

**Cambridge City Council
Local Government Pension Scheme
Employers Discretions**

Recommended for Approval by Civic Affairs 25th June 2014

Purpose

To allow Cambridge City Council to comply with its duties within the Local Government Pension Scheme Regulations, by ensuring that the Council has a published Statement of Policy covering the certain discretionary powers available to the Council.

Regulations Covered

The Councils Discretions policy addresses current employer discretions within the following regulations:

- The Local Government Pension Scheme Regulations 2013
- The Local Government Pension Scheme Regulations (Transitional Provisions, Savings and Amendment) Regulations 2014
- The Local Government Pension Scheme (Administration) Regulations 2008
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008
- The Local Government Pension Scheme Regulations 1997 (as amended)
- The Local Government Pension Scheme Regulations 1995 (as amended)
- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)
- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)
- Discretions under the Local Authorities (Members' Allowances) (England) Regulations 2003 [SI 2003/1021]
- The Local Government (Discretionary Payments)(Injury Allowances) Regulations 2011

Monitoring & Review

Council officers will review this 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). Any recommended changes will go before Members for approval.

The operation and effectiveness of this statement will be monitored by the Director of Business Transformation and the Head of Human Resources, with a view to addressing any issues identified and agreeing improvements. The Trades Unions will be consulted about any proposals.

Appendix A

Regulations Key and Timeline

- Discretions from 1.4.14 in relation to post 31.3.14 active members (excluding councillor members) and post 31.3.14 leavers (excluding councillor members), being discretions under:
 - the Local Government Pension Scheme Regulations 2013 **[prefix R]**
 - the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 **[prefix TP]**
 - the Local Government Pension Scheme (Administration) Regulations 2008 **[prefix A]**
 - the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) **[prefix B]**
 - the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 **[prefix T]**
 - the Local Government Pension Scheme Regulations 1997 (as amended) **[prefix L]**
 - Discretions in relation to scheme members (excluding councillor members) who ceased active membership on or after 1.4.08 and before 1.4.14, being discretions under:
 - the Local Government Pension Scheme (Administration) Regulations 2008 **[prefix A]**
 - the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) **[prefix B]**
 - the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 **[prefix T]**
 - the Local Government Pension Scheme Regulations 1997 (as amended) **[prefix L]**
 - Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to active councillor members and any other scheme members who ceased active membership on or after 1.4.98 and before 1.4.08 **[Prefix C]**
 - Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to scheme members who ceased active membership before 1.4.98 **[Prefix D]**
 - Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) **[Prefix E]**
 - Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended) **[Prefix ET]**
- * *These employer discretions are subject to a written policy under Local Government Pension Regulations*

Key to Type of Discretion

Membership, Aggregation & Contribution Discretions	Membership
Additional Membership Benefits; Augmentation & Final Pay	Additional Benefits
Extension of Time Limits	Time Limits
Recovery and forfeiture of Contributions (Criminal Offences, Fraud & Misconduct)	Recovery & Forfeiture
Types of Retirement (Early Payment, Flexible Retirement & Actuarial Reduction)	Retirement
Ill Health	Ill Health
Redundancy	Redundancy
Apportioning Compensatory Added Years	Added Years
Redundancy	Redundancy

Appendix A

Discretions from 1.4.14. in relation to post 31.3.14. active members (excluding councillor members) and post 31.3.14. leavers (excluding councillor members), being discretions under:

- the Local Government Pension Scheme Regulations 2013 [prefix R]
- the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [prefix TP]
- the Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix B]
- the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

