

**MINUTES OF THE MEETING OF THE STAFFING COMMITTEE**

Held on Wednesday 13<sup>th</sup> March 2024 at 7.00pm

PRESENT: Cllr Gareth DeBoos – Town Mayor  
Cllr Mary DeBoos – Chair of Policy and Finance Committee  
Cllr Rae Frederick – Deputy Mayor  
Cllr John Haywood  
Cllr Peter Kelleher  
Cllr James Swyer  
Cllr Glenys Turner

IN ATTENDANCE: Mr Chris Wilkins, Town Clerk

ABSENT: None

**S/0097  
APOLOGIES FOR ABSENCE**

Not applicable

**S/0098  
DECLARATIONS OF INTEREST**

No interests were declared.

**S/0099  
MINUTES OF THE PREVIOUS MEETING**

**RESOLVED:** That the minutes of the meeting held on 27<sup>th</sup> September 2023, having been circulated, be approved and signed by the Chairman as a correct record.

**S/0100  
EMPLOYER DISCRETIONS POLICY REVIEW**

The Committee considered the report from officers (*Annex A*). Members noted that there had been no consultation with unions or staff about making substantive changes to this policy.

**RESOLVED:** That the policy be adapted to conform to the new template promulgated by Hampshire Pension Services but that no substantive alterations be made from the current policy.

**ACTION J Hurd**

**S/0101  
FLEXIBLE RETIREMENT POLICY REVIEW**

The Committee considered the report from officers (*Annex B*) and noted that the resolution to item S/0100 requires that a Flexible Retirement Policy continue in some form.

**RESOLVED:** To approve the updated draft policy proposed by officers.

**ACTION J Hurd**

**S/0102  
RECRUITMENT POLICY**

The Committee considered the report from officers (*Annex C*) and noted the need to agree the principles on which to base a Recruitment Policy.

The Committee indicated as follows:

- (a) That members should be fully involved in the recruitment of the Town Clerk or the Finance Manager
- (b) That members should be involved in reviewing organisational needs, job descriptions and person specifications in recruitments to all other managerial roles;
- (c) That the involvement of members in recruitments to other roles should be at the discretion of officers;
- (d) That, on balance, it favoured allowing a short opportunity for internal recruitment only to managerial roles subject to compliance with the public sector equality duty; and
- (e) That the Training Policy should be reviewed when the Recruitment Policy is presented for consideration.

**RESOLVED: That officers should prepare a draft Recruitment Policy reflecting the Committee’s stated preferences for consideration at a future meeting and the Council’s Training Policy should be reviewed at the same time.**

**ACTION C Wilkins/J Hurd**

**S/0103  
LIVING WAGE EMPLOYER ACCREDITATION**

The Committee considered the report from officers (*Annex D*). In response to requests for clarification and details of the financial risk, additional information was given by the Town Clerk and Cllr. Swyer which members felt should be added to the report when it is presented at Full Council.

**RECOMMENDED TO FULL COUNCIL:  
That the Council seek accreditation as a Living Wage Employer.**

**ACTION C Wilkins**

**S/0104  
EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED: That, in accordance with section 1(2) of the Public Bodies (Admission to Meetings) Act 1960, the press and public were excluded because publicity would be prejudicial to the public interest by reason of the confidential nature (*Confidential Minutes – Annex E*).**

*The Town Clerk left the meeting at this point.*

**S/0105  
TOWN CLERK’S ANNUAL REVIEW**

Cllrs. Haywood and Turner reported that they had undertaken the Town Clerk’s annual review and recommended that a single pay increment be awarded with effect from 1<sup>st</sup> April 2024.

**RESOLVED: To note the report and agree the increment award.**

**ACTION J Hurd**

There being no further business, the Chairman closed the meeting at 8:10pm.

**Note: The text in the Action Boxes above does not form part of these minutes.**

*RECEIVED*  
*27<sup>th</sup> March 2024*

*APPROVED*  
*11<sup>th</sup> September 2024*

*TOWN MAYOR*

*COMMITTEE CHAIRMAN*

13<sup>th</sup> March 2024

## Report on Employer Discretions Policy

### 1. Introduction and reason for report

1.1 The Council is an employer-member of the Local Government Pension Scheme and as such is required to have a written policy regarding certain Discretions which apply to the Scheme and to review that policy periodically. The current Discretions Policy is attached as Annex 1 and it was last reviewed by members in September 2017. Hampshire Pension Services introduced a new discretions template document in August last year and this is attached as Annex 2.

