

WEST NORTHAMPTONSHIRE SHADOW EXECUTIVE MEETING

Report Title	Future Northants Corporate Work stream – Human Resources Delegation of Pensions Discretions to the Head of Paid Service
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1. Purpose

- 1.1 The purpose of this report is to seek member approval for the interim delegation of key discretions in relation to pensions to the Chief Executive.

2. Recommendations

- 2.1 It is recommended that:
- a) The discretions set out in Appendix A are delegated to the Chief Executive (as Head of Paid Service) to exercise if necessary on an interim basis.
 - b) To ask the Chief Executive to draw up a pensions discretions policy to be presented to a future meeting.

3. Background

- 3.1 The Local Government Pension Scheme regulations require employers who participate in the Local Government Pension Scheme (LGPS) to draw up and publish a discretions policy and to keep it under review.
- 3.2 Discretions are powers that enable employers to choose how to apply the scheme in respect of certain provisions. Discretions only apply at the time of application and are subject to change.
- 3.3 The four councils that have transferred to West Northamptonshire Council previously maintained their own relevant Pensions Discretions Policies.
- 3.4 West Northamptonshire Council require pensions discretions to be applied as cases come forward.

- 3.5 Comparison work has been taking place on the transferring four councils pension discretions and the requirements of the new authority to compile a set of inclusive and appropriate pensions discretions for West Northamptonshire Council.

4. Next Steps

- 4.1 Work will continue on an appropriate set of pensions discretions for West Northamptonshire Council including relevant consultation to draw up and publish the pensions discretions policy.
- 4.2 In the interim if there is a need to exercise pensions discretions in relation to any particular case this discretion will be exercised by the Chief Executive in an individual case in accordance with reference to the draft pensions discretions policy and the policies of the predecessor councils.

5. Implications (including financial implications)

5.1 Resources and Financial

- 5.1.1 When the Council sets and reviews these employer discretions, consideration is given to:

Cost – discretionary powers come with a cost attached - policies mustn't lead to a loss of confidence in public services, therefore have to be affordable.

Basis on which decisions are made – policies should not be so rigid or restrictive as to prevent flexibility where a possibly unanticipated situation requires it.

Equality – criteria that do not discriminate and where decisions are objectively justified.

- 5.1.2 The Council has limited resources and needs to maintain a balanced budget. Any exercise of discretion must be contained within existing service budgets, therefore discretions are only exercised in exceptional circumstances.

5.2 Legal

- 5.2.1 It is a requirement of the LGPS for each Council to have a Pensions Discretions Policy. There are detailed discretions that must be published, recommended to be published and optional publication. The West Northamptonshire Council LGPS Pensions Discretions Policy includes those publication requirements as appropriate.

5.3 Risk

- 5.3.1 It is a requirement of the pension fund to publish pensions discretions within three months of a transfer of employment.

5.3.2 Without a published pensions discretions policy prior to that date should a member of the pension fund request the use of a discretion an interim emergency case would need to be put forward.

5.4 Consultation

5.4.1 Consultation will take place following the completion of the Pensions Discretions Policy for West Northamptonshire Council.

5.5 Consideration by Overview and Scrutiny

5.5.1 There has been no prior engagement with the Overview and Scrutiny Committee in relation to this report and its recommendations.

5.6 Climate Impact

5.6.1 There are no Climate implications to be considered.

5.7 Community Impact

5.7.1 There is no direct community impact arising from this report.

6 Background Papers

6.3 There are no background papers.