No.	Discretion	Regulation	Cambridge City Council Discretion	Type of Discretion
1.	Determine rate of employees' contributions	R9(1) & R9(3)	CCC has a position statement, which details how it will determine employee contribution rates; the statement has been agreed with the Trade Unions and communicated to employees. This will be reviewed on a regular basis and is published on the Council's Intranet.	Membership
2.	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e)* & R16(4)(d)*	<p>Cambridge City Council will only contribute to a shared cost APC where:</p> <ul style="list-style-type: none"> -an active member returns from a period of authorised leave of absence -the member does not, within 30 days of returning from the leave of absence, make an election to buy-back the amount of pension 'lost; during the that period of leave of absence -the member subsequently makes an election to do so and it can be demonstrated that the reason for the member missing the original 30 day deadline was because the member had not been made aware of that deadline -the election is made no more than 6 months after the member returns from the period of leave of absence or such longer period as Cambridge City Council may deem reasonable in any individual case. <p>A decision on whether the member meets all of the above criteria (and on whether the 6 month period referred to should be extended in any individual case) will be taken by the Director of Business Transformation and where it is agreed that the conditions are met, Cambridge City Council will contribute 2/3rds of the cost of buying back the 'lost' pension via a SCAPC.</p>	Additional Benefits
3.	Whether, how much, and in what circumstances to contribute to shared cost AVC arrangements entered into on or after 1/4/14	R17(1) & definition of SCAVC in RSch 1	Cambridge City Council will not enter into a shared cost AVC arrangement.	Additional Benefits

Appendix A

4.	Whether, how much, and in what circumstances to continue to contribute to a shared cost AVC arrangement entered into before 1/4/14	TP15(1)(d) & A25(3)	This discretion is not applicable as Cambridge City Council did not enter into any such shared cost AVC arrangement.	Additional Benefits
5.	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13/11/01)	TP15(1)(b) & L66(8) & former L66(9)(b)	An extension of the time limit will only be granted where the member has not been notified of the potential additional service that may be purchased. Where this is the case CCC will extend the time limit to one month from the date of notification of the potential service credit	Time Limits
6.	No right to return of contributions if member left due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	R19(2)	Cambridge City Council will direct a refund of contributions less any debt owed to the Council by the member.	Recovery & Forfeiture
7.	Specify in an employee's contract what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	R20(1)(b)	CCC does not provide any payments or benefits deemed pensionable, outside those determined in R20(1)(a) which states " <i>all the salary, wages, fees and other payments paid to the employee</i> " with the exception of Salary Sacrifice schemes. A document entitled what is pensionable pay is published on the Council's intranet.	Membership
8.	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	In assessing Assumed Pensionable Pay (APP) Cambridge City Council will not include in the calculation any regular lump sum payments.	Membership
9.	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a <u>new</u> employment	R22(8)(b)	Cambridge City Council will extend the 12 months period: a) where the Director of Business Transformation agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration b) where the Director of Business Transformation agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the appropriate	Time Limits

Appendix A

			<p>administering authority (e.g. the election form was lost in the post)</p> <p>c) the member has pre 1 April 2014 membership and the Director of Business Transformation agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with CCC is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).</p>	
10.	<p>Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment</p>	R22(7)(b)	<p>Cambridge City Council will extend the 12 months period:</p> <p>a) where the Director of Business Transformation agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration</p> <p>b) where the Director of Business Transformation agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the appropriate administering authority (e.g. the election form was lost in the post)</p> <p>c) the member has pre 1 April 2014 membership and the Director of Business Transformation agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with CCC is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).</p>	Time Limits
11.	<p>Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)</p>	R30(6)* & TP11(2)	<p>CCC has issued a Flexible Retirement Policy, which is available to all employees. The Flexible Retirement Policy is published on the Council's intranet.</p> <p>Where flexible retirement has been granted, employees are required to take all accrued benefits to date.</p>	Retirement
12.	<p>Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement</p>	R30(8)*	<p>CCC does not waive actuarial reduction on benefits paid upon flexible retirement.</p> <p>The Council's flexible retirement policy is published on the Council's intranet.</p>	Retirement
13.	<p>Whether to waive, in whole or in</p>	R30(8)*	<p>Cambridge City Council will not agree to waive actuarial reduction where</p>	

