Ruskington Parish Council

Local Government Pension Discretion Policy

2026- 2028

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OVERVIEW

From 1 April 2026, Ruskington Parish Council enrolled eligible staff members, with their written consent, into the Local Government Pension Scheme as administered by the West Yorkshire Pension Fund.

The Local Government Pension Scheme (LGPS) in England and Wales was amended from 1 April 2014. The provisions of the new LGPS, together with protections for members benefits accrued before 1 April 2014, are now contained in the Local Government Pension Scheme Regulations 2013 (the 'LGPS Regulations 2013') and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (the 'LGPS Transitional Regulations 2014').

Therefore, this statement now relates to the application of discretions under:

(a) the LGPS Regulations 2013;

(b) the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 ('LGPS Transitional Regulations 2014'); and

(c) the Local Government Pension Scheme Regulations 1997 ('LGPS Regulations 1997') and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 ('LGPS Benefits Regulations 2007'), which continue to have effect in so far as is necessary under Regulation 3 (Membership before 1 April 2014) of the LGPS Transitional Regulations 2014.

This statement is issued by West Yorkshire Pension Fund (the 'Fund') to assist Scheme Employers within any of the Fund's that are administered in partnership with the West Yorkshire Pension Fund.

Furthermore, this statement has been prepared on the Fund's understanding of the above regulations; therefore whilst it represents the views of the Fund it should not be treated as a complete and authoritative statement of the law. Employers may wish, or will need, to take their own legal advice on the interpretation of any particular regulations. No responsibility whatsoever will be assumed by the Fund for any liability, financial or otherwise, incurred by employers relying on this statement. The Fund does not accept any responsibility for reliance on the information contained, or referred to, in this statement.

INTRODUCTION

Under Regulation 60 (statements of policy about exercise of discretionary functions) of the LGPS Regulations 2013 and paragraph 2(2) of Schedule 2 of the LGPS Transitional Regulations 2014, employers are required to make and publish policy statements on how they will exercise five specific mandatory discretions.

In addition, there are two further discretions relevant to employers, which relate to members who left before 1 April 2014. These are under Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 (in respect of leavers between 1 April 2008 and 31 March 2014) and under Regulation 106 of the LGPS Regulation 1997 (in respect of leavers between 1 April 1998 and 31 March 2008).

Any policy statements made must not limit, or 'fetter' how an employer uses any of the discretions afforded by the scheme.

The use of any discretion is likely to lead to immediate and potentially continuing increased pension costs for Ruskington Parish Council, which could be considerable.

Ruskington Parish Council is required to keep its statement under review and make such revisions as are appropriate following a change in its policy. Following any changes in its policy Ruskington Parish Council must publish the revised policy and send a copy to the Fund within one month of the date the policy is revised.

In formulating and revising the policy statements outlined below, Ruskington Parish Council must have regard to the extent to which the exercise of its discretionary powers could lead to a serious loss of confidence in the public service.

The discretions listed below are those that require a written policy however, employers have further discretions under the regulations that they may wish to formulate a written policy on.

FUTHER GUIDANCE FROM THE LOCAL GOVERNMENT PENSION SCHEME SECRETARIAT

When formulating any policies Scheme Employers should also take into account information provided by the LGPS Secretariat which can be found here:

https://www.lgpsregs.org/resources/guidesetc

SCHEME EMPLOYER DISCRETIONS

Specific discretions under the LGPS Regulations 2013 and the LGPS Transitional Regulations 2014

Details of the five discretions available are as follows:

1. Shared cost Additional Pension Contributions – Regulation 16 (2)(e) and 16 (4)(d)

Note: The specific provisions of Regulation 16 allow an active member who is paying into the main scheme to enter into an arrangement to pay additional contributions, either by regular contributions (Regulation 16(2)(e)) or by a lump sum payment (Regulation 16(4)(d). The employer can pay in a shared cost Additional Voluntary Contribution arrangement on behalf of an individual to receive contributions by both employee and employer.

