

RECORD OF DECISION MADE UNDER DELEGATED AUTHORITY

LOCAL GOVERNMENT PENSION SCHEME

PAYMENT OF DISCRETIONARY COMPENSATION TO EMPLOYEES

POLICY ON EXERCISE OF EMPLOYER DISCRETIONS

PART 1 – PUBLIC DOCUMENT

Any interest to declare/ or conflict and any dispensation granted - None

SERVICE DIRECTORATE: RESOURCES

1. DECISION TAKEN

To amend the Council's Local Government Pension Scheme Payment of Discretionary Compensation to Employees Policy ("Discretions Policy" Appendix 1) so that a salary sacrifice shared cost additional voluntary contribution scheme can be introduced as a staff benefit.

2. DECISION TAKERS

Managing Director (as Head of Paid Service) & Service Director: Resources

3. DATE DECISION TAKEN:

14 August 2023

4. REASON FOR DECISION

The Council Pensions Discretions Policy covers shared cost additional voluntary contributions (SCAVCs). Under the Policy the Council had chosen not to exercise its discretion to allow SCAVCs until this decision. Such a scheme has been identified as a potentially valuable additional staff benefit which will aid recruitment and retention whilst its salary sacrifice nature *will also* bring a cost saving to NHDC in employer NI contributions. The Discretions Policy must be amended to allow this discretion to be applied.

5. ALTERNATIVE OPTIONS CONSIDERED

No alternative options were considered as amendment of the Pensions Discretions Policy is the only means of introducing the Shared Cost Additional Voluntary Contribution Scheme staff benefit.

6. CONSULTATION (INCLUDING THE EFFECT ON STAKEHOLDERS, PARTNERS AND THE PUBLIC)

The Leader of Council was consulted.

7. FORWARD PLAN

This decision is a non-executive decision, not a key Executive decision and has therefore not been referred to in the Forward Plan.

8. BACKGROUND/ RELEVANT CONSIDERATIONS

- 8.1 During 2022 a review was undertaken of the Council's staff benefits offering to ensure it was positioned to effectively aid recruitment and retention and provide value for money. The review included a staff benefits survey to gather feedback on how existing benefits are regarded by staff and to gain their views on potential new benefits. One such proposal was for a salary sacrifice shared cost additional pensions contributions scheme which would encourage employees to save more for their retirement in a tax efficient way. The survey showed that almost 80% of those who responded would value the introduction of a shared cost additional voluntary contributions scheme.
- 8.2 The Local Government Pension Scheme includes provisions governing how employees can make contributions to their pensions benefits through paying in extra funds. These Additional Voluntary Contributions provide an opportunity for employees to supplement their pension and build up an additional retirement fund which can be taken as a tax-free lump sum, or to help them retire early. Shared cost additional voluntary contributions mean that these additional contributions are through a salary sacrifice arrangement (i.e. deducted from gross pay) leading to savings on Income Tax and National Insurance contributions for employees and in employer National Insurance contributions for the Council.
- 8.3 North Hertfordshire District Council as an employer is under a legal duty to prepare and publish a written statement of its policy relating to certain discretionary powers under the Regulations (see legal implications) which apply to the Local Government Pension Scheme. These discretionary powers cover shared cost additional voluntary contribution schemes.
- 8.4 The document at Appendix 1 - the Local Government Pension Scheme Payment of Discretionary Compensation to Employees - Policy on Exercise of Employer Discretions is intended to comply with these duties and sets out the discretionary powers concerned, identifies the relevant Regulation that gives the Council the discretion and describes how the discretion will be exercised.
- 8.5 Previously the discretion to allow a shared cost additional voluntary contribution scheme had not been exercised. This needed to be amended if such a scheme was to be introduced as a new benefit for NHDC staff.
- 8.6 The current labour market is a difficult one for local government as limited scope to increase pay makes it hard to remain competitive in attracting and retaining high quality staff. The Local Government Pension Scheme is a significantly attractive element of the Council's remuneration package and is highly valued by employees. Enhancing this in a tax efficient way, which also provides savings for the Council makes a shared cost additional voluntary contribution scheme a positive addition to our benefits offering.
- 8.7 There is a single supplier, AVC-Wise, which offers a service to set up and administer the shared cost additional voluntary contribution scheme offered under the Local Government Pension Scheme. Procurement of this service will be via a Framework Agreement.

