



Heddlu • Police

DYFED-POWYS

Diogelu ein Cymuned - Safeguarding our Community

**Chief Constable of Dyfed Powys
Pension Discretions (LGPS)**

Version 2

VERSION CONTROL

Version	Date	Author	Reason for Change
2	27/03/14	Diane Jones	Chief Financial Officer changed to Director of Finance/CFO and suitability for publication section completed.
1	14/11/13	Diane Jones	Transfer of policy to new force template

EQUALITY IMPACT ASSESSMENT

Section 4 of the Equality Act 2010 sets out the **protected characteristics** that qualify for protection under the Act as follows: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion or Belief; Sex; Sexual Orientation.

The **public sector equality duty** places a proactive legal requirement on public bodies to have regard, in the exercise of their functions, to the need to:

- eliminate discrimination, harassment, victimisation, and any other conduct that is unlawful under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The equality duty applies to all protected characteristics with the exception of Marriage and Civil Partnership, to which only the duty to have regard to the need to eliminate discrimination applies.

Carrying out an **equality impact assessment** involves systematically assessing the likely or actual effects of policies on people in respect of all the protected characteristics set out above.

An equality impact assessment should be carried out on any policy that is **relevant** to the public sector equality duty.

An equality impact assessment has been completed on this policy, click [here](#).

HUMAN RIGHTS ACT

CERTIFICATE OF COMPLIANCE

This policy has been drafted in accordance with the Human Rights Act and has been reviewed on the basis of its content and the supporting evidence and it is deemed compliant with that Act and the principles underpinning it.

Name: S Waters, Head of Legal Services

Department: Legal Services

Signed: S Waters

Freedom of Information Act 2000

Section 19 of the Freedom of Information Act 2000 places a requirement upon the Force to publish all policies on the Force website. Policies are why we do things and procedures are how we do them. A case-by-case review of procedures must be undertaken to protect law enforcement and health and safety considerations. Where a combined policy and procedure document is being produced the Force is legally required to publish the policy section and assess the procedure part to ensure no sensitive information is published.

There is a requirement therefore to review this document to establish its suitability for publication. Please identify below whether the document is suitable for publication in its entirety or not. Where it is believed that disclosure will be harmful please articulate the harm that publication would cause and highlight the relevant sections within the document. Where it is perceived that there is harm in disclosure the document should be forwarded to the FOI Unit for review.

Suitability for publication

Suitability for publication	Yes/No	Date	Signature
Document is suitable for publication in its entirety	Yes	27 th March 2014	Diane Jones
Document is suitable for publication in part, I have identified those sections which I believe are not suitable for disclosure and have articulated below the harm which would be caused by publication.	Yes	27 th March 2014	Diane Jones
Harm – in publication			Diane Jones

FOI review – to be completed by FOI Unit

Suitability for publication	Yes/No	Date	FOI Decision Maker
Document is suitable for publication in its entirety			
Document is suitable for disclosure in part and relevant redactions have been applied. A public facing version has been created.			
Once review has been undertaken FOI decision maker to return document to policy author and following sign-off document to be published within Force Publication Scheme. Any future changes to the document should be brought to the attention of the FOI Unit, as appropriate.			

Pension Discretions (LGPS)

1. POLICY STATEMENT

- 1.1. All employers who participate in the Local Government Pension Scheme (LGPS), known as Scheme Employers are required to formulate a discretions policy in accordance with Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008.
- 1.2. Scheme Employers are required to publish policies on how they will exercise some of the discretions they have under the LGPS Regulations, no later than 3 months after they became a Scheme Employer of the LGPS which came into being on 1 April 2008, and forward a copy to the administering authority - Dyfed Pension Fund.
- 1.3. The discretions that Scheme Employers must publish policies on are:
 - Power of employer to increase total membership of an active member (Benefits Regulation 12)
 - Power of employing authority to award additional pension (Benefits Regulation 13)
 - Flexible retirement (Benefits Regulation 18)
 - Choice of early payment of pension (Benefits Regulation 30)
 - Choice of payment of pension: pensioner member with deferred benefits (Benefits Regulation 30A)

2. POLICY AIM

- 2.1. To set out the LGPS discretions for Dyfed Powys as a Scheme Employer.

3. APPLICABILITY

- 3.1. This policy applies to staff who are members of the Local Government Pension Scheme (LGPS).

4. RELATED POLICIES, PROTOCOLS, PRACTICES OR SERVICE AGREEMENTS

- 4.1. Internal:
 - a. [Flexible & Early Retirement Policy](#)
 - b. [Pension Injury Allowance Discretions Policy](#)

5. MONITORING

- 5.1. The Director of Finance / CFO will provide assurance to the Chief Constable that the policy is being adhered to and monitored for its effectiveness and identified inefficiencies.

6. REVIEW

- 6.1. This policy will be reviewed and updated annually by the Head of Financial Governance, to ensure it remains up to date for any changes to legislation and other guidance.