### 2. Background information

2.1 Employer Discretions under the Local Government Pension Scheme usually involve benefits to employee-members which would entail additional cost to the Council and therefore require decisions about the circumstances (if any) in which the Council would consider allowing them. They are somewhat technical in nature and will certainly not arise in every case but it would be prudent to assume that at some time in the future one or more of them WILL arise at this Council.

2.2 Members will see that, currently in each case, the Council “may” consider allowing the benefit “in exceptional circumstances”. The policy could remain unchanged or be altered to rule out each possibility completely. The latter alternative is not unusual; it is, for example, the current policy of New Forest District Council. The policy should take proper account of this Council’s circumstances; it would not be appropriate simply to copy another council’s policy.

2.3 A policy ruling the discretions out has the considerable merits of cheapness and clarity. It eliminates a financial risk that is uncertain in both timing and size and leaves everyone knowing exactly where they stand from the outset. It also avoids the need to consider individual cases. For this Council, with its modest budget and limited managerial capacity, these are significant factors.

2.4 Conversely, however, this Council’s small workforce means that flexibility can bring significant benefits (on recruitment, when trying to retain staff or when dealing with difficult cases, for example). Moreover, policies should, as a rule, be no more restrictive than is necessary.

2.5 It also needs to be understood that “discretion” and “flexibility” do not mean an entirely free hand. As a public body exercising public functions, this Council is never free to do whatever it pleases; decisions may be challenged and must therefore always be capable of being justified by reference to sound reasons. In this case, it might not be easy to specify cogent reasons for treating one case (but not another) as “exceptional”. As always, it would be obligatory to ensure that decisions are made fairly and not discriminatory in any way. Furthermore, even if the basic decision could be justified, that may lead to further even more difficult decisions – for example, if members were minded to make APCs in an exceptional case, how would they decide how much to pay (and would it be the same in every case)?

### 3. Issues for decision and any recommendations

**The Committee is invited to review the current policy and consider whether to approve it in its current form or alter it. In either case, the Committee is recommended to adopt the new template.**

For further information, contact:

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Email: [chris.wilkins@ringwood.gov.uk](mailto:chris.wilkins@ringwood.gov.uk)

Jo Hurd, Deputy Town Clerk  
Direct Dial: 01425 484721  
Email: [jo.hurd@ringwood](mailto:jo.hurd@ringwood.gov.uk) gov.uk



# Employer Discretions Policy

<b>Employer name:</b>	Ringwood Town Council
<b>Employer number:</b>	00044
	31 May 2017
<b>Policy effective from:</b>	Updated 20 September 2017 (Policy 6 added)

# Statement of policy

## on the Local Government Pension Scheme Regulations (LGPS) 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

This document sets out the scheme employer's policy on the operation of each of the compulsory discretions (and optional discretions where chosen) available under the LGPS Regulations. It states whether or not discretions will be operated and the circumstances and criteria for applying them, in relation to active and deferred members of the LGPS.

### PART A - Compulsory Discretions

#### 1) Regulation 16(2)(e) and 16(4)(d)

##### **Whether, how much, and in what circumstances to contribute to a shared cost APC scheme**

Where an active scheme member has decided to make Additional Pension Contributions (APCs) to purchase extra pension benefits (up to £6,500 per annum), the employer can resolve to voluntarily contribute towards the cost of this.

Note: This does not include instances where the employee is paying for *lost* pension via an APC where the election was made in the first 30 days – here the employer *must* pay two-thirds of the cost of such purchase

##### **Employer Policy Decision**

*The Council may consider contributing to APCs in exceptional circumstances*

#### 2) Transitional Provision Schedule 2, paragraphs 1(2) and 2(2)

##### **Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.**

Employees are able to voluntarily retire between ages 55 and 60, post-31 March 2014 and onwards. Formerly this was only with employer permission and if granted, the employer would have paid any strain cost due if the employee met the 85-year rule.

The 85-year rule does not automatically apply to members retiring between 55 and 60 as the facility to retire voluntarily between 55 and 60 is a new facility.

The employer has the discretion to ‘switch’ back on the 85-year rule for employees leaving between 55 and 60, thus allowing employees to not have reductions (or have lesser reductions). In these cases the employer would have associated strain costs that would have to be paid by the organisation instead.

This discretion does not apply to flexible retirement (see [Regulation 30\(6\)](#)) whereby the 85 year rule is always switched on.

