

2024 Review of Local Government Pension Scheme - Employer Discretions Statement of Policy

Report of the Chief Fire Officer

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1 Purpose of Report

This report informs the Fire Authority of the review of the employer discretions Statement of Policy for the Local Government Pensions Scheme (LGPS).

2 Recommendations

The Fire Authority is asked to:

- a) Note the 2024 review of the Statement of Policy for the Local Government Pension Scheme; and
- b) Agree the new Statement of Policy.

3 Background

Under Regulation 60 (1) of the LGPS 2013 Regulations, each employer must formulate, keep under review and publish their policies on certain discretions contained within the LGPS Regulations.

Shropshire Fire and Rescue Service maintains a Statement of Policy for the Local Government Pension Scheme, which is reviewed and amended, when further discretions are issued within the LGPS Regulations. This Statement is applicable to all employees of Shropshire Fire and Rescue Authority, who are eligible to be members of the LGPS Scheme. The policy was last reviewed in 2022.

4 2024 review of current policy

To meet the requirements of the 2013 Regulations, and to ensure good practice, the 2014 policy (including those provisions brought forward from the 2008 discretions policy) has been reviewed by the Head of Human Resources and Administration and the Pensions Officer.

The administration experience of the last two years was considered to inform the review and it was agreed that a number of changes were required in line with a discretions policy template produced by LGPS.

The values contained in the discretions policy for items 1 and 2 have been updated with the current 2024 values and in line with the administrator's template document.

For item 3, on whether to permit flexible retirement, newer wording from the administrator's template has been adopted.

Item 6 has been introduced as it was present in the administrator template but not on our discretions policy. The discretion is whether to contribute to a share cost AVC and the decision is Shropshire Fire and Rescue Service will not enter into a shared cost AVC arrangement.

It is therefore proposed that Members agree to the changes outlined above and contained and highlighted in Appendix.

5 Financial Implications

There are no financial implications arising directly from this report but there may well be costs associated with exercising the discretions.

6 Legal Comment

The introduction of the new Local Government Pension Scheme 2014 (LGPS) on 1 April 2014 requires all Scheme employers to review their existing discretionary pension policy statements and publish new policy statements.

This Statement of Policy will ensure the Fire Authority's compliance with the requirement to publish a statement of its policy in relation to various pension discretions.

The Fire Authority has an ongoing duty to comply with the Regulations and to ensure that the provisions of the Equality Act 2010 are complied with in relation to the exercise of its discretion.

7 Initial Impact Assessment

An Initial Impact Assessment has been completed.

8 Appendix

Appendix Local Government Pension Scheme Statement of Policy 2024
(reviewed and amended)

9 Background Papers

There are no background papers associated with this report.