

## **Vision North Somerset**

### **Avon Pension Scheme**

#### **Statement of Employers' Discretions**

Vision North Somerset is an admitted body of Avon Pension Scheme. All employees are eligible to join the scheme upon completion of their three month probationary period.

In accordance with Benefit Regulations Vision North Somerset publish this statement with regard to the organisation's policy concerning:

- Regulation 12 (power of employing authority to increase total membership of active members)
- Regulation 13 (power of employing authority to award additional pension)
- Regulation 18 (flexible retirement)
- Regulation 30 (choice of early retirement)

and further discretionary policies.

It is noted that discretionary powers must:

- Not be used for an ulterior motive and be exercised reasonably
- Be used taking into account of all relevant factors e.g. the cost to council tax payers must be balanced against the benefit to the employer
- Only be used when there is a real and substantial future benefit to the employer in return for incurring the extra costs
- Be duly recorded when used.

In drawing up policy statements, employers must satisfy themselves that they are:

- Applying the discretions reasonably
- Not fettered i.e. being used in such a way that the individual circumstances cannot be considered or usual practice rigidly followed.

**Benefit Regulation 12** (power of employing authority to increase total membership of active members).

Vision North Somerset resolves that in certain circumstance there may be an increase of the total membership of a member who is currently paying contributions to the scheme. The member's increase under this regulation (including additional membership in respect of different employments) must not exceed 10 years.

**Benefit Regulation 13** (power of employing authority to award additional pension)

Vision North Somerset resolves not to award any additional pension under this regulation

**Benefit Regulation 18 (Flexible retirement)**

Vision North Somerset resolves not to agree to reduction of hours and the request to take up part, or all of pension benefits upon reaching the minimum retirement age.

The minimum retirement age is 55 for new members from 1<sup>st</sup> April 2008 and 1<sup>st</sup> April 2010 for those who are members of the scheme on 31<sup>st</sup> March 2008. Therefore, from 1<sup>st</sup> April 2008 to 31<sup>st</sup> March 2010 the minimum retirement age will be 50 for those who are members of the scheme on 31<sup>st</sup> March 2008.

**Benefit Regulation 30 (Choice of early payment of pension)**

Vision North Somerset resolves not to give consent to members taking early payment of pension should they retire before the age of 60, unless early retirement is due to ill health or other extenuating circumstances which will be subject to the discretion of the Trustees for each individual case.

**Further discretionary policies**

**Regulation 22 - Administration**

Vision North Somerset resolves to extend the time limit for members to pay contributions following a period of absence.

A scheme member may elect to pay **optional contributions** to cover a period of absence from duty provided the option is made within 30 days

of return to work/cessation of employment or such longer period at agreed by Vision North Somerset.

### **Exclusion of rights to a return of contributions – Regulation 47**

A scheme member who meets the normal criteria for a refund of pension contributions is not entitled to such a refund if he/she left his/her employment because of:

- a) **An offence of a fraudulent character** – unless Vision North Somerset directs that a total or partial refund may be made to the member.
- b) **Grave misconduct** – unless Vision North Somerset directs that a total or partial refund may be made to the member, his/her spouse, civil partner, nominated cohabiting partner or any dependent of his/her.

### **Forfeiture of pension rights after conviction of employment related offences – Regulation 72 & 73**

If a scheme member is convicted of and ceased employment as a result of, an **offence** in connection with his/her employment which was gravely injurious to the State or liable to lead to a serious loss of confidence in the public service, Vision North Somerset can apply to the Secretary of State for the issue of a forfeiture certificate. If a certificate is issued the employer may direct that any of the person's **rights be forfeited**.

### **Interim payments directions – Regulation 73**

Where the Secretary of State has issued a forfeiture certificate but Vision North Somerset has not applied the certificate nor notified the scheme member of an award of benefits under the LGPN Vision North Somerset may direct that **interim payments** are made out of the Pension Fund until such time as it is decided to apply the forfeiture certificate or make an award of benefits.

## **Recovery or retention where former member has misconduct obligation – Regulation 74**

Where a member:

- (i) Ceases employment in consequence of a criminal, negligent or fraudulent act or omission in connection with that employment and
- (ii) Has incurred a **monetary obligation** arising therefrom to Vision North Somerset and
- (iii) **Is entitled to pension benefits** under the LGPS, Vision North Somerset may recover the amount of the monetary obligation or the value of the members pension rights, if less (other than transferred in pension rights) from the Pension Fund and reduce the members benefits accordingly.

## **Transfers of sums from the pension fund to compensate for member's misconduct – Regulation 76**

where:

- (i) A member ceases employment in consequence of an offence involving **fraud or due to grave misconduct** in connection with that employment, and
- (ii) The employer has suffered a **direct financial** loss resulting therefrom, and
- (iii) The member is entitled to benefits under the LGPS and a forfeiture certificate has been applied, or the member is entitled to a refund of pension contributions

The employer may direct that the **amount of the direct financial loss** (or the refund of contributions, if less) **be recovered** from the Pension Fund.

## **Inward transfers of pension rights – Regulation 83(8):**

If a scheme member wishes to **transfer pension rights** into the LGPS he/she must opt to do so **within 12 months** of joining the LGPS.