<b>Employer Policy Decision</b>
<i>The Council may switch on the 85 year rule in exceptional circumstances</i>
<b>3) Regulation 30(6)</b>
<b>Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)</b>
Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up whilst still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade.  In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives the reduction either fully or in part or a member has protected rights.  Please be aware, if you allow members to retire under flexible retirement, and they meet the 85 year rule between the ages of 55 and 60, there may be a cost to the employer as there is no option to switch the 85 year rule off in this instance.
<b>Employer Policy Decision</b>
<i>A flexible retirement policy was adopted by the Council in 2008 (see attached). This remains valid.</i>
<b>4) Regulation 30(8) (2013 Regs) - Regulation 30(5) (2013 Regs) - and 30(5) and 30A(5) (2007 Regs)- Regulation 3(1) and (5) (TP2014 Regs)</b>
<b>Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age (where the member only has post 31/3/14 membership)</b>
Employers can agree to waive any actuarial reductions due in the case of employees retiring anytime after age 55. This does not have to be due to 'compassionate' reasons and the situation differs according to the group of member the person is classified as for 85 Year Rule purposes. See <a href="#">Employer discretions</a> for more information. If this discretion is used, the employer will pick up the cost of waiving reductions as an immediate strain cost payment.
<b>Employer Policy Decision</b>
<i>The Council may waive the actuarial reduction in exceptional circumstances</i>
<b>5) Regulation 31</b>
<b>Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a.)</b>



An employer may resolve to grant extra pension of up to £6,500 (figure at 1 April 2014) to an active Scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.

**Employer Policy Decision**

*The Council may award additional pension in exceptional circumstances*

- These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
- Any changes to this policy will be notified to the Hampshire Pension Fund within 30 days of the change.

**6) Post - 31 March 2008 / pre - 1 April 2014 leavers early payment of pension - Regulation B30 (2) (5).B30A.(3).(5)**

**Whether to allow the early payment of pension to deferred members who left the scheme post 31 March 2008/Pre 1 April 2014**

An employer can allow the early payment of deferred benefits to those with pre 2014 benefits between ages 55 and 59. They may also allow early payment of pensions to former employees who were in receipt of a tier 3 ill health pension which has since been suspended. In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives the reduction on compassionate grounds or a member has protected rights.

**Employer Policy Decision**

*Deferred benefits, including suspended tier three ill health pensions, will be paid early provided it is in the Council's interests to do so, and having regard to the Pension Fund charge for paying benefits early being affordable in each case.*

For the full list of discretions policies go to [LGA Discretions](#)

Signed on behalf of:

Completed by:  Position:

Signature:  Date:

**PART B - Optional Discretions**

(The two detailed are the most frequently used Regulations, but remain optional – see [LGA Discretions](#) for the full list of optional employer discretions)

**7) Membership Aggregation Regulation 22 (7)(b),(8)(b)**

Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment

If a member has previous LGPS membership they will need to make a decision about whether it is combined with their new LGPS membership

The election to keep separate pension benefits must be made within 12 months of becoming an active member, who must be active at the date of election.

An employer may allow a period longer than 12 months

**Employer Policy Decision**

*The following policy was adopted by the Council in 2013:*

***Election to aggregate deferred membership with active membership must be made within 12 months of becoming an active member, and the member must be active at the date of election.***

*This remains valid.*

**8) Transfers of Pension Rights Regulation 100(6)**

Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS

Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within in 12 months of becoming an active member.

An employer may allow a longer period than 12 months

**Employer Policy Decision**

*The following policy was adopted by the Council in 2013:*

***Transfer of pension rights will be accepted, providing a request is made within 12 months of becoming an active member.***

*This remains valid.*

Signed on behalf of:

Completed by:

Position:

Signature:

Date:

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# **Employer Local Government Pension Scheme Discretions Policy**

**Employer name:**

**Employer number:**

**Policy effective from:**

# Statement of policy

## on the Local Government Pension Scheme Regulations (LGPS) 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014.

This document sets out the scheme employer's policy on the operation of each of the mandatory discretions (and optional discretions where chosen) available under the LGPS Regulations. It states whether or not discretions will be operated and the circumstances and criteria for applying them.

### **The following discretions apply to members who were actively paying into the scheme as at 1 April 2014 onwards**

#### **PART A - Mandatory Discretions**

##### **Power to award additional pension**

Regulation 31

**Whether, at the full cost to the Scheme employer, to grant extra annual pension of up to £7,579 (figure at 1 April 2023) 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 [regulation 31 of the LGPS Regulations 2013]**

##### **Employer Policy Decision**

## Shared cost additional pension contributions

Regulation 16(2e) (4d)

### Whether, how much, and in what circumstances to contribute to a Shared Cost APC scheme

Whether, where an active member wishes to purchase extra annual pension of up to £7,579 (figure as at 1 April 2023), by making additional pension contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a shared cost additional pension contribution (SCAPC) [regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013].