Appendix A

	part, actuarial reduction on benefits which a member voluntarily draws before normal pension age (where member only has post 31/3/14 membership).		members choose to voluntarily draw their benefits on or after age 55 and before normal pension age except in circumstances where Cambridge City Council considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so. Each case: Will be considered on the merits of the financial and/ or operational business case put forward, or Will be considered on the merits of the compassionate case put forward, and Will require the approval of the Director of Business Transformation	Retirement
14.	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 2(2)*	Cambridge City Council will not agree to switch the 85 year rule on in full where members chose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where Cambridge City Council considers it is in the financial or operational interests to do so. Each case: Will be considered on the merits of the financial and/ or operational business case put forward, and Will require the approval of the Director of Business Transformation	Additional Benefits
15.	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits (where member has pre and post April 2014 membership).	TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)*	Cambridge City Council will not agree - to waive on compassionate grounds any reduction on pre 1 April 2014 benefits for Group 3 or 4 members, on pre 1 April 2016 benefits for Group 1 members, or on pre 1 April 2020 benefits for Group 2 members, and / or - to waive in whole or in part on any grounds (including compassionate grounds) any reduction on post 31 March 2014 benefits for Group 3 or 4 members, on post 31 March 2016 benefits for Group 1 members, or on post 31 March 2020 benefits for Group 2 members where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age except in circumstances where Cambridge City Council considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so. Each case will be considered on the merits of the financial and / or operational business case put forward, or be considered on the merits of the compassionate case put forward, and	Retirement

Appendix A

			<p>require the approval of the Director of Business Transformation.</p> <p>Group 1 members are members who were members of the LGPS before 1 October 2006 and <u>will</u> be 60 or more on 31 March 2016.</p> <p>Group 2 members are members who were members of the LGPS before 1 October 2006 and will <u>not</u> be 60 or more on 31 March 2016 but <u>will</u> attain age 60 between 1 April 2016 and 31 March 2020.</p> <p>Group 3 members are members who were members of the LGPS before 1 October 2006 and will <u>not</u> be 60 or more on 31 March 2016 and will <u>not</u> attain age 60 between 1 April 2016 and 31 March 2020.</p> <p>Group 4 members are members who were <u>not</u> members of the LGPS before 1 October 2006.</p>	
16.	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a.)	R31*	Cambridge City Council will not make use of the discretion to grant extra annual pension of up to £6,500 to an active scheme member or within 6 months of leaving to a member whose employment is terminated on the grounds of redundancy or business efficiency.	Additional Benefits
17.	Whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme.	TP12(6)	Cambridge City Council will use a certificate signed by an IRMP before 1 April 2014 where the ill health retirement occurs before 1 July 2014. In any other case a new certificate will be required.	Ill Health
18.	Determine whether person in receipt of Tier 3 ill health pension has started gainful employment	R37(3) & (4)	Cambridge City Council will make this determination in accordance with the available evidence, the requirements of the LGPS Regulations 2013 and any statutory guidance issued by the Secretary of State.	Ill Health
19.	Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	R37(3)	Cambridge City Council will recover any overpaid Tier 3 pension following commencement of gainful employment.	Ill Health

Appendix A

20.	Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner.	R38(3)	Cambridge City Council will make this determination in accordance with the available evidence, having given due regard to the opinion of the Independent Registered Medical Practitioner and any statutory guidance issued by the Secretary of State.	Ill Health
21.	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	R38(6)	Cambridge City Council will make this determination in accordance with the available evidence, having given due regard to the opinion of the Independent Registered Medical Practitioner and any statutory guidance issued by the Secretary of State.	Ill Health
22.	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	R91(1) & (8)	Where appropriate Cambridge City Council will apply for a certificate	Recovery & Forfeiture
23.	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see R95 below)	R91(4)	If a forfeiture certificate is issued by the Secretary of State it will be applied against the member's pension rights (i.e. the rights should be forfeited)	Recovery & Forfeiture
24.	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	R92(1) & (2)	In line with decisions under Regulations R91(1) and 91(4) there will be no need for the Council to decide whether or not to make interim payments	Recovery & Forfeiture
25.	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits from transferred in pension rights or APCs or AVCs or, subject to R95 below, in respect of any GMP)	R93(2)	The Council will make the appropriate recovery and reduce the member's pensions rights accordingly where the member has not made good the debt	Recovery & Forfeiture

