



East
Northamptonshire
Council

Personnel Sub-Committee 30 July 2014

Pensions Discretions

Purpose of report

This report provides an overview of the pensions discretions changes.

1.0 Background

- 1.1 ENC staff are entitled to join the Local Government Pension Scheme (LGPS) via the Northamptonshire Pension fund (administered by LGSS).
- 1.2 LGPS regulations determine the exact benefits and rules that apply to the pension scheme. Most of these are fixed nationally; however, a few choices are delegated to Councils. These are called pensions discretions.
- 1.3 The LGPS regulations require Councils to have a pension discretion policy that sets out which of the discretions they have agreed to offer to staff, and those that they will not offer.
- 1.4 ENC rarely uses pension discretions. In the last 3 years, they have been used once; to allow someone to reduce their hours and partially claim their pension in the year leading up to their full retirement.

2.0 LGPS pension regulations 2013 and 2014

- 2.1 The regulations require us to review our current pension discretions policy as soon as possible after 1 April 2014.
- 2.2 We have undertaken an initial review, and don't believe we need to offer any more discretions than we do already.
- 2.3 Offering pensions discretions usually entails an extra cost to the Council above and beyond our current pension commitments.
- 2.4 The current pension discretions policy will become part of the new pay and benefits policy that is currently being reviewed. This will provide an additional opportunity for consultation on pension discretions policy in the autumn.

3.0 Financial implications

- 3.1 There are no direct financial implications of this paper.

4.0 Legal implications

- 4.1 Approval of the recommendations below will help to ensure that ENC is meeting its legal requirements.

5.0 Risk implications

- 5.1 Considering these matters, and agreeing to the recommendations will significantly

reduce the risk of any challenge in relation to ENC's non delivery of its pension responsibilities.

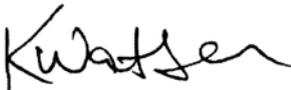
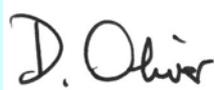
6.0 Equality implications

6.1 There are no equality implications of this paper.

7.0 Recommendations

7.1 The Sub-Committee is recommended to make the following decisions.

- a) No changes at this point to the current pensions discretions policy.
- b) Consider the implications of the new regulations within the review of the pay and benefits strategy.

Legal	Power: Local Government Act 1972				
	Other considerations:				
Background Papers: None					
Person Originating Report: Aime Armstrong – HR Manager					
Date: 11 July 2014					
DCFO 18/7/14		MO		CX 18/7/14	

(Committee Report Normal Rev. 22)