

## **EMPLOYER DISCRETIONS – STATEMENT OF POLICY**

### **LOCAL GOVERNMENT PENSION SCHEME 2008**

The employer known as Royal Berkshire Fire Authority has prepared this written statement of policy in relation to its exercise of certain discretionary functions available under the above regulations.

#### **PART A – Formulation of policy in accordance with Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2007 (as amended)**

Regulations in this part refer to the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)

##### **1. Regulation 12 - Power of an employing authority to increase total membership of active members.**

An employer may resolve to increase the total membership of an employee at any time whilst he is an active member of the Scheme with them. The maximum additional membership period that can be awarded is 10 years.

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

##### **Employer's policy**

Royal Berkshire Fire Authority has resolved not to use the scheme for augmentation in regulation 12, with the following exception. The compensation policy developed in accordance with the discretionary compensation provisions in the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, provides an option for employees' to ask the Fire Authority to use the additional compensation to a purchase additional membership in the scheme.

Previous Regulation 52. Fire Authority decision August 1998. Compensation Regulations - Fire Authority decision May 2008.
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##### **2. Regulation 13 – Power of employing authority to award additional pension.**

An employer may resolve to award an employee, at any time whilst he is an active member of the Scheme with them, additional pension of not more than £5,000 a year payable from the same date as his pension is payable under any provisions of the Local Government Pension Scheme Regulations.

Additional pension may be paid in addition to any increase of membership under regulation 12 of the LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended).

The employer must pay to the Pension Fund, within one month from the date that any additional membership is awarded (or such longer period as agreed between the employer and the administering authority), a sum as calculated in accordance with guidance issued by the Government Actuary.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved not to adopt this discretion at this time.

New Discretion
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### **3. Regulation 18 – Flexible retirement**

A member who has attained the age of 55 and who, with his employer's consent, reduces the hours he works, or the grade in which he is employed, may make a request in writing to the appropriate administering authority to receive all or part of his benefits under the Regulations, and such benefits may, with the employer's consent, be paid to him notwithstanding that he has not retired from that employment.

If the payment of benefits takes effect before the member's 65th birthday they will be reduced in accordance with guidance issued by the Government Actuary unless the employer agrees to waive, in full or in part, any such reduction at their cost.

In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved to consider the adoption of regulation 18 on a case by case basis, with special attention to Disability Discrimination Act cases.

Previously Regulation 35. Fire Authority decision 2006.
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### **4. Regulation 30 – Choice of early payment of pension**

If a member leaves a local government employment before he is entitled to the immediate payment of retirement benefits, once he has attained the age of 55 he may choose to receive payment of them immediately. A choice by a member aged less than 60 is ineffective without the consent of his employer or former employer and the employer must pay to the Pension Fund a sum representing the capital cost of releasing those benefits early.

His pension must be reduced by the amounts shown as appropriate in guidance issued by the Government Actuary although the employer may determine on compassionate grounds to waive the actuarial reduction. In the case of a person who was an active member on 31st March 2008, and who makes a request before 31st March 2010, substitute the age of 55 above with the age of 50.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved that no such elections will be considered.

Previously Regulation 31. Fire Authority decision August 1998.

## **PART B – Formulation of policy in accordance with further discretions under the Local Government Pension Scheme (Administration) Regulations 2008**

Regulations in this part refer to the Local Government Pension Scheme (Administration) Regulations 2008

### **5. Regulation 16 - Re-employed and re-joining deferred members**

Where a deferred member becomes an active member again before becoming entitled to the payment of those deferred retirement benefits, he may elect to have his former deferred membership aggregated with his current active membership on or after the date that he again becomes an active member. An election must be made within 12 months from the date that the member re-joins the Local Government Pension Scheme or such longer period as his employer may allow.

It is worth noting that if the member has more than one former period of deferred membership, it is only the most recent deferred membership period that can be aggregated with his current active membership unless earlier periods of deferred membership have already been aggregated with the most recent period of deferred membership.

### **Employer's policy**

Royal Berkshire Fire Authority adopts regulation 16 on the basis that the impact will be limited to a small number of employees.

Previously Regulation 32. Fire Authority decision 2006.

