



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL



# Employment Committee


21 September 2022

Report of Councillor Annie Mason,  
Cabinet Member for People and Safer  
Communities

## Pensions Policy Statement & Pensions Discretions Procedure

### Report Author

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### Purpose of Report

The purpose of the report is to present a draft updated Pensions Policy Statement and Pensions Discretions Procedure for consideration by the Employment Committee and seek approval for delegation.

### Recommendations

#### That the Committee:

1. Approves the changes to the Pensions Policy Statement and Pensions Policy Discretion Procedure.
2. Delegates to the Deputy Chief Executive for minor legislative changes to the Pensions Policy Statement and Pensions Policy Procedure.

## Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	High performing Council
Which wards are impacted?	All wards

## 1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

### ***Finance and Procurement***

- 1.1 There are no financial implications arising from the proposed changes.

### ***Legal and Governance***

- 1.2 The changes to the policy statement and procedure are necessary to ensure compliance with statutory requirements.

## 2. Background to the Report

- 2.1 There is a requirement on employers to formulate, publish and keep under review a policy statement in relation to the exercise of a number of discretions under the Local Government Pension Scheme (LGPS). The statement relates to the application of discretions under:
- The LGPS Regulations 2013
  - The LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 ('LGPS Transitional Regulations 2014'); and
  - The LGPS Regulations 1997 and LGPS Regulations 2007
- 2.2 The LGPS Regulations specify that employers are required to make and publish a policy statement on how they will exercise a number of discretions. The following are specific mandatory discretions that the Council must adopt:
- Regulation 16 Shared cost Additional Pension Contributions
  - Regulation 30 (6) & 32 (4) Flexible Retirement

- Regulation 30 (8) Actuarial Reductions
- Regulation 31 Award of Additional Pension
- Switching on the 85 Rule – Regulation 1(1)(c)
- Early Payment of Deferred Pensions
- Early Payment of Deferred Pensions for members who have ceased to be entitled to a tier 3 ill health benefit

2.3 The Council's Pensions Policy Statement was last updated in 2017.

2.4 The changes to the Pensions Policy Statement are minor changes to wording to reflect statutory requirements and have been provided to us by West Yorkshire Pension Fund, the pension scheme administrators. A copy of the Pensions Policy Statement is attached to this report at Appendix 1 and the changes highlighted with tracked changes.

2.5 The changes to the Pensions Policy Discretion Procedure are minor changes to wording to reflect statutory requirements and have been provided to us by West Yorkshire Pension Fund, the pension scheme administrators. Changes have also been made to reflect organisational structure and job title changes. A copy of the Pensions Policy Statement is attached to this report at Appendix 2 and the changes highlighted with tracked changes.

2.6 All discretions will continue to be dealt with in accordance with the Principles of the Pensions Policy Statement. Decisions on whether to exercise any discretion should be made on a case by case basis.

### **3. Key Considerations**

3.1 Employment Committee are asked to approve the changes to the Pensions Policy Statement and Pensions Policy Discretions Procedure to ensure compliance with statutory requirements.

3.2 Employment Committee are also asked to delegate approval of future minor changes to the Pensions Policy Statement and Pensions Policy Discretions Procedure to the Deputy Chief Executive in consultation with the Cabinet Member for People and Safer Communities.

### **4. Other Options Considered**

4.1 No other options were considered as the recommendations are necessary to comply with statutory requirements.

### **5. Reasons for the Recommendations**

5.1 The reason for the recommendations is to ensure that the Pensions Policy Statement and Pensions Policy Discretion Procedure are up to date and comply with statutory requirements.

## **6. Appendices**

6.1 Appendix 1 - Draft Pensions Policy Statement 2022

6.2 Appendix 2 – Draft Pensions Policy Discretions Procedure 2022