Appendix A

	where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment			
26.	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under R91 or recovery of a monetary obligation under R93 should deprive the member or the member's surviving spouse or civil partner of any GMP entitlement	R95	The Council will apply forfeiture to, or recover the monetary obligation from, the relevant benefits (including from the GMP entitlement), where a member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts.	Recovery & Forfeiture
27.	Agree to bulk transfer payment	R98(1)(b)	Cambridge City Council will determine each case on its merits.	Membership
28.	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(68)	<p>Subject to the agreement of the relevant administering authority in any individual case, Cambridge City Council will extend the 12 months period:</p> <p>a) Where the member asked for transfer investigations to be commenced within 12 months of joining the LGPS but a quotation of what the transfer value will purchase in the LGPS has not been offered to the member within 11 months of joining the LGPS. The time limit for such a member to make a formal election to transfer pension rights into the LGPS will be extended to one month beyond the date of the letter issued by the appropriate administering authority providing the scheme member with a quotation of what the transfer value will purchase in the LGPS;</p> <p>b) Where the member is initially appointed on a fixed term contract for a period of a year or less and the contract is subsequently extended to a period of greater than one year. Such a member may request transfer investigations to be commenced within 3 months of the notification of the contract extension or within 12 months of joining the LGPS, whichever is the later and may make a formal option for the transfer to proceed within one month of the date of the letter issued by the appropriate administering authority providing the scheme member with a quotation of what the transfer value will purchase in the LGPS or within 12 months of</p>	Time Limits

Appendix A

			<p>joining LGPS , whichever is the later.</p> <p>c) Where the Director of Business Transformation agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration; or</p> <p>d) Where the Director of Business Transformation agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the appropriate administering body (e.g. the election form was lost in the post)</p>	
29.	<p>Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending 31st March in the 10 years prior to leaving</p> <p><i>This discretion specifically relates to variable time employees where pay includes fee e.g. Returning Officer</i></p>	<p>TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & B11(2)</p>	<p>CCC will allow members to select final pay period for fees to be any 3 consecutive years ending 31st March in the 10 years prior to leaving, subject to the approval of the nominated person as defined in the Council's constitution.</p>	Additional Benefits

Discretions in relation to scheme members (excluding councillor members) who ceased active membership on or after 1.4.08. and before 1.4.14., being discretions under:

- the Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix B]
- the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- the Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 [prefix TP]
- the Local Government Pension Scheme Regulations 2013 [prefix R]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

	<u>Discretion</u>	<u>Regulation</u>	<u>Cambridge City Council Discretion</u>	
30.	<p>Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31st March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this</p>	<p>B12*</p>	<p>CCC does not augment membership of an active LGPS member in any circumstances.</p>	Additional Benefits

Appendix A

	discretion is spent entirely after 30 th September 2014.			
31.	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership	TSch1 & L66(8) & former L66(9)(f)	An extension of the time limit will only be granted where the member has not been notified of the potential additional service that may be purchased. Where this is the case CCC will extend the time limit to one month from the date of notification of the potential service credit.	Time Limits
32.	No right to return of contributions due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	A47(2)	Cambridge City Council will direct a refund of contributions less any debt owed to the Council by the member (see Reg A76 (2) and (3))	Recovery & Forfeiture
33.	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund	A49(1) & (2)	The balance is recovered from the fund. In practice this is achieved by the administering authority paying the CEP out of the fund direct to the relevant government departments on behalf of the employer.	Membership
34.	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	A72(1) & (6)	Where appropriate the Council will apply for a certificate	Recovery & Forfeiture
35.	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	A72(3)	If a forfeiture certificate is issued by the Secretary of State it will be applied against the member's pension rights (i.e. the rights should be forfeited)	Recovery & Forfeiture
36.	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	A73(1) & (2)	In line with decisions under Regulations A72(1) and 72(3) there will be no need for the Council to decide whether or not to make interim payments.	Recovery & Forfeiture
37.	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where	A74(2)	The Council will make the appropriate recovery and reduce the member's pension rights accordingly where the member has not made good the debt.	Recovery & Forfeiture

