

LGPS Scheme Employer: Nottingham City Council**Local Government Pension Scheme, (LGPS), Regulations Policy statement on all eligible employees**

Under Regulation 60 of the LGPS Regulations 2013, (as amended), each scheme employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pensions Regulations.

This statement is applicable to all employees of Nottingham City Council who are eligible to be members of the LGPS

There is a requirement to publish the following eleven policies.

Discretion	Description	Current Policy	Proposed Policy
1. LGPS Regulations 2013 - Regulation 31: Power of employer to award additional pension	An employer may resolve to award a member additional pension of not more than £7316 per annum, (figure as at 1 April 2021) within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	Decisions on whether to award additional pension below second tier level will be delegated to the Chief Executive supported by a business case. Decisions to award additional pension for first and second tier officer shall be made at the discretion of the Appointments and Conditions of Service committee supported by a business case.	Nottingham City Council will not exercise this discretion.
2. LGPS Regulations 2013 - Regulation 16(2)(e) and 16(4)(d) : Funding of additional pension contributions (shared cost):	An active member in the main section of the scheme who is paying contributions may enter into arrangements to pay additional pension contributions (APCs) by regular contributions or a lump sum.	From 1 April 2014. Colleagues can voluntarily choose to make Additional Pension Contributions; there is the option for the employer to share this cost under the Shared Cost Additional Pensions Contributions (SCAPC)	Nottingham City Council will not exercise this discretion with the following exception: This does not relate to cases where a member has a period of authorised unpaid leave of

	<p>Such costs may be funded in whole or in part by the member's Scheme employer.</p> <p>The employer will need to determine a policy on whether it will make a contribution towards the purchase of extra pension.</p> <p>This does not relate to cases where a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a shared cost APC to cover the amount of pension "lost" during that period of absence. In these cases the employer <u>MUST</u> contribute 2/3rds of the cost (Regulation 15(5) of the LGPS Regulations)</p>	<p>The City Council will consider awarding additional pension by way of a business case to the Appointments and Conditions of Service Committee.</p>	<p>absence and elects within 30 days of return to work to pay a shared cost APC to cover the amount of pension "lost" during that period of absence. In these cases the employer <u>MUST</u> contribute 2/3rds of the cost (Regulation 15(5) of the LGPS Regulations)</p> <p>or, for the purposes of purchasing "lost" pension as a result of purchasing additional holiday leave in line with the employer policy.</p>
<p>3. LGPS Regulations 2013 - Regulation 30 (6) & (8): Flexible Retirement</p>	<p>An active member who has attained the age of 55 or over who reduces working hours or grade of an employment may, with the Scheme employer's consent, elect to receive immediate payment of all or part of the retirement pension to which that member would be entitled in respect of that employment if that member were not an employee in local government service on the date</p>	<p>This discretion was first adopted under the 2008 Regulations and is subject to the relevant policy contained within the People Management Hand Book</p>	<p>No change This discretion will continue to be exercised in line with employer policy.</p>

	<p>of the reduction in hours or grade, adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State.</p> <p>And the Scheme employer may agree to waive in whole or part any actuarial reduction that may apply.</p> <p>As an employer you need to determine the conditions under which you would approve a flexible retirement taking place.</p>		
<p>4. LGPS Regulations 2013 - Regulation (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014): Switching on rule of 85</p>	<p>A member who has not attained normal pension age but who has attained the age of 55 or over, may elect to receive immediate payment of a retirement pension in relation to an employment if that member is not an employee in local government service in that employment, reduced by the amount shown as appropriate in actuarial guidance issued by the Secretary of State. In these circumstances (other than flexible retirement) the 85 year rule does not automatically apply to members who would otherwise be subject to it who choose to voluntarily draw their benefits on or after age 55 and</p>	<p>Where a scheme member retires (leaves employment) and elects to draw their benefits at or after age 55 and before age 60 those benefits will be actuarially reduced unless the City Council agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous regulations.</p> <p>To avoid the member suffering the full reduction to their benefits the City Council can “switch on” the 85 year rule protections thereby allowing the member to receive fully or partially</p>	<p>Nottingham City Council will not exercise this discretion.</p>

