



Pension Fund Policy

**Twyford Parish Council
Policies and Procedures**

Pension Fund Policy

Document ref:	
Version:	2
Version date:	2014
Date adopted:	22/7/14
Date reviewed & no amendments	16/7/19

EMPLOYER DISCRETIONS – STATEMENT OF POLICY

**LOCAL GOVERNMENT PENSION SCHEME 2008 (inclusive of LGPS
(Miscellaneous) Regulations 2012)**

The employer known as Twyford Parish Council has prepared this written statement of policy in relation to its exercise of certain discretionary functions available under the above regulations.

**PART A – Formulation of policy in accordance with Regulation 66 of the Local
Government Pension Scheme (Administration) Regulations 2008**

**Regulations in this part refer to the Local Government Pension Scheme
(Benefits, Membership and Contributions) Regulations 2007 (as amended)**

**1 Regulation 12 - Power of an employing authority to increase total
membership of active members.**

An employer may resolve to increase the total membership of an employee at any time whilst he is an active member of the Scheme with them. The maximum additional membership period that can be awarded is 10 years.

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

Employer's policy

Twyford Parish Council have resolved not to increase the membership.

**2 Regulation 13 – Power of employing authority to award additional
pension**

An employer may resolve to award an employee, at any time whilst he is an active member of the Scheme with them, additional pension of not more than £5,000 a year

payable from the same date as his pension is payable under any provisions of the Local Government Pension Scheme Regulations.

Additional pension may be paid in addition to any increase of membership under regulation 12 of the LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended).

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

Employer's policy

Twyford Parish Council have resolved not to award additional pension.

3 Regulation 18 – Flexible Retirement

A member who has attained the age of 55 and who, with his employer's consent, reduces the hours he works, or the grade in which he is employed, may make a request in writing to the appropriate administering authority to receive all or part of his benefits under the Regulations, and such benefits may, with the employer's consent, be paid to him notwithstanding that he has not retired from that employment.

If the payment of benefits takes effect before the member's 65th birthday they will be reduced in accordance with guidance issued by the Government Actuary unless the employer agrees to waive, in full or in part, any such reduction at their cost.

In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

Employer's policy

Twyford Parish Council have resolved to consider offering flexible retirement on a case by case basis with due consideration to the financial implications.

4 Regulation 30 – Choice of Early Payment of Pension

If a member leaves a local government employment before he is entitled to the immediate payment of retirement benefits, once he has attained the age of 55 he may choose to receive payment of them immediately. A choice by a member aged less than 60 is ineffective without the consent of his employer or former employer and the employer must pay to the Pension Fund a sum representing the capital cost of releasing those benefits early.

His pension must be reduced by the amounts shown as appropriate in guidance issued by the Government Actuary although the employer may determine on compassionate grounds to waive the actuarial reduction.

In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

Employer's policy

Twyford Parish Council have resolved to consider offering early payment of pension on a case by case basis with due consideration to the financial implications.

5 Regulation 30A – Choice of Payment of Pension: Pensioner Member with Deferred Benefits

Where a member who is treated as a pensioner member with deferred benefits (a former employee retired on ill-health grounds with the award of tier 3 benefits that have now ceased) has reached the Scheme's normal retirement age, he is entitled to immediate payment of his retirement pension without reduction.

Upon reaching the age of 55 the member may choose to receive his retirement pension immediately but a choice made by a member who is aged less than 60 is ineffective without the consent of his former employing authority.

If released before the age of 60 his pension must be reduced by the amounts shown as appropriate in guidance issued by the Government Actuary although the employer may determine on compassionate grounds to waive the actuarial reduction.

Employer's policy

Twyford Parish Council have resolved to consider offering choice of payment of pension on a case by case basis with due consideration to the financial implications.

PART B – Formulation of policy in accordance with further discretions under the Local Government Pension Scheme (Administration) Regulations 2008

Regulations in this part refer to the Local Government Pension Scheme (Administration) Regulations 2008

6 Regulation 16 - Re-Employed and Re-Joining Deferred Members

Where a deferred member becomes an active member again before becoming entitled to the payment of those deferred retirement benefits, he may elect to have his former deferred membership aggregated with his current active membership on or after the date that he again becomes an active member. An election must be made within 12 months from the date that the member re-joins the Local Government Pension Scheme or such longer period as his employer may allow.