Note: This does not include instances where the employee is paying for **lost** pension via an APC where the election was made in the first 30 days (or longer if the employer allows) – in this circumstance the employer **must** pay two-thirds of the cost of such purchase

### Employer Policy Decision

## Whether to allow flexible retirement

(Regulation 30 (6)) & TP11(2) & R30(8)

Whether to allow flexible retirement for staff aged 55 or over who, with the agreement of the Scheme employer, reduce their working hours or grade [regulation 30(6) of the LGPS Regulations 2013] and, if so, as part of the agreement to allow flexible retirement:

- whether, in addition to the benefits the member has built up prior to 1 April 2008 (which the member must draw), to allow the member to choose to draw:
  - I. all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or
  - II. all, part or none of the pension benefits they built up after 31 March 2014 [regulations 11(2) and 11(3) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], and
- whether to waive, in whole or in part, any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA) [regulation 3(5) of the LGPS Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013].

## Employer Policy Decision

i) **Whether to allow flexible retirement**

ii) **Whether to allow the member to choose to take**

a. part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or

b. all, part or none of the pension benefits they built up after 31 March 2014

iii) **Whether to waive, in whole or in part, any actuarial reductions which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age**

### **Switching on the 85 year rule**

[paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

**Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.**

Members are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85-year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.

**This discretion does not apply to flexible retirement (see [Regulation 30\(6\)](#)) whereby the 85 year rule is always switched on.**

Where the employer does not choose to “switch on” the rule, then

- a) if the member has already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the benefits from any pre 1 April 2008 membership for members who will not be 60 or more on 31 March 2016, and benefits from any pre 1 April 2016 membership for members who will be 60 or more on 31 March 2016, which would not normally have been subject to an actuarial reduction nonetheless being subject to a reduction calculated by reference to the period between the date the benefits are drawn and age 60) [paragraphs 1(2) and 1(4) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], or
- b) if the member has not already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the reduction on that part of the member’s benefits subject to the 85 year rule being calculated by reference to the period between the date the benefits are drawn and age 60, or the date of attaining the 85 year rule, whichever is the later), and
- c) the Scheme employer can exercise a discretion to waive any actuarial reductions (including where an actuarial reduction may still be applied to a member’s benefits after ‘switching back on’ the 85 year rule in full) (at cost to the Scheme employer, via an employer strain charge).

### **Employer Policy Decision**

## **Waiving of actuarial reductions**

Regulation 30(8), TP3(1), TPSch 2, para 2(1), B30(5) and B30A(5)

**Whether to waive, in whole or in part, any actuarial reductions on benefits which a member voluntarily draws before normal pension age (other than on the grounds of flexible retirement).**

Employers can agree to waive any actuarial reductions due in the case of employees retiring any time after age 55. For active members voluntarily retiring on or after age 55 and before Normal Pension Age (NPA), who elect under regulation 30(5) of the LGPS Regulations 2013 to immediately draw benefits, and for deferred members and suspended tier 3 ill-health pensioners who elect under regulation 30(5) of the LGPS Regulations 2013 to draw benefits (other than on ill health grounds) on or after age 55 and before NPA.

**There are 4 member groups which you would be making the discretions policy on, the below covers in what circumstance reductions can be waived and to which benefits these would apply:**

**Group 1 - Members joined before 1 October 2006 and who reached 60 before 1 April 2016**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2016, and/or
- To waive, in whole or in part, on any grounds, actuarial reductions applied to benefits built up after 31 March 2016

**Group 2 - Members joined before 1 October 2006 and who reach age 60 between 1 April 2016 and 31 March 2020 and also meet their critical retirement age before 1 April 2020 (date member meets the 85 year rule)**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2020, and/or
- To waive in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2020

**Group 3 - Members joined before 1 October 2006 and who reach age 60 after 31 March 2020 (or who would reach age 60 between 1 April 2016 and 31 March 2020 and don't meet their critical retirement age before 1 April 2020 (date member meets the 85 year rule)**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014



**Group 4 - Members joined after 1 October 2006**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014

**Employers should also note that the strain cost of any such retirements would need to be met by the employer and paid into the Pension Fund at the appropriate time.**

**Employer Policy Decision**

**Whether to waive any actuarial reductions for a member voluntarily drawing benefits before NPA (other than on the grounds of flexible retirement), as outlined above.**

**The following discretions apply to members who left the scheme between 1 April 2008 and 31 March 2014**

**Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60**

[paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.

A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 and who has subsequently become a deferred pensioner may now claim their benefits from age 55 without their employer’s consent. However, these benefits will be reduced for early payment.