### **6. Regulation 22 – Applications to make absence contributions**

This provides for a scheme member to pay optional contributions, for a period of unpaid absence from work, within 30 days of returning to, or of ceasing, employment. The employer can agree to extend this time limit.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved not to extend the time limit.

Previously Regulation 18 (6) & (7). Fire Authority decision 2006.

## **7. Regulation 25 – Additional Voluntary Contributions (AVCs) and Shared Cost Additional Voluntary Contributions (SCAVCs).**

An active member may elect to pay AVCs into a scheme established under contract between his appropriate administering authority and a body approved for the purposes of the Finance Act 2004.

Under paragraph 3 of this regulation an employer can, at its discretion contribute to the AVC scheme and where they do the AVC scheme is known as a shared cost additional voluntary contributions arrangement and contributions to it as SCAVCs.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved not to adopt this discretion.

Previously Regulation 67. Fire Authority decision August 1998.

## **8. Regulation 83 – Inward transfers of pension rights**

This provides that an active scheme member may elect to transfer into the Local Government Pension Scheme relevant pension rights held elsewhere. The member must request the transfer of such rights in writing within 12 months of becoming a member of the Local Government Pension Scheme or such longer period as the employer may allow.

### **Employer's policy**

Royal Berkshire Fire Authority has resolved that it continues to allow transfer of relevant pension rights held elsewhere within the 12 month period.

Previously Regulation 121. Fire Authority decision 2006.

## **9. Regulation 57(5)(c) – Notification of decisions under regulation 58.**

Responsibility for determinations under the first stage of the Internal Disputes Resolution Procedure rests with a “specified person” appointed by the (former) employer of a scheme member.

### **Employer’s policy**

The specified person for this employer is:

Name: David Wallace  
Job Title: Director of Human Resources  
Address: Royal Berkshire Fire and Rescue Service, 103 Dee Road,  
Tilehurst, Reading, Berkshire RG30 4FS.  
Tel No: 0118932227  
Email: [wallaced@rbfrs.co.uk](mailto:wallaced@rbfrs.co.uk)

Previously Regulation 98 (5).

## **PART C – Formulation of policy with regard to Regulation 5 of the Local Government Pension Scheme Regulations (Benefits, Membership and Contributions) Regulations 2007 (as amended)**

### **10. Regulation 5 - Contributions payable by active members**

An active member shall make contributions to the Scheme at the contribution rate from his pensionable pay in each employment in which he is an active member. The contribution rate to be applied to his pensionable pay in any financial year (starting with 1st April 2008) is the rate determined by the employer to represent the assumed pensionable pay for the forthcoming year. Where there is a material change to a member’s pensionable pay in the course of a financial year, the employer may re-determine the contribution rate to be applied in his case.

### **Employer’s policy**

Royal Berkshire Fire Authority has resolved not to re-determine the contribution rate in the course of the financial year. The exception to this will be where a member requests a review of his/her contribution rate as a result of a material change in pensionable pay.

New discretion.

**PART D – Formulation of policy with regard to Regulation 9 of the Local Government Pension Scheme (Transitional Provisions) Regulations 1997**

**11. Regulation 9 - Women with membership before 6th April 1988**

This regulation provides for the employer accepting all married female scheme members have made an election to provide their husbands with a widower's pension for any relevant service (unless the employee states in writing that she does not wish such an election to be provided).

**Employer's policy**

Royal Berkshire Fire Authority has resolved that it should accept that all married female scheme members have made such an election with the proviso that any employee may elect otherwise.

No change to discretion. Fire Authority decision 2006.
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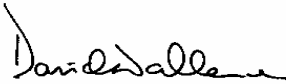
*It is understood that the above discretions are applicable to all eligible members of the Scheme. The Scheme rules allow for a revised statement to be issued at least one month in advance of the date that the new policy takes effect. The revised statement must be sent to the administering authority and publish its statement as revised.*

*The policies made above:*

- i) Must have regard to the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service;*
- ii) Will not be used for any ulterior motive;*
- iii) Will be exercised reasonably;*
- iv) Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;*
- v) Will be duly recorded when applied.*

Signed on behalf of the Employing Authority:

Name in Block Capitals:  
Position:  
Employing Authority:  
Date:

DAVID WALLACE   
DIRECTOR OF HUMAN RESOURCES  
ROYAL BERKSHIRE FIRE AUTHORITY  
June 2008