

## CCC Employer Discretions Policy

Discretions to be introduced on 6<sup>th</sup> April 2019

The Authority is required to publish its policy in respect of its Employer Discretions under the Local Government Pension Scheme (LGPS). These discretions are subject to change, either in line with any change in regulations or by due consideration by the Authority. These provisions do not confer any contractual rights.

The introduction of the LGPS (Amendment) Regulations 2018 on 14<sup>th</sup> May 2018 has brought about further discretionary functions to employing authorities. However, in light of this update, the Local Government Pensions Committee (LGPC) decided to undertake a full review of ALL discretions under all LGPS regulations, which has subsequently led to this exercise and the need to review and update our existing policy statement.

### Local Government Pension Scheme Regulations 2013

Discretionary policies from 1 April 2014 in relation to post 31 March 2014 active members (excluding councillor members) and post 31 March 2014 leavers (excluding councillor members).

Employer Discretion	Regulation	Policy
Whether, how much, and in what circumstances to contribute to a shared cost APC scheme.	16(2)(e)* & 16(4)(d)*	Not to apply this discretion.
Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).	30(6)*	Consider all applications taking into account all financial and service delivery issues.
Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	30(8)*	Consider all applications taking into account all financial and service delivery issues.
Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership).	30(8)*	Consider all applications taking into account all financial and service delivery issues.
Whether 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 p.a. on 1 April 2014 - this figure is inflation proofed annually).	31*	Not to apply this discretion.

Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	60*	Consider all applications taking into account all financial and service delivery issues.
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## Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014

Discretionary policies from 1 April 2014 in relation to post 31 March 2014 active members (excluding councillor members) and post 31 March 2014 leavers (excluding councillor members).

Employer Discretion	Regulation	Policy
Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).	11(2)*	Consider all applications taking into account all financial and service delivery issues.
Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	Schedule 2, paragraph 1(2) and 1(1)(c)*	Consider all applications taking into account all financial and service delivery issues.
Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	Schedule 2, paragraph 1(2) and 1(1)(c)*	Consider all applications taking into account all financial and service delivery issues.
Whether to “switch on” the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	Schedule 2, paragraph 1(2) and 1(1)(c)*	Consider all applications taking into account all financial and service delivery issues.
Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	Schedule 2, paragraph 1(2) and 1(1)(f)*	Consider all applications taking into account all financial and service delivery issues.
Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership): a) on compassionate grounds (pre 1 April 2014 membership) and in whole	Schedule 2, paragraph 2(1) & 3(1)*	Consider all applications taking into account all financial and service delivery issues.

<p>or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.</p>		
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under Regulation 30 of the Benefits, Membership &amp; Contributions Regulations 2007 (member).</p>	<p>Schedule 2, paragraph 2(1)*</p>	<p>Consider all applications taking into account all financial and service delivery issues.</p>
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under Regulation 30A Benefits, Membership &amp; Contributions Regulations 2007 (pensioner member with deferred benefits).</p>	<p>Schedule 2, paragraph 2(1)*</p>	<p>Consider all applications taking into account all financial and service delivery issues.</p>
<p>Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.</p>	<p>Schedule 2, paragraph 2(1)*</p>	<p>Consider all applications taking into account all financial and service delivery issues.</p>

## Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007

Discretionary policies in relation to scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014.

Employer Discretion	Regulation	Policy
Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under Regulation 30 (member).	30(5)*	Consider all applications taking into account all financial and service delivery issues.
<p>Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership):</p> <ul style="list-style-type: none"> <li>a) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</li> <li>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</li> <li>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</li> <li>d) on compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.</li> </ul>	30(5)* & 30A(5)*	Consider all applications taking into account all financial and service delivery issues.
Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under Regulation 30A (pensioner member with deferred benefits).	30A(5)*	Consider all applications taking into account all financial and service delivery issues.

## Local Government Pension Scheme Regulations 1997 (as amended)

Discretionary policies in relation to active welsh councillor members, councillor members who ceased active membership on or after 1 April 1998, and any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008.

Employer Discretion	Regulation	Policy
Grant application for early payment of deferred benefits on or after age 50 and before age 55.	31(2)*	Consider all Applications.
Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	31(5)*	Consider all Applications.
Optants out only to get benefits paid from NRD if employer agrees.	31(7A)*	Take appropriate action in light of the circumstances relating to each case.
Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds.	106(1)*	Consider all Applications.

## Local Government Pension Scheme (Transitional Provisions) Regulations 1997

Discretionary policies in relation to scheme members who ceased active membership before 1 April 1998.

