

Local Agenda Item

REPORT OF HR Manager

To: Community and Resources Committee

Subject: Pensions Discretions Policy

Date: 28th June 2021

Reference:

PURPOSE OF REPORT:

To seek member approval for revision to the Pensions Discretion Policy.

1. Background

The Councils' previous Pensions Discretions policy was approved by Community and Resources in June 2014, when the current CARE (Career Average Earning) pension scheme was adopted. The policy has been reviewed, and it has been determined that the guidance pertaining to employees taking the option of flexible retirement would benefit from some refinement.

2. Proposed Change to policy

The current policy states in relation to flexible retirement the following:

"The Council will consider and, as it considers appropriate, support requests for flexible retirement always provided that it is satisfied that the needs of the service can continue to be met and that no costs will accrue to the Council. Any decision to waive any reduction in benefits will be a matter reserved for this Committee or successor body"

- Guidance from Devon Peninsula Pensions recommends that employer's pension discretions policy should state:
 - The minimum reduction in hours or grade that an employee can choose in order to be eligible for flexible retirement.
 - The minimum period of time which an employee should commit to continue working for the Council under flexible retirement basis.
 - The pension benefits that an employee can take when deciding to go on flexible retirement

The amendments in the proposed pension discretion policy are:

- The minimum reduction in hours to be considered for flexible retirement is 7.4 hours per week.
- There is no minimum grade reduction re eligibility for flexible retirement.
- Torrington will require employees seeking flexible retirement to commit to stay in its employment for a minimum of one year.
- Torrington will allow members to choose to take all, part or none of the benefits they accrued between 1st April 2008 and 31st March 2014, and to take all, part or none of their benefits accrued after the 31st March 2014.
 - Essentially the Council is allowing members the greatest flexibility in respect of how much of their available pension benefits they want to take whilst on flexible retirement.



With regards to flexible retirement requests, the Council reserves the right to refuse where it is not satisfied the needs of the service can continue. Any flexible retirement requests will not be approved if there is a cost to the Council.

3. Implications

Legal Implications

n/a

Financial Implications

The financial implications are detailed within the report

Human Resources Implications

HR implications outlined in the report and the proposed policy.

Sustainability Implications

N/A

Equality/Diversity

N/A

Risk Management

N/A

Compliance with Policies and Strategies

The proposed discretions policy adheres to the requirement laid down by Devon Peninsula Pensions

Leader Member Views

Councillor James “ The amendments are sensible clarification of the flexible retirement arrangements and I recommend acceptance of this amended policy.

4. RECOMMENDATIONS

That members approve

- a) The proposed Pensions Discretions Policy

SUPPORTING INFORMATION

Consultations: Steve Hearse, Staci Dorey, Sean Kearney,
Contact David Heyes / Sarah Ayres
Officer:
Background
Papers:

