



# DATCHET PARISH COUNCIL

## Pension Discretions Policy Statement

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Version 1	

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## **1. Introduction**

This policy statement is made in accordance with Paragraph 60 of the Local Government Pension Scheme Regulations 2013 ('the Regulations'). The statement sets out how the Council will apply the discretionary provisions available within those Regulations. The policy is applicable to employees, not to Councillors. If the Council decides to change its policy, it will publish a statement of the amended policy within one month of the date of its decision.

In formulating and reviewing its policy, the Council:

- has regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service; and
- is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

Any references to 'employees' in this policy will be taken to include former employees who keep a deferred benefit in the fund.

## **2. Purpose of the Policy**

This policy aims to provide fairness and consistency in situations where the Council is considering cases of flexible retirement and increasing pension benefits. It covers an intention to retire on or after 1st April 2014 for employees only.

## **3. Review of Policy**

This Policy will be reviewed by the Staffing Committee.

Minor amendments to this policy, for example to reflect changes to legal requirements, may be made by the Staffing Committee. Substantial changes should be referred to the full Council.

Next review date will be February 2030.



#### **4. Employer Discretions - Compulsory**

4.1. Additional Pension Contributions Regulation 16(2)(e) and 16(4)(d) of the Regulations - Whether, how much, and in what circumstances to contribute to a shared cost Additional Pension Contribution (APC) scheme.

**The Council will not fund any additional pension contributions normally payable by employees**

4.2(a). Flexible Retirement – Regulation 30 (6) and Transitional Provision Regulations 2014 Regulation 11(2) - Whether all or some benefits can be paid if an employee reduces his/her hours or grade (flexible retirement).

4.2(b). Flexible Retirement (Routine Cases) – Waiving of Actuarial Reduction Regulation 30 (8) of the LGPS Regulations 2013 -Whether to waive, in whole or in part actuarial reduction on benefits on flexible retirement.

The Pension Scheme allows flexible retirement from age 55 with the payment of all or part of accrued pension benefits in situations where the employer agrees to the hours of work or the level of responsibility being reduced and to the release of pension benefits. In most cases pension benefits will be reduced if taken before normal retirement age.

Flexible retirement can benefit both the employee through enabling a gradual adjustment to retirement and the Council through the ability to retain valuable experience and knowledge and increases the opportunity for succession planning.

**The Council will consider all written requests for flexible retirement from eligible employees but will not normally exercise this discretion except in exceptional circumstances having regard to a business case indicating there will be no adverse impact on Council services and where there are likely to be costs savings achieved as a result of the proposal. Flexible retirement will normally result in an actuarial reduction of pension benefits. In exceptional circumstances the Council may consider waiving the actuarial reduction where it is in the Council's interest to do so under Regulation 30(8). All requests for flexible retirements will be considered by the Staffing Committee and a proposal taken to full Council for approval.**

4.3. Awarding Additional Pension Regulation 31

**The Council will not make use of the provision to award additional pension contributions.**

4.4 Switching on the Rule of 85 - Transitional Provision Schedule 2, paragraph 2(2) of the Transitional Provision Regulations 2014

Whether to 'switch on' the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60. The employer can agree to apply the 85-year rule to pre 1/4/2015 accrued benefits (subject to a minimum actuarial reduction to age 60).

**The Council will not normally exercise this discretion but may consider its use in exceptional circumstances, having regard to the business case being in the interest of the Council and the pension fund strain charge being affordable by the Council.**





4.5 Switching on the Rule of 85 - Transitional Provision Schedule 2, paragraph 2(2) of the Transitional Provision Regulations 2014

Whether to 'switch on' the 85-year rule for a deferred member voluntarily drawing benefits on or after age 55 and before age 60.

**The Council will not normally exercise this discretion but may consider its use in exceptional circumstances, having regard to the business case being in the interest of the Council and the pension fund strain charge being affordable by the Council.**

## **5. Employer Discretions - Recommended**

5.1. Contributions Regulation 9(1) & (3) - Where an active member changes employment or there is a material change which affects the member's pensionable pay during the course of a financial year, the Council may determine that a contribution rate from a different band should be applied.

**The Council will set employee contribution rates at 1<sup>st</sup> April each year and make no changes throughout the year.**

5.2. Additional Voluntary Contributions Regulation 17(1) - An active member may enter into arrangements to pay additional voluntary contributions (AVCs) or to contribute to a shared cost additional voluntary contribution arrangement (SCAVCs) in respect of an employment. The arrangement must be a scheme established between the appropriate administering authority and a body approved for the purposes of the Finance Act 2004, registered in accordance with that Act and administered in accordance with the Pensions Act 2004.

**The Council will not apply this discretion.**

5.3. Merging of Deferred Member Pension Accounts with Active Member pension Accounts Regulation 22 – A deferred member's pension account is automatically aggregated with their active member's pension accounts unless the employee elects within the first 12 months of the new active members pension account being opened to retain their deferred members pension account.

**The Council will allow an active member to elect not to aggregate a deferred member's pension account to an active member's pension account beyond the 12 month deadline only where there is no financial risk to the employer and it is of benefit to the member.**

5.4. Inward Transfers of Pension Rights Regulation 100 (6) – A request from an active member to transfer former pension rights from a previous arrangement into the Local Government Pension Scheme as a result of their employment with a Scheme employer must be made in writing to the administering authority and the Scheme employer before the expiry of the period of 12 months beginning with the date on which the employee first became an active member in an employment (or such longer period as the Scheme employer and administering authority may allow).

**The Council will not extend the 12 month deadline.**



5.5. Assumed Pensionable Pay Regulation 21(5) – A Scheme employer needs to determine whether or not to include in the calculation of assumed pensionable pay, any 'regular lump sum payment' received by a Scheme member in the 12 months preceding the date that gave rise to the need for an assumed pensionable pay figure to be calculated.

**No regular lump sum payments will ever be included in the calculation of assured pensionable pay.**

## **6. Applications for Adjudication of Disagreements (Regulation 74)**

The Council has appointed the following person ("the adjudicator") to consider applications from any person whose rights or liabilities under the scheme are affected by:

- (a) A decision under regulation 72 (first instance decisions): or
- (b) Any other act or omission by the Datchet Parish Council or administering authority,

and to make a decision on such applications.

Responsibility for determinations under this first stage of the Internal Disputes Resolution Procedure (IDRP) rests with "the adjudicator" as named below by the Scheme employer:

Name: Chair of Staffing Committee  
Job Title: Chair of Staffing Committee  
Address: 1 Allen Way, Datchet, Berkshire, SL3 9HR  
Tel No: 01753 773499  
Email: C/O [clerk@datchetparishcouncil.gov.uk](mailto:clerk@datchetparishcouncil.gov.uk)

Adjudicator's Signature: \_\_\_\_\_

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke, is written over a horizontal line.

Date: 10-3-25



## **7. Scheme Employer Confirmation**

It is understood that the discretions contained within this statement of policy 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:

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 Scheme Employer: \_\_\_\_\_

A handwritten signature in black ink, appearing to read 'David Buckley', is written over a horizontal line.

Name in Block Capitals: DAVID BUCKLEY

Position: CHAIR OF THE COUNCIL

Scheme Employer's Name: DATCHET PARISH COUNCIL

Date: 10-3-25

