

**Summary Table for HR Committee July 2023**

<b>Policy</b>	<b>Points to Note</b>	<b>Suggested Approval Route</b>
Pensions Discretions Policy	<p>While the Local Government Pension Scheme (LGPS) is largely governed by statutory regulations set out in legislation, there are certain discretions that the employer can make to enhance member's benefits. These are set out in the Council's Employer Discretions Policy with Peninsula Pensions who administer the LGPS on behalf of Somerset Council. There are mandatory and non-mandatory discretions. The Council is required to have a written policy on all of the mandatory discretions. However, whilst there is no requirement for the Council to have a written policy in respect of the non-mandatory discretions, there are eight non-mandatory discretions where it is recommended for Scheme employers to have a written policy. This is in order that both members and the Pension Fund administering authority (Peninsula Pensions) can be clear on the Council's policy on these.</p> <p>The new policy is based on the former Somerset County Council policy. This policy was more favourable to pension scheme members as it permitted application of a greater number of the discretionary regulations than the former District Councils' policies. That said, the approach taken when determining which discretions to apply has always been to ensure that the costs to the Council are controlled while providing flexibility for scheme members as allowed by the Regulations.</p> <p>Continuing to apply this same approach could have a financial impact on Somerset Council simply on the basis that the new Council is a larger organisation with more pension scheme members. It is not possible to predict the cost as any request to apply a discretion is on a case-by-case basis and cannot be predicted.</p>	<p>Requires HR Committee approval as there is the potential for financial implications now more pension scheme members are covered by the policy.</p> <p>Flagged to HR Committee for information and awareness as a positive change to former District Council policies.</p>

Appendix D

	<p>The HR Committee’s decision on the two additional discretions outlined in the report circulated alongside this one will be incorporated into the Pensions Discretions Policy.</p>	
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