Where a member has reached the 85 year rule at the point of retirement, an employer can consent to switching on the 85 year rule. Any ‘strain’ to the Fund will be payable immediately by the Scheme employer.

**Employer Policy Decision**

**Whether to ‘switch on’ the 85 year rule upon the voluntary early payment of a suspended tier 3 ill health pension?**

[paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Whether to “switch on” the 85 year rule for a member with a suspended tier 3 ill-health pension voluntarily drawing benefits (on or after 14 May 2018) on or after age 55 and before age 60.

Where a member has reached the 85 year rule at the point of retirement, an employer can consent to switching on the 85 year rule. Any ‘strain’ to the Fund will be payable immediately by the Scheme employer.

**Employer Policy Decision**

**Whether to waive upon the voluntary early payment of deferred benefits any actuarial reduction on compassionate grounds?**

[regulation 30(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 may now claim their benefits from age 55 without their employer’s consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

**Employer Policy Decision**

**Whether to waive upon the voluntary early payment of a suspended tier 3 ill health pension, any actuarial reduction on compassionate grounds?**

[regulation 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a suspended tier 3 ill health pension and who left the scheme between 1 April 2008 – 31 March 2014 may now claim for their pension to be brought back into payment from age 55 without their employer's consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

**Employer Policy Decision**

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**The following discretions apply to members who left the scheme between 1 April 1998 and before 1 April 2008**

**Whether to ‘switch on’ the 85 year rule upon the voluntary early payment of deferred benefits**

[paragraph 1 (1) (f) & 1 (2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) regulations 2014]

**Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.**

Deferred members who left the scheme after 1 April 1998 are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85 year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the ceding employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.

Where the employer does not choose to “switch on” the rule, then benefits built up would be subject to reduction in accordance with actuarial guidance issued by the Secretary of State regardless of whether a member meets the rule or not

If the employer does agree to “switch on” the 85 year rule, the employer will have to meet the cost of any strain on fund resulting from the payment of benefits before age 60 i.e. where the member has already met the 85 year rule or will meet it before age 60.

**Employer Policy Decision**

**Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55**

[regulation 31(2) of the LGPS Regulations 1997].

**Whether to grant application for early payment of deferred benefits on or after age 50 and before age 55.**

A member with a deferred benefit who left the scheme between 1 April 1998 – 31 March 2008 can claim their benefits from age 50 with their employer's consent.

However, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004

**Employer Policy Decision**

**Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits**

[regulation 31(5) of the LGPS Regulations 1997 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Whether to waive any actuarial reduction on compassionate grounds which would normally be applied to benefits which are paid before age 65.

Employers should note that the strain cost of any such retirements would need to be met by the employer and paid into the Pension Fund at the appropriate time.

**Employer Policy Decision**

**The following discretions apply to members who ceased active membership before 1 April 1998**

**Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds**  
[regulation D11(2)(c) of the LGPS Regulations 1995].

Whether to grant early payment of a deferred benefit on compassionate grounds, on or after age 50 and before NRD.

If granted, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004

**Employer Policy Decision**

- These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
- If the employer decides to amend the policy, no change can come into effect until one month has passed since the date the amended policy statement was published.
- Any changes to this policy will be notified to the Hampshire Pension Services within 1 month of the change.

For the full list of discretions policies go to <http://lgpslibrary.org/assets/gas/ew/DISCLv1.6c.pdf>

**Signed on behalf of:**

**Completed by:**

**Position:**

**Signature:**

**Date:**


## PART B - Optional Discretions

(The four detailed are the most frequently used Regulations, but remain optional – see [LGA Discretions](#) for the full list of optional employer discretions)

### Membership Aggregation

#### Regulation 22 (7)(b),(8)(b)

Whether to extend the 12 month option period for a member to elect to join deferred benefits to their current employment/membership

The election to keep separate pension benefits must be made within 12 months of becoming an active member, who must be active at the date of election.

An employer may allow a period longer than 12 months

#### Employer Policy Decision

### Transfers of Pension Rights

#### Regulation 100(6)

Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS

Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within in 12 months of becoming an active member.

An employer may allow a longer period than 12 months

#### Employer Policy Decision



**Time limit for a member to elect to purchase additional pension by way of a shared cost additional pension contribution (SCAPC) upon return from a period of absence.**

Regulation 16(16) of the LGPS Regulations 2013.