	<p>before 60.</p> <p>The employer has the discretion to “switch on” the 85 year rule for such member (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.</p> <p>If the employer does agree to switch back on the rule of 85, the cost of any strain on the fund resulting from the payment of benefits before age 60 would have to be met by the employer.</p>	<p>unreduced benefits but subject to the City Council paying the pensions strain (capital) cost to the Pensions Fund.</p> <p>Decisions on whether to agree to this for employees below second tier would be delegated to the Chief Executive supported by a business case although it is unlikely that the City Council would ordinarily agree to “switch on” the rule of 85 in such instances.</p>	
<p>5. LGPS Regulations 2007 Regulation B30A(5) & LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 Reg 3 (1) & Schedule 2 paras 2(1) & (2): Waiving of actuarial reduction</p>	<p>An employer has the discretion, under a number of retirement scenarios, to waive actuarial reductions on compassionate grounds.</p> <p>The cost of which would fall upon the employer.</p> <p>n.b. “compassionate grounds” is not defined in the regulations.</p>	<p>The City Council is unlikely to ignore actuarial reductions. Decisions on whether to waive the actuarial reduction would be delegated to the Chief Executive supported by a business case.</p>	<p>Nottingham City Council will not exercise this discretion.</p>
<p>6. LGPS Regulations 2013 - Regulation 30 (8): Waiving actuarial reduction (members with CARE only benefits).</p>	<p>A Scheme Employer has the discretion, under a number of retirement scenarios, to waive actuarial reductions for a member who has only post 31/3/2014 membership.</p> <p>The cost of which would fall upon the employer.</p>	<p>The City Council is unlikely to ignore actuarial reductions. Decisions on whether to waive the actuarial reduction would be delegated to the Chief Executive supported by a business case.</p>	<p>Nottingham City Council will not exercise this discretion.</p>

<p>7. LGPS Regulations 2013 – Regulation 17 - Shared Cost Additional Voluntary Contribution Scheme</p>	<p>This discretion allows the Employer to maintain and contribute to an employee's Additional Voluntary Contribution Scheme.</p>	<p>No current policy.</p>	<p>Nottingham City Council will only operate this discretion through a salary sacrifice scheme and will not contribute to this. This will be administered only for salary sacrifice purposes.</p>
<p>8. LGPS Regulations 2013 - Regulation 100 (6) – election to transfer within 12 months</p>	<p>This discretion allows the Employer to extend the 12 month limit a member has in which to elect to transfer other pension rights into the LGPS. This has to be with the agreement of the Administering Authority.</p>	<p>A request for a transfer of previous pension rights from another scheme or previous service within the LGPS or arrangement into the LGPS must be made within 12 months of joining/re-joining the scheme.</p> <p>The City Council's policy is to accept transfers if applied for outside the period of 12 months, provided that, at the time the transfer is being considered, there is no cost to the Council.</p>	<p>Nottingham City Council will not exercise this discretion.</p>
<p>9. LGPS Regulations 2013 - Regulation 22 (7) and (8) – election to aggregate within 12 months of commencement</p>	<p>This discretion allows the Employer to extend the 12 month time limit a member has within which they must elect not to have deferred benefits aggregated with their new LGPS employment.</p>	<p>The City Council's policy is to accept requests applied for outside the period of 12 months, provided that, at the time the transfer is being considered, there is no cost to the Council.</p>	<p>Nottingham City Council will not exercise this discretion.</p>
<p>10. LGPS Regulations 2013 - Regulation 9 – allocation of contribution band</p>	<p>This discretion allows the Employer to determine which contribution band is allocated on joining the scheme and at each April. It also determines the</p>	<p>The City Council will decide any question about what contribution rate a member is liable to pay on first joining the scheme, on 1 April each year with a</p>	<p>The City Council will decide any question about what contribution rate a member is liable to pay on first joining the scheme and banded monthly thereafter, and</p>

	<p>circumstances when an employee's band may be reviewed.</p>	<p>review on 1 October each year to ensure the band is as expected. Upon each subsequent contractual change in pay. Upon a change of hours either reducing or increasing.</p>	<p>upon any contractual change in pay or hours either reducing or increasing.</p>
<p>11. LGPS Regulations 2013 - Regulation 21 – assumed pensionable pay</p>	<p>This discretion allows the Employer to determine whether to include in the calculation of assumed pensionable pay the amount of any “regular lump sum payment”.</p> <p>This is in cases where an employee's pay needs to be calculated where their pay has been reduced due to certain absences in order that they are not unduly advantaged or disadvantaged.</p>	<p>No current policy.</p>	<p>Nottingham City Council will not exercise this discretion. Lump sums are excluded from any assumed pensionable pay calculation.</p>

I confirm that should any of the decisions change in the future the Pensions Section will be notified immediately.

I have read the attached statements and certify that they are correct on behalf of:

Employer's Name: Nottingham City Council

Print Name:

Position:

Signed:

Date:

Please sign and copy. Keep one for reference and return the other to Nottinghamshire County Council LGPS Pensions Office.