9. LEGAL IMPLICATIONS

- 9.1. Under Local Government Pension Scheme Regulations 2013 [2356] ('the Regulations) employers have certain obligations regarding the publication of a written policy statement outlining whether to exercise several discretions available to them within the Local Government Pensions Scheme. This Discretions Policy includes discretions relating to pension scheme members making SCAVCs. The Council included a statement on SCAVCs in its Discretions Policy but had (prior to

this decision) chosen not to exercise it. The decision to amend the Discretions Policy was taken by the relevant officers in the context of the legislation below.

- 9.2 The Regulations are made under sections 7 and 12 of Schedule 3 to the Superannuation Act 1972. Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 [2853], responsibility for actions taken under these particular sections of the Superannuation Act 1972, are non-Executive (i.e. Council, Committee or Officer) as per Schedule 1, H “functions relating to pensions etc” and Regulations under section 7, 12 or 24 of the Superannuation Act 1972.
- 9.3 The Managing Director as Head of Paid Service has the overall managerial and operational responsibility for staff (under section 12.1.2 of the Constitution). Additionally, as per section 14.5.1 “*Functions set out under Schedule 1, of the Regulations 2000*” “*Power to appoint staff, and to determine the terms and conditions on which they hold office in accordance with approved Council policies*”, is a matter for the Managing Director, Service Directors or Council. Therefore, NHDC has delegated any functions relating to Schedule 1 H to the Leadership (to be exercised by them), or to Full Council – where the decision is significant/ a significant change. The Council already had a statement indicating that SCAVCs were part of the Discretions Policy adopted by this authority, it had just not previously exercised them. This amendment to the Discretions Policy therefore was/ is reasonably minor and can be exercised, as previously, by Officers – and has been made by the Managing Director as Head of Paid Service and the relevant Director Resources (with responsibility for both Finance and Human Resources).

10. FINANCIAL IMPLICATIONS

- 10.1 The costs of this benefit will depend on employee take-up and the length of the overall contract with the supplier. The fee charged by the supplier is 4.5% of the amount of salary sacrificed each month. Costs will be offset by savings made in employer’s NI payments and are predicted to be £11,109 per annum.
- 10.2 The costs given below are calculated using the following formula:
Average monthly Shared Cost Additional Voluntary Contribution £250 = £3,000 per year x 26 employees (predicted take up after 3 years) x 4.5% AVC-Wise fee = £3,510 per year x length of contract in years
- 36 months - £10,530
 - 48 months - £14,040
 - 60 months - £17,550

Net savings per year (Employer NI Payments less 4.5% AVC-Wise fee) - £7,599

- 10.3 There are no revenue implications arising from this decision.

11. RISK IMPLICATIONS

- 11.1 The Scheme could be viewed as encouraging employees to commit funds to savings that are needed to meet current commitments and expenses in the existing difficult economic situation. This risk is significantly reduced by the fact that contributions cannot be made to the Scheme which would mean earnings drop below National Living Wage.

In addition, contributions can be changed on a month by month basis allowing flexibility in the amount added to the fund each month.

- 11.2 In formulating and reviewing its Policy an employer is required by the Pensions Regulations to have regard to the extent to which the exercise of their discretionary powers could lead to a serious loss of confidence in the public service. The exercise

of the discretion in respect of a shared cost additional voluntary contribution scheme is not anticipated to result in this.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 This benefit will be available to all employees who are members of the Local Government Pension Scheme.
- 12.3 Employees who meet the following statutory criteria will be auto enrolled into the Local Government Pension Scheme:
- Are age 22 to the State Pension Age.
 - Are working in the UK.
 - Are earning over £10,000 per annum.