Appendix A

	the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment			
38.	Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or amount of refund if less	A76(2) & (3)	The Council will make the appropriate recovery from the pension fund where the member has not made good the debt.	Recovery & Forfeiture
39.	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending 31 st March in the 10 years prior to leaving. <i>This discretion specifically relates to variable time employees where pay includes fee e.g. Returning Officer</i>	B11(2)	CCC will allow members to select final pay period for fees to be any 3 consecutive years ending 31 st March in the 10 years prior to leaving, subject to the approval of the nominated person as defined in the Council's constitution.	Additional Benefits
40.	Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	B30(2)*	Where a former scheme member who left the scheme between 1.4.08 and 31.3.14 requests early release of deferred benefits on or after age 55 and before age 60, approval will only be given on compassionate grounds. Each case will be considered on its merits and will be subject to the approval of the Director of Business Transformation. Subject to the discretion below, the benefits payable in such circumstances will be subject to any actuarial reduction applicable under the relevant LGPS regulations.	Retirement
41.	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5)*	Each case will be considered on its merits and will be subject to the approval of the Director of Business Transformation.	Retirement
42.	Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60	B30A(3)*	Where a former scheme member who left the scheme between 1.4.08 and 31.3.14 requests early release of a suspended Tier 3 Ill Health pension on or after age 55 and before age 60, approval will only be given on compassionate grounds. Each case will be considered on its merits and will be subject to the	Ill Health

Appendix A

			approval of the Director of Business Transformation. Subject to the discretion below, the benefits payable in such circumstances will be subject to any actuarial reduction applicable under the relevant LGPS regulations	
43.	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5)*	Each case will be considered on its merits and will be subject to the approval of the Director of Business Transformation.	Ill Health
44.	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	B31(4)	Cambridge City Council will make this determination in accordance with the available evidence, having given due regard to the opinion of the Independent Registered Medical Practitioner and any statutory guidance issued by the Secretary of State.	Ill Health
45.	Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment	B31(7)	Cambridge City Council will make this determination in accordance with the available evidence, having given due regard to the opinion of the Independent Registered Medical Practitioner and any statutory guidance issued by the Secretary of State.	Ill Health

* These are matters about which the regulations require there must be a written policy.

Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to:

- a) active councillor members, and
- b) councillor members who ceased active membership on or after 1.4.98., and
- c) any other scheme members who ceased active membership on or after 1.4.98. and before 1.4.08.

	<u>Discretion</u>	<u>Regulation</u>	<u>Cambridge City Council Discretion</u>	
46.	Allow a councillor who has opted out more than once to re-join	C7(9)(a)	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)	Membership
47.	Allow a late application by a councillor member to pay optional contributions for a period of absence	C18(6) & (7)	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)	Membership
48.	Grant application from a post 31.3.98. / pre 1.4.08. leaver or from a councillor for early payment	C31(2)*	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)	Retirement

Appendix A

	of benefits on or after age 50/55 and before age 60 (see Note below)		In relation to any other post 31.3.98 / pre 1.4.08 leaver, CCC will consider each case on its own merits.	
49.	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31.3.98. / pre 1.4.08. leaver or a councillor leaver	C31(5)*	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62) In relation to any other post 31.3.98 / pre 1.4.08 leaver, CCC will consider each case on its own merits.	Retirement
50.	Councillor optants out and pre 1.4.08. employee optants out only to get benefits paid from NRD if employer agrees	C31(7A)*	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62) In relation to any other pre 1/4/08 optant out CCC will not pay until the pre 1.4.08 employee ceases the job they opted out from.	Membership
51.	Whether to extend 12 month period for aggregation of deferred benefits (where deferred councillor member wishes to aggregate with current councillor membership in the same Fund)	C32(8A)	The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)	Time Limits
52.	Decide, in the absence from a post 31.3.98. / pre 1.4.08. leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	C34(1)(b)	Where a member has not made an election within 3 months the Council will apply whichever is deemed the more beneficial provision.	Retirement
53.	Consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy (pre 1.4.08. non-councillor leavers)	C71(7)(a)	Cambridge City Council will not consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy.	Additional Benefits

