

## Marhamchurch Parish Council

### Local Government Pension Scheme Discretion Policy

Under the Local Government Pension Scheme (LGPS) Regulations 2013, all employers are required to prepare and publish a written statement on how it will exercise various discretions.

	<b>Policy Decision</b>
<p><b>Shared Cost Additional Pension Scheme</b> An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAP).</p>	Marhamchurch Parish Council will not contribute to Additional Voluntary Contributions.
<p><b>Flexible Retirement</b> Employers may allow a member from the age of 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.</p>	Marhamchurch Parish Council will consider employee requests to take flexible retirement on a case by case basis after taking into account the business needs and costs that may apply.
<p><b>Early Retirement on Compassionate Grounds</b> An employer can permit early retirement on compassionate grounds.</p>	Marhamchurch Parish Council will permit early retirement on compassionate grounds on a case by case basis after taking into account the business needs and costs that may apply.
<p><b>Waving of Actuarial Reduction</b> 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 and before age 60.</p>	Marhamchurch Parish Council will not waive any actuarial reduction.
<p><b>Shared Cost Additional Pension Scheme</b> An employer can choose to pay for or contribute to a member's Additional Pension</p>	Marhamchurch Parish Council will not contribute to Additional Voluntary Contributions.

Contract via a Shared Cost Additional Pension Contract (SCAP).	
<b>Power of employing authority to 'switch on' the 85 year rule</b> 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. (The 85 year rule is where the employee's age and length of service totals 85 – prior to 2014 the employee could retire with unreduced benefits with the consent of the employer. As the decision to retire early now rests with the employer the LGPS 2014 regulations automatically 'switch off' the 85 rule). An employer can also choose to waive, on compassionate grounds the actuarial reduction applied to benefits for a member voluntarily drawing benefits on or after age 55 and before 60.	Marhamchurch Parish Council will 'switch on' the 85 year rule on a case by case basis after taking into account the business needs and costs that may apply and will not waive the actuarial reduction.
<b>12 month time limit for transfers into the LGPS</b> There is a time limit of 12 months to transfer existing pension benefits from previous employments into the Cornwall Pension Fund.	Marhamchurch Parish Council will not extend the 12 month time limit for employees to request Cornwall Pension Fund to investigate the option of transferring any pension benefits from previous employments into the Cornwall Pension Fund.
<b>Power of Employing Authority to grant additional pension</b> 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.	Marhamchurch Parish Council will allow employees made redundant to have the option of converting any compensation payment in to additional pension. It will not purchase additional pension.
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