



Buckinghamshire & Milton Keynes Fire Authority
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Statement of Policy on the Adoption of Certain Employer Discretions

**LOCAL GOVERNMENT PENSION SCHEME
REGULATIONS 2013 (S.I. 2013 No. 2356)**

**LOCAL GOVERNMENT PENSION SCHEME
(TRANSITIONAL PROVISIONS, SAVINGS &
AMENDMENT) REGULATIONS 2014 (S.I. 2014 No.
525)**

**LOCAL GOVERNMENT PENSION SCHEME
(ADMINISTRATION) REGULATIONS 2008 (as
amended) (S.I. 2008 No. 239)**

**LOCAL GOVERNMENT PENSION SCHEME
REGULATIONS 1997 (as amended) (S.I. 1997 No.
1612).**

Buckinghamshire and Milton Keynes Fire Authority has resolved that the following Discretions available in the above Statutory Instruments, should be implemented in compliance with Regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 and Regulation 60 of the Local Government Pension Scheme Regulations 2013 as set out below:

Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

<i>Where formulation of policy is compulsory</i>	
REGULATION 5	POLICY DECISION
<i>Power of employing authority to use actual weekly pay to calculate redundancy payments</i>	The Authority has resolved that an employee's actual weekly pay be used for the purposes of calculating redundancy payments.
An employer may resolve to calculate redundancy payments on an employee's actual weekly pay where it is over and above the statutory maximum week's pay as prescribed under the Employment Rights Act (1996)	
REGULATION 6	POLICY DECISION
<i>Power of employing authority to make an additional compensatory payment</i>	The Authority has resolved to adopt this discretion to the extent that it may award a maximum of 52 weeks compensatory payment including any statutory redundancy entitlement as calculated under its policy in respect of Regulation 5 above.,
An employer may resolve that, where an employee, being made redundant or retired on grounds of efficiency of the service, has not been granted augmented pension under the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2008, to make an additional compensation payment to a maximum of 104 weeks	

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007

Where formulation of policy is compulsory

REGULATION 30 A	POLICY DECISION
<i>Discretion to Grant an Application for Reinstatement of a Suspended Tier 3 Ill Health Pension on or After Age 55 and before Age 60 and, if granted, to waive, on compassionate grounds, the actuarial reduction</i> A member who has been retired on tier 3 ill health retirement, and whose payments have been subsequently been suspended, can apply for the reinstatement of their suspended tier 3 ill health pension on or after age 55 and before age 60. It is the Employer's discretion whether to grant this application for re-instatement of a suspended tier 3 ill health pension. the employer has a further discretion to waive, on compassionate grounds, the actuarial reduction applied to the reinstatement of a suspended tier 3 ill health pension paid early (i.e. on or after age 55 and before age 60).	<i>The Authority has resolved not to adopt this discretion</i>

LGPS (Benefits etc) Regs 2007 & LGPS (Admin) Regs 2008

Where formulation of policy is NOT compulsory

REGULATION 3 (LGPS (Benefits etc) Regs 2007)	POLICY DECISION
<i>Contributions payable by active members</i> Employers determine the contributions payable by members by attributing each member to one of the contribution bands set out in Regulation 3. Employers have the capacity to re-attribute the specific pay band (upwards or downwards) where there is a material change in a member's contractual terms.	<i>The Authority's policy is to change the employee's contribution rate when there is a material change in their contractual terms.</i>

REGULATION 16 (4) (b) (ii) (LGPS (Admin) Regs 2008)	POLICY DECISION
<i>Facility to extend time limits for active members to aggregate deferred periods of LGPS membership</i> Where a deferred member becomes an active member they can elect to aggregate deferred membership with their active membership. The election to aggregate must be made by the member within 12 months of becoming an active member and the member must be active at the date of election. Employers may allow a longer period than 12 months.	<i>The Authority has resolved not to adopt and exercise this discretion</i>
REGULATION 83 (8) (LGPS (Admin) Regs 2008) <i>Facility to extend time limits for active members to request a transfer of previous pension rights into the LGPS</i> Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within 12 months of becoming an active member. Employers may allow a longer period than 12 months.	
	POLICY DECISION <i>The Authority has resolved not to adopt and exercise this discretion</i>