Appendix A

54.	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (councillors and pre 1.4.08. leavers)	C88(2)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p> <p>In relation to any other case Cambridge City Council will direct a refund of contributions less any debt owed to the Council by the member</p>	Recovery & Forfeiture
55.	Employer may deduct contributions from an councillor's pay or reserve forces pay	C89(1) & (2)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p>	Membership
56.	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund (councillor leavers and pre 1.4.08. leavers)	C92	<p>The balance is recovered from the fund. In practice this is achieved by the administering authority paying the CEP out of the fund direct to the relevant government departments on behalf of the employer</p> <p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p>	Membership
57.	Forfeiture of pension rights on issue of Secretary of State's certificate (councillors and pre 1.4.08. leavers)	C111(2) & (5)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p> <p>In respect of any other case, if a forfeiture certificate is issued by the Secretary of State it will be applied against the members pension rights (i.e. the rights should be forfeited)</p>	Recovery & Forfeiture
58.	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (councillors and pre 1.4.08. leavers)	C112(1)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p> <p>In respect of any other case, in line with decisions under Regulations C112(2) and (5), there will be no need for the Council to decide whether or not to make interim payments</p>	Recovery & Forfeiture
59.	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (councillors and pre 1.4.08. leavers)	C113(2)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p> <p>In respect of any other case the Council will make the appropriate recovery and reduce the member's pensions rights accordingly where the member has not made good the debt</p>	Recovery & Forfeiture

Appendix A

60.	Recovery from Fund of financial loss caused by employee, or amount of refund if less (councillors and pre 1.4.08. leavers)	C115(2) & (3)	<p>The Council should not agree to an entitlement to a pension for any (elected) member under its Allowances Scheme. (Meeting of the Council 4/12/03 Minute 03/62)</p> <p>In respect of any other case the Council will make the appropriate recovery from the pension fund where the member has not made good the debt.</p>	Recovery & Forfeiture
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*These are matters about which the regulations require there must be a written policy.

Note: benefits paid on or after age 50 and before age 55 are subject to an unauthorised payments charge and, where applicable, an unauthorised payments surcharge under the Finance Act 2006. Also, any part of the benefits which had accrued after 5 April 2006 would generate a scheme sanction charge

Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to scheme members who ceased active membership before 1.4.98.

	<u>Discretion</u>	<u>Regulation</u>	<u>Cambridge City Council Discretion</u>	
61.	Grant application from a pre-1.4.98. leaver for early payment of deferred benefits on or after age 50 on compassionate grounds (see Note below)	D11(2)(c)	Each request will be considered on its merits and will be subject to the approval of the Director of Business Transformation.	Retirement
62.	Decide, in the absence from a pre-1.4.98. leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	D10	Where a member has not made an election within 3 months the Council will apply whichever is deemed the more beneficial provision.	Retirement

Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

Under Regulation 7 of the Discretionary Compensation Regulations, each authority (other than an Admitted Body) is required to formulate and keep under review a policy which applies in respect of exercising their discretion in relation to:

Appendix A

	<u>Discretion</u>	<u>Regulation</u>	<u>Cambridge City Council Discretion</u>	
63.	To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks' pay limit.	E5	Redundancy payments will be based on actual weeks' pay.	Redundancy
64.	To award lump sum compensation of up to 104 weeks' pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	E6	CCC does not award any such compensation in cases of redundancy, termination of employment on business efficiency grounds, or cessation of a joint appointment.	Redundancy

Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

Under Regulation 26 of the Discretionary Compensation Regulations, each authority (other than an Admitted Body) is required to formulate and keep under review a policy which applies in respect of exercising their discretion in relation to:

65.	How to apportion any surviving spouse's or civil partner's annual compensatory added years payment where the deceased person is survived by more than one spouse or civil partner	ET21(4)	The Council will apportion any surviving spouse's or civil partner's annual compensatory added years where the deceased person is survived by more than one spouse or civil partner in such proportions as, at its sole discretion, it sees fit (based on the merits of the individual cases). Where no representation is received payments will normally be apportioned equally.	Added Years
66.	How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children	ET25(2)	This discretion is not applicable because CCC did not award Compensatory Added Years to non LGPS members	Added Years

Appendix A

67.	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid	ET21(7)	If the spouse or civil partner of a person who ceased employment before 1 April 1998 remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal annual compensation suspension rules will be disapplied i.e. the spouse's or civil partner's annual compensatory added years will continue to be paid	Added Years
68.	If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation	ET21(5)	Due to the decision in discretion ET21(7) above this discretion is not applicable.	Added Years
69.	Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or cohabitation lasts, should be disapplied i.e. whether the	ET21(7)	If the spouse or civil partner of a person who ceased employment before 1 April 1998 remarries or cohabits after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal annual compensation suspension rules will be disapplied i.e. the spouse's or civil partner's annual compensatory added years will continue to be paid to both of them.	Added Years

Appendix A

	spouses' or civil partners' annual CAY payments should continue to be paid to both of them			
70.	Whether and to what extent to reduce or suspend the member's annual compensatory added years payment during any period of re-employment in local government	ET17	<p>CCC will, during any period of re-employment in local government (see note below), abate a person's annual compensatory added years payment by the 'excess' if the aggregate of:</p> <ul style="list-style-type: none"> - the annual compensation (including any pension increases), and - the annual pension from the LGPS (including any pension increases), and - the annual rate of pay from the new employment <p>exceeds the pay the person would have received from the employment in respect of which the compensatory added years were granted, based on the annual rate of pay at the date of ceasing the former employment as increased by the relevant cost of living increases (i.e. as increased by the rate at which an "official pension" is increased under the Pensions (Increase) Act 1971).</p>	Added Years
71.	How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government	ET19	<p>CCC will reduce a person's annual compensatory added years payment following the cessation of a period of re-employment in local government (see note below) to the extent necessary to secure that if:</p> <ul style="list-style-type: none"> - the period of compensatory added years granted in respect of the former employment, <p>plus</p> <ul style="list-style-type: none"> - the period of membership the person has accrued in the LGPS (or would have accrued had he / she joined the scheme) during the period of re-employment in local government, counted at its part-time length, if the person was part-time, <p>exceeds</p> <ul style="list-style-type: none"> - the period of membership the person would have accrued during the period from the cessation of the former employment until age 65 on the assumption that he / she had continued in that former employment to age 65 (again counted at 	Added Years

Appendix A

its part-time length if the person was part-time at the date of cessation of the former employment),

then

- the annual pension and lump sum from the first job combined with the annual pension and automatic lump sum (if any) from the second job (based on the assumption that the employee joined the LGPS at the first opportunity), plus the annual compensation and lump sum compensation, shall not in aggregate exceed the pension and lump sum the person would have achieved if he / she had remained in the first job through to age 65.

Where there is an excess, the annual compensation must be reduced by the excess pension, and if the annual compensation is not reduced to nil, the amount of the remaining (reduced) basic annual compensation (excluding cost of living increases) must then be suspended until the excess lump sum (if any) is recovered.

