

Belfast City Council Policy Statement on Employer's Discretions under the Local Government Pension Scheme (Northern Ireland) Regulations and other related Regulations

1. Introduction

1.1 Belfast City Council is required to formulate, publish and keep under review a written Statement of Policy on certain discretions in accordance with:

- regulation 66 of the Local Government Pension Scheme Regulations (Northern Ireland) 2014,
- paragraph 2(2) of Schedule 3 to the Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014,
- regulation 62 of the Local Government Pension Scheme (Administration) Regulations (Northern Ireland) 2009 (in respect of leavers between 1 April 2009 and 31 March 2015), and
- regulation 108 of the Local Government Pension Scheme Regulations (Northern Ireland) 2002 (in respect of leavers between 1 February 2003 and 31 March 2009);

1.2 In addition Belfast City Council is also:

- recommended to formulate, publish and keep under review a written Statement of Policy on one discretion under the Local Government Pension Scheme Regulations (Northern Ireland) 2000 (in respect of leavers before 1 February 2003);
- required to formulate, publish and keep under review a written Statement of Policy on certain discretions in accordance with regulation 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007, effective from 1 October 2006; and
- required to formulate, publish and keep under review a written Statement of Policy on certain discretions in accordance with regulation 25 of the Local Government (Early Termination of Employment) (Discretionary

Compensation) Regulations (Northern Ireland) 2003, operative from 24 March 2003 for terminations of employment on redundancy or efficiency grounds that occurred prior to 1 April 2007.

- 2.3 In formulating and reviewing its policies under the LGPS Regulations, Belfast City Council is required to consider whether and to what extent the policy might lead to a serious loss of confidence in the public service.
- 2.4 In formulating and reviewing its policies under the Discretionary Compensation Regulations referred to in paragraphs 3.10 (iii) and (iv) above Belfast City Council:
- is required to have regard to the extent to which the exercise of its discretionary powers (in accordance with the policy), unless properly limited, could lead to a serious loss of confidence in the public service, and
 - must be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.
- 2.5 **Consultation:** Belfast City Council is not required to consult with the recognised trade unions when it intends to adopt new, or change existing, discretionary policies. However, it was considered appropriate to give advance notification to the recognised trade unions that this report would be considered by the Strategic Policy and Resources Committee.

Tables:

Table A: Policies to be exercised under the LGPS Regulations in relation to those employees who are active scheme members after the 31 March 2015 and members who cease active membership after the 31 March 2015.

Tables B-F: Policies on the discretions to be exercised under the LGPS Regulations in relation to those scheme members who left prior to 1 April 2015 and Policies on the discretions to be exercised under the Disciplinary Compensation Regulations.

Table A

Policies on the discretions to be exercised under the LGPS Regulations in relation to those employees who are active scheme members after the 31 March 2015 and members who cease active membership after 31 March 2015.

<p>Belfast City Council will not agree to switch the 85 year rule on in full where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where Belfast City Council considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> • Will be considered on the merits of the financial and / or operational business case out forward, and • Will require the approval of the Director of Finance and Resources 	<p>Belfast City Council policy</p>
<p>1. Whether, at full cost to Belfast City Council, to grant extra annual pension of up to £6,843 (2018/19 figure) to an active scheme member or within 6 months of leaving to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will only make use of the discretion to</p> <ul style="list-style-type: none"> (a) grant extra annual pension up to £6,843 (2018/19 figure) to an active scheme member where the Council deems it is absolutely necessary as an inducement to attract an employee who has specialist skills and experience the Council needs, or where it is deemed absolutely necessary to induce an employee with specialist skills and experience not to leave or (b) where an active scheme member or within 6 months of leaving to a member who is dismissed by reason of redundancy or business efficiency or