Ruskington Parish Council does not consider contributions towards additional pension contributions to be an essential part of its employment strategy. However, it will consider applications made under these specific provisions having regard to the employer's general policy from time to time, on the employee pay strategy and the particular circumstances surrounding each case.

It is likely that decisions will be made on the merits of each case having particular regard to factors such as:

- Ruskington Parish Council's ability to meet the cost of granting such a request; and/or
- the member's personal circumstances.

2. Awarding Additional Pension- Regulation 31

Note: Regulation 31 allows Employers to grant additional pension up to the maximum allowed by the scheme rules provided that the member is active or is within 6 months of leaving for reasons of redundancy or business efficiency or whose employment was terminated by mutual consent on grounds of business efficiency.

Employers may wish to use this Regulation as an aid to recruitment, an aid to retention or to compensate or reward an employee who is retiring.

Employers should also consider provisions of this Regulation, in particular Regulation 31(4), if they decide to exercise their power under Section 1 (general power of competence) of the Localism Act 2011.

Ruskington Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to the following:

- the member's personal circumstances;
- the interests of the employer;

- the additional contributions due to the Fund by the employer in respect of the exercise of this discretion;
- any potential benefits or savings to the employer arising from the exercise of this discretion;
- other options that are, from time to time, available under the employer's severance arrangements;
- the funding position of Ruskington Parish Council within the Fund;
- the ability of Ruskington Parish Council to meet the cost of granting such an award.

3. Flexible Retirement- Regulation 30(6)

Note: This provision in the Regulations allows an Employer to consent for a member who has attained the age of 55 to draw all or part of their retirement benefits (both pension and lump sum) whilst continuing in employment and Fund membership provided that:

- there has been a reduction in hours, or
- a reduction in grade.

Ruskington Parish Council may agree to waive in whole or in part any actuarial reductions that would be required (see below: Regulation 30(8)).

Ruskington Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the operating requirements of the employing department
- Ruskington Parish Council's ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances.
- whether to permit the member to choose to draw all, part or none of the pension benefits they have built up after 1 April 2008.

4. Waiving actuarial reductions- Regulation 30(8)

Note: An Employer may waive the actuarial reductions applied to a member's benefits. Unless the 85 year rule protections exist, employers can waive:

- all of the reductions in respect of pre-1 April 2014 benefits but only on compassionate grounds (paragraph 2 of Schedule 2 of the LGPS Transitional Regulations 2014);
- all or some of the actuarial reduction in respect of post 1 April 2014 on any grounds.

Where 85 year rule protections exist and the member has full or tapered protection Ruskington Parish Council can waive all of the reductions but only on compassionate grounds for the service up to the date the 85 year rule protection ends (31 March 2016 (full) or 31 March 2020 (tapered).

Ruskington Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- Ruskington Parish Council's ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances

Applications for the payment of unreduced benefits for service before 1 April 2014 on the grounds of compassion will be granted if:

- in sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval
- and Ruskington Parish Council can meet the cost of granting such a request.

5. Switching on the 85 rule – Schedule 2- 1(1)(c) of the LGPS Transitional Regulations 2014

Note: An Employer can decide whether to "switch on" the 85 year rule to allow members who have protections under old regulations, and who choose to voluntarily draw their benefits on or after age 55 and before age 60 to receive benefits either unreduced or with a smaller reduction to their 85 year rule date. Ruskington Parish Council will be responsible for meeting any strain costs relating to benefits being paid before age 60. If the employer does not "switch on" the 85 year rule the member's benefits will be reduced to age 60 or the date they meet the 85 year rule if later.

Ruskington Parish Council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- Ruskington Parish Council's ability to meet the cost of granting such a request;
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made;
- the member's personal circumstances.

6. Further mandatory discretions

The two mandatory discretions under the LGPS Regulations 1997 and the LGPS Benefits Regulations 2007, below, relate specifically to members who left the LGPS before 1 April 2014.

