

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND
POLICY STATEMENT ON EMPLOYING AUTHORITY DISCRETIONS

REGULATION	POLICY ON INDIVIDUAL DISCRETIONS	RATIONALE
<p>BMC12: Augmentation of membership of an active member (up to 10 years) <i>(Required in Policy Statement)</i></p>	<p>The Council will not exercise this option except in circumstances of redundancy or a termination of service in the interests of the authority's functions.</p>	<p>This is an enabling discretion, should the Council wish to augment pensions. Historically, WCC used this provision to compensate employees who were dismissed through no fault of their own. This enabled a Severance policy which included options on enhanced pension benefits to be approved by this Committee. (eg the One Council Severance policy.) The current Severance Policy (as agreed by this Committee in October 2010) does not make use of this provision to augment membership.</p>
<p>BMC 13: Whether to grant additional pension to a member (up to £5,000pa) <i>(Required in Policy Statement)</i></p>	<p>The Council will not exercise this discretion.</p>	<p>This is an enabling discretion, should the Council wish to increase the cash value of pensions of current or former employees. Historically, WCC has not used this provision. In considering options for severance payments, the Council chose to augment service rather than cash.</p>
<p>BMC 18(1): Whether all or some benefits can be paid if an employee reduces hours/grade and continues to work ("flexible retirement")</p>	<p>The Council does not give blanket consent for staff in the LGPS aged 50 or over (55 or over from 1 April 2010) to flexibly retire and draw immediate payment of pension benefits. Requests will be considered by the relevant Service Director in</p>	<p>Following the introduction of the concept of Flexible Retirement into LGPS, ie with the consent of the Council, employees aged 55 or over may draw their benefits early while continuing to work for the Council on reduced hours and/or grade. A Flexible Retirement Policy, enabled by this discretion,</p>

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<i>(Required in Policy Statement)</i>	in conjunction with the HR Service Director, and assessed on their merits taking into account such factors as cost and service delivery.	was agreed by this Committee in November 2008.
BMC (3): Waiving actuarial reduction on flexible retirement. <i>(Required in Policy Statement)</i>	The Council will not exercise this discretion.	This is an enabling discretion, should the Council wish to waive the actuarial reduction of pension for employees taking flexible retirement. The current Flexible Retirement Policy agreed by this Committee chose not to use this discretion in order to minimise the cost to the Council.
BMC30 (2): Whether to allow early payment of benefits at/after age 50 (55 from 2010). <i>(Required in Policy Statement)</i>	The Council does not give blanket consent for staff in the LGPS aged between 50 and 59 years to retire and draw immediate payment of pension benefits. Requests will be referred to the relevant Service Director in conjunction with the HR Service Director, and assessed on their merits taking into account such factors as cost and service delivery.	This is an enabling discretion, should the Council wish to approve applications from individuals for early retirement (ie between the ages of 55 to 59 inclusive) with early release of pension benefits.
BMC30 (3): Waiving actuarial reduction on early retirement. <i>(Required in Policy Statement)</i>	This will be exercised by the Staffing Sub-Committee in individual cases, on compassionate grounds only. Individual circumstances will be looked at according to the dictionary definition of compassion – “inclined to pity or mercy”.	LGPS regulations only permit an actuarial reduction to be waived on the grounds of “compassion”. It was previously agreed that decisions relating to individual cases should be taken by this Committee, rather than individual service directors.
Admin 16(4)(b)(ii): Whether to extend 12-month period to combine previous LG service.	The Council will allow an option to combine previous Local Government service except in cases involving potential early retirement and consequent capital costs. This discretion will be exercised by	LGPS regulations give employees an automatic right to combine previous LGPS service with their current pensionable service, within 12 months of rejoining the pension scheme. Beyond this, employees normally require the consent of their Corporate Director.

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	the appropriate Corporate Director advised by HR.	However, between October 2010 and October 2011, LGPS regulations will allow all employees an automatic right to link previous LGPS service, in excess of the normal 12 month limit. After October 2011, it may be appropriate for this Committee to reconsider its options in relation to this discretion, in the light of economic circumstances.
BMC 3 Determine rate of employees' contributions	<p>The Council allocated employees to the relevant contribution band on 31 March 2008 or at the commencement of their employment with the Council if later.</p> <p>From 1 April 2009, reassessment will be made for all salary changes as they occur during the year.</p>	<p>This is essentially an administrative requirement, which ensures that employees and employer make contributions to the pension fund on a correct & consistent basis. This arrangement ensures that the payroll systems make the correct deductions from salary on a concurrent basis.</p>
Admin 22(2): Whether to extend the period for a member to elect to pay contributions to cover unpaid leave of absence, maternity, paternity, or adoption leave beyond 30 days after returning to work or leaving.	The Council will allow the extension of the period in cases where the member was not notified of the right to pay contributions.	The Council ensures that staff are notified of their rights in relation to LGPS contributions, so that they can make informed decisions in a timely manner.
Admin 83(8): Whether to extend 12-month period to allow a transfer-in of non-LG pension rights.	The Council will allow an option to combine previous non-Local Government service except in cases involving potential early retirement and consequent capital costs. This discretion will be exercised by	<p>LGPS regulations give employees an automatic right to transfer in non-LGPS pension benefits, within 12 months of joining LGPS. Beyond this, employees require the consent of their Corporate Director.</p> <p>It is impossible to predict future costs to the Council of</p>

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	the relevant Corporate Director advised by HR.	allowing late transfers in individual cases, so Staffing Policy Committee may wish to review this discretion in conjunction with Admin 16(4)(b)(ii) above from October 2011.

Abbreviations

- LGPS** Local Government Pension Scheme
- BMC** Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007
- Admin** Local Government Pension Scheme (Administration) Regulations 2008