In calculating whether or not, in aggregate, the annual pension and lump sum from the first job, plus the annual pension and lump sum (if any) from the second job (based on the assumption that the employee joined the LGPS at the first opportunity), plus the annual compensation and lump sum compensation, exceeds the pension and lump sum the person would have achieved if he / she had remained in the first job through to age 65 it will be necessary to compare:

a) the actual LGPS pre 1 April 2009 1/80th pension and 3/80ths lump sum, plus the actual LGPS post 31 March 2008 1/60th pension (ignoring any commutation for a lump sum), plus the actual 1/80th annual compensation and 3/80ths lump sum compensation, with

b) the 1/80th LGPS pension and 3/80ths lump sum the member would have achieved in their first job to 31 March 2008, plus the 1/60th LGPS pension the member would have achieved in their first job (ignoring any potential commutation for a lump sum), if the member had stayed in the first job through to age 65.

In determining the benefits the employee could have achieved had he / she

Appendix A

remained in the first employment through to age 65 it will be necessary to determine the pensionable pay to be used in the calculation. For this purpose, the pensionable pay figure used in the calculation of the pension benefits in the first job will be used as brought up to date, at the date of cessation of the period or re-employment, by increasing it in line with the rate at which an "official pension" would have been increased under the Pensions (Increase) Act 1971.

If a person has been awarded more than one previous period of compensatory added years, e.g. as a result of being made redundant more than once, the abatement/clawback provisions are modified. In such a case, the rules under the former Local Government (Discretionary Payments) Regulations 1996 will be applied where a person ceases a period of re-employment in local government and has previously been granted more than one period of compensatory added years, but using the pay in the first job as increased in line with cost of living increases (i.e. ignoring regulations 18(5)(a)(ii), 18(6) and 18(7) of the Local Government (Discretionary Payments) Regulations 1996).

Where compensatory added years were awarded before 21 June 2000, Cambridge City Council will reduce a person's annual compensatory added years' payment following the cessation of a period of re-employment in local government (see note below) in accordance with the Local Government (Discretionary Payments) Regulations 1996.

Note: 'local government' means employment with an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body). Technically, an employee of an Admitted Body (i.e. a body that has applied to the administering authority to allow its employees to join the LGPS and has entered into a formal admission agreement) is only employed in 'local government' if he / she is a member of the LGPS.

Injury Allowances

Cambridge City Council will not make any awards under the Local Government (Discretionary Payments)(Injury Allowances) Regulations 2011 as

Appendix A

CCC holds Employer's Liability Insurance

CCC has provision for NJC employees under the National Agreement on pay and conditions of service (Green Book)

GENERAL

Consultation

The discretionary policies contained in this Statement of Policy, and any awards under the Statement of Policy, are to be determined at the sole discretion of Cambridge City Council (CCC). When CCC intends to consider a change or changes to the Statement of Policy it will give notice to the recognised Trade Unions but is not required to consult with them.

A copy of CCC's Statement of Policy will be sent to the Pension Fund administering authority.

Formulating, reviewing and publishing a policy

Cambridge City Council is required to formulate and keep under review its policy on the exercise of discretions under the LGPS Regulations. Following any change in its policy Cambridge City Council must publish the revised policy and send a copy to the Pension Fund administering authority within one month of the date the policy is revised. In formulating and reviewing its policy, Cambridge City Council must have regard to the extent to which the exercise of its discretionary powers could lead to a serious loss of confidence in the public service.

Cambridge City Council is also required to formulate and keep under review its policy on the exercise of discretions under the Discretionary Compensation Regulations, In doing so, Cambridge City Council

- i) must have regard to the extent to which the exercise of its discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service; and
- ii) must be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs

Effective date of change

Any change to the discretions exercised under the LGPS Regulations can take immediate effect from the date CCC agrees the change. A copy of the revised policy must be sent to the Pension Fund administering authority within one month of the date of any change.

Appendix A

Any change to the discretions exercised under the Discretionary Compensation Regulations cannot take effect until one month after the date CCC publishes a statement of its amended policy.

It should be noted that:

- This Statement of Policy will confer no contractual rights;
 - Subject to the section above (“effective date of change”) CCC retains the right to change the policy at any time without prior notice or consultation (although CCC will endeavour to discuss proposed changes with the recognised Trades Unions); and
 - Only the policy which is current at the time a relevant event occurs to an employee will be the one applied to that employee.