Employees, who do not meet the above statutory Auto Enrolment criteria but have a NHDC contract of 3 months or more and are under the age of 75, will be contractually enrolled into the Local Government Pension Scheme. Employees who have a contract for less than 3 months and who do not meet the above statutory criteria, have the option to join the Local Government Pension Scheme.

Employees who do not wish to be part of the Local Government Pension Scheme can opt out. Every three years an auto re-enrolment exercise will re-join those employees back into the Scheme. Following this they can choose to remain in the Scheme or opt out once more.

- 12.4 All employees under the age of 75 can join the Local Government Pension Scheme and therefore take advantage of the shared cost additional voluntary contributions scheme. Employees over the age of 75 cannot be members of the Local Government Pension Scheme and therefore cannot access the shared cost additional voluntary contributions scheme. The Council are bound by the rules of the Local Government Pension Scheme so cannot make the shared cost additional voluntary contributions scheme available to those employees over age 75. As at April 2023 there was one Council employee over the age of 75.

13. SOCIAL VALUE IMPLICATIONS

As the recommendations in the report relate to a contract below £100,000 the application of the “go local” policy should be considered. There is however only one supplier for the shared cost additional voluntary contributions scheme, AVC-Wise, and they are not based in the local area.

14. ENVIRONMENTAL IMPLICATIONS

There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The introduction of a salary sacrifice shared cost additional pension contributions scheme would enhance the Council’s current benefits package and aid recruitment and retention whilst making savings in the Council’s employers’ national insurance contributions.
- 15.2 A Shared Cost Additional Voluntary Contributions scheme offers the opportunity to improve the financial wellbeing of Local Government Pension Scheme members by

providing an opportunity for employees to supplement their pension and build up an additional retirement fund in a tax efficient manner.

16. BACKGROUND PAPERS

None.

17. APPENDICES

Appendix A - Local Government Pension Scheme Payment of Discretionary Compensation to Employees - Policy on Exercise of Employer Discretions

NOTIFICATION DATE

18 August 2023



Signature of Executive Member Consulted

Date14/8/2023.....



Signature of Decision Taker
Managing Director



Signature of Decision Taker
Service Director: Resources

Please Note: THIS IS A NON-EXECUTIVE DECISION. Call-in does not apply to NON-EXECUTIVE DECISIONS

NORTH HERTFORDSHIRE DISTRICT COUNCIL

LOCAL GOVERNMENT PENSION SCHEME

PAYMENT OF DISCRETIONARY COMPENSATION TO EMPLOYEES

POLICY ON EXERCISE OF EMPLOYER DISCRETIONS

North Hertfordshire District Council (“the Council”) as an employer is under a legal duty to prepare and publish a written statement of its policy relating to certain discretionary powers under the Regulations which apply to the Local Government Pension Scheme (“the LGPS”).

The Council is also under a duty to formulate, publish and keep under review the policy that the Council applies in exercising discretionary powers under Regulations relating to the payment of compensation to employees whose employment is terminated due to redundancy or certain other reasons.

This document is intended to comply with these duties and, in the following table, sets out the discretionary powers concerned, identifies the relevant Regulation that gives the Council the discretion and describes how the discretion will be exercised.

The policy set out in this document will not be departed from except as provided for in the policy or following a variation to the policy approved by the Managing Director and Service Director – Resources.

This statement is not a definitive statement of the law and is subject to the provisions of the relevant Regulations.

The Regulations that apply to the LGPS are:

- The Local Government Pension Scheme Regulations 2013 (these are referred to as the “Pensions Regulations”);
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (referred to as the “Transitional Regulations”);
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 applied to the LGPS before 1 April 2014, are preserved in part on a transitional basis by the Transitional Regulations and are referred to as the “Benefits Regulations”

The Regulations which apply to the payment of compensation to employees whose employment is terminated as a result of redundancy or other specified reasons are:

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (referred to as the “Compensation Regulations”).