Whether to extend the 30 day deadline for member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)

**Employer Policy Decision**

**Shared Cost Additional Voluntary Contribution arrangements**

Regulation 17 of the LGPS Regulations 2013 and regulation 15(2A) of the LGPS (Transitional Provisions and Amendment) Regulations 2014

Whether to allow a Shared Cost Additional Voluntary Contribution (SCAVC) arrangement. To determine how much will be allowed to be contributed to the SCAVC arrangement. To define in what circumstances contribution to a SCAVC arrangement will be allowed.

**Employer Policy Decision**

- These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
- If the employer decides to amend the policy, no change can come into effect until one month has passed since the date the amended policy statement was published.
- Any changes to this policy will be notified to the Hampshire Pension Services within 1 month of the change.

Signed on behalf of:

Completed by:  Position:

Signature:  Date:

**STAFFING COMMITTEE****13<sup>th</sup> March 2024****Report on Flexible Retirement Policy****1. Introduction and reason for report**

1.1 Following on from the review of the Council's Employer Discretions Policy, it is also necessary to consider the Council's Flexible Retirement Policy (which is referred to in the current Employer Discretions Policy and may remain so).

**2. Background information**

2.1 Flexible Retirement describes the process by which an employee (aged 55 or over) seeks to draw down all or some of their pension benefits whilst continuing to work on revised terms (usually lower hours and rate of pay). It is subject to agreement by the employer and in the case of this Council this would invariably be subject to public interest considerations around operational needs and financial impact.

2.2 The Council's current Flexible Retirement Policy is attached as Annex A. If members decide as part of the review of the Employer Discretions to continue to allow flexible retirement, the Council will need a Flexible Retirement Policy and, in that case, officers recommend that the current policy be reviewed and updated so a revised draft is attached as Annex B. (If members decide not to allow flexible retirement, this policy will not then be needed.)

**3. Issues for decision and any recommendations**

**If the need for a Flexible Retirement Policy remains, the Committee is recommended to approve the proposed new draft.**

For further information, contact:

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## RINGWOOD TOWN COUNCIL

### Flexible Retirement Policy

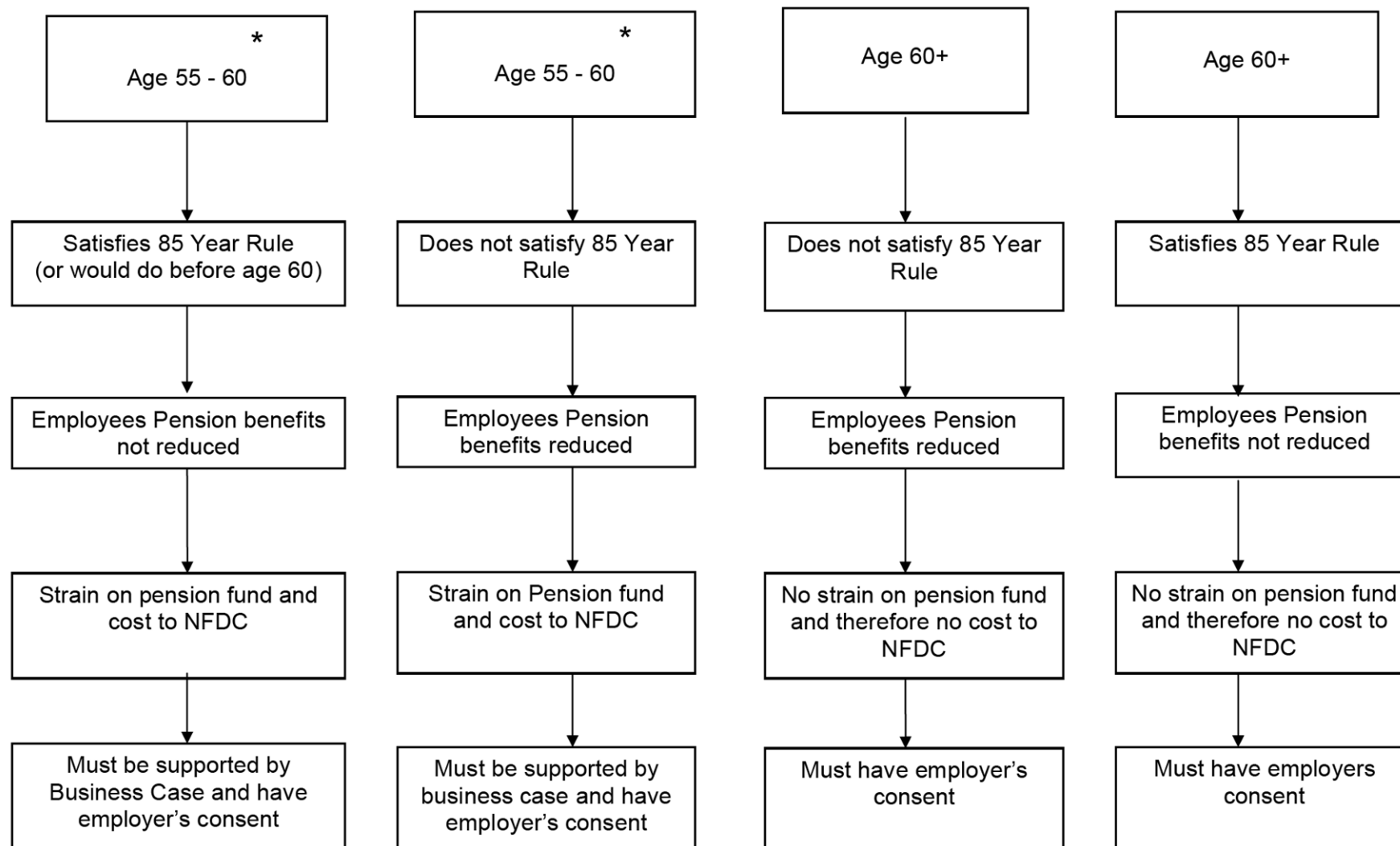
Taking account of costs and other considerations, the Council will:

