
Meeting: General Purposes Committee
Date: 29 May 2014
Subject: Local Government Pension Scheme – Discretions Policy
Report of: Deb Clarke, Director of Improvement and Corporate Services
Summary: The report sets out the requirements of the Local Government Pension Scheme Regulations for each employer to determine its policy with regard to these discretions and proposes the Council's policy with regard to these discretions.

Advising Officer: Deb Clarke, Director of Improvement and Corporate Services
Contact Officer: Catherine Jones, Chief People Officer (Acting)
Public/Exempt: Public
Wards Affected: None
Function of: None

CORPORATE IMPLICATIONS

Council Priorities:

The report does not have any direct input to supporting the Council's priorities but provides that it reduces any risk and possible financial costs to the Council by having determined the Council's policy with regard to the employer discretions with the Local Government Pension Scheme.

Financial:

1. None specifically arising from this report

Legal:

2. None specifically arising from this report which is written in accordance with the requirements of the Local Government Scheme Regulations. The details of the relevant regulations are set out in the report:

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 or The Local Government Pension Scheme Regulations 2013.

The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.

The Local Government Pension Scheme (Transitional Provisions) Regulations 2008

The Local Government Pension Scheme (Administration) Regulations 2008
The Local Government Pension Scheme (Benefits, Membership
& Contributions) Regulations 2007 (as amended)
The Local Government Pension Scheme Regulations 2007
The Local Government (Early Termination of Employment) (Discretionary
Compensation) England and Wales Regulations 2006 (as amended)
The Local Government (Early Termination of Employment) (Discretionary
Compensation) (England and Wales) Regulations 2000
The Local Government Pension Scheme Regulations 1997
The Local Government Pension Scheme Regulations 1997 (as amended)
The Local Government Pension Scheme Regulations 1995.

Risk Management:

3. There is a risk to the authority if the council does not review and update its existing policy with regard to the discretions within the LGPS Regulations. The Council is open to challenge from trade unions, deferred or current members of the LGPS as it will not be able to rely on any considered policy statement when asked to exercise its discretion.

Staffing (including Trades Unions):

- 4.. None specifically arising from this report.

Equalities/Human Rights:

5. None specifically arising from this report as set out in 3 above.

Public Health

6. Not applicable

Community Safety:

7. Not Applicable.

Sustainability:

8. Not Applicable.

Procurement:

9. Not applicable.

RECOMMENDATION:

The Committee is asked to adopt the recommendations as set out in Appendix A in respect of discretions to be applied by Central Bedfordshire Council as a scheme employer.

Background

10. Since 1997 LGPS regulations have required employers to issue a written policy statement on how they will exercise the various discretions provided by the scheme and to keep policies under review and revise as necessary.
11. In 2012 the Committee considered and approved the discretions to be applied by Central Bedfordshire Council as a scheme employer.
12. The new pension scheme rules which apply from 1 April 2014 require the Council to publish an up to date statement with regard to how the employer will respond to discretionary aspects of the scheme rules and regulations. The policy has to be published by 30 June 2014.
13. The Council has therefore reviewed the discretions that were approved in 2012 to check that the rationale behind the decisions taken at the time is still appropriate.
14. The discretions that currently apply as set out in Appendix A are contained in the regulations detailed in paragraph 2.
15. Appendix A sets out all those discretions where the Council is required to have a written policy as advised by Bedfordshire Pensions. This document reflects current discretions which are still required and also additional discretions previously not included in the Council's policy that also require a policy decision by the Council as a scheme employer.
16. The 2008 Policy Statement on Employing Authority Discretions has been annotated to reflect the 2014 amendments (Appendix B).

Appendices:

Appendix A – LGPS 2014 – Employer Policy Statement

Appendix B – Policy Statement on Employer Authority Discretions

Background Papers (open to public inspection):

None