In the table below:

- (1) “The Scheme” or “the Pension Scheme” means the LGPS and “the Fund” or “the Pension Fund” means the fund maintained under the LGPS.
- (2) “Member” means a member of the LGPS.
- (3) “Active member” means a member in employment and paying, or treated as paying, contributions to the LGPS, or absent from employment for a reason mentioned in Regulation 11 of the Pensions Regulations.
- (4) References to a member with transitional protection are those who can count membership accrued before 1 October 2006 and who have statutory transitional protection under the Transitional Regulations, wholly or partly, from changes that would otherwise be made to their pension entitlements and/or from actuarial reductions that would otherwise be applied to their pension benefits as a result of the coming into force of the Pensions Regulations on 1 April 2014.
- (5) References to a member meeting “the 85 year rule” are those members whose age in whole years when added to the member’s total membership in whole years is 85 years or more.

The power to exercise and to take any decision in relation to the each of the discretions lies with the Managing Director and Service Director – Resources.

This statement was approved by the Managing Director and Service Director – Resources and is intended to comply with the Council’s duties under Regulation 60 of the Pensions Regulations, Paragraph 2 (2) of Schedule 2 to the Transitional Regulations and Regulation 7 of the Compensation Regulations.

No.	Area	Regulation	Discretion	Policy Summary	Explanation
1	Flexible Retirement	Regulations 30(6) and 30 (8) Pensions Regulations Regulations 3 (5), 11(2),11(3), and para.2(1A) of sch.2 of the Transitional Regulations Regulation 18(3) of the Benefits Regulations	<p>To agree to an employee aged 55 or over reducing their hours of work or grade so that they may receive all or some of their retirement pension while still employed. Specifically, where the employer consents to flexible retirement then, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw), the employer can also allow the member to choose to draw all, part or none of the pension benefits they accrued after 31 March 2008.</p> <p>However, benefits taken on flexible retirement will be subject to a potential actuarial reduction if they are being drawn earlier than the member's normal retiring age (flexible retirement provisions may be operated for members potentially up to a member's 75th birthday). The reductions applied will be in accordance with guidance issued by the government actuary.</p>	This discretion will be exercised, providing the employee receives the actuarial reduction to their pension in full, with there being no strain on the pension fund costs to the Council.	This means the council can agree to an employee aged 55 or over drawing their pension whilst they continue to work for the council on reduced pay / hours or grade providing their pension is reduced by the appropriate amount and there is no cost to the council.
2	Shared Cost Additional Voluntary Contributions (SCAVCs)	Regulation 17 of the Regulations	Whether, how much, and in what circumstances to contribute to SCAVC arrangements	The Council will pay SCAVCs where an employee has elected to pay AVCs by salary sacrifice. The amount of these employer	This means that each employee will be dealt with in accordance with the scheme criteria taking into account any financial implications

				SCAVCs will not exceed the amount of salary sacrificed by the employee. This is a Council discretion which is subject to the employee meeting the Council's conditions for acceptance into the salary sacrifice SCAVC scheme and may be withdrawn or changed at any time.	i.e. provided that the SCAVC contributions plus other salary sacrifice arrangements do not reduce the employee's salary to below the National Living Wage.									
3	Contributions payable by active members	Regulation 9 and 10 of the Regulations	An active member shall make contributions to the Scheme at the relevant 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 is the rate determined by the employer with reference to the tiered contribution pay bands stated in the regulations.	A review of the pension contribution band to which an employee has been allocated will be made following a material change.	The Council will review									
			<table border="1"> <thead> <tr> <th>Earnings 2023 - 2024</th> <th>Contribution</th> <th>In 50:50 scheme)</th> </tr> </thead> <tbody> <tr> <td>Up to £16,500</td> <td>5.5%</td> <td>2.75%</td> </tr> <tr> <td>£16,501 to £25,900</td> <td>5.8%</td> <td>2.9%</td> </tr> </tbody> </table>	Earnings 2023 - 2024	Contribution	In 50:50 scheme)	Up to £16,500	5.5%	2.75%	£16,501 to £25,900	5.8%	2.9%		
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4	Early Retirement and Waiving of Actuarial Reduction to Pensions	Regulation 30(8), Pensions Regulations Schedule 2 paragraphs 1 (2), 1(1)(c), 2(1), 2(2) and	To agree to waive, in whole or in part, any reduction that would otherwise be made on the early payment of a pension to a former employee aged 55 or more (or having attained age 55 and have previously been awarded deferred benefits after 01 April 2014) to the pension paid to an employee	The Council will only agree to waive actuarial reductions and the application of the 85 year rule protections where there is a clear	This means the Council can agree to waive any reductions to an individual's pension where they have left employment and / or where they have																					

