

Hereford & Worcester Fire Authority

STATEMENT OF POLICY Local Government Pension Scheme 2014 (LGPS)

Under Regulation 60 (1) of the Local Government Pensions Scheme (LGPS) 2013 Regulations, each employer must formulate, keep under review and publish their policies on certain discretions contained within the LGPS Regulations. This statement is applicable to all employees of Hereford & Worcester Fire Authority who are eligible to be members of the LGPS.

Regulations 16(2)(e) and 16(4)(d) - Funding of Additional Pension (New)

Where an active member opts to make Additional Pension Contributions (APC) under Rule 16(2)(e) these may be funded in whole or in part by the Employer. Under Rule 16(4)(d) the employee may opt to pay APC as a Lump Sum and this may also be funded in full or part by the employer.

Employer's Policy

Hereford & Worcester Fire and Rescue Authority will not fund in whole or in part any APC purchased either by periodical payments or Lump Sum.

Regulation 30 (6) - Flexible Retirement (no change)

An employing authority may resolve to give their consent to grant flexible retirement to employees from age 55 who reduce their hours or move to a lower grade and draw all of their pension whilst continuing in employment and building up further benefits in the scheme.

The pension benefits may be reduced in accordance with guidance issued by the Government Actuary, if paid before age 65, and the employer has discretion not to apply all or part of the reduction. Where the discretion is applied the Authority will be required to transfer into Pension Fund an amount equal to the additional pension benefit that the employee will receive on retirement.

Employer's Policy

Hereford & Worcester Fire Authority will grant the benefit contained within this regulation, in accordance with the needs of the Service.

With advice from the Treasurer and Monitoring Officer, the Assistant Chief Fire Officer (ACFO) will make a recommendation to the Chief Fire Officer for decision. The decision is delegated to the Chief Fire Officer.

The decision is delegated to the Chief Fire Officer involving approval of enhanced commutation in the case of employees whose annual salary is less than £45,000 or where the pension costs payable by the Authority do not exceed £45,000.

Regulation 30 (8) – Waiving of actuarial reduction (New)

From age 55, members who have left local government employment receive early payment of their retirement benefits and do not need their employer's consent. The pension benefits must be reduced in accordance with guidance provided by the Government actuary. Employers may determine on compassionate grounds that the benefits are not reduced.

For a member who joined the scheme prior to 1 October 2006 where the member's age and membership (in whole years) satisfies the "rule of 85" then the benefits would be reduced where the employee reaches age 60 after 31 March 2016, unless the employer chooses to exercise the discretion within the regulations. For a member who joined the Scheme on or after 1 October 2006, then reduced benefits would be payable if taken before age 65.

Employer's Policy

Hereford & Worcester Fire Authority will grant the benefit in this regulation to the extent that it can be demonstrated to be in the best financial interests of the Fire Authority.

In exercising their discretion the Fire Authority must have regard to the economical, effective and efficient management of their functions, and the costs likely to be incurred in the particular case.

With advice from the Treasurer and Monitoring Officer, the Assistant Chief Fire Officer (ACFO) will make a recommendation to the Chief Fire Officer for decision on a case by case basis.

The decision is delegated to the Chief Fire Officer involving approval of enhanced commutation in the case of employees whose annual salary is less than £45,000 or where the pension costs payable by the Authority do not exceed £45,000.

Regulation 31 - Power of the Employing Authority to award Additional Pension (change to the amount of additional pension)

An employer may resolve to award a member additional pension of not more than £6,500 a year, payable from the same date as their pension is payable under any other provision of these regulations. An additional pension may be paid in addition to any increase to total membership resolved under Regulation 16 so long as the overall total does not breach the limits laid down within these regulations.

Employer's Policy

Hereford & Worcester Fire Authority will not normally grant the benefit contained within this regulation, other than in very exceptional circumstances where the financial implications can be justified in the best interests of the Authority.

With advice from the Treasurer and Monitoring Officer, the Assistant Chief Fire Officer (ACFO) will make a recommendation to the Chief Fire Officer for decision on a case by case basis.

Choice of early payment of Deferred Pension (New)

Where a member became a deferred member between 31 March 2008 and 1 April 2014, they can apply for early release of benefits, and the Fire Authority can fund the costs of the release.

Employer's Policy

Hereford & Worcester Fire Authority will not grant the benefit contained within this regulation.