

Pensions discretionary policy

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1. Introduction

As a result of the changes to the Local Government Pension Scheme (Administration) regulations 2013 (as amended), the Authority, as an employing authority is required to formulate and publish its policy regarding how it will apply certain pension discretions. This is in accordance with amended Regulation 60 (5) of the LGPS regulations 2013.

The Authority is also required to publish and keep under review a Statement of Policy on certain discretions relating to injury allowances under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.

2. Purpose

The stated discretions in this policy statement apply to all eligible members of the Local Government Pension Scheme. The statements have been written to balance financial, business, employee needs and public interest as well as taking account the general principle that no policy statement can unduly restrain the employer's ability to make decisions.

This Policy Statement supports the Council's Discretionary Compensation Payments on Cessation of Employment.

3. Scope

This policy applies to all Cambridgeshire and Peterborough Combined Authority employees as far as possible, except where there is a specific local agreement, or a clause within the contract of employment, which is at variance with the provisions as contained within the NJC agreement.

4. Vision and Values

Our vision is for a prosperous and sustainable Cambridgeshire and Peterborough. Driven by our values and using our collective voice and strengths, we seek inclusive good growth for an equitable resilient, healthier and connected region.



Our values define what is important in the way we deliver this vision. At Cambridgeshire and Peterborough Combined Authority our core values are Collaboration, Integrity, Vision, Innovation and Leadership. We are committed to ensuring our culture enables our employees to display these values regardless of their roles within the organisation. Managers and employees alike must ensure our core values are upheld when implementing this policy.

Regulation and Employer Discretion	Policy Statement
<p>Regulation 31</p> <p>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 £7,352 p.a - figure at 1 April 2022)</p>	<p>The Cambridgeshire and Peterborough Combined Authority do not award additional pension.</p>
<p>R16(2)(e) R16(4)(d) R16(5) R17(1) Definition of SCAVC in RSch 1</p> <p>Whether, how much, and in what circumstances to contribute to a shared cost Additional Pension Contribution scheme.</p> <p>Whether, where an active Scheme member wishes to purchase extra annual pension of up to £7,352 (figure at 1 April 2022) by making Additional Pension Contributions (APCs), to (voluntarily) contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p> <p>Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave).</p> <p>Whether, how much, and in what circumstances to contribute to shared cost AVC arrangements entered into on or after 1/4/14.</p> <p>Whether, how much, and in what circumstances to continue to contribute to a shared cost AVC arrangement entered into before</p>	<p>The Cambridgeshire and Peterborough Combined Authority do not make such voluntary contributions.</p>

1/4/14.	
R30(6), and TP11(2) Flexible Retirement Whether all or some benefits can be paid if an active member aged 55 or over and with at least 2 years qualifying service reduces their hours or grade (flexible retirement).	The CPCA reserves the right to exercise this discretion and consider on a case by case basis on its merits whether the discretion should apply, taking into account the financial and service delivery implications affecting the employer.
R30(8) Flexible Retirement Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	The Cambridgeshire and Peterborough Combined Authority will not waive in whole or in part any actuarial reduction paid on flexible retirement except where it is considered in its financial or other beneficial interest to do so
R30(8) Flexible Retirement 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).	The Cambridgeshire and Peterborough Combined Authority will not waive in whole or in part any actuarial reduction for active members who wish to retire before normal pension age except where it is considered in its financial or other beneficial interests to do so.
TPSch2, paras 1(1)(c),1(2) and 2(2) 85 Year Rule Whether to “switch on” the 85 Year Rule for an employee voluntarily drawing benefits on or after age 55 and before age 60.	The CPCA reserves the right to exercise this discretion and consider on a case by case basis on its merits whether the discretion should apply, taking into account the financial, operational and service delivery implications affecting the employer.
TP3(1), TPSch2, paras2(1) and 2(2) B30(5), B30A(5) Waive reductions 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 1/4/14 and post 31/3/14 membership) on: a) compassionate grounds (pre 1/4/14 membership) and in whole or	The CPCA reserves the right to exercise this discretion and consider on a case by case basis whether the discretion should apply, taking into account the financial and service delivery implications affecting the employer as well as the parameters already set out.



<p>in part on any grounds (post 31/3/14 membership) if the member was not in the Scheme before 1/10/06,</p> <p>b) compassionate grounds (pre 1/4/14 membership) and in whole or in part on any grounds (post 31/3/14 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will not attain 60 between 1/4/16 and 31/3/20</p> <p>c) compassionate grounds (pre 1/4/16 membership) and in whole or in part on any grounds (post 31/3/16 membership) if the member was in the Scheme before 1/10/06 and will be 60 by 31/3/16</p> <p>d) compassionate grounds (pre 1/4/20 membership) and in whole or in part on any grounds (post 31/3/20 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will attain 60 between 1/4/16 and 31/3/20.</p>	
<p>R100(6) Transferring in non-LGPS pension rights Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS</p>	<p>The Cambridgeshire and Peterborough Combined Authority do not extend the normal time limits.</p>
<p>R22(8)(b) Joining LGPS Membership Whether to extend the 12 month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with a new employment</p>	<p>The Cambridgeshire and Peterborough Combined Authority do not extend the normal time limits.</p>
<p>R22(7)(b) Joining LGPS Membership Whether to extend the 12 month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with an ongoing concurrent employment</p>	<p>The Cambridgeshire and Peterborough Combined Authority do not extend the normal time limits.</p>
<p>R9(1) & R9(3)</p>	<p>Employee contribution rate is the percentage of pay, which an employee</p>