		Regulation 3 (1) of the Transitional Regulations, Regulation 30(5) and 30A(5) of the Benefits, Regulations	allowed to take flexible retirement under Regulation 30(6) of the Pensions Regulations.	financial and/or operational advantage to the Council in doing so. A request for early retirement on compassionate grounds will be considered on a case by case basis taking into account the circumstances and whether there is a financial and/or operational advantage to the Council in waiving any actuarial reduction.	requested and been approved for flexible retirement from age 55. The Council will however only do this where there is where there is a clear financial and/or operational advantage to the Council in doing so or on compassionate grounds.
5	Redundancy & Compensation Payments	Regulations 5 and 6 of the Compensation Regulations	These regulations provide a discretionary power to award a one-off lump sum payment of up to 2 years pay (104 weeks), inclusive of any statutory redundancy payment made. This applies to any member whose employment is terminated on the grounds of redundancy, efficiency or in the case of a joint appointment (not job shares) where termination arises because the other holder of the joint appointment has left it.	These discretions will be applied. The Policy is stated in the Early Severance Policy.	This means the Council will enhance lump sum redundancy payments and base these on an employee's actual pay in all cases.

			<p>The provisions apply to all employees who are eligible for participation in the LG Pension Scheme, whether or not they are current members of the scheme.</p> <p>There is also a discretionary power to waive the weekly pay ceiling placed on statutory redundancy payments and to calculate, instead, on pay up to the actual week's pay.</p>		
6	Award of Additional Pension	Regulation 31, Pensions Regulations	<p>To award additional pension to an active member; or within 6 months of leaving to a former active member whose employment was terminated on the grounds of redundancy or business efficiency.</p> <p>Note: Any additional pension awarded (including any additional pension purchased by the employer under Regulation 16 of the Pensions Regulations (see above) may not exceed the additional pension limit of £6,500 (figure as at 2014 - uplifted annually).</p>	This discretion will not be exercised.	This means the Council has power to award additional pension to either a current employee in the LGPS or an employee who has left by way of redundancy or business efficiency. The policy of the Council is not to do this.
7	Funding of Additional Pension Contributions	Regulations 16(2)(e) and 16(4)(d) Pensions Regulations,	To fund, in whole or in part, additional pension contributions on behalf of an employee where these are to be paid by regular contributions (Regulation 16(2)(e)) or by lump sum (Regulation 16(4)(d))	This discretion will not be exercised.	This means the council will not pay additional pension contributions of behalf of current employees.

			<p>Note: The amount of additional pension that may be credited to an active member's pension accounts may not exceed the additional pension limit of £6,500 (figure as at 2014 - uplifted annually)</p>		
8	Early Release of Deferred Benefits	<p>Regulations 30(2), (5), 30A(3) and (5) of the Benefits, Regulations and Regulation 3(5A)(c) and Schedule 2, of the Transitional Regulations</p>	<p>Where a member voluntarily draws benefits between the age of 55 and 60 who has then satisfied the 'Rule of 85' or will do so before their 60th birthday, the actuarial reductions will be calculated pretending that the member had instead satisfied the 'Rule of 85' on their 60th birthday. The employer has discretion to require the actual date upon which the member satisfied (or would have satisfied) the 'Rule of 85' to be used. This will have the effect of reducing the actuarial reduction. Should an employer exercise this discretion, the employer must pay to the fund a pension strain payment.</p> <p>In addition, employers can, if they choose, waive on compassionate grounds all of the actuarial reduction. If an employer does so, it must pay to the Pension Fund a sum representing the capital cost of waiving those reductions.</p>	<p>These discretions will not be exercised</p>	<p>This means the Council will not agree to the payment of unreduced pension benefits to a pension scheme member who is covered by the transitional protections who meets the '85 year rule' until they are aged 60.</p> <p>This means the Council will not agree on compassionate grounds, to waive any reduction to pension benefits that would otherwise be made to the pension payable to a member covered by</p>

