



# Public Document Pack

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8 May 2024

## COUNCIL MEETING

To all Members of the Council

You are summoned to attend a meeting of the ARUN DISTRICT COUNCIL to be held on **Thursday 9 May 2024 at 6.00 pm** in the **Council Chamber, Arun Civic Centre, Maltravers Road, Littlehampton, BN17 5LF** to transact the business set out below:

Karl Roberts/Philippa Dart  
Joint Interim Chief Executive

## AGENDA

9. APPOINTMENT TO THE POST OF CHIEF EXECUTIVE OFFICER (Pages 1 - 4)

Attached are two Exempt documents including the recommendations from the Chief Executive Recruitment & Selection Panel held on 23 April 2024, which will be published following the meeting.

12. CORPORATE SUPPORT COMMITTEE - 30 APRIL 2024 (Pages 5 - 36)

The Chair of the Corporate Support Committee, Councillor Oppler, will present recommendations from the meeting of the Corporate Support Committee held on 30 April 2024.

The minutes from this meeting confirming recommendations for Council to consider are attached. There are recommendations at:

- Minute 792 [Electoral Review] – the Officer's report and appendices are attached.
- Minute 793 [Pensions Discretion Policy] – the Officer's report and appendices are attached.

**Note :** If Members have any detailed questions, they are reminded that they need to inform the Chair and relevant Director in advance of the meeting.

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# Agenda Item 9

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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of the Local Government Act 1972.

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# Public Document Pack Agenda Item 12

Subject to approval at the next Corporate Support Committee meeting

609

## CORPORATE SUPPORT COMMITTEE

30 April 2024 at 6.00 pm

Present: Councillors Oppler (Chair), Tandy (Vice-Chair), Bower, Brooks, Mrs Cooper (Substitute for Lloyd), English, Jones, O'Neill, Turner and Warr

Councillor May was also in attendance for all or part of the meeting.

### 786. APOLOGIES

Apologies were received from Councillors Lawrence and Lloyd who was substituted by Councillor A Cooper.

### 787. DECLARATIONS OF INTEREST

There were no declarations of interest made.

### 788. MINUTES

The minutes of the previous meeting held on 31 January 2024 were approved by the Committee and signed by the Chair.

### 789. ITEMS NOT ON THE AGENDA THAT THE CHAIR OF THE MEETING IS OF THE OPINION SHOULD BE CONSIDERED AS A MATTER OF URGENCY BY REASON OF SPECIAL CIRCUMSTANCES

There were no urgent items presented to the committee at the meeting.

### 790. PUBLIC QUESTION TIME

There were no public questions received for the meeting.

### 791. CORPORATE COMPLAINTS PERFORMANCE 2023/24

The Information Governance Manager advised members that her report provided them with an overview of the activity for corporate complaints during 1 April 2023 and 31 March 2024.

Corporate Support Committee - 30.04.24

As there were no questions raised specifically on the report, members noted the report.

## 792. ELECTORAL REVIEW

The Group Head of Law and Governance introduced the report where he explained that this report followed on from the report previously presented at the last meeting of the committee held on 31 January 2024 and its purpose was for members to consider the recommendations to enable an electoral review of the Arun District. He drew members attention to the finalisation of dates presented in the review timeline which included potential Working Party meeting dates. He then explained that the Policy & Finance Committee had reviewed the costings for the review, where it had been confirmed that the majority of costs would be met within the existing budgets. However, there would be minimal external costs attributed to external advertising.

The Chair confirmed Councillor Jones proposed the recommendations and Councillor Brooks formally seconded.

A question was raised relating to the wording of the recommendations where it was queried if the wording was too restrictive. It was confirmed that ultimately future recommendations would be directed by the Boundary Commission and the scope of this would be determined by their review of the district. The wording used for this report was a specific request from Full Council as the debate highlighted that council wanted a specific focus on a reduction in council member numbers. As there were no other questions, members put the recommendations to the vote.

The Committee

RESOLVED that it

- (i) Considered and approved the electoral review timetable set out in the Appendix to this report and reports its approval of the timetable to Full Council;
- (ii) Noted the outcome of the report to the Policy & Finance Committee on 7 March 2024 regarding the costs of conducting the electoral review; and
- (iii) **Recommends to Full Council** that the Local Government Boundary Commission for England be invited by the Council to carry out a review of:
  - a. The number of councillors needed within Arun District, but with a specific focus on reducing members; and
  - b. (b) The warding arrangements within Arun District.



793. PENSIONS DISCRETION POLICY

The Group Head of Organisational Excellence was invited to present the report where she provided an overview of the findings of the review of the Council's pensions discretion policy and the updated policy (appendix A) which was required to be considered and approved by the committee and recommended to Full Council for its adoption.

The Chair confirmed that Councillor Tandy proposed the recommendations and Councillor O'Neill formally seconded.

The Committee

RESOLVED that it

- a. **Recommends to Full Council** that the updated policy on pension discretions shown as Appendix A, be approved, and formally adopted.
- b. Delegated authority be given to the Group Head of Organisational Excellence to make necessary changes to the pension discretions resulting from changes to employment legislation or Council policy.

