

Appendix 3 – Non-Mandatory discretion under LGPS Regulations

There is a recommendation to publish the following non-mandatory discretion under LGPS Regulations.

Requirement	Explanation	Employer's Policy
Election to transfer or aggregate within 12 months	<p>This discretion allows the Employer extend the 12 month limit a member has in which to elect to transfer other pension rights into the LGPS. This has to be with the agreement of the Administering Authority.</p> <p>Discretions are:</p> <ul style="list-style-type: none"> 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. 	<p>The Council as the Administering Authority will not normally allow an extension of the 12 month limit.</p> <p>Extenuating circumstances may apply where evidence exists that</p> <ul style="list-style-type: none"> an election was made within 12 months but his was not received by the administering authority the member was not aware of the 12 month limit due to maladministration <p>No change to LCC discretions</p>
Allocation of contribution pension band and review period	<p>This discretion allows the Employer 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.</p> <p>Discretions are:</p> <ul style="list-style-type: none"> 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. 	<p>The Council previously agreed this would be based on</p> <ul style="list-style-type: none"> Base pay on actual pay in April plus previous years overtime Run an exercise half yearly as a check and re-band up or down where necessary Re-band on all contractual changes, but not ad hoc hours changes and re-band upon a pay award.

		No change to LCC discretions
Assumed pensionable pay	<p>This discretion allows the Employer to determine whether to include in the calculation of assumed pensionable pay the amount of any “regular lump sum payment”.</p> <p>This is in cases where an employee’s pay needs to be calculated where their pay has been reduced due to certain absences in order that they are not unduly advantaged or disadvantaged.</p> <p>In practice such decisions are made by the pensions team as part of the processing of an individual case.</p>	<p>The Council previously agreed this would be based on</p> <ul style="list-style-type: none"> • individual cases where necessary to establish in a fair, equitable and justifiable way what the members likely pay would have been but for the absence, and • cases where this pay is to be used for future enhancements whether that level of pay would have been received every year to normal retirement age. <p>No change to LCC discretions</p>