1. Consider all written requests for flexible retirement.
2. Approve requests only when it is in the Council's interests to do so. All costs falling on the Council as an employer must be affordable. Only where proposals are fully supported by a business case, where a payback period of no more than three years or less, is achievable.
3. A request should typically involve a reduction in salary of 40%, either through reduced hours or level of responsibility (grade). Any change is to be made on a permanent basis.
4. The Council will not provide automatic replacement employment for the reduction in an individual's pay.
5. The employee's contract of employment will be amended by mutual agreement to reflect the new hours or grade, as agreed, and continuity of service will be preserved for terms and conditions purposes. They can continue in employment until they achieve the Council's Normal Retirement Age, at which point the Planned Retirement process will be initiated.
6. The waiving of pension benefit reductions will only be considered in exceptional circumstances. See Appendix A.
7. Flexible retirements will be considered for approval by the Town Clerk, Town Mayor and Chairman of Policy & Finance Committee, with the exception of any request by the Town Clerk, which will be considered by Council.
8. Any employee who wishes to appeal against a business decision not to allow them flexible retirement should use the Council's Grievance Procedure.
9. The policy on flexible retirement will be reviewed on an annual basis.

Policy Adopted: 24<sup>th</sup> September 2008

## Pension Costs – Flexible Retirement

\* Applies to age 50 for existing members of the LGPS on 31<sup>st</sup> March 2008 leaving before 31 March 2010.



## RINGWOOD TOWN COUNCIL

### Flexible Retirement Policy

#### 1. Introduction

- 1.1 The Local Government Pension Scheme, to which the Council belongs as an employer, includes provision for employees who are members of it, to seek “flexible retirement” if specified conditions are fulfilled. An employee is said to take flexible retirement if they draw part or all of their benefits under the LGPS whilst still working for the Council on different terms, usually reduced hours or rate of pay. This is only possible if the employer has adopted a policy regarding its approach to flexible retirement.
- 1.2 [This document also contains the Council’s policy regarding other discretionary matters relating to retirement and Appendix A summarises the effect of these.][This document makes no provision regarding other discretionary matters relating to retirement because the Council’s current policy is not to exercise these in any circumstances.]

#### 2. The application process

- 2.1 Any employee seeking flexible retirement [or the exercise of any discretion described in the Council’s Employer Discretions Policy which current policy allows the Council to exercise] shall apply for this in writing. That application shall be submitted to the Town Clerk unless the applicant is the Town Clerk, in which case it shall be submitted to the Chair of the Staffing Committee. The application should describe the applicant’s proposal as fully as practicable and ([in the case of flexible retirement] state the applicant’s preferences regarding new hours, duties and rate of pay). Applications should also be supported by a business case which sets out the expected impact on the Council’s operations and the likely financial implications (including a calculation of any pay-back period if initial costs could be off-set by subsequent savings).
- 2.2 All applications will be considered as soon as practicable by the Staffing Committee. Applications will only be granted if the Committee judges that it is in the public interest to do so. It will have regard to the Council’s operational needs and resources, especially budgets. It will take care to avoid discriminating in any way. The applicant will be notified of the decision as soon as practicable.
- 2.3 If agreement is reached, the applicant’s contract of employment will be amended to reflect the new terms agreed.
- 2.4 Any employee aggrieved by a decision by the Staffing Committee should follow the Council’s Grievance Procedure.