794. OUTSIDE BODIES UPDATE

There were no updates reported to the meeting.

795. WORK PROGRAMME

Members noted the completion of its work programme for 2023/24.

(The meeting concluded at 6.15 pm)

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# Arun District Council

<b>REPORT TO:</b>	<b>Corporate Support Committee - 30 April 2024</b>
<b>SUBJECT:</b>	<b>Electoral Review</b>
<b>LEAD OFFICER:</b>	<b>Daniel Bainbridge, Group Head of Law &amp; Governance</b>
<b>LEAD MEMBER:</b>	Councillor Francis Oppler, Chair of Corporate Support Committee
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b> Ensuring that the correct democratic structure is in place within the Arun District supports all of the Council's corporate aims and objectives.	
<b>DIRECTORATE POLICY CONTEXT:</b> Responsibility for the Electoral Services function and related workstreams sits within the Organisational Excellent directorate.	
<b>FINANCIAL SUMMARY:</b> Full Council has resolved that a report be submitted to the Policy & Finance Committee setting out an assessment of the costs of undertaking an electoral review. The recommendations in this report to the Corporate Support Committee do not carry any financial implications that sit outside of existing budgets.	

## 1. PURPOSE OF REPORT

- 1.1 To consider recommendations in relation to an Electoral Review of the Arun District.

## 2. RECOMMENDATIONS

It is recommended that the Committee:

- (i) Considers and approves the electoral review timetable set out in the Appendix to this report and reports its approval of the timetable to Full Council;
- (ii) Notes the outcome of the report to the Policy & Finance Committee on 7 March 2024 regarding the costs of conducting the electoral review; and
- (iii) Recommends to Full Council that the Local Government Boundary Commission for England be invited by the Council to carry out a review of:
  - (a) The number of councillors needed within Arun District, but with a specific focus on reducing members; and
  - (b) The warding arrangements within Arun District.

### **3. EXECUTIVE SUMMARY**

- 3.1 This report follows a report to this Committee on 31 January 2024.
- 3.2 The purpose of an electoral review is to consider the total number of councillors elected to the council, the names, number and boundaries of the wards, and the number of councillors to be elected to each ward.
- 3.3 The electoral review process takes around a year to complete and includes at least two phases of public consultation where proposals/comments on ward boundaries will be invited. Throughout the process, the Local Government Boundary Commission for England aims to work closely with the Council, local people and organisations.
- 3.4 The review aims not just to deliver boundaries that are fair for voters and reflect community ties, but it can also help councils align their local leadership ambitions with their decision-making arrangements.

### **4. DETAIL**

4.1 At its meeting on 9 November 2022 the Full Council received a motion asking Full Council to agree to invite the Local Government Boundary Commission for England to carry out a review of the number of councillors needed in Arun, and the warding arrangements within the district.

4.2 Full Council resolved that:

(1) The Council carries out an assessment of the costs of doing a local government boundary review and provides recommendations to the Policy & Finance Committee on the resourcing implications of such a review;

(2) The Council sets up the appropriate processes and timetable for carrying out such a review, and reports this back to Full Council;

(3) Once the above steps are complete, invites the Local Government Boundary Commission for England to carry out a review of:

- (a) The number of councillors needed at Arun, but with a specific focus of reducing members
- (b) The warding arrangements in the Arun District

This Council also agrees to:

(4) Instruct Officers to carry out an assessment of how much an individual member costs the council. This should include the Basic Allowance, IT provision and all hidden officer support;

(5) Once the number of Councillors is determined, instruct the Constitution Working Party to review the number and frequency of Committees in light of a reduction in Councillors; and

(6) Invite the Independent Remuneration Panel to review Councillor allowances in light of the above changes, once confirmed.

4.3 At its meeting on 31 January 2024 this Committee considered a report that included a draft timetable for the electoral review, and the Committee resolved as follows:

“(1) Having considered the draft timetable for the electoral review and taking into account the comments provided, Officers bring a final timetable to the Committee at its meeting on 30 April 2024, for reporting to Full Council; and

(2) The Committee requests that Officers carry out an assessment of the costs of conducting an electoral review and submits a report to a meeting of the Policy & Finance Committee ahead of the Corporate Support Committee’s next meeting on 30 April 2024, in accordance with Paragraph 1 of the 9 November 2022 Full Council resolution.”

4.4 At its meeting on 7 March 2024 the Policy & Finance Committee considered a report concerning officer’s assessment of the costs of conducting the review, and that report concluded that the costs of officer time, consultation, advertising and any other associated costs would be met from within existing budgets. The Policy & Finance Committee noted the contents of the report and that a further report would be taken to the next meeting of the Corporate Support Committee on 30 April 2024.

4.5 This report now asks the Corporate Support Committee to note the outcome of the costs assessment undertaken by the Policy & Finance Committee, and to approve the electoral review timetable contained within the Appendix to this report. Since its last meeting, the timetable has been updated to reflect that the 2024/25 civic timetable has since been largely agreed by Full Council and Working Party dates have been included.

## **5. CONSULTATION**

5.1 The draft timetable sets out when and the frequency at which elected members, officers, the LGBCE, the public and other stakeholders will be engaged with through consultation and decision-making.

