

**Penistone Town Council**

**Draft policy 2025**

**LOCAL GOVERNMENT PENSION  
SCHEME REGULATIONS 2014**

**EMPLOYER DISCRETIONS  
POLICY STATEMENT**

## Discretions of the Employing Authority

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
Funding of Additional Pension through a Shared Cost Additional Pension Contribution - Where an active Scheme member wishes to purchase extra annual pension up to the maximum by making Additional Pension Contributions (APCs), the employer may choose to (voluntarily) contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).	Regulation 16 (2)(e) and/or 16 (4)(d)	Penistone Town Council will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the expressed approval of the Finance & HR Committee after consideration of the financial and / or operational business case put forward, referring to Full Council if necessary.
Flexible Retirement - This regulation allows the employer to consent to the early release of all, or part, of a member's LGPS benefits provided they have also consented to the reduction of hours worked or grade in which the member is employed. The member must be aged 55 or over.	Flexible retirement, Regulation 30 (6)	Penistone Town Council will consider employee requests to take flexible retirement on a case-by-case basis after taking factors such as service delivery and any costs that may apply. The Finance & HR Committee will be responsible for agreeing (or otherwise) to all requests to take flexible retirement.

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
Waiving of actuarial reduction - This regulation allows the employer to consent to the early release of all, or part, of a member's LGPS benefits provided they have also consented to the reduction of hours worked or grade in which the member is employed. The member must be aged 55 or over.	Regulation 30 (8)	The council will only waive the actuarial reduction on flexible retirement in exceptional circumstances. The Finance & HR Committee will be responsible for agreeing (or otherwise) after consideration of the financial and / or operational business case put forward, referring to Full Council if necessary.
<p>Switching on the 85-year rule for members voluntarily drawing benefits on or after age 55 and before age 60 -</p> <p>Whilst the 85-year rule does not automatically apply in full if the employee decides to voluntarily draw benefits on or after age 55 and before age 60, this regulation allows the employer to switch the rule back on.</p> <p>If the employer switches on the 85-year rule they will pick up any strain on Fund cost.</p>	Schedule 2 of the Transitional Regulations.	The council will only apply the 85-year rule in exceptional circumstances. The Finance & HR Committee will be responsible for agreeing (or otherwise) after consideration of the financial and / or operational business case put forward, referring to Full Council if necessary.

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
The power of employing authority to award additional pension - this regulation allows an employer to resolve to award a member an amount of additional pension, up to the LGPS maximum, 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.	Regulation 31	Penistone Town Council will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the expressed approval of the Finance & HR Committee after consideration of the financial and / or operational business case put forward, referring to Full Council if necessary.

Date Revised	Date Approved	Summary of Changes	Author
16.09.25	TBA	Draft discretionary Policies created	PTC office