



STATEMENT OF POLICY – LGPS NEW SCHEME APRIL 2014

EMPLOYER DISCRETIONS UNDER THE CHESHIRE PENSION FUND

References:

- **Local Government Pension Scheme 2008 (LGPS)**
- **Local Government Pension Scheme 2014 (LGPS)**

A written statement of the employer’s policy is required for the following regulations:

April 2014:

REGULATION	POLICY ON INDIVIDUAL DISCRETION
<p>LGPS 31: - Award additional pension to a member (of up to a maximum of £6,822 a year). [limit increases annually 1st April]</p>	<p>Cheshire Fire and Rescue Service would not exercise its discretion to award additional pension to an active member, or a member who was an active member who was dismissed under redundancy or business efficiency unless there was a clear financial or organisational advantage to the Service or where extenuating circumstances apply. This would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>
<p>LGPS 16(2)(e) and 16(4)(d) Whether to partly or wholly fund the Additional Pension Contribution through regular payments or one off lump sum</p>	<p>Cheshire Fire and Rescue Service would not exercise its discretion to partly or wholly fund an Additional Pension Contribution (APC) purchase with a member.</p>
<p>LGPS 27 / 30(6): Whether all or some benefits can be paid if an employee reduces hours/grade and continues to work (“flexible retirement”)</p>	<p>Cheshire Fire and Rescue Service does not give blanket consent for staff in the LGPS aged over 55 years to flexibly retire and draw immediate payment of pension benefits. However, requests would be referred to Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager, and would be assessed on a case by case basis taking into account such factors as cost and impact upon service delivery.</p>
<p>LGPS 30(8): -Whether to waive some or all of the reduction that would apply otherwise when a member retires before Normal Pension Age.</p>	<p>Cheshire Fire and Rescue Service would consider waiving any actuarial reduction where there was a clear financial or organisational advantage to the Service or where extenuating circumstances apply. Decisions would be made on a case by case basis, which would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>

REGULATION	POLICY ON INDIVIDUAL DISCRETION
<p>Transitional Protections – LGPS 1 (1)(c) Schedule 2: For those members choosing to retire and draw their pension after 31st March 2014, on or after the age of 55 and before the age of 60.</p>	<p>Cheshire Fire and Rescue Service would consider ‘switching on’ the protection to the 85 year rule for a member who elects to draw their pension from age 55 and before age 60 and meet any additional cost of the retirement. The Service would consider waiving any actuarial reduction where there was a clear financial or organisational advantage to the Service or where extenuating circumstances apply. Decisions would be made on a case by case basis, which would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>
<p>LGPS 30 (5) All members who have attained the age of 55 or over may elect to receive their pension provided they have left work for Service in that employment</p>	<p>Cheshire Fire and Rescue Service would consider waiving any actuarial reduction where there was a clear financial or organisational advantage to the Service or where extenuating circumstances apply. Decisions would be made on a case by case basis, which would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>
<p>LGPS 9: Determine rate of employees’ contributions.</p>	<p>Cheshire Fire and Rescue Service would allocate employees to the appropriate contribution rate band according to pay at 1 April each year (based on previous 12 months pensionable pay) and would adjust only on an individual basis if an employee was promoted or demoted part year with effect from the date of the change.</p>
<p>LGPS 22(8)(b): Whether to extend 12-month period to combine previous local government service.</p>	<p>Cheshire Fire and Rescue Service would not extend the 12 month time limit for an employee who has not elected to keep their deferred local government service record separate from their active one unless there were extenuating circumstances or there was a clear financial or organisational advantage to the Service or it could be demonstrated that Cheshire Fire and Rescue Service had not complied with their request at the time they became an active member. All scenarios would be considered on a case by case basis, which would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>
<p>LGPS 17: Whether to contribute to a shared Additional Voluntary Contribution (AVC) arrangement.</p>	<p>Cheshire Fire and Rescue Service would not exercise its discretion to contribute towards an Additional Voluntary Contribution.</p>
<p>LGPS 100(6): Whether to extend 12-month period to</p>	<p>Cheshire Fire and Rescue Service would not extend the 12 month time limit for an employee to make a decision about transferring pension rights unless</p>

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<p>allow a transfer-in of non-LG pension rights.</p>	<p>there were extenuating circumstances or there was a clear financial or organisational advantage to the Service or it could be demonstrated that Cheshire Fire and Rescue Service had not complied with their request at the time they became an active member. All scenarios would be considered on a case by case basis, which would be subject to approval by the Chief Fire Officer and Chief Executive, the Treasurer and the Pension Scheme Manager.</p>

NB: Please refer to policy document #1646 – Statement of Policy pre April 2014.