## **6. OPTIONS / ALTERNATIVES CONSIDERED**

6.1 Full Council has passed a resolution that must be progressed. Failing to move forward with the agreed actions is not an option for this Committee, and would be a matter for Full Council to consider. However, it should be noted that it is highly likely that the LGBCE would soon be identifying the Council for a periodic electoral review in any event. The aim of this report is to commence a process that puts the Council in a position of beginning that conversation with the LGBCE at an early stage in the 2023-27 cycle.

**7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER**

7.1 There are no direct legal implications arising from this report, with a costs assessment paper to be submitted to the Policy & Finance Committee at its 7 March meeting.

**8. RISK ASSESSMENT CONSIDERATIONS**

8.1 A full risk assessment and risk register will be produced by officers are part of the project following the initial approach to the LGBCE later in 2024.

**9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER**

9.1 Electoral Reviews are conducted by the Local Government Boundary Commission for England in accordance with statute, particularly the Local Democracy, Economic Development and Construction Act 2009. Any changes to the district would be made by Parliamentary Order to take effect at the next District Council elections in May 2027. The Council has a duty to support the Commission's work and to provide input to that work.

**10. HUMAN RESOURCES IMPACT**

10.1 There are no human resources implications. This work will be carried out by officers under their day-to-day duties.

**11. HEALTH & SAFETY IMPACT**

11.1 There are no such implications associated with this report.

**12. PROPERTY & ESTATES IMPACT**

12.1 There are no such implications associated with this report.

**13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE**

13.1 There are no such implications associated with this report.

**14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE**

14.1 There are no such implications associated with this report.

**15. CRIME AND DISORDER REDUCTION IMPACT**

15.1 There are no such implications associated with this report.

**16. HUMAN RIGHTS IMPACT**

16.1 There are no such implications associated with this report.

**17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

17.1 There are no such implications associated with this report.

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**CONTACT OFFICER:**

**Name:** Daniel Bainbridge

**Job Title:** Group Head of Law & Governance

**Contact Number:** 01903 737607

**BACKGROUND DOCUMENTS:** None

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Arun District Council - Boundary Review Draft Timetable			
DATE	TASK	WHO	COMMENTS
31/01/24	Corporate Support Committee	Group Head of Law & Governance; Electoral Services Manager	Introductory report and draft timetable
07/03/24	Policy & Finance Committee	Group Head of Law & Governance; Electoral Services Manager	Report re resourcing implications
09/05/24	Full Council	Chair of Corporate Support Committee; Group Head of Law & Governance; Electoral Services Manager	Recommendations from Corporate Support Committee and Policy & Finance Committee
10/10/24	Approval to form Working Party	Corporate Support Committee	
Early November 2024	Agree support from Group Leaders and identify possible Working Party members	Corporate Support Committee; Electoral Registration Officer	
Early December 2024	Preliminary meeting	Chair of Corporate Support Committee Chair; Relevant Officers; Local Government Boundary Commission	
Early December 2024	Agree reason for making request for a boundary review	Corporate Management Team	
Early December 2024	Identify and agree officer resource	Corporate Support Committee	
Mid December 2024	Preparation of paper for Full Council	Relevant Officers	To include why, provisional timetable and establishment of Working Party
9 December 2024 (to be confirmed)	First meeting of Working Party	Members and officers	Determine frequency of meetings
10/12 December 2024 (to be confirmed)	Briefings to Officers and Members	Either joint or just the Boundary Commission	Undertaken before Full Council agenda published
12/17/19 December 2024 (to be confirmed)	Briefings to Towns and Parishes (and other key partners)	Either joint or just the Boundary Commission	Undertaken before Full Council agenda published - critical to include Towns and Parishes at this point
6 January 2025	Meeting of the Working Party	Members and officers	
8 January 2025	Full Council	Chair of Corporate Support Committee; Group Head of Law & Governance; Electoral Services Manager	
6 February 2025 (to be confirmed)	Corporate Support Committee	Group Head of Law & Governance; Electoral Services Manager	Progress report to Corporate Support Committee
10 February 2025	Meeting of the Working Party	Members and officers	
25 March 2025 (to be confirmed)	Corporate Support Committee	Group Head of Law & Governance; Electoral Services Manager	
10 March 2025	Meeting of the Working Party	Members and officers	
Week commencing 6 May 2025 (to be confirmed)	Final meeting of Working Party	Members and officers	In order to agree Full Council paper for May 2025
May 2025 (to be confirmed)	Corporate Support Committee	Group Head of Law & Governance; Electoral Services Manager	
July 2025	Full Council	Chair of Corporate Support Committee; Group Head of Law & Governance; Electoral Services Manager	Report setting out final Submission(s) Failure to agree submission will put completion before 2027 elections at risk.
July 2025	Council submits proposal for council size to Boundary Commission	Officers	Full submission details included on Boundary Commission website - this stage will include electorate forecasts at ward level to 2028, mapping of proposal(s), details of developments, governance issues (councillor workload) Will include significant time from senior planner/mapping expert and elections
July 2025 onwards	Boundary Commission decision on how many members we will have	Boundary Commission	
Aug-Oct 2025	Public Consultation on warding patterns	Boundary Commission	Working Party remains very active during this period in order that they can look at issues as they arise
Dec 2025	Draft Recommendations published	Boundary Commission	Report to Full Council
Jan-March 2026	Public Consultation on recommendations	Boundary Commission	Note that Working Party remains very active during this period in order that they can look at issues as they arise
June 2026	Final recommendations published	Boundary Commission	On occasion a 6-week period of further consultation can be needed
Sep-Oct 2026	Parliamentary Approval	Parliament	Order laid in Parliament for 40 days to accept or reject
Nov-Dec 2026	Implementation - publication of new register in time for Local Elections in May 2027	Electoral Services Team	Significant input from Elections and Legal Services