Policy Adopted:

*[Note: Appendix A referred to is omitted for the present but will be added if it is relevant and required as a result of other policy decisions.]*

## STAFFING COMMITTEE

13<sup>th</sup> March 2024

### Report on Recruitment Policy

#### 1. Introduction and reason for report

- 1.1 The Council has no policy on recruitment procedures and it would assist officers in managing career progression and succession planning in respect of current staff and future recruitment to have one.

#### 2. Background information

- 2.1 Retaining existing employees usually involves some flexibility in allowing development to accommodate the wishes of current post-holders and it can further require the ability to offer possible progression to more senior roles. It is helpful if all parties are clear about the processes that such progression would involve.
- 2.2 Managing succession sensitively can also mitigate the upheaval and downsides of change, especially in senior roles. As it happens, this issue is likely to arise in the next few years for several of the Council's most senior posts. Again, this requires a clear understanding of what is allowable.
- 2.3 Finally, once a vacancy has arisen or become inevitable, it is desirable to have clear rules about the procedure which should be followed to recruit to it.
- 2.4 The personnel management considerations described above are not the only considerations though. The Council has obligations by virtue of the Equality Act and the Public Sector Equality Duty to avoid discrimination and the public interest will also require that practical steps be taken to ensure that posts are filled from the persons available by the persons best suited to them.
- 2.5 To some degree, these considerations can pull in different directions. Devising a policy to achieve the best outcome in terms of lawfulness and effective HR management therefore requires careful judgement. Before drafting such a policy for approval, therefore, officers seek guidance from members on some important underlying principles.
- 2.6 The first such issue is the possible restriction of recruitment to internal candidates only. This would involve a period (perhaps two weeks) during which only applications from existing staff would be considered and could result either in an internal candidate being appointed or, failing such an appointment for whatever reason, the vacancy being thrown open to external applicants. Should this be allowed at all? If so, should it apply to ALL vacancies or only some (and if only some, which should be excluded)?
- 2.7 The second issue concerns the role of this Committee. The occasion of a vacancy can present a useful opportunity to review Council operations, structures and commitments and break free from "business as usual" and other institutional assumptions. Clearly, members ought to have a central role in any such review process. However, it would be impractical and undesirable to involve members in every recruitment decision (delaying functions such as the Clubhouse Café or office-cleaning for this purpose would seem disproportionate, for example). So, the question becomes where to draw the line and insist on committee-approval prior to appointment or promotion?

### **3. Issues for decision and any recommendations**

**The Committee is invited to decide the issues of principle indicated above so officers can prepare a draft Recruitment Policy for consideration by members at a future meeting.**

For further information, contact:

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## STAFFING COMMITTEE

13<sup>th</sup> March 2024

### Report on Living Wage Employer Accreditation

#### 1. Introduction and reason for report

1.1 It has been suggested by some members that the Council should seek accreditation as a “Living Wage Employer”. This report briefly describes what this would mean and its implications. The committee is invited to consider whether to recommend this to the full Council for final determination.

#### 2. Background information

2.1 Living Wage Employer accreditation is offered by the Living Wage Foundation (charity no. 1107264). Basically, it would require the Council to commit to paying staff the “Living Wage” as determined from time to time by the Foundation, as a minimum. This should not be confused with the national minimum wage (which is set annually by central government, mandatory and usually rather lower than the Living Wage.)

2.2 The usual reasons for employers to seek Living Wage Employer accreditation are:

- The desire to make a public commitment to fair pay;
- The benefits of independent accreditation; and
- To ensure that future wage rises are linked to increases in the cost of living.

2.3 The Living Wage also differs from the national minimum wage in that (outside London) it simply has one rate for all employees aged 18 or over – currently £12 an hour.

2.4 Financial implications. All Council staff aged 18 or over are currently paid more than the Living Wage, so accreditation would have no immediate impact on the payroll budget. However, the approved pay-scales for a couple of roles currently extend below the Living Wage (the current post-holders just happen to be on pay points further up their respective scales). So, we would need to review pay-scales for these roles.

2.5 Future implications. It is possible that increases in the Living Wage could overtake pay settlements agreed by the NJC. In that event, the Council would have to decide whether to match the Living Wage exactly (which would break the current link with the NJC scale) or pay at the next highest point on the scale above the new Living Wage rate. This could lead to higher pay increases than had been anticipated when the budget was set. At that point the council could decide to relinquish the accreditation (it is not a binding legal commitment) but that might have adverse political or reputational consequences.

#### 3. Issues for decision and any recommendations

**Whether to recommend that the Council seek Living Wage Employer accreditation.**

For further information, contact:

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