

## Full Council 1<sup>st</sup> December 2021

Report Title	Pensions Discretion Policy
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### List of Appendices

**Appendix A – Summary of Discretions it is proposed to apply**  
**Appendix B - Full Summary of all Discretions**

#### **1. Purpose of Report**

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- 1.1. The purpose of this report is to confirm the decision of North Northamptonshire Council on their Pensions Discretions and to ask for Member approval on these decisions.

#### **2. Executive Summary**

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- 2.1 There is a regulatory requirement for the Council to publish their decision in relation to discretions which are set out in the appendices.
- 2.2 Appendix A sets out the discretions which it is proposed that the Council approve and publish. They have been developed based upon best practice, comparison with predecessor authorities whilst ensuring best value for the authority. The full list of all discretions is shown in Appendix B.

#### **3. Recommendations**

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- 3.1 It is recommended that –
- (i) Council approves the Pension Discretions for the Compulsory and the Recommended discretions, as per the attached appendices.

#### **Reasons for the Decision**

The discretions have been proposed based on best practice from other authorities as well as through comparison with the sovereign councils prior to the unitary process as well as ensuring that they are cost effective for the council.

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## **4. Report Background**

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4.1 The Local Government Pension Scheme Regulations require all scheme employers to prepare and publish a pension discretions policy statement.

4.2 As a new authority, North Northamptonshire Council is required to publish a statement.

## **5. Issues and Choices**

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5.1 The discretions set out within the appendices relate to whether or not North Northamptonshire Council will allow Local Government Pension Scheme (LGPS) members to access their pension benefits early in a number of different circumstances.

5.2 In formulating the policy statement, the employer is required to consider:

- discrimination
- cost
- fettering (making the policy unnecessarily restrictive)
- the extent to which exercising a discretion could lead to a serious loss of confidence in the public sector

5.3 With regard to each discretion, employers can decide:

- Not to exercise their discretion
- To apply a standard approach to all applications
- To exercise their discretion on a case-by-case basis
- To implement a more detailed approach in relation to a discretion

5.4 Predecessor authorities each had a Discretions Policy, and these have been considered in developing the new Policy. The proposed approach is largely based upon previous arrangements.

5.5 It is recommended that the council exercises a discretion over a small number of discretions. These are shown in Appendix A.

5.6 It is proposed that no further discretions would be exercised. A full list of all discretions are shown in appendix B.

## **6. Implications (including financial implications)**

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### **6.1 Resources and Financial**

There are no direct cost implications arising from this report. If the proposed policy statement is approved, the budgetary position remains unchanged. Application of the discretions are considered on an individual case by case basis.

## 6.2 **Legal**

Regulation 60 of the LGPS Regulations 2013 (as amended) require each scheme employer to publish and keep under review policies explaining how it will apply certain discretions.

In terms of equality, policy discretions that are recommended require that each case is considered on its own merits and ensuring that this can be objectively justified, and full consideration given to potential discrimination.

## 6.3 **Risk**

The council will not be fulfilling its regulatory duties if they fail to publish its decisions on the mandatory discretions.