- 6.2. The Chief Constable will update, publish and copy to the Dyfed Pension Fund (Carmarthenshire County Council) this Employer Discretion.
- 6.3. Should this policy be amended, a revised statement would need to be published within one month of the date of revision.

7. WHO TO CONTACT ABOUT THIS POLICY

Head of Financial Governance

Employing Authority Discretions

**Local Government Pension Scheme Regulations
(Benefits, Membership & Contributions) Regulations 2007 (as amended)**

Regulations	Policy
<p>Regulation 12: Augmentation of Scheme Membership Whether to augment membership of an active member (up to 10 years)</p>	<p>That this discretion will not be exercised as a general feature of compensation practice for employees made redundant, or those whose employment ends on grounds of business efficiency.</p> <p>That the discretion shall however be exercised in circumstances where an employee who qualifies for a discretionary compensation payment chooses to take the value of that payment in the form of an additional period of membership. In such cases the cost of the period of scheme membership awarded shall equal the value of the discretionary payment to which he / she was entitled.</p> <p>That the discretion shall otherwise be kept in reserve and exercised only in exceptional cases where it is deemed to be in the Authority's interest to do so.</p>
<p>Regulation 13: Additional Pension Award Whether to grant additional pension to a member (by up to £5,000 p.a.)</p>	<p>The Force will not apply this discretion.</p>
<p>Regulation 18 (1): Flexible Retirement Whether all or some benefits can be paid if an employee reduces their hours or grade</p> <p>Regulation 18 (3): Flexible Retirement Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement</p>	<p>Any employee request for flexible retirement will be considered on its own merits following full consideration of all financial and service delivery implications.</p> <p>Any employee request for flexible retirement will be considered on its own merits following full consideration of all financial and service delivery implications.</p>
<p>Regulation 30 (2): Choice of Early Payment of Pension Whether to grant application for early payment of benefits on or after age 50/55 and before age 60</p> <p>Regulation 30 (5): Choice of Early Payment of Pension Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early</p>	<p>Elections for early retirement will be considered on its own merits following full consideration of all financial and service delivery.</p> <p>The Authority may waive the resulting actuarial reduction on compassionate grounds providing that appropriate supporting evidence is presented.</p>

Regulations	Policy
<p>Regulation 31 (2): Early Leavers Grant application from a post 31.3.98. / pre 1.4.08. leaver or from a councillor for early payment of benefits on or after age 50/55 and before age 60</p> <p>Regulation 31 (5): Early Leavers Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31.3.98. / pre 1.4.08. leaver or a councillor leaver</p> <p>Regulation 31 (7a): Early Leavers Councillor opt outs only to get benefits paid from NRD if employer agrees</p>	<p>To consider all applications based on the merits of each case.</p> <p>To consider all applications based on the merits of each case.</p> <p>N/A</p>
<p>Regulation 5: Power to Increase Statutory Redundancy Payments To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks' pay limit.</p>	<p>Dyfed Powys Police will exercise this discretion at actual week's pay where this exceeds the statutory weeks' pay limit</p>
<p>Regulation 6: Discretionary Compensation for Redundancy To award lump sum compensation of up to 104 weeks' pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.</p>	<p>The Force will award payments based on the Redundancy Pay calculation x a factor of 2.5 (giving a maximum redundancy payment of 75 weeks' pay) and release accrued benefits.</p> <p>Where an individual has reached aged 55 they will receive release of pension benefits earned to date on termination due to redundancy or if granted as an efficiency termination.</p>
<p>Regulation 11 (2): Annual Compensation To award compensatory added years to a person aged 50 or over with 5 or more years membership (or notional membership) of the LGPS in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment which occurred after 30th September 2006 and before 1st April 2007 (but only if employment had commenced pre 1st October 2006)</p>	<p>Not to apply this discretion</p>

Regulations	Policy
<p>Regulation 17: Reduction of Annual Compensation Whether and to what extent to reduce or suspend the member's annual compensatory added years payment during any period of re-employment in local government</p>	<p>Dyfed Powys Police Authority no longer abate; as per the Dyfed Pension Fund policy from 1 October 2006.</p>
<p>Regulation 19: Effect of Cessation of New Employment How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government</p>	<p>Dyfed Powys Police Authority no longer abate; as per the Dyfed Pension Fund policy from 1 October 2006.</p>
<p>Regulation 21 (4): Awards to Surviving Spouses/Civil Partners How to apportion any surviving spouse's annual compensatory added years payment where the deceased person is survived by more than one spouse</p>	<p>Benefits to be apportion on same basis as main scheme benefits.</p>
<p>Regulation 21 (5): Awards to Surviving Spouses/Civil Partners If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation</p>	<p>Benefits to be apportion on same basis as main scheme benefits.</p>
<p>Regulation 21 (7): Awards to Surviving Spouses/Civil Partners Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid</p>	<p>Compensatory Added Years, if they are in payment, will continue in payment.</p>
<p>Regulation 25 (2): Payment of Children's Compensation How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children</p>	<p>Benefits to be apportion on same basis as main scheme benefits.</p>