<i>The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 S.I. 2011/2954 (This does not apply to firefighters for whom there is already provision under the Firefighters' Compensation Scheme (England) Order 2006)</i>

<i>Where formulation of policy is compulsory</i>	
The main purpose of these regulations is to provide relevant employers with the opportunity to award an employee (who is eligible to become a member of the LGPS) an injury allowance where, in the course of carrying out his or her normal work, an employee, who is employed in a relevant employment, sustains either an injury or contracts a disease.	<i>The Authority has resolved not to exercise the discretion available to it to create an injury award scheme for employees eligible to become members of the LGPS</i>

REGULATION 16(2)(e) and 16(4)(d)	POLICY DECISION
<i>Discretion of employing authority to decide to pay towards the cost of Additional Pension Contributions (APCs)</i> Where an active scheme member has decided to make Additional Pension Contributions (APCs) to purchase extra pension benefits (up to £6,500 per annum), the employer can resolve to voluntarily contribute towards the cost of this. Note: This does not include instances where the employee is paying for lost pension via an APC where the election was made in the first 30 days – here the employer must pay two-thirds of the cost of such purchase	<i>The Authority has resolved not to adopt this discretion</i>

REGULATION 30(6)	POLICY DECISION
<i>Flexible Retirement</i> Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up whilst still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade. In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives the reduction either fully or in part or a member has protected rights.	<i>The Authority has resolved to adopt this discretion with the proviso that any discretion implemented be subject to the prior approval of the Executive Committee</i>

REGULATION 30(8)	POLICY DECISION
<i>Power of employer to waive actuarial reductions in cases of flexible retirement</i> Employers can agree to waive any actuarial reductions due in the case of employees retiring anytime after age 55. This does not have to be due to 'compassionate' reasons. If this discretion is used, the employer will pick up the cost of waiving reductions as an immediate strain cost payment.	<i>The Authority has resolved not to adopt this discretion</i>

REGULATION 31	POLICY DECISION
<i>Power of employing authority to grant additional pension of up to £6,500 annual pension</i> An employer may resolve to grant extra pension of up to £6,500 (figure at 1 April 2014) to an active Scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	<i>The Authority has resolved not to adopt this discretion</i>

REGULATION 1 (1)(c) Schedule 2 Transitional Regulations	POLICY DECISION
<i>Power of the employer to 'switch' back on the 85-year rule for employees retiring between ages</i> Employees are able to voluntarily retire between ages 55 and 60, post-31 March 2014 and onwards. Formerly this was only with employer permission and if granted, the employer would have paid any strain cost due if the employee met the 85-year rule. The 85-year rule does not automatically apply to members retiring between 55 and 60 as the facility to retire voluntarily between 55 and 60 is a new facility. The employer has the discretion to 'switch' back on the 85-year rule for employees leaving between 55 and 60, thus allowing employees to not have reductions (or have lesser reductions). In these cases the employer would have associated strain costs that would have to be paid by the organisation instead.	<i>The Authority has resolved not to adopt this discretion</i>

There are other non-compulsory discretions available for	
Buckinghamshire and Milton Keynes Fire Authority	to consider, and where
these may arise in the future will be considered on an individual basis; the merits of each case being fully investigated.	
Buckinghamshire and Milton Keynes Fire Authority	in exercising the discretionary
powers available under the above Regulations has acted with due prudence and propriety and considered the financial impact of applying the discretions.	

These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.

Buckinghamshire and Milton Keynes Fire Authority

will notify the Fund of any

revisions to this Statement within one month of the revised policy taking effect.