

## **12. LGPS DISCRETIONS POLICY (NC)**

### **1. Purpose of the report**

To seek approval to adopt a new Local Government Pension Scheme (LGPS) Discretions Policy and Flexible Retirement Policy.

#### **Key Issues**

- It is mandatory for LGPS scheme employers to have a discretions policy.
- A discretions policy provides flexibility in managing issues relating to LGPS benefits for current or former employees.
- Exercising discretions can have a cost to the Authority.

### **2. Recommendations(s)**

1. Members adopt the LGPS Discretions Policy (Appendix 1).
2. Members adopt the Flexible Retirement Policy (Appendix 2).
3. The content of the policies will be revised to take account of the discussions at the ARP meeting on 17 May 2019. Approval of the final policies, with changes from the meeting, will be delegated to the Chair of ARP.

#### **How does this contribute to our policies and legal obligations?**

3. All employers who participate in the LGPS are required to formulate a discretions policy and publish it in accordance with the LGPS regulations.

#### **Background Information**

4. The Authority's previous discretions policy no longer covers all the mandatory requirements and needs updating.

The attached policies (Appendix 1 and 2) follow the guidance/template issued by the Derbyshire Pension Fund. The Authority has historically followed the pension guidance/templates provided by the Derbyshire Pension Fund as they are our scheme administrators.

The Authority is a small organisation (headcount as at 1/4/19 is 287) and is rarely called upon to use the discretions policy. In such circumstances the Authority would seek appropriate support and guidance from the Derbyshire Pension Fund.

#### **Proposals**

5. To adopt the attached policies which follow the guidance/template provided by the Derbyshire Pension Fund.

#### **Are there any corporate implications members should be concerned about?**

##### **Financial:**

6. Exercising discretions can lead to a cost to the Authority. Under the attached policies applications to apply discretions with a cost to the Authority may be considered under exceptional circumstances taking into account the business case and the foreseeable costs to the Authority. Decisions will be made by RMM or Members as set out in the policies.

7. **Risk Management:**  
The Authority has to comply with legislation.

8. **Sustainability:**  
N/A

9. **Equality:**  
N/A

10. **Background papers (not previously published)**  
N/A

11. **Appendices**

Appendix 1 - LGPS Discretions Policy

Appendix 2 - Flexible Retirement Policy

**Report Author, Job Title and Publication Date**

Natalie Clemmitt, HR Officer, 7 May 2019