

Local Pay Policy 2025/26

Mae'r ddogfen hon ar gael yn Gymraeg hefyd.
This document is also available in Welsh.

Conwy County Borough Council

Local Government Pension Scheme (LGPS) Discretionary Pension Statement

Date 1 April 2025 – 31 March 2026

Version 2

PART A

The regulations of the LGPS require every employer to:

- (i) issue a written policy statement on how it will exercise the various discretions provided by the scheme,
- (ii) keep it under review and
- (iii) revise it as necessary.

This document meets these requirements stating the regulation requirement and the Council decision on these.

These discretions are subject to change, either in line with any change in regulations or by due consideration by Conwy County Borough Council. These provisions do not confer any contractual rights.

The LGPS Employer Discretions Policy is the Council's written policy statement detailing all mandatory employer discretions the LGPS recommend employers also publish. Some of these discretions are also referred to in relevant HR policies, for example the Retirement Policy. This statement will be published on the Council's website at [Conwy](#)

The Regulations referred to are:

R: The Local Government Pension Scheme Regulations 2013 (as amended)

TP: The LGPS (Transitional Provision and Savings) Regulations 2014

A: The Local Government Pension Scheme (Administration) Regulations 2008 (as amended)

B: The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)

T: The Local Government Pension Scheme (Transitional Provisions) Regulations 2008

L: The Local Government Pension Scheme Regulations 1997 (as amended)

In accordance with the legal requirement under Regulation 60(5) of the LGPS 2013 and paragraph 2(2) of Schedule 2 of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, the policy statements have been drafted in order for the employer to balance financial, business and employee needs.

Table 1. These are the mandatory items - discretions subject to a written policy under the LGPS Regulations 2013 and Transitional 2014 Regulations

Employer Discretion		Regulation	Conwy County Borough Council Policy
Shared Cost Additional Pension Contributions (APC's)	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e) & R16(4)(d)	The Council will not contribute to a shared cost APC scheme due to the potential cost burden.
Extension to Shared Cost APC's	Whether to extend 30 day deadline for member to elect for a shared cost APC 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 reserved forces service leave)	R16(16)	It is not the policy of Conwy County Borough Council to extend the 30 day deadline.
Shared Cost Additional Voluntary Contribution's (AVC's)	Whether, how much, and in what circumstances to contribute to shared cost Additional Voluntary Contributions (AVC's) arrangements	R17(1) & definition of SCAVC in RSch 1	Under Regulation 17 of the LGPS Regulations 2013, Conwy County Borough Council will exercise the discretion to allow LGPS members to contribute to a shared cost salary sacrifice additional voluntary contribution scheme.
Right to Return of contributions in cases of fraud or grave misconduct.	No right to return of contributions where a member left their employment due to offence of a fraudulent character or grave misconduct in connection with that employment, unless Employer directs a total or partial refund is to be made	R19 (2)	It is not the policy of Conwy County Borough Council to refund contributions to the member.

Flexible Retirement	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	<p>The Council have a policy on Flexible Retirement which requires a minimum reduction of 20% in hours/salary. The Council would need to achieve an efficiency saving by approving the Flexible Retirement or in exceptional cases, cost neutral within Year 1.</p> <p>An employee, aged 55 and over may request flexible retirement and each case will be considered on its own merits following full consideration of any compelling compassionate reasons and a detailed business case.</p> <p>The Government has announced the earliest age that you can take your pension will increase from age 55 to 57 from 6 April 2028).</p> <p>This does not preclude younger employees, under 55 years of age requesting flexible working but without the payment of their retirement benefits.</p> <p>Please refer to the Retirement Policy</p> <p>The Council may review its policy at any time.</p>
	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	<p>The Council may give consideration to waiving in whole or in part actuarial reduction in line with the policy and based on the production of a business case and efficiency savings being achieved.</p>
Early Retirement Waive Actuarial Reduction	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership)	R30(8)	<p>The Council have a policy on Early Retirement. Any employee from their 55th birthday can voluntarily retire and access their benefits with an actuarial reduction.</p> <p>An employee may request that Conwy County Borough Council waive in full or in part their reduction on compelling compassionate grounds only. Each case will be considered on its own merits following full consideration and a detailed business case. The</p>

			<p>Council would need to achieve an efficiency saving by approving the Early Retirement without actuarial reduction or in exceptional cases cost neutral within Year 1.</p> <p>Please refer to the Retirement Policy</p> <p>The Council may review its policy at any time</p>
85 Year Rule	Whether to 'switch on' the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement)	TPSch 2, para 1(2) & 1(1c)	<p>Employees can request that the Council apply the 85 year rule, if they are eligible.</p> <p>To be eligible, the employee's LGPS Service (all service) and their age must equal 85 years or more, and they must have joined the pension scheme before 1st October 2006.</p> <p>Deferred members from the age of 55 can access their deferred pension benefits early without employers consent, however the pension income will reduce after the actuarial reduction is applied.</p> <p>The Council may review its policy at any time.</p>
Waiving Actuarial Reduction	Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership): a) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,	TP3(1), TPSch 2, para (2)1, B30(5) & B30A(5)	<p>If it is agreed to apply the '85 year rule', CCBC may waive the actuarial reduction in full or in part following careful consideration of the financial implications and affordability.</p> <p>Each case will be considered on its own merits including any compelling compassionate reasons and/or the grounds for the request following full consideration of a detailed business case.</p> <p>The Council may review its policy at any time.</p>

	<p>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive</p>		
Grant Additional Pension	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a. on 1 April 2014 - this figure is inflation proofed annually)	R31	It is not the policy of CCBC to award additional pension
Transferring in non LGPS pension rights	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(6)	It is not the policy of CCBC to extend the time limit for a transfer in of previous pension rights to proceed after twelve months from joining the LGPS.

Employee Contribution Rate	Determine rate of employees' contributions and review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay	R9(1) & R9(3)	The tiered contribution rate for each employee will be based on the pensionable pay elements.. The contribution rate will be re-assessed annually at year end (1st April) based on the previous 12 months pensionable pay.
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Table 2 Amended Regulations

Employer Discretion		Regulation	Conwy County Borough Council Policy
Deferred Benefits	Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55.	R31(2) of the LGPS Regulations 1997].	It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.

Table 3 2008 Scheme (Administration) Regulations and 2007 Regulations

Employer Discretion		Regulation	Conwy County Borough Council Policy
Deferred Benefits	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)	B30(5), TPSch 2, para 2(1)	The Council will not waive any actuarial reduction for deferred members on compassionate grounds.
	Whether to 'switch on' the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, para 1(2) & 1 (1c)	The Council will not "switch on" the 85 year rule.

Table 4 1997 and 1995 Scheme Regulations

Employer Discretion		Regulation	Conwy County Borough Council Policy
Deferred Benefits	Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds.	TL4, L106(1) & D11(2c)	It is not the policy of the Council to allow deferred benefit applications on or after age 50 and before age 55.

The decision in respect of each employer discretion is set out above, however, the council may give further consideration where there are exceptional circumstances and clear merit, or where the cost is not considered to be significant or material.