- Early Payment of Deferred Pensions for members who left before 1st April 2014 – Regulation 2 of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, *Regulation 30(2) and 30(5) of the LGPS Benefits Regulations 2007 & Regulation 31(2) and Regulation 31(5) of the LGPS Regulations 1997*
- Early Payment of Deferred Pensions for members who left before 1st April 2014 and have ceased to be entitled to a tier 3 ill health benefit- Regulation 2 of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, Regulation 30A(3) and 30A(5) of the LGPS Benefits Regulations 2007).

These do not apply to any current or former employees of Ruskington Parish Council.

7. Recommended (non-mandatory) LGPS 2013 & 2014 discretions

There is no requirement for an Employer to have a written policy in respect of non-mandatory discretions. However, the information below allows both members of the scheme and the Fund to be clear on Ruskington Parish Council's policy.

7.1. Extending the 12-month time limit for transfer of pension rights – Regulation 100 (6) LGPS Regulations 2013

Note: An Employer can decide to extend the 12-month time limit to permit a member to transfer their previous pension rights from another scheme, if an election had not been made within 12 months of joining the LGPS.

Ruskington Parish Council will only consider applications made under this Regulation in the most exceptional circumstances and if:

- evidence indicates that the Fund had not informed the member about the transfer within the 12 month time limit, or
- verifiable evidence indicates that the member made an election to transfer within 12 months of joining the LGPS, but the election form was not received by the Fund.

7.2. Extending the time limit for a member to elect for a Shared Cost Additional Pension Contributions (SCAPCs) – Regulation 16 (16) LGPS Regulations 2013

Note: An Employer can decide to extend the 30 day deadline for a member to purchase additional pension by SCAPCs upon return from a period of unpaid absence (other than because of illness or injury, relevant child-related leave or reserve forces leave).

Ruskington Parish Council will exercise its discretion to allow late payment and decide each case on its individual merits.

3. Determining and reviewing an employee's contribution band – Regulation 9 and Regulation 10 LGPS Regulations 2013

Note: An Employer must decide how to allocate the pension contribution band for a new employee, and review at each subsequent April.

Ruskington Parish Council will determine and review the rate of employee contributions in accordance with Regulation 9 and Regulation 10 of the LGPS Regulations 2013.

4. Whether to include a regular lump sum payment when calculating Assumed Pensionable Pay – Regulation 21 (4)(a)(iv), Regulation 21 (4)(b)(iv), and Regulation 21 (5)

Note: An Employer can when calculating Assumed Pensionable Pay decide to include the amount of any regular lump sum payment received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred.

Ruskington Parish Council will not include regular lump sum payments when calculating Assumed Pensionable Pay, except in exceptional circumstances where doing so is necessary to ensure fair treatment of the employee and where the Council can clearly demonstrate no material financial disadvantage to the taxpayer.

5. Shared Cost Additional Voluntary Contributions Arrangement (SCAVC) – Regulation 17 (1) and TP 15 (2A) and A 25(3) and definition of SCAVC in R Sch1

Note: An Employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution through a SCAVC arrangement.

Ruskington Parish Council will not contribute to Shared Cost AVC arrangements, but will keep this position under review should future staffing or recruitment needs justify reconsideration.

Notes:

- A copy of the Employers Discretions to be emailed to the West Yorkshire Pension Fund: wypf.pfr@wypf.org.uk
- A copy to be published on the website and made available to all staff enrolled in the LGPS.
- Following any changes to the Employer Discretions, the updated document must be available to scheme members, and the West Yorkshire Pension Fund must be sent a copy within 1 month.

Information obtained from the *Guide to LGPS Employer Discretions*. Issue 1, December 2021 available online at:
https://www.wypf.org.uk/lgps-employer-zone/useful-information-for-employers/
Date Accessed 29/7/2026.