<p>Determine the rate of employees contributions</p> <p>How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March)</p>	<p>pays into the LGPS - this is deducted from pay each month. From 1 April 2014 pension contributions will be payable on all non-contractual over time and additional hours payments. Pension contributions are not payable on travel and subsistence payments or pay in lieu of notice.</p> <p>There are 9 employee contribution bands.</p> <p>The bands can be found here: Your contributions :: LGPS (lgpsmember.org)</p>
<p>R21(5) Assumed Pensionable Pay</p>	<p>CPCA reserves the right to exercise this discretion and will review it on a case-by-case basis taking into consideration any financial and/or operational implications.</p>
<p>R21(5A) and R21(5B) Possible further discretion</p>	<p>The CPCA reserves the right to exercise this discretion and consider on a case by case basis whether the discretion should apply, taking into account the financial and service delivery implications affecting the employer.</p>
<p>TP10(6) Deferred benefits</p> <p>Whether to extend the 12 month option period for a member (who did not become a member of the 2014 Scheme by virtue of TP5(1)) to elect that pre 1 April 2014 deferred benefits should be aggregated with a new employment</p>	<p>The Cambridgeshire and Peterborough Combined Authority will not extend the 12 month option period for a member.</p>
<p>R5 Redundancy and Lump Sum Compensation</p> <p>To base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.</p>	<p>The Cambridgeshire and Peterborough combined authority will base redundancy payments on an actual week's pay where this exceeds the statutory week pay cap.</p>
<p>R6 Redundancy and Lump Sum Compensation</p> <p>To award lump sum compensation of up to 104 week's pay in cases of redundancy, termination of employment on efficiency grounds, or</p>	<p>The Cambridgeshire and Peterborough combined authority does not award any lump sum payment.</p>

cessation of a joint appointment	
B30 Employer Consent Retirement Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60 for former members.	The Cambridgeshire and Peterborough combined authority will not allow any applications, and therefore there is no need to waive any actuarial reductions on benefits paid early."
B30A Employer consent retirement following Tier 3 ill health award	The Cambridgeshire and Peterborough combined authority will not allow any applications and therefore there is no need to waive any actuarial reductions on benefits paid early.
B30A(3) and A(5)	The Cambridgeshire and Peterborough combined authority will not allow any applications and therefore there is no need to waive any actuarial reductions on benefits paid early.
R3(1), R3(4) and 8, R3(2), R4(1) Injury allowances 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. 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. 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). 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.	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance.
R4(3) & 8	The Cambridgeshire and Peterborough combined authority does not grant

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. R4(2) Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity).	any injury allowance, so an amount cannot be determined. The Cambridgeshire and Peterborough combined authority does not grant any injury allowance, so an amount cannot be determined.
R 4(5) 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.	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance.
R 6(1) Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a reg. 3 payment was being made at date of cessation of employment but reg. 4 does not apply.	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance.
R 6(1) Determine amount of any injury allowance to be paid under regulation 6(1) (payment of injury allowance following the cessation of employment).	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance, so an amount cannot be determined.
R 6(2) 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).	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance, so an amount cannot be determined.
R 7(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.	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance.
R 7(2) and 8 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-	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance, so an amount cannot be determined.

habiting partner has ceased due to the outcome of the Elmes v Essex high court judgement) or dependent of an employee 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).	
R 7(3) 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).	The Cambridgeshire and Peterborough combined authority does not grant any injury allowance, so an amount cannot be determined.
R 31(2) Discretion to grant application for early payment of deferred benefits on or after age 50 and before age 55.	The CPCA reserves the right to exercise this discretion and consider on a case by case basis on its merits whether the discretion should apply, taking into account the financial, operational and service delivery implications affecting the employer.
TPSch 2, para 1(2) & 1(1)(f) & R60 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.	The CPCA reserves the right to exercise this discretion and consider on a case by case basis on its merits whether the discretion should apply, taking into account the financial, operational and service delivery implications affecting the employer.
31(5) & TPSch 2, para 2(1) Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	The Cambridgeshire and Peterborough Combined Authority will not allow any applications, and therefore there is no need to waive any actuarial reductions on benefits paid early.
R 31(7A) Optants out only to get benefits paid from Normal Retirement Date if employer agrees.	The Cambridgeshire and Peterborough Combined Authority does not pay benefits for those who opted out.
Discretions under the LGPS Regulations 1995 (as amended) D11(2)(c) Grant an application for early payment of deferred benefits on or after age 50 on compassionate grounds.	The CPCA reserves the right to exercise this discretion and consider on a case by case basis whether the discretion should apply, taking into account the financial and service delivery implications affecting the employer and any exceptional circumstances of the member.

Governance

Pensions Discretionary Policy

References:

N/A

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Document Control Sheet

Purpose of document:	This document provides useful information on the Pensions.
Type of document:	Procedure
Document checked by Legal	External Legal Advice sought
If applicable, has an initial Equality Impact Assessment (EIA) been completed?	Yes
Document lead and author:	HR Team
Dissemination:	Citrus and Online
What other documents should this be read in conjunction with:	Guidance documents listed in policy
Who will review the document:	HR Team
Why is this document being reviewed?	N/A
Mandatory read	No