

Comparison of Council's existing Pension Discretions

Pension Regulation	MDC	SDC	SCC	SWT	SSDC
Mandatory Pension Regulation					
<p>Regulation R31 Power of employing authority to grant additional pension. An employer can choose to grant extra annual pension* (at full cost to themselves) to:</p> <ul style="list-style-type: none"> a) an active member; or b) to a member, within 6 months of leaving, whose employment was terminated on the grounds of redundancy or business efficiency 	No	Yes Only discretionary element of redundancy pay. No employer contribution	Yes In exceptional circumstances	Yes Only allow compensation element of redundancy payment.	No
<p>Regulation R16 (2) (e) and R16 (4) (d) Shared Cost Additional Pension Scheme Where an active member wishes to purchase extra annual pension by making additional pension contributions (APCs)*, an employer can choose to voluntarily contribute towards the cost of purchasing that extra pension through a Shared Cost Additional Pension Contribution (SCAPC)</p>	No	No	Yes Through Shared Cost Salary Sacrifice AVC scheme	No	Yes Only for authorised unpaid leave

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<p>Switch on' the 85-year rule The 85-year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60. An employer can therefore choose whether to switch on the 85-year rule for members.</p>	<p>Yes Financial interests of the Council or compassionate reasons</p>	<p>Yes Case by case</p>	<p>Yes In exceptional circumstances</p>	<p>Yes Case by case in exceptional circumstances</p>	<p>Yes In the interests of efficiency and compassionate grounds</p>
<p>Regulation R30 (6) and TP11(2)Flexible RetirementAn employer can decide whether to permit flexible retirement for staff aged 55 or over who reduce their working hours and/or grade and wish to access their pension benefits. In such cases, pension benefits may be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds. The employee must reduce either their hours, and/or their grade and the employer must agree to the release of the pension. You will need to consider:1. The minimum reduction in hours or grade required. (The specific</p>	<p>Yes Case by case basis in line with Flexible Retirement Policy</p>	<p>Yes Case by case basis</p>	<p>Yes Business case in accordance with SSC's Flexible Retirement Policy. Others on compassionate grounds</p>	<p>Yes Business case in accordance with SWT Flexible Working Policy,</p>	<p>Yes Depends on operational viability and impact of costs to SSDC.</p>

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<p>reduction required is not set out in the regulations, but instead must be determined by the employer and specified in this flexible retirement policy). 2. Whether the employee should commit to a reduction in hours or grade for a minimum period.3. Whether the employee should commit to remaining in employment with the employer for a minimum period.You must also state whether, in addition to the benefits the member has accrued prior to 1st April 2008 (which the member must draw), you permit the member to choose to draw: • All, part, or none of the benefits they accrued after 31st March 2008 and before 1st April 2014 and/or,• All, part, or none of the benefits accrued after 31st March 2014, and,• Whether to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members' benefits paid on the grounds of flexible retirement before normal retirement age (R30(8)).</p>					

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<p>Regulation R30 (8) , TP3 (1), TPSch2, Para 2(1), B30 (5) and B30 (A) (5)Waiving of actuarial reduction An employer can decide whether to waive in whole or in part any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement.This applies to:• active members voluntarily retiring on or after age 55 and before Normal Pension Age, who elect to immediately draw benefits, and• deferred members and suspended tier 3 ill health pensioners who elect to draw benefits (other than on ill health grounds) on or after age 55 and before Normal Pension Age.</p>	<p>Yes Exceptional circumstances considering financial interest of the Council or compassionate reasons.</p>	<p>Yes Case by case in exceptional circumstances</p>	<p>Yes In exceptional circumstances</p>	<p>Yes Exceptional compassionate grounds</p>	<p>Yes Case by case exceptional circumstances</p>

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Non-mandatory policies but recommended by Peninsula Pensions Recommended LGPS 2013 & 2014 discretions					
<p>Regulation R17 (1) and TP15(1)(d) and A25(3) and definition of SCAVC in R Sch 1</p> <p>Shared Cost Additional Voluntary Contribution Arrangement (SCAVC)</p> <p>An employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution through a shared cost arrangement (SCAVC). An employer will also need to decide how much, and in what circumstances to contribute to a SCAVC arrangement.</p>	No	No	Yes In certain circumstances. In accordance with Shared Cost salary sacrifice AVC scheme	No	No
<p>Reg 16 (16)Extend the time limit for member to elect for a SCAPC</p> <p>An employer can extend the 30-day deadline for a member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child</p>	No	No	Yes In certain circumstances.	No	No

