

Local Government Pension Scheme Employer Discretions Policy

Employer name:

Harborough District Council

Membership Category	Discretion Number	Discretion	Regulation reference	Our guidance reference	Example Employer* discretions policy	Adopt example? Yes/No	Discretion if not adopting example (attach additional sheet if required)
Additional Pension							
Actives & Post 14 Leavers	1	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme.	R16(2)(e) & R16(4)(d)	1.1	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Actives & Post 14 Leavers	2	Whether, at full cost to the Scheme employer, to grant extra annual pension, up to the LGPS additional pension limit (reviewed annually), to an active member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	R31	1.2	Harborough District Council will not normally grant any additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Waiving of Early Retirement Reductions							
Actives & Post 14 Leavers	3	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age.	R30(8)	2.1	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Actives & Post 14 Leavers	4	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	R30(8)	4 and/or 2.1	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	

Actives & Post 14 Leavers	5	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits paid early on compassionate grounds.	TP3(1), TPSch 2, paras 2(1)	2.2	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Leavers between 2008 and 2014	6	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	B30(5), TPSch 2, para 2(1)	2.2	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Leavers between 1998 and 2008 plus Councillors	7	Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	31(5) & TPSch 2, para 2(1)	2.2	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Switching on the 'Rule of 85'							
Actives & Post 14 Leavers	8	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 2(2)	3	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Leavers between 2008 and 2014	9	Whether to "switch on" the 85 year rule for a deferred member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 1(1)(c)	3	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	

Leavers between 1998 and 2008 plus Councillors	10	Whether to "switch on" the 85 year rule for a deferred member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, para 1(2) & 1(1)(f) & R60	3	Harborough District Council will not normally exercise this discretion but may consider it under exceptional circumstances, considering the business case and foreseeable costs to the employer.	Y	
Flexible Retirement							
Actives & Post 14 Leavers	11	Whether all or some benefits can be paid if an employee over 55 reduces their hours or grade (flexible retirement).	R30(6) & TP11(2)	4	Harborough District Council has agreed to release pension where there is no cost and not to waive any reduction. Members should reduce their hours by a minimum of 40% and/or reduce their grade, however Harborough District Council will exercise its discretionary power on a case-by-case basis for all applications for flexible retirement regardless if below the 40% minimum threshold and there is a clear financial or operational benefit to the Council. . Harborough District Council may also however allow the release of pension where there is a cost or waive reduction in a potential redundancy situation, where a reduction may occur through redeployment, or in other exceptional circumstance supported by a business case.	Y	With additional discretionary powers to be exercised at no cost to the council on a case by case basis and supported by a business case
Non-Mandatory Discretions							
Active Members	12	Whether to extend the 12 month limit a member has in which to elect to transfer other pension rights into the LGPS. This must be with the agreement of the Administering Authority	R100 (6)		Harborough District Council will not normally exercise this discretion but may consider it where extenuating circumstances apply, including where evidence exists that either an election was made within 12 months but this was not received by Leicestershire Pension Fund or evidence exists that the member was not aware of the 12 month limit due to maladministration.	Y	
Active Members	13	Whether to extend the 12 month limit a member has in which to elect not to aggregate their deferred benefits with their new LGPS employment	R22 (7) and (8)		Harborough District Council will not normally exercise this discretion but may consider it where extenuating circumstances apply, including where evidence exists that either an election was made within 12 months but this was not received by Leicestershire Pension Fund or evidence exists that the member was not aware of the 12 month limit due to maladministration.	Y	

Active Members	14	Whether to determine which contribution band is allocated on joining the scheme and at each April. It also determines the circumstances when an employee's band may be reviewed	R9	Harborough District Council will base pay on actual pay in April plus previous year's overtime, and re-band upon a pay award and all contractual changes, but not ad-hoc hours changes.	Y
		Name: Rebecca Jenner		Signature:	
		Job title: Head of HR & OD		Date: 16th August 2024	

* Where an employer chooses to adopt the same discretion as "Example Employer", it will be deemed that any decisions will be made by the relevant decision maker(s). For example, by the employer's governing body, director(s), cabinet, committee, or appointed person(s).

Please note that where an employer does not wish to adopt "Example Employer" discretions, it is possible to have discretions to review each case on a "case-by-case basis", however please be aware of the extra work involved in reviewing each case individually and the risk of setting precedents.