					the transitional protections.
9	Early Release of Deferred Benefits with Employer Consent for scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008 and active councillor members and councillor members who ceased active membership on or after 1 April 1998	Regulations 31(2) and (5) of the Regulations and Regulation 3(5A)(b), para.1(1)(f) and para.2(1) of sch.2 of the Transitional Regulations	<p>A policy decision concerning early release of benefits needs to be made in relation to active members who have left the scheme between 1 April 1998 and 31 March 2008 with deferred benefits and councillor members who left after 1 April 1998 who make an application to release benefits on or after age 50* and before age 55.</p> <p>*It should be noted that benefits paid on or after age 50 and before age 55 would be subject to an unauthorised payments charge under the Finance Act 2004 and, where applicable, an unauthorised payments surcharge under that Act, and a Scheme sanction charge on any benefits built up after 5 April 2006.</p> <p>A policy decision is required to be made in respect of each of the following discretions:</p> <p>(1) Where a member voluntarily draws benefits between the age of 55 and 60 who has then satisfied the 'Rule of 85' or will do so before their 60th birthday, the actuarial reductions will be calculated pretending that the member had instead satisfied the 'Rule of 85' on their 60th birthday. The employer has discretion to</p>	These discretions will not be exercised	This means the Council will not agree to these changes to actuarial reductions.

			<p>require the actual date upon which the member satisfied (or would have satisfied) the 'Rule of 85' to be used. This will have the effect of reducing the actuarial reduction. Should an employer exercise this discretion, the employer must pay to the fund a pension strain payment.</p> <p>(2) In addition, employers can if they choose, waive on compassionate grounds all of the actuarial reduction. If an employer does so, it must pay to the Pension Fund a sum representing the capital cost of waiving those reductions.</p> <p>(3)</p>		
10	Discretions in relation to scheme members who ceased active membership before 1 April 1998	Regulation D11(2) (c) of the LGPS Regulations 1995)	<p>A policy decision concerning early release of benefits needs to be made in relation to active members who have left the scheme before 1 April 1998 who make an application on compassionate grounds to release benefits on or after age 50* and before age 60. Under these rules the sole discretion for an employing authority is that they may determine on compassionate grounds that benefits are to become payable on an unreduced basis.</p> <p>*It should be noted that benefits paid on or after age 50 and before age 55 would be subject to</p>	This discretion will not be exercised	This means the Council will not agree to the early release of benefits in these circumstances.

			unauthorised payments charge under the Finance Act 2004 and, where applicable, an unauthorised payments surcharge under that Act, a Scheme sanction charge will not be payable.		
11	Late Transfer Requests	Regulation 100(6) and 22(7) and (8) of the Regulations and Regulation 10(6) of the Transitional Regulations 2014	<p>The Regulations allow for the acceptance of transfer value payments into the fund (subject to the Pension Fund administering authorities' approval) to enable members to transfer pension rights accrued prior to joining the scheme into the LGPS, and thereby count additional pension. This election should be made within 12 months of first joining the LGPS in the employment.</p> <p>The discretion allowed under regulation 100(6) relates to the acceptance of transfers relating to non LGPS membership, where the member makes a request after the expiry of the first 12 months of joining the LGPS.</p> <p>In most situations, previous LGPS rights are automatically aggregated unless an election to keep those accrued benefits separate is received. Regulations 22 (7) and (8) allow an employer to extend the 12 month time limit within which a Scheme member who has a deferred LGPS benefit in England or Wales following the cessation of employment (or cessation of a concurrent</p>	These discretions will not be exercised.	This means the Council will not allow individuals longer than the usual 12 month deadline with regard to transfer requests.