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- related leave or reserve forces service leave).					
R100(6) - Extend normal time limit for acceptance of a transfer of value beyond 12 months from joining the LGPS.	No	No	Yes Evidence of maladministration or life changing event	No	No
Reg 22(7) and (8) Extend the 12-month time limit for a member to elect not to aggregate Post 31 March 2014 deferred benefits. Whether to extend the 12-month time limit for a member to elect not to aggregate post 31 st March 2014 (or combinations of pre-April 2014 and post March 2014) deferred benefits.	No	Yes If member has not received required information in time.	Yes Exceptional circumstances, maladministration or life changing event.	No	No

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<p>Reg 27 of the LGPS (Amendment) Regs 2018 Extend the 12-month option period for a member to elect to aggregate pre-1st April 2014 deferred benefits.</p>	No	No	Yes Exceptional circumstances, maladministration or life changing event.	No	No
<p>R9(1) & R9(3) How an employee's contribution band will be initially determined and thereafter reviewed Determine rate of employees' contributions and when the contribution rate will be assessed.</p>	Every April and when there is a material change in contractual pay	Contractual change to employee's salary	SAP automatically calculates	As changes occur	Material change in contractual pay.

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<p>Whether to include a regular lump sum payment when calculating assumed pensionable pay (APP) (Reg 21(4)(a)(iv), 21(4)(b)(iv) and 21(5))</p> <p>When calculating assumed pensionable pay, employers can decide to include the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred. A 'regular lump sum payment' is a payment for which the employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.</p>	No	No	No	No	No

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<p>Whether to substitute a higher level of pensionable pay when calculating assumed pensionable pay (R21(5A) and 21(5B) backdated to 1 April 2014 by A7 2018)</p> <p>When calculating assumed pensionable pay (APP), an employer can decide to substitute a higher level of pensionable pay if, in their opinion, the pensionable pay received in the 3 months/12 weeks before the commencement of APP, is materially lower than the level of pensionable pay the member would have normally received.</p>	No	No	No	No	No

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<p>Pre LGPS 2014 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).</p>					

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<p>Switch on' the 85-year rule TPSch 2, para 1(1)(c) & 1(2)</p> <p>The 85-year rule does not automatically fully apply to members who would have had the protection under old regulations, and who choose to voluntarily draw their benefits on or after age 55 and before age 60. An employer can decide to switch the 85-year rule back on in full for such members.</p> <p>This also applies to members with deferred benefits or a suspended tier 3 ill health pension who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60.</p>	No	No	No	No	No

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<p>Reg 30(5, TP2(1) Sch2 Reg 30A(5) TP2(1) Sch2 Early payment of benefits Whether on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Whether on compassionate grounds, to waive any actuarial reduction that would normally be applied to any suspended tier 3 ill health pension benefits which are brought back into payment before age 65.</p>	<p>Yes Exceptional circumstances, compassionate grounds</p>	<p>No</p>	<p>Yes Exceptional circumstances</p>	<p>No</p>	<p>No</p>
<p>To cover scheme members who ceased active membership between 1 April 1998 and 31 March 2008 (no need to complete if not applicable)</p>					
<p>Switch on' the 85-year rule upon the voluntary early payment of deferred benefits TPSch 2, para 1(2) & 1(1)(f) & R60</p>	<p>No</p>	<p>No</p>	<p>Yes Exceptional circumstances</p>	<p>Yes Case by case basis</p>	<p>No</p>

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<p>Regulation 32(2), 31(7A) of the LGPS Regulations 1997 and paragraph 2(1) of Schedule 2 to the LGPS (TP) Regs 2014</p> <p>Early payment of benefits</p> <p>Employers can allow the early payment of deferred benefits to former members of the LGPS between the ages of 50 and 55.</p> <p>Employers can also choose, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits which are paid before age 65.</p>	No	No	No	No	No
<p><u>Regulation D11(2)(c) of the LGPS Regulations 1995. In relation to members who ceased active membership before April 1998:</u></p> <p>Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds</p>	No	No	Yes Compassionate grounds	No	No