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# Arun District Council

<b>REPORT TO:</b>	<b>Corporate Support Committee – 30 April 2024</b>
<b>SUBJECT:</b>	<b>Pension Discretions Policy</b>
<b>LEAD OFFICER:</b>	<b>Jackie Follis, Group Head of Organisational Excellence</b>
<b>LEAD MEMBER:</b>	<b>Councillor Francis Oppler</b>
<b>WARDS:</b>	<b>N/A</b>
<b>CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:</b> It is a requirement under the Local Government Pension Regulations that Local Authority employers set out how they will exercise several discretionary areas within the Local Government Pension Scheme and to commit to reviewing these discretions on a regular basis.	
<b>DIRECTORATE POLICY CONTEXT:</b> Responsibility for ongoing reviews of the pension discretion policy rests with the Human Resources Department within the Organisational Excellence. The policy aims to ensure fair and consistent application of pension related decisions, safeguarding the financial well-being of our employees and the council, while upholding regulatory compliance.	
<b>FINANCIAL SUMMARY:</b> The Pension Discretions policy outlines how Arun District Council will exercise its discretions under the Local Government Pension Scheme. The discretions are only used in exceptional circumstances as detailed in Appendix A, and cost forms part of the decision-making process when determining which discretions to allow.	

## 1. PURPOSE OF REPORT

- 1.1 This report presents the findings of a comprehensive review of the council's pensions discretions policy.
- 1.2 The attached Appendix A shows an updated pensions discretion policy for consideration, approval, and recommendation to Council for adoption.

## 2. RECOMMENDATIONS

- a. To recommended to Full Council that the updated policy on pension discretions shown as Appendix A, be approved, and formally adopted.
- b. To give delegated authority to the Group Head of Organisational Excellence to make necessary changes to the pension discretions resulting from changes to employment legislation or Council policy.

### **3. EXECUTIVE SUMMARY**

- 3.1 The Local Government Pension Scheme (LGPS) regulations have several discretionary areas on which employers must determine and publish a policy.
- 3.2 After thorough examination of current policy, it has been determined that no significant changes are recommended at this time to the Council's pension discretions other than the use of a new template as issued by our pension administrators, Hampshire County Council, and the removal of discretions that are no longer required to be published.

### **4. DETAIL**

- 4.1 The pension discretions policy was implemented to provide a framework for managing discretions related to pension benefits. It outlines the criteria and processes governing such decisions, ensuring fairness and consistency. Local Authority employers are required to regularly review their pension discretions to ensure their relevance and effectiveness.
- 4.2 The pension discretions policy is reviewed on an annual basis by officers with changes reported to members for approval. The policy was last approved by Full Council in 2020 when a number of minor changes were made.
- 4.3 The HR Manager has conducted a review examining current discretions against LGS discretions guidance, legal requirements, and internal considerations. No revisions that would change the effect of the discretions are being recommended, however it is timely that members review the current discretions in their new format.
- 4.4 After a thorough review, officers have determined that the existing pension discretions policy adequately serves its purpose. It maintains fairness, transparency, and compliance with relevant regulations. No significant gaps or issues were identified to necessitate policy amendments.

### **5. CONSULTATION**

- 5.1 Unison, the Council's recognised trade union has been consulted on the pensions discretions policy.

### **6. OPTIONS / ALTERNATIVES CONSIDERED**

- 6.1 The regulations require that as an individual employer, the council must publish a written policy statement confirming how we will exercise compulsory discretions as detailed in Appendix A, to review the statement regularly, to revise it as necessary and to provide a copy of the policy statement to our pension administrators.

### **7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER**

- 7.1 There are no financial implications arising from the proposals of this report.

## **8. RISK ASSESSMENT CONSIDERATIONS**

- 8.1 Although the current pensions discretion policy has proven effective, it is important that ongoing reviews take place to account for changes in legislation and economic conditions. Regular reviews, usually on an annual basis, are recommended to address emerging challenges and adapt the policy as needed.