			<p>employment) to elect not to have the deferred benefits aggregated with their new LGPS employment (or on-going concurrent LGPS employment) if the member has not made an election to retain separate benefits within 12 months of commencing membership of the LGPS in the new employment (or within 12 months of ceasing the concurrent membership).</p> <p>Regulation 10(6) of the Transitional Regulations allows a member to elect to aggregate a deferred benefit in respect of membership which ceased before 1 April 2014. Under this provision, the member would be awarded additional CARE benefits under the 2014 Scheme. The member must make the election to do so within 12 months of joining the 2014 Scheme (or such longer time as the employer may allow).</p>		
12	Shared-cost APCs to buy back lost pension	Regulation 16 (16) of the Regulations	<p>Members on the following types of leave which are not covered by APP are able to enter into an APC contract to buy back the lost CARE pension. If they make the election within 30 days of return, the employer must fund two-thirds of the cost.</p> <p>The employer has discretion to extend the 30-day deadline.</p> <ul style="list-style-type: none"> • Additional maternity leave during which no pensionable pay is received 	This discretion will not be exercised	The council will not allow the buy back of lost CARE pension in these circumstances

			<ul style="list-style-type: none"> • Additional adoption leave during which no pensionable pay is received • Shared parental leave during which no pensionable pay is received • Authorised unpaid leave (excluding strike leave) <p>If the individual leave period lasted longer than 36 months, the employer is only required to share the cost in relation to the first 36 months of the leave.</p>		
13	Injury Allowance Payments	Regulations 3 to 7 of the Local Government (Discretionary Compensation) (Injury Allowances) Regulations 2011)	<p>Under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 Scheme employers must formulate, publish and keep under review a policy on:</p> <p>a) whether or not to make an injury award to those who sustain an injury or contract a disease as a result of anything they were required to do in performing the duties of their job and in consequence of which they:</p> <ul style="list-style-type: none"> • suffer a reduction remuneration, or • cease to be employed as a result of an incapacity which is likely to be permanent and which was caused by the injury or disease, or • die leaving a surviving spouse, civil partner or dependant, and <p>b) if the Scheme employer has a policy to make such payments, how it will determine</p>	This discretion will not be exercised	The Council will not undertake this.

		the amount of injury allowance to be paid.		
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Declaration

It is understood that the above discretions are applicable to all eligible members of the Scheme. In respect of the mandatory policy requirements, a written statement should be published indicating the policy which is being applied by that employer in the exercise of its functions. A copy of the scheme employer's policy decisions should be sent to Local Pensions Partnership within one month of the date the policy is revised.

Any change to the discretions exercised under the LGPS Regulations can take immediate effect from the date the Scheme employer agrees the change.

Any change to the discretions exercised under the Discretionary Compensation Regulations 2000, the Discretionary Compensation Regulations 2006 or the Injury Allowances Regulations 2011 cannot take effect until one month after the date the Scheme employer publishes a statement of its amended policy.

The policies made above:

- i. 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;
- ii. Will not be used for any ulterior motive;
- iii. Will be exercised reasonably;
- iv. Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;
- v. Will be duly recorded when applied.

Signed on behalf of the Employing Authority:



Name in Block Capitals: ANTHONY ROCHE

Position: MANAGING DIRECTOR



Employing Authority: NORTH HERTS COUNCIL

Date: 15/8/23

A handwritten signature in black ink, appearing to read "Ian Couper". The signature is written in a cursive style with a large initial "I" and "C".

Name in Block Capitals: IAN COUPER

Position: SERVICE DIRECTOR: RESOURCES

Employing Authority: NORTH HERTS COUNCIL

Date: 16/8/2023