It is worth noting that if the member has more than one former period of deferred membership, it is only the most recent deferred membership period that can be aggregated with his current active membership unless earlier periods of deferred

membership have already been aggregated with the most recent period of deferred membership.

Employer's policy

Twyford Parish Council have resolved to consider offering aggregating a previous membership with a current active membership, in the case of re-employed and re-joining members, on a case by case basis with due consideration to the financial implications.

7 Regulation 22 – Applications to Make Absence Contributions

This provides for a scheme member to pay optional contributions, for a period of unpaid absence from work, within 30 days of returning to, or of ceasing, employment. The employer can agree to extend this time limit.

Employer's policy

Twyford Parish Council have resolved to consider offering making absence contributions to a pension on a case by case basis with due consideration to the financial implications.

8 Regulation 25 – Additional Voluntary Contributions (AVCs) and Shared Cost Additional Voluntary Contributions (SCAVCs)

An active member may elect to pay AVCs into a scheme established under contract between his appropriate administering authority and a body approved for the purposes of the Finance Act 2004.

Under paragraph 3 of this regulation an employer can, at its discretion contribute to the AVC scheme and where they do the AVC scheme is known as a shared cost additional voluntary contributions arrangement and contributions to it as SCAVCs.

Employer's policy

Twyford Parish Council have resolved to consider offering AVC's & SCAVC's on a case by case basis with due consideration to the financial implications.

9 Regulation 83 – Inward Transfers of Pension Rights

This provides that an active scheme member may elect to transfer into the Local Government Pension Scheme relevant pension rights held elsewhere. The member must request the transfer of such rights in writing within 12 months of becoming a member of the Local Government Pension Scheme or such longer period as the employer may allow.

Employer's policy

Twyford Parish Council have resolved to consider offering transfers in to a pension on a case by case basis with due consideration to the financial implications.

10 Regulation 57(5)(c) – Notification of Decisions Under Regulation 58

Responsibility for determinations under the first stage of the Internal Disputes Resolution Procedure rests with a “specified person” appointed by the (former) employer of a scheme member.

Employer's policy

The specified person for this employer is:

Name: _____

Job Title: _____

Address: _____

Tel No: _____

Email: _____

PART C – Formulation of policy with regard to Regulation 5 of the Local Government Pension Scheme Regulations (Benefits, Membership and Contributions) Regulations 2007 (as amended)

11 Regulation 5 - Contributions Payable by Active Members

An active member shall make contributions to the Scheme at the contribution rate from his pensionable pay in each employment in which he is an active member. The contribution rate to be applied to his pensionable pay in any financial year (starting with 1st April 2008) is the rate determined by the employer to represent the assumed pensionable pay for the forthcoming year.

Where there is a material change to a member's pensionable pay in the course of a financial year, the employer may re-determine the contribution rate to be applied in his case.

Local Government (Discretionary Payments) (Injury Allowances) Regulations

2011

Twyford Parish Council has determined not to adopt its discretionary powers in respect of the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 as it cannot be satisfied that such a policy would be workable, affordable and reasonable having regard to the foreseeable costs.

Employer's policy

Twyford Parish Council have resolved to consider offering contributions from an active member to their pension on a case by case basis with due consideration to the financial implications.

It is understood that the above discretions are applicable to all eligible members of the Scheme. The Scheme rules allow for a revised statement to be issued at least one month in advance of the date that any new policy takes effect. The revised statement must be sent to the administering authority and the employer must publish its statement as revised in a place that is accessible to all of its eligible scheme members.

The policies made above:

Must have regard to the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service;

Will not be used for any ulterior motive;

Will be exercised reasonably;

Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;

Will be duly recorded when applied.

Signed on behalf of the Employer: _____

Name in Block Capitals: LUCY MOFFATT

Position: CLERK TO TWYFORD PARISH COUNCIL

Employer's Name: TWYFORD PARISH COUNCIL

Date: _____