



*working with the community*

Somerton Town Council  
 Policy Documents  
 Pension Policy

**Adopted:** April 2013

**Reviewed and Readopted:** January 2017

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**SOMERSET PENSION FUND**  
**SOMERTON TOWN COUNCIL DISCRETIONS POLICY**

REGULATION	POLICY ON INDIVIDUAL DISCRETIONS
<b>BCM12: Augmentation of membership of an active member (up to 10 years)</b>	The Council will not exercise this option except in circumstances of redundancy or a termination of service in the interests of the authority's functions.
<b>BCM 13: Whether to grant additional pension to a member (up to £5,000pa)</b>	The Council will not exercise this discretion either in addition to or as an alternative to augmentation.
<b>BCM 18(1): Whether all or some benefits can be paid if an employee reduces hours/grade and continues to work ("flexible retirement")</b>	The Council does not give blanket consent for staff in the LGPS aged 55 or over to flexibly retire and draw immediate payment of pension benefits. Requests will be referred to the Staffing Sub-Committee and assessed on their merits taking into account such factors as cost and service delivery.
<b>BCM 18(3): Waiving actuarial reduction on flexible retirement.</b>	This may be exercised by the HR Group to advise the full Council in individual cases on compassionate grounds. Individual circumstances will be looked at according to the dictionary definition of compassion – "inclined to pity or mercy".

<b>BCM 30(2): Whether to allow early payment of benefits at/after age 55</b>	The Council does not give blanket consent for staff in the LGPS aged between 55 and 59 years to retire and draw immediate payment of pension benefits. Requests will be referred to the HR Group to advise the full Council and assessed on their merits taking into account such factors as cost and service delivery.
<b>BCM 30(5): Waiving actuarial reduction on early retirement on compassionate grounds.</b>	This will be exercised by the HR Group to advise the full Council in individual cases. Individual circumstances will be looked at according to the dictionary definition of compassion – “inclined to pity or mercy”.
<b>BCM 30A(3): Whether to grant an application for reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60</b>	The Council does not give blanket consent for suspended tier 3 pensions to be reinstated at or after age 55. Requests will be referred to the HR Group to advise the full Council and assessed on their merits taking into account such factors as cost.
<b>BCM 30A(5): Waiving actuarial reduction on reinstatement of a suspended tier 3 ill health pension on compassionate grounds.</b>	This will be exercised by the HR Group to advise the full Council in individual cases. Individual circumstances will be looked at according to the dictionary definition of compassion – “inclined to pity or mercy”.
<b>Admin 16(4)(b)(ii): Whether to extend 12-month period to combine previous LG service.</b>	The Council will allow an option to combine previous LG service except in cases involving potential early retirement and consequent capital costs.
<b>BCM 3(2) Determine rate of employees’ contributions.</b>	The Council will allocate employees to the appropriate contribution rate according to pay band at 1 April each year and adjust only where there is a contractual change during the year.
<b>Admin 22(2): Whether to extend the period for a member to elect to pay contributions to cover unpaid leave of absence, maternity, paternity, or adoption leave beyond 30 days after returning to work or leaving.</b>	The Council will allow the extension of the period in cases where the member was not notified of the right to pay contributions or where there are other sufficient extenuating circumstances
<b>Admin 83(8): Whether to extend 12-month period to allow a transfer-in of non-LG pension rights.</b>	The Council will allow an option to transfer-in previous pension rights except in cases involving potential early retirement and consequent capital costs.

#### **Abbreviations**

**LGPS** Local Government Pension Scheme

**BCM** Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007

**Admin** Local Government Pension Scheme (Administration) Regulations 2008