## **9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER**

- 9.1 All qualifying local government employees are entitled to be members of the statutory Local Government Pension Scheme. Although a local authority is not able to opt out of the Scheme and or alter the main Scheme provisions, they do have some areas of discretion.
- 9.2 The Council is required under both Local Government legislation and Local Government Pension Scheme Regulations, to have written policies on a number of pension related matters.
- 9.3 Although a comparison with other local authorities may assist with policy decisions, the nature of discretionary aspects of LGPS are designed to allow each employer the flexibility to assist with people management within their own context and circumstances.
- 9.4 Every employer is required to:
- 9.4.1 keep their discretionary decisions policy under review;
  - 9.4.2 make sure revisions are appropriate;
  - 9.4.3 ensure all the discretionary decisions made are in accordance with the LGPS regulations;
  - 9.4.4 in preparing, reviewing and making revisions to its Policy, employers must be satisfied that the policy is workable, affordable and reasonable, having regard to foreseeable costs.
- 9.5 An implication of the Equality Act legislation and Pension Scheme Orders is that all staff should be treated equally regardless of their age, unless different treatment can be objectively justified. The Policy provides a framework for a consistent approach that can help avoid claims of discrimination.

## **10. HUMAN RESOURCES IMPACT**

- 10.1 This report deals with pension discretions for current and former employees. There are no direct Human Resources impact resulting from the recommendations in this report.

## **11. HEALTH & SAFETY IMPACT**

- 11.1 Not applicable.

**12. PROPERTY & ESTATES IMPACT**

12.1 Not applicable.

**13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE**

13.1 This report deals with pension discretions for current and former employees. Access to pension is normally from age 55 onwards other than for ill health. The age that employees can take their pension will increase from 55 to 57 from 6 April 2028. This will not apply to ill health retirements. The LGPS and associated discretions is a national scheme that is open to all employees.

**14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE**

14.1 Not applicable.

**15. CRIME AND DISORDER REDUCTION IMPACT**

15.1 Not applicable.

**16. HUMAN RIGHTS IMPACT**

16.1 Not applicable.

**17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS**

17.1 Not applicable.

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**CONTACT OFFICER:**

Name: Karen Pearce

Job Title: HR Manager

Contact Number: 01903 737807

**BACKGROUND DOCUMENTS:**

None

## Arun District Council Pension Discretions Policy 1 April 2024

### Background and Authority

The Council is required to set out its discretions for beneficiaries, deferred beneficiaries, and active members for each of the periods stated in this document. The beginning of each section makes it clear which period of membership the discretion relates to.

Please note that mandatory discretions are listed under Part A and the non-mandatory discretions are under Part B. This document has been cross referenced with the full list of LGPS discretionary policies for England and Wales.

The Policy applies to all employees or members of Arun District Council who are in, eligible to join, or have been a member of the Local Government Pension Scheme.

Where the discretion refers to 'the dismissing officer', this means a member of the Corporate Management Team or Group Head.

Reviewed: 13 December 2023

**The following discretions apply to members who were actively paying into the scheme as of 1 April 2014 onwards.**

Part A - Mandatory Discretions

Regulation and Arun Discretion
<b>Power to award additional pension. Regulation 31</b>
Whether, at the full cost to the Scheme employer, to grant extra annual pension of up to £7,579 (figure on 1 April 2023) to an active member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency [regulation 31 of the LGPS Regulations 2013].
<b>Arun Discretion</b>
Arun does not exercise the option to award additional pension to active scheme members either during employment or within 6 months of ceasing to be active member by reason of redundancy or business efficiency.

Shared cost additional pension contributions Regulation 16(2e) (4d)
<b>Whether, how much, and in what circumstances to contribute to a Shared Cost APC scheme.</b>
Whether, where an active member wishes to purchase extra annual pension of up to £7,579 (figure as of 1 April 2023), by making additional pension contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a shared cost additional pension contribution (SCAPC) [regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013].
Note: This does not include instances where the employee is paying for <b>lost</b> pension via an APC where the election was made in the first 30 days (or longer if the employer allows) – in this circumstance the employer <b>must</b> pay two-thirds of the cost of such purchase.
<b>Arun Discretion</b>
Arun does not exercise the option to contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution (SCAPC) entered on or after 1 April 2014.



## Regulation and Arun Discretion

### **Whether to allow flexible retirement** (Regulation 30 (6)) & TP11(2) & R30(8)

Whether to allow flexible retirement for staff aged 55 or over who, with the agreement of the Scheme employer, reduce their working hours or grade [regulation 30(6) of the LGPS Regulations 2013] and, if so, as part of the agreement to allow flexible retirement:

- whether, in addition to the benefits the member has built up prior to 1 April 2008 (which the member must draw), to allow the member to choose to draw:
  - I. all, part, or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or
  - II. all, part, or none of the pension benefits they built up after 31 March 2014 [regulations 11(2) and 11(3) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], and
- whether to waive, in whole or in part, any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA) [regulation 3(5) of the LGPS Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013].

### **Arun Discretion**

#### i) Whether to allow flexible retirement

Arun District Council has a Flexible Retirement Policy. The approval process for Flexible Retirement is set out in the relevant policy document.

#### ii) Whether to allow the member to choose to take

- a. part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014, and / or

Arun will permit a member to draw all, or part of the pension benefits they accrued before 1 April 2014 so long as this complies with the Flexible Retirement Policy.

