

Local Government Pension Scheme Discretionary Policy – Part A

Appendix 1

Background

The regulations of the LGPS require every employer to (i) issue a written policy statement on how it will exercise the various discretions provided by the scheme, (ii) keep it under review and (iii) revise it as necessary.

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 12

It is not the policy of Peterborough City Council to increase total membership.

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 13

It is not the policy of Peterborough City Council to award additional pension.

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 18 (1)

Peterborough City Council will consider requests from employees aged 55 or over to reduce their hours, or move to a position on a lower grade, and elect in writing to draw some or all of the pension benefits already built up. Where there is a capital cost to Peterborough City Council it is unlikely that the request will be agreed.

This does not preclude younger employees requesting flexible working but without the payment of their retirement benefits

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 18 (3)

It is not the policy of Peterborough City Council to waive any reduction applied to the pension benefit due to the early payment.

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 30 (2)

It is not the policy of Peterborough City Council to release pension early unless:-

- (i) it is to bring an earlier deferred benefit into payment following redundancy, or efficiency retirement of an existing employee from a current job in Peterborough City Council, or
- (ii) if there are compelling, compassionate* reasons to do so

LGPS (Benefits, Membership & Contributions) Regulations 2007 Regulation 30 (5)

It is not the policy of Peterborough City Council to waive the actuarial reduction on early payment of pension unless:-

- (i) the payment relates to someone who is being made redundant or taking efficiency retirement from active employment with Peterborough City Council, or
- (ii) if there are compelling, compassionate* reasons to do so.

Key:

*Definition of compelling, compassionate reasons

- (i) The member can clearly demonstrate that they have a dependant, with a lifetime expectancy of more than twelve months, who is in need of the member's constant supervision due to a long term illness and as a result the member is suffering from severe financial hardship OR
- (ii) There is another substantial reason (not relating to caring for a dependant who is ill) where the member can demonstrate that they are facing very severe, ongoing financial hardship and will be doing so on a long term basis.

In exceptional circumstances, and only with the prior approval of the chief executive, the council may vary the terms of this policy on an individual basis.

This list is subject to statute, regulations, and council policy. It may be varied in the future as necessary.