

## CAMBRIDGE CITY COUNCIL

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REPORT OF:           Head of Finance  
                          Head of Human Resources

TO:   Civic Affairs Committee

25/06/2014

WARDS:   All

### **LOCAL GOVERNMENT PENSION SCHEME - EMPLOYERS DISCRETIONS**

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#### **1    INTRODUCTION**

- 1.1   The paper outlines Cambridge City council's proposed policy statement on Employer Discretions for the Local Government Pension Scheme.

#### **2.   RECOMMENDATIONS**

- 2.1   to approve the proposed policy statement on employer discretions (Appendix A)
- 2.3   to authorise the Head of Human Resources and Director of Business Transformation to determine decisions relating to the merits of individual cases
- 2.4   that Council officers will continue to review the statement every 3 years and / or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council), and any recommended changes will go before Civic Affairs for approval.

#### **3.   BACKGROUND**

- 3.1   The Local Government Pension Scheme (LGPS) legislation has a number of discretionary areas on which Employing Authorities (i.e. Cambridge City Council) have to determine and publish a policy.
- 3.2   The Council's last review of LGPS Employer Discretions was undertaken in 2012.
- 3.3   The introduction of the Local Government Pension Scheme (April 2014) has resulted in the introduction of additional employer discretions which require formal policy approval

- 3.4 In reviewing the applicable regulations, the Council sought advice from a Local Government Association (LGA) senior pensions advisor.
- 3.5 Appendix A contains details of Cambridge City Council's Employing Authority Discretionary Powers, the relevant LGPS Regulations and the recommended decisions. Appendix A also includes a statement on Injury Allowances following the introduction of new legislation relating to this.
- 3.6 Where a case is to be treated on its merits, it will be subject to the approval of the Head of Human Resources and the Director of Business Transformation. Under the Council's constitution the Director of Business Transformation is the nominated person *"To take such action as may be necessary in relation to superannuation and the payment of pensions on behalf of the Council as employing authority in relation to its employees, former employees and to Cambridgeshire County Council as administering authority; except that, where the Council is entitled to exercise a discretion, the Director of Business Transformation is authorised to act under this paragraph only in accordance with principles approved by the Council."*

#### 4. **CONSULTATIONS**

Local Government Employers (LGE) – Pensions Advisor  
Trade Unions – GMB and Unison  
Director of Business Transformation

#### 5. **IMPLICATIONS**

##### (a) **Financial Implications**

There are no significant changes from the existing discretions recommended in respect of financial implications.

Where individual decisions are made potential costs will vary depending on the personal circumstances of each employee involved, their reason for leaving and the appropriate discretions. It is therefore impossible to give an accurate prediction of costs.

##### (b) **Staffing Implications**

This report deals with pension discretions for employees and former employees. There are no direct staffing implications as a result of the recommendations in this report.

##### (c) **Equal Opportunities Implications**

This report deals with pension discretions for employees and former employees; access to pension is normally from age 55 onwards other than for ill health. The LGPS is a national scheme and is open to all employees.

##### (d) **Environmental Implications**

There are no direct environmental implications as a result of the recommendations in this report.

(e) **Procurement**

There are no procurement implications as a result of this report

(f) **Consultation and communication**

(g) **Community Safety**

There are no community safety implications as a result of the recommendations in this report.

**BACKGROUND PAPERS:** The following are the background papers that were used in the preparation of this report:

- Existing Employers Discretions – as minute 12/55/Civ/
- Pension Position Statement – Finance Intranet
- What is Pensionable Pay document – Finance Intranet
- Flexible Retirement Policy – HR Intranet
- LGE – LGPS Discretions Guide

To inspect these documents contact Karl Tattam on extension 8161

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Report file:

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