- b. all, part, or none of the pension benefits they built up after 31 March 2014

## Regulation and Arun Discretion

Arun will permit a member to draw all, or part of the pension benefits they accrued on or after 1 April 2014 so long as this complies with the Flexible Retirement Policy.

iii) Whether to waive, in whole or in part, any actuarial reductions which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (R30(8))

Arun District Council has a Flexible Retirement Policy which states that Flexible Retirement will be at no additional cost to the Council. Arun will not therefore waive any actuarial reduction that would apply, except in exceptional circumstances and where it has been determined by Full Council that restructuring proposals achieve a payback within 3 years.

### **Switching on the 85-year rule**

[paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

Members are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85-year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.

**This discretion does not apply to flexible retirement (see [Regulation 30\(6\)](#)) whereby the 85 year rule is always switched on.**

Where the employer does not choose to “switch on” the rule, then: -

- a) if the member has already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the benefits from any pre 1 April 2008 membership for members who will not be 60 or more on 31 March 2016, and benefits from any pre 1 April 2016 membership for members who will be 60 or more on 31 March 2016, which would not normally have been subject to an actuarial reduction nonetheless being subject to a reduction calculated by reference to the period between the date the benefits are drawn and age 60) [paragraphs 1(2) and 1(4) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], or
- b) if the member has not already met the 85 year rule, the member’s benefits are to be reduced in accordance with actuarial guidance issued by the Secretary of State (with the reduction on that part of the member’s benefits subject to the 85 year rule being calculated by reference to the period between the date the benefits are drawn and age 60, or the date of attaining the 85 year rule, whichever is the later), and

## Regulation and Arun Discretion

- c) the Scheme employer can exercise a discretion to waive any actuarial reductions (including where an actuarial reduction may still be applied to a member's benefits after 'switching back on' the 85-year rule in full) (at cost to the Scheme employer, via an employer strain charge).

### **Arun Discretion**

Where a member meets the criteria for the 85-year rule and wishes to retire on or after age 55 and before age 60, the Council will only grant such an application in exceptional or compassionate circumstances. Each application will be considered by the relevant CMT Member in conjunction with the Group Head with responsibility for Human Resources.

### **Waiving of actuarial reductions**

#### **Regulation 30(8), TP3(1), TPSch 2, para 2(1), B30(5) and B30A(5)**

Employers can agree to waive any actuarial reductions due in the case of employees retiring any time after age 55. For active members voluntarily retiring on or after age 55 and before Normal Pension Age (NPA), who elect under regulation 30(5) of the LGPS Regulations 2013 to immediately draw benefits, and for deferred members and suspended tier 3 ill-health pensioners who elect under regulation 30(5) of the LGPS Regulations 2013 to draw benefits (other than on ill health grounds) on or after age 55 and before NPA.

#### **Group 1 - Members joined before 1 October 2006 and who reached 60 before 1 April 2016**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2016, and/or
- To waive, in whole or in part, on any grounds, actuarial reductions applied to benefits built up after 31 March 2016

#### **Group 2 - Members joined before 1 October 2006 and who reach age 60 between 1 April 2016 and 31 March 2020 and also meet their critical retirement age before 1 April 2020 (date member meets the 85-year rule)**

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2020, and/or
- To waive in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2020

#### **Group 3 - Members joined before 1 October 2006 and who reach age 60 after 31 March 2020 (or who would reach age 60 between 1 April 2016 and 31 March**

## Regulation and Arun Discretion

2020 and don't meet their critical retirement age before 1 April 2020 (date member meets the 85-year rule)

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014

Group 4 - Members joined after 1 October 2006

- To waive on compassionate grounds, any actuarial reductions applied to benefits built up before 1 April 2014, and/or
- To waive, in whole or in part on any grounds, actuarial reductions applied to benefits built up after 31 March 2014

### **Arun Discretion**

Arun will consider waiving actuarial reduction of benefits on compassionate grounds for all the above-mentioned groups.

Compassionate grounds are likely to be considered as follows:

- Looking after a sick relative.
- Ill health where payment of unreduced benefits might not be certified.
- Other exceptional compassionate grounds.

Each case will be considered on an individual basis and will require the agreement of a CMT member in conjunction with the Group Head responsible for Human Resources.

**The following discretions apply to members who left the scheme between 1 April 2008 and 31 March 2014**

Regulation and Arun Discretion
<b>Mandatory Discretions</b>
Whether to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60 [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]
Whether to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.  A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 and who has subsequently become a deferred pensioner may now claim their benefits from age 55 without their employer’s consent. However, these benefits will be reduced for early payment.  Where a member has reached the 85-year rule at the point of retirement, an employer can consent to switching on the 85-year rule. Any ‘strain’ to the Fund will be payable immediately by the Scheme employer.
<b>Arun Discretion</b>
Arun does not exercise the discretion to “switch on” the 85-year rule upon the voluntary early payment of deferred benefits.

