

Since 1997, the LGPS legislation has required every Employer to issue a written pension policy on how it will exercise the various discretions provided by the scheme; to keep it under review; and to revise it as necessary.

The LGPS Regulations require all employers who were active on 1 April 2014 to provide an updated pension policy which needs to have been published and notified to the Norfolk Pension Fund by 1 July 2014. Please use our standard form - SR85 (or provide the same information in your own format if you prefer) and return it to us by the due date or within one month of any changes you make to your policy. New Employers should publish their pension policy within one month of joining the scheme.

Help on completing this form can be found in our guide 'LGPS Employer's Pension Policy – A Guide for Scheme Employers' (G060) and in your 'Employers' Pension Handbook' (G001).

Your pension policy should show the basis on which the employer would make its decisions on the various discretions. The government has advised employers should not 'fetter their discretion'; i.e. policies should not be so rigid or restrictive as to prevent flexibility where a (possibly unanticipated) situation requires it.

You may wish to consult your employees or their representatives before making or changing your policy statement.

Once you've issued a pension policy, you should arrange for it to be reviewed from time to time, particularly if and when there's a change to any of your stated policies. If the review results in any alteration to your pension policy, the new version must be published and a copy sent to NPF within one month of the changes being made.

The next two pages set out the various employer discretions from April 2014.

**The first five are required by law to be included in your pension policy.**

The requirement is in Reg 60(1) of the LGPS Regulations 2013 and Reg 66 (1) of the LGPS (Administration) Regulations 2007.

The remainder need not be included but we would recommend it, especially for our larger employers; we appreciate that it might seem a bit cumbersome for those with only a few members.

<b>Name of Employer</b>	Mulbarton Parish Council has adopted the policies shown on the following pages
<b>Signed (authorised signatory)</b>	<b>Redacted</b>
<b>Name of authorised signatory</b>	Lorraine Trueman
<b>Date</b>	9 January 2023

# **POLICY STATEMENT**

## **COMPULSORY ITEMS:**

### **Funding of Additional Pension : Regulations 16(2e) 16(4d)**

An employer may fund wholly, or in part, a member's additional pension contract. The payment can be paid by regular contributions or a lump sum.

**The cost of this would fall on the employer.**

Where an APC is used to cover a period of unpaid leave and the member makes an option to pay for it within 30 days of returning to work then the employer must pay 2/3<sup>rd</sup> of the cost with the member paying the rest of the balance.

The employer has the discretion to extend the 30-day time limit.

### **Awarding Additional Pension : Regulation 31**

An employer may increase a member's benefits by awarding additional pension up to a maximum of £6,500 p.a. from April 2014. This amount is subject to an annual increase each April.

**The cost of this would fall on the employer.**

### **Flexible Retirement : Regulation 30(6)**

An employer may give consent for a member aged 55 or more who reduces their grade or hours of work (or both) to receive all or part of their LGPS benefits immediately, even though they haven't left its employment.

**Any cost for the early payment would fall on the employer.**

### **Waiving of Actuarial Reduction : Regulation 30(8)**

If the benefits payable on retirement before normal pension age would normally be reduced for early payment, the employer may agree to waive all or part of the reduction.

**The cost of doing so would fall on the employer.**

### **Admission Policy ('designating bodies' only) : Regulation 3(5)**

This discretion only applies to 'designating bodies'. As far as the Norfolk Pension Fund is concerned, 'designating bodies' are Parish and Town Councils, Internal Drainage Boards and companies under the control of Norfolk County Council and / or a District Council.

Employees of 'designating bodies' are not automatically members of the LGPS but are allowed to join if they, or the class of employee to which they belong, have been designated by the employer for membership.

The pension policy of a 'designating body' should therefore show the criteria it uses in allowing employees to join the LGPS.

### **Early Payment of Pension discretion is not required for Employers who joined the LGPS on or after 1 April 2014**

#### **Early Payment of Pension : Regulation 30 of the LGPS (Benefits, Membership and Contributions) Regulations 2007 (Two decisions to be made)**

Under the 2007 Regulation, employers had the discretion to allow a member aged 55 or more who had left employment prior to 2014 to receive benefits straight away.

The Amendment Regulations 2018 allows members aged 55 or more and who had left employment prior to 2014 to receive benefits straight away without employer consent.

If the benefits payable would normally be reduced for early payment, the employer may agree to waive all or part of the reduction.

**The cost of doing so would fall on the employer.**

### **NON-COMPULSORY ITEMS:**

#### **Membership Aggregation : Regulation 22(7b) (8b)**

A member who transfers from another LGPS employer, either directly or after a break, must have their two periods of membership aggregated provided they do so while still an active member in the new post. The member has twelve months from the aggregation to opt to keep their periods of membership separate.

**The employer has discretion to extend the twelve months' time limit.**

### **NON-COMPULSORY ITEMS (continued):**

#### **Shared Cost AVCs : Regulation 17(1)**

An employer may contribute towards a Shared Cost AVC Scheme, i.e. an AVC Scheme into which the employer pays contributions as well as the member.

**The cost of doing so would fall on the employer.**

#### **Forfeiture of Pension Rights : Regulation 91, 92, 93**

If a member leaves as a result of a conviction for an offence in connection with their LGPS employment or as a result of their own criminal, negligent or fraudulent act in connection with that employment, the employer has discretion (within the terms of these three regulations) to direct all or part of their LGPS pension rights should be forfeited and / or paid over to the employer or specified dependants of the member.

#### **Appointment of Adjudicator for Member Disagreements : Regulation 74(1)**

There is a three-stage dispute procedure for members who disagree with any LGPS decision made by their employer. The first stage is handled by the employer.

Employers must appoint an Adjudicator. You may appoint internally or externally. In every notification of any decision made under the Regulations must inform the person concerned of the job title and address of the person appointed under Regulation 74(1) to whom any application may be made for adjudication.

#### **Transfers of Pension Rights : Regulation 100(6)**

A member who has previous pension rights in a different pension scheme\* may transfer them into the LGPS provided they opt to do so within twelve months of joining it.

**The employer has discretion to extend the twelve months time limit.**

*\*This does not include rights in the LGPS, which are dealt with under Membership Aggregation*

#### **Members' Contribution Rates : Regulation 9(3)**

Employers have to allocate members into the appropriate contribution band at the beginning of each financial year. If a member's pay moves into a different band during a financial year, the employer has discretion to implement the new band immediately but may prefer to wait until the next annual review.

**You should publish your pension policy.**

**Please also email a copy (on this form or in your own format if preferred) to :**

**[pensions.technical@norfolk.gov.uk](mailto:pensions.technical@norfolk.gov.uk)**

**Norfolk Pension Fund, County Hall, Martineau Lane, NORWICH, NR1 2DH**