30 (2)** Employers can also allow the early payment of deferred benefits to former members of the LGPS between the ages of 55 and 59.

**Please note where a deferred member left the LGPS before 1 April 2008 the employer policy under the 1997 regulations will apply.**

**B30A(3)** 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.

**B30 (5) and B30A (5)** 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.

### Policy decision

Barnstaple Town Council does not agree to allow blanket consent to early payment of retirement benefits. All requests will be referred to the Finance & General Purposes and Staffing Committees and assessed on their own merit(s) taking into account factors such as cost, service delivery and career progression.