Employer Discretion	Regulation	Policy
Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds.	4*	Consider all Applications.

## Local Government Pension Scheme Regulations 1995 (as amended)

Discretions Adopted at Full Council 6<sup>th</sup> March 2019

Discretionary policies in relation to scheme members who ceased active membership before 1 April 1998.

Employer Discretion	Regulation	Policy
Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds.	11(2)(c)*	Consider all Applications.

### Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

Discretionary policies in relation to employees of an employing authority that is defined under regulation 2 of The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended).

Employer Discretion	Regulation	Policy
To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.	5*	To be based on an actual week's pay.
To award lump sum compensation of up to 104 weeks pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	6*	To award payments based on statutory redundancy pay tables x 1.5 up to a maximum of 45 weeks and if aged 55 and over, release of unreduced accrued benefits.  For efficiency, the release of unreduced accrued benefits ONLY. No compensation payments payable.

### Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

Discretionary policies in relation to former employees of an employing authority that is a body that is a scheduled body, a designate body, or a body that is deemed to be a scheduled body under the LGPS Regulations 2013 and equivalent predecessor regulations (excluding admitted bodies).

Employer Discretion	Regulation	Policy
How to apportion any surviving spouse's or civil partner's annual compensatory added years payment where the deceased person is survived by more than one spouse or civil partner.	21(4)*	Apportioned on same basis as main scheme benefits.
How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children.	25(2)*	Apportioned on same basis as main scheme benefits.
Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid.	21(7)*	CAY payments to continue in payment.
If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation.	21(5)*	NA
Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partner's annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or co-habitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them.	21(7)*	CAY payments to continue in payment.

Whether and to what extent to reduce or suspend the member's annual compensatory added years' payment during any period of re-employment in local government.	17*	No longer abate. Mirrors DPF policy from 1.10.2006.
How to reduce the member's annual compensatory added years' payment following the cessation of a period of re-employment in local government.	19*	No longer abate. Mirrors DPF policy from 1.10.2006.

### Discretions under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

Discretionary policies which relate to injury allowances, apply only in respect of leavers, deaths and reductions in pay that occurred before 16 January 2012; and which relate to gratuities, apply only in respect of leavers and deaths that occurred before 16 January 2012.

Employer Discretion	Regulation	Policy
Whether to grant an injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	3(1)*	Carmarthenshire County Council has elected NOT to implement an Injury Allowance under the above Regulations.
Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	3(4) and 8*	See 3 (1)
Determine whether person continues to be entitled to an injury allowance awarded under Regulation 3(1) (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	3(2)*	See 3 (1)
Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	4(1)*	See 3 (1)



Amount of injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	4(3) and 8*	See 3 (1)
Determine whether person continues to be entitled to an injury allowance awarded under Regulation 4(1) (loss of employment through permanent incapacity).	4(2)*	See 3 (1)
Whether to suspend or discontinue injury allowance awarded under Regulation 4(1) (loss of employment through permanent incapacity) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	4(5)*	See 3 (1)
Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a Regulation 3 payment (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job) was being made at date of cessation of employment but Regulation 4 (loss of employment through permanent incapacity) does not apply.	6(1)*	See 3 (1)
Determine amount of any injury allowance to be paid under Regulation 6(1) (payment of injury allowance following the cessation of employment).	6(1)*	See 3 (1)
Determine whether and when to cease payment of an injury allowance payable under Regulation 6(1) (payment of injury allowance following the cessation of employment).	6(2)*	See 3 (1)
Whether to grant an injury allowance to the spouse, civil partner, nominated co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	7(1)*	See 3 (1)
Determine amount of any injury allowance to be paid to the spouse, civil partner, nominated co-habiting partner (for awards made on or after 1 April 2008 the requirement to nominate a co-habiting partner has ceased due to the outcome of the Elmes v Essex high court judgement) or dependent of an employee under	7(2) and 8*	See 3 (1)

regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).		
Determine whether and when to cease payment of an injury allowance payable under Regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	7(3)*	See 3 (1)

Dyfed Pension Fund Administering Authority discretions are available on [www.dyfedpensionfund.org.uk](http://www.dyfedpensionfund.org.uk). The full list of discretionary policies for Carmarthenshire County Council can also be found on this site.

**If you require this information in any other format please contact People Management on 01267 246184 or email [PMBusinessSupport@carmarthenshire.gov.uk](mailto:PMBusinessSupport@carmarthenshire.gov.uk) .**

Published Policy Statement