<b>Whether to ‘switch on’ the 85-year rule upon the voluntary early payment of a suspended tier 3 ill health pension?</b> [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]
Whether to “switch on” the 85-year rule for a member with a suspended tier 3 ill-health pension voluntarily drawing benefits (on or after 14 May 2018) on or after age 55 and before age 60.  Where a member has reached the 85-year rule at the point of retirement, an employer can consent to switching on the 85-year rule. Any ‘strain’ to the Fund will be payable immediately by the Scheme employer.
<b>Arun Discretion</b>
Arun does not exercise the discretion to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60 or upon the voluntary early payment of a suspended tier 3 ill health pension

## Regulation and Arun Discretion

### **Whether to waive upon the voluntary early payment of deferred benefits any actuarial reduction on compassionate grounds?**

[regulation 30(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a deferred benefit who left the scheme voluntarily between 1 April 2008 – 31 March 2014 may now claim their benefits from age 55 without their employer's consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

#### **Arun Discretion**

Arun will consider waiving actuarial reduction of deferred benefits paid early on compassionate grounds, where a member retires voluntarily on or after age 55. Circumstances likely to be considered are:

- Looking after a sick relative
- Ill health where payment of unreduced benefits might not be certified.
- Other exceptional compassionate grounds

Each case will be considered on an individual basis and will require the agreement of the Group Head responsible for Human Resources.

### **Whether to waive upon the voluntary early payment of a suspended tier 3 ill health pension, any actuarial reduction on compassionate grounds?**

[regulation 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]

A member with a suspended tier 3 ill health pension and who left the scheme between 1 April 2008 – 31 March 2014 may now claim for their pension to be brought back into payment from age 55 without their employer's consent. However, these benefits will be reduced for early payment.

An employer can consent to waiving any reductions, on compassionate grounds, that would normally be applied to deferred benefits which are paid before age 65.

#### **Arun Discretion**

Each case will be considered on an individual basis and will require the agreement of the Group Head responsible for Human Resources.

**The following discretions apply to members who left the scheme between 1 April 1998 and before 1 April 2008**

Regulation and Arun Discretion
<b>Whether to ‘switch on’ the 85-year rule upon the voluntary early payment of deferred benefits</b> [paragraph 1 (1) (f) & 1 (2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) regulations 2014]
<p>Whether, as the 85-year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85-year rule back on in full for such members.</p> <p>Deferred members who left the scheme after 1 April 1998 are now able to voluntarily retire between ages 55 and 60. If they were a member of the LGPS on 30 September 2006 then some of their benefits could be protected from reductions applied to early payment under the 85-year rule. This rule only applies automatically to members voluntarily retiring from age 60 but the ceding employer has the discretion to “switch it on” for voluntary retirements between age 55 and 60.</p> <p>Where the employer does not choose to “switch on” the rule, then benefits built up would be subject to reduction in accordance with actuarial guidance issued by the Secretary of State regardless of whether a member meets the rule or not.</p> <p>If the employer does agree to “switch on” the 85-year rule, the employer will have to meet the cost of any strain on fund resulting from the payment of benefits before age 60 i.e., where the member has already met the 85-year rule or will meet it before age 60.</p>
<b>Arun Discretion</b>
Arun does not exercise its discretion to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.

<b>Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55</b> [regulation 31(2) of the LGPS Regulations 1997].
<b>Whether to grant application for early payment of deferred benefits on or after age 50 and before age 55.</b>
A member with a deferred benefit who left the scheme between 1 April 1998 – 31 March 2008 can claim their benefits from age 50 with their employer’s consent.

## Regulation and Arun Discretion

However, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004.

### **Arun Discretion**

Arun will consider an application for early payment of deferred benefits on or after age 55 and before age 60. This would normally only be granted in exceptional compassionate circumstances. Whether or not to grant early payment will require the agreement of the Group Head responsible for Human Resources.

### **Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits.**

[regulation 31(5) of the LGPS Regulations 1997 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Whether to waive any actuarial reduction on compassionate grounds which would normally be applied to benefits which are paid before age 65.

Employers should note that the strain cost of any such retirements would need to be met by the employer and paid into the Pension Fund at the appropriate time.

### **Arun Discretion**

Arun will consider waiving actuarial reduction of deferred benefits paid early on exceptional compassionate grounds, where a member retires voluntarily on or after age 55. Circumstances likely to be considered are:

- Looking after a sick relative
- Ill health where payment of unreduced benefits might not be certified.
- Other exceptional compassionate grounds

Each case will be considered on an individual basis and will require the agreement of the Group Head responsible for Human Resources.



**The following discretions apply to members who ceased active membership before 1 April 1998**

Regulation and Arun Discretion
<b>Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds</b> [regulation D11(2)(c) of the LGPS Regulations 1995].
Whether to grant early payment of a deferred benefit on compassionate grounds, on or after age 50 and before NRD.  If granted, these benefits may be reduced for early payment and/or be subject to an unauthorised payment charge under the Finance Act 2004.
<b>Arun Discretion</b>
Arun will consider granting an application for early payment of deferred benefits on or after age 50 for a pre-1.4.98 leaver only on compassionate grounds. Each case will be considered on an individual basis and will require the agreement of the Group Head responsible for Human Resources.

## Part B – Non-mandatory discretions

### **Shared Cost Additional Voluntary Contribution arrangements**

Regulation 17 of the LGPS Regulations 2013 and regulation 15(2A) of the LGPS (Transitional Provisions and Amendment) Regulations 2014

Whether to allow a Shared Cost Additional Voluntary Contribution (SCAVC) arrangement. To determine how much will be allowed to be contributed to the SCAVC arrangement. To define in what circumstances contribution to a SCAVC arrangement will be allowed.

### **Arun Discretion**

The Council will pay SCAVC contributions where an employee has elected to pay AVCs by salary sacrifice. The amount of these employer SCAVC contributions will not exceed the amount of salary sacrificed by the employee. This is a Council discretion which is subject to the employee meeting the Council's conditions for acceptance into the salary sacrifice shared cost AVC scheme and may be withdrawn or changed at any time.

### **Time limit for a member to elect to purchase additional pension by way of a shared cost additional pension contribution (SCAPC) upon return from a period of absence.**

Regulation 16(16) of the LGPS Regulations 2013.

Whether to extend the 30-day deadline for member to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave, or reserve forces service leave)

### **Arun Discretion**

Arun does not exercise the option to contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution (SCAPC) entered on or after 1 April 2014.

### **Transfers of Pension Rights**

Regulation 100(6)

Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS.

Where an active member requests to transfer previous pension rights into the LGPS, the member must make a request within in 12 months of becoming an active member.

An employer may allow a longer period than 12 months

### **Arun Discretion**

Where a member asks for an extension of the 12-month option period to elect not to have their deferred benefits aggregated, Arun will grant this discretion where there are sound reasons, normally as follows:

- Member not made aware of the right to aggregate.
- Member not provided with the necessary paperwork.
- Previous delays in providing information within that fund.

This will require the approval of the Group Head responsible for Human Resources and the Pension Administrators.

**Membership Aggregation**

Regulation 22 (7)(b), (8)(b)

Whether to extend the 12-month option period for a member to elect to join deferred benefits to their current employment/membership

The election to keep separate pension benefits must be made within 12 months of becoming an active member, who must be active at the date of election.

An employer may allow a period longer than 12 months

**Arun Discretion**

Arun will consider a limited extension of this period if the member has not been provided with information in a timely way or where evidence indicates that the member made an election within the 12 months', but the election was not received by the Pension Fund Administering Authority.

**Extension of time limit to aggregate pension.**

TP10(6)

Whether to extend the 12-month option period for a member (who did not become a member of the 2014 Scheme by virtue of TP5(1)) to elect that pre-1 April 2014 deferred benefits should be aggregated with a new employment.

**Arun discretion**

Arun will consider a limited extension of this period if the member has not been provided with information in a timely way or where evidence indicates that the member made an election within the 12 months', but the election was not received by the Pension Fund Administering Authority.

**Employee contribution band determination**

R9(1) &amp; R9(3)

Where an active member changes employment or there is a material change which affects the member's pensionable pay during a financial year, the scheme employer may determine that a contribution rate from a different band (as set out in Regulation 9 (2) and subsequent adjustments) should be applied.

**Arun discretion**

The contribution rate paid by active members is determined by reference to pay bands which form part of the contract of employment for an individual. Other variable and non-variable pay which is pensionable is detailed in a list held by HR & Payroll. Arun will review the employee's contribution band from the date the permanent change to pay is applied. Under Scheme rules members also have the option to pay 50% contributions for 50% benefits for a period to be determined by them.

**Whether to include a regular lump sum payment when calculating assumed pensionable pay (APP)?**

R21(5)

In determining Assumed Pensionable Pay (APP), the employer needs to consider whether a lump sum payment made in the previous 12 months is a “regular lump sum”.

**Arun discretion**

The elements which make up pensionable pay for Arun employees are set out on the intranet or from Human Resources. Where a lump sum payment arises and is not covered by the current definition the decision will be made by the Group Head responsible for Human Resources or delegated to the Human Resources Manager in their absence.

**Whether, subject to qualification, to substitute a higher level of pensionable pay when calculating assumed pensionable pay (APP)?**

R21(5A) & R21(B)

When a member is:

- on reduced contractual pay or no pay due to sickness or injury, or
- absent during ordinary maternity, paternity, or adoption leave, or paid shared parental leave, or during paid additional maternity or adoption leave, or
- absent on reserve forces service leave, or
- retires with a Tier 1 or Tier 2 ill health pension, or
- dies in service

Where in the Employer’s opinion, the pensionable pay received in relation to an employment (adjusted to reflect any lump sum payments) in the 3 months (or 12 weeks if not paid monthly) preceding the commencement of Assumed Pensionable Pay (APP), is materially lower than the level of pensionable pay the member would have normally received, decide whether to substitute a higher level of pensionable pay having had regard to the level of pensionable pay received by the member in the previous 12 months.

**Arun Discretion**

This will be considered, in exceptional circumstances and each case should be considered on an individual basis by the Group Head responsible for Human Resources.

- These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.
- If it is decided to amend the policy, no change can come into effect until one month has passed since the date the amended policy statement was published.

- Any changes to this policy will be notified to the Hampshire Pension Services within 1 month of the change.

**Signed on behalf of:**

**Completed by:**  **Position:**

**Signature:**  **Date:**

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