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	<p>whose employment is terminated by mutual consent on the grounds of efficiency, having considered the view of the employee, to make an award of extra annual pension up to £6,843 (2018/19 figure) that is actuarially equivalent to the lump sum payment that the Council would otherwise have made to the employee under the Council's compensation arrangements.</p> <p>Each case will be considered on the merits of the financial and / or operational business case put forward.</p>
<p>2. Whether, where an active scheme member wishes to purchase extra annual pension of up to £6,843 (2018/19 figure) by making Additional Pension Contributions (APCs), Belfast City Council will voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will not make use of the discretion to voluntarily contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution Scheme (SCAPC).</p>
<p>3. Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of Belfast City Council reduce their working hours or grade and, if so, as part of the agreement:</p> <ul style="list-style-type: none"> - whether, in addition to the benefits the member has accrued prior to 1 April 2009 (which the member must draw if flexible retirement is agreed), to permit the member to choose to draw <ul style="list-style-type: none"> • all, part or none of the pension benefits they accrued after 31 March 2009 and before 1 April 2015, and / or 	<p><u>Flexible retirement</u></p> <p>Belfast City council will not agree to flexible retirement except in circumstances where Belfast City Council considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> - will be considered on the merits of the financial and / or operational business case put forward, - will set out whether, in addition to any pre 1 April 2009 benefits, the member will be permitted, as part of the flexible retirement agreement, to take

<ul style="list-style-type: none">• all, part or none of the pension benefits they accrued after 31 March 2015, 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) ¹. <p>(No change to existing BCC discretion)</p>	<ul style="list-style-type: none">a) all, some or none of their 1 April 2009 to 31 March 2015 benefits, and /orb) all, some or none of their post 31 March 2015 benefits, and- will require the approval of the appropriate Director and the Director of Finance and Resources- Requests, for a current or new post, must reflect a minimum reduction of 20% in hours or a minimum reduction of one full grade- Employees will only be allowed one flexible retirement request. However, the Council reserves the discretion to consider one further request for flexible retirement on its own merits and based on the need to deliver services effectively and efficiently together with the financial implications of granting the application. <p><u>Waiver of any actuarial reduction on flexible retirement</u></p> <p>Where flexible retirement is agreed, the benefits payable will be subject to any actuarial reduction applicable under the Local Government Pension Scheme Regulations (Northern Ireland) 2014 and the Local Government Pension Scheme (Amendment</p>
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¹ Normal pension age (NPA) means the member's normal pension age under the 2015 Scheme which is linked to the member's State Pension Age (SPA) but with a minimum of age 65. State Pension Age is currently age 65 for men. State Pension Age for women is currently being increased to be equalised with that for men and will reach 65 by November 2018. The State Pension Age will then increase to 66 for both men and women from December 2018 to October 2020. Under current legislation the State Pension Age is due to rise to 67 between 2026 and 2028 and to 68 between 2044 and 2046. However, the government has announced plans to link rises in the State Pension Age above age 67 to increases in life expectancy.

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	<p>and Transitional Provisions) Regulations (Northern Ireland) 2014. Belfast City Council will only waive any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the Director of Finance and Resources.</p>
<p>4. Whether, as the 85 year rule does not (other than on flexible retirement – see 3 above) automatically apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will not agree to switch the 85 year rule on in full where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where Belfast City Council considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> • Will be considered on the merits of the financial and / or operational business case out forward, and • Will require the approval of the Director of Finance and Resources
<p>5. For active members voluntarily retiring on or after age 55 and before Normal Pension Age who elect under regulation 31(5) of the LGPS Regulations (Northern Ireland) 2014 to immediately draw benefits, and for deferred members who elect under regulation 31(5) of the LGPS Regulations (Northern Ireland) 2014 to draw benefits (other than on ill health grounds) on or after age 55 and before Normal Pension Age, and who:</p>	<p>Belfast City Council will not agree</p> <ul style="list-style-type: none"> - to waive on compassionate grounds any reduction on pre 1 April 2015 benefits for Group 3 or 4 members, on pre 1 April 2016 benefits for Group 1

<ul style="list-style-type: none"> - were <u>not</u> members of the LGPS before 1 October 2006 [Group 4 members], whether to: <ul style="list-style-type: none"> o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits, if any, accrued before 1 April <u>2015</u>, and / or o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2015</u> - <u>were</u> members of the LGPS before 1 October 2006 and <u>will be</u> 60 or more on 31 March 2016 [Group 1 members], whether to: <ul style="list-style-type: none"> o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April <u>2016</u>, and / or o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2016</u> - <u>were</u> members of the LGPS before 1 October 2006 and <u>will not</u> be 60 or more on 31 March 2016 and <u>will not</u> attain age 60 between 1 April 2016 and 31 March 2020 [Group 3 members], whether to: 	<p>members, or on pre 1 April 2020 benefits for Group 2 members, and / or</p> <ul style="list-style-type: none"> - to waive in whole or in part on any grounds any reduction on post 31 March 2015 benefits for Group 3 or 4 members, on post 31 March 2016 benefits for Group 1 members, or on post 31 March 2020 benefits for Group 2 members <p>where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age except in circumstances where Belfast City Council considers it is in its financial or operational interests to do so or there are compelling compassionate² reasons for doing so.</p> <p>Each case</p> <ul style="list-style-type: none"> - will be considered on the merits of the financial and / or operational business case put forward, or - will be considered on the merits of the compassionate case put forward, and - will require the approval of the appropriate Director and the Director of Finance and Resources including, where the reduction is only to be waved
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² There is no definition in the Regulations of "compassionate grounds". However, one could take the view that, for example, releasing benefits because the member is short of funds / out of work would not be appropriate (as the pension scheme is not a social security scheme); whereas, for example, releasing benefits because the member has had to give up work to look after orphaned grandchildren would clearly be a case where an employer might wish to exercise compassion.

<ul style="list-style-type: none"> ○ waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April <u>2015</u>, and / or ○ waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2015</u> <p>- <u>were</u> members of the LGPS before 1 October 2006 and will <u>not</u> be 60 or more on 31 March 2016 but <u>will</u> attain age 60 between 1 April 2016 and 31 March 2020 [Group 2 members], whether to:</p> <ul style="list-style-type: none"> ○ waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April <u>2020</u>, and / or ○ waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2020</u> <p>(No change to existing BCC discretion)</p>	<p>in part, approval for the amount of reduction to be waived</p>
<p>6. Whether, how much, and in what circumstances to contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2015 and whether, how much, and in what circumstances to continue to contribute to any shared cost Additional Voluntary Contribution (SCAVC) arrangement entered into before 1 April 2015.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council does not intend to establish a Shared Cost Additional Voluntary Contributions Scheme at this time.</p>

<p>7. Whether to extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of employment (may elect to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election aggregate within 12 months of commencing membership of the LGPS in the new employment</p> <p>Whether to extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of a concurrent employment may elect not to have the deferred benefits aggregated with their ongoing concurrent LGPS employment if the member has not made an election to retain separate benefits within 12 months of ceasing the concurrent.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will only extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of employment may elect to have the deferred benefits aggregated with their new LGPS employment (OR</p> <p>Belfast City Council will only extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of concurrent employment may elect not to have the deferred benefits aggregated with their ongoing concurrent LGPS employment:</p> <ul style="list-style-type: none"> a) where Belfast City Council agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration; b) where Belfast City Council agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the Northern Ireland Local Government Officers' Superannuation Committee (e.g. the election form was lost in the post); or c) where the member has pre 1 April 2015 membership and Belfast City Council agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a
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	<p>detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with Belfast City Council is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).</p>
<p>8. How the pension contribution band/rate to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which, following a material change to the terms and conditions of a member's employment which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March), the pension contribution band/rate to which an employee has been allocated will be reviewed.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will allocate employees to pension contribution bands/rates based on their pensionable pay in each pay period.</p> <p>This will cover</p> <ul style="list-style-type: none"> • allocating a member to a contribution rate on 1 April • allocating a member to a contribution rate on joining the Scheme (after 1 April) • reallocating a member to a new contribution rate during a Scheme year (1 April to 31 March) following a material change to the terms and conditions of a member's employment which affects the member's pensionable pay (e.g. on promotion, demotion, re-grading, variation to a member's contractual hours, a change of job, or a move from a casual to a post with contractual hours) • reallocating a member to a new contribution rate each 1 April.
<p>9. Whether or not, when calculating assumed pensionable pay when a member is:</p>	<p>In assessing Assumed Pensionable Pay (APP) Belfast City Council will not, other than in exceptional circumstances, include in the calculation any 'regular</p>

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<ul style="list-style-type: none">- on reduced contractual pay or no pay on due to sickness or injury, or- absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity 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 <p>to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred.</p> <p>(No change to existing BCC discretion)</p>	<p>lump sum payments' in which case the decision to include the 'regular lump sum payment' will be subject to the approval of the Director of Finance and Resources</p>
<p>10. Whether to allow an active member longer than 30 days following return to work after a period of absence with permission (not due to illness, child-related leave or reserve forces service leave) to decide to apply to cover the lost pension through an Additional Pension Contract.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will only extend the 30 day deadline where Belfast City Council agrees that the available evidence indicates the member had not been informed of the 30 day time limit due to maladministration.</p>

Tables B-F

Policies on the discretions to be exercised under the LGPS Regulations in relation to those scheme members who left prior to 1 April 2015 and Policies on the discretions to be exercised under the Discretionary Compensation Regulations

<p>Table B: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 2009 and 31 March 2015</p>	<p>Belfast City Council policy</p>
<p>1. Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will consider an application to waive, on compassionate grounds³, any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each case will be considered on its merits and will be subject to the approval of the Director of Finance and Resources.</p>
<p>11. Whether, as the 85 year rule does not (other than on flexible retirement – see 3 of table A above) automatically apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.</p>	<p>Belfast City Council will not agree to switch the 85 year rule on in full where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where Belfast City Council considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> • Will be considered on the merits of the financial and / or operational business case out forward, and • Will require the approval of the Director of Finance and Resources

(change to existing BCC discretion following the Amendment Regulations 2016. This is now in line with employees who are active scheme members after the 31 March 2015 and members who cease active membership after 31 March 2015)	
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Table C: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 February 2003 and 31 March 2009	Belfast City Council policy
<p>1. Whether, on compassionate grounds⁴, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p> <p>(No change to existing BCC discretion apart from approval to bring in line with Scheme of Delegation)</p>	<p>Belfast City Council will consider an application to waive, on compassionate grounds, any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each case will be considered on its merits and will be subject to the approval of the Director of Organisational Development in consultation with the Director of Finance and Resources.</p>
<p>2. Whether, as the 85 year rule does not (other than on flexible retirement – see 3 of table A above) automatically apply to members who would otherwise be subject to it</p>	<p>Belfast City Council will not agree to switch the 85 year rule on in full where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in</p>

⁴ There is no definition in the Regulations of “compassionate grounds”. However, one could take the view that, for example, waiving a reduction because the member is short of funds / out of work would not be appropriate (as the pension scheme is not a social security scheme); whereas, for example, releasing benefits because the member has had to give up work to look after orphaned grandchildren would clearly be a case where an employer might wish to exercise compassion.

<p>and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.</p> <p>(change to existing BCC discretion following the Amendment Regulations 2016. This is now in line with employees who are active scheme members after the 31 March 2015 and members who cease active membership after 31 March 2015)</p>	<p>circumstances where Belfast City Council considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> • Will be considered on the merits of the financial and / or operational business case out forward, and • Will require the approval of the Director of Finance and Resources
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<p>Table D: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership before 1 February 2003</p>	<p>Belfast City Council policy</p>
<p>1. Whether, with the agreement of the Northern Ireland Local Government Officers' Superannuation Committee, to grant applications for the early payment of deferred pension benefits on or after age 50⁵ and before age 65 on compassionate grounds.</p> <p>(No change to existing BCC discretion)</p>	<p>Where a former scheme member who left the scheme before 1 February 2003 requests early release of deferred benefits on or after age 50 and before age 65 on compassionate grounds, the case will be considered on its merits and will be subject to the approval of the Director of Finance and Resources.</p>

⁵ It should be noted that benefits paid on or after age 50 and before age 55 will be subject to an unauthorised payments charge under the Finance Act 2004 and, where applicable, an unauthorised payments surcharge under that Act, but there would be no Scheme sanction charge.

<p>Table E: Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007</p>	<p>Belfast City Council policy</p>
<p>1. Whether to base a redundancy payment on an employee's actual weeks' pay where this exceeds the statutory week's pay limit of, currently, £500 per week (2017/18 figure).</p> <p>(No change to existing BCC discretion, updated to clarify position on employer pension contributions)</p>	<p>Any redundancy payment will be calculated on an employee's actual week's pay and not limited to the statutory weeks' pay limit where pay exceeds that limit. Actual pay does not include employer's pension contributions.</p> <p>For the purposes of calculating the statutory redundancy payment, where actual pay is less than the statutory payment limit, employer's contributions will be added to actual pay, provided this does not exceed the statutory limit in which case the statutory limit will be used to calculate the statutory payment.</p> <p>Continuous local government service, as defined under the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order (Northern Ireland) 1999, will be taken into account in the calculation of redundancy payments.</p>
<p>2. Whether to make a termination payment (inclusive of any redundancy payment) of up to a maximum of 104 weeks'</p>	<p>Redundant staff will receive a termination payment (to incorporate redundancy pay) calculated using the statutory redundancy payment formula but based on actual pay,</p>

<p>pay to employees whose employment is terminated on the grounds of redundancy or efficiency of the service.</p> <p>(No change to existing BCC discretion, updated to clarify position on employer pension contributions)</p>	<p>enhanced by a multiplier of 2.2. Actual pay does not include employer's pension contributions.</p> <p>For the purposes of calculating the statutory redundancy payment element, where actual pay is less than the statutory payment limit, employer's contributions will be added to actual pay, provided this does not exceed the statutory limit in which case the statutory limit will be used to calculate the statutory payment.</p> <p>A termination payment will be paid to employees whose employment is terminated on the grounds of efficiency of the service calculated using the statutory redundancy payment formula but based on actual pay, enhanced by a multiplier of 1.2</p>
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<p>Table F: Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2003</p>	<p>Belfast City Council policy</p>
<p>1. How a person's annual compensatory added years pension is to be abated during, and following the cessation of, any period of re-employment by an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted</p>	<p>Belfast City Council will, during any period of re-employment in local government (see note below), abate a person's annual compensatory added years' payment by the 'excess' if the aggregate of:</p>

<p>Body, in which case abatement only applies if the person is in, or eligible to be in, the LGPS in the new employment).</p> <p>(No change to existing BCC discretion)</p>	<ul style="list-style-type: none">- the annual compensation, and- the annual pension from the LGPS, and- the annual rate of pay from the new employment <p>exceeds the pay the person would have received from the employment in respect of which the compensatory added years were granted, based on the annual rate of pay at the date of ceasing the former employment as increased by the relevant cost of living increases (i.e. as increased by the rate at which an 'official pension' is increased under the Pensions (Increase) Act 1971). Index.</p> <p>Where compensatory added years were awarded on or after 24 March 2003, Belfast City Council will reduce a person's annual compensatory added years' payment following the cessation of a period of re-employment in local government (see note below) to the extent necessary to secure that if:</p> <ul style="list-style-type: none">- the period of compensatory added years granted in respect of the former employment, <p>plus</p> <ul style="list-style-type: none">- the period of membership the person has accrued in the LGPS (or would have accrued had he / she joined the scheme when first eligible to do so) during the period of re-
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	<p>employment in local government, counted at its part-time length, if the person was part-time,</p> <p>exceeds</p> <ul style="list-style-type: none">- the period of membership the person would have accrued during the period from the cessation of the former employment until age 65 on the assumption that he / she had continued in that former employment to age 65 (again counted at its part-time length if the person was part-time at the date of cessation of the former employment), <p>then</p> <ul style="list-style-type: none">- the annual pension and lump sum from the first job combined with the annual pension and lump sum from the second job (based on the assumption that the employee joined the LGPS when first eligible to do so), plus the annual compensation and lump sum compensation, shall not in aggregate exceed the pension and lump sum the person would have achieved if he / she had remained in the first job through to age 65. <p>Where there is an excess, the annual compensation will be reduced by the excess pension and, if the annual compensation is not reduced to nil, the amount of the remaining (reduced) basic annual compensation will then be suspended until the excess lump sum (if any) is recovered.</p>
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	<p>In calculating whether or not, in aggregate, the annual pension and lump sum from the first job, plus the annual pension and lump sum (if any) from the second job (based on the assumption that the employee joined the LGPS at the first opportunity), plus the annual compensation and lump sum compensation, exceeds the pension and lump sum the person would have achieved if he/she had remained in the first job through to age 65 it will be necessary to compare:</p> <p>a) the actual LGPS pre 1 April 2009 1/80th pension and 3/80ths lump sum, plus the actual LGPS post 31 March 2009 1/60th pension (ignoring any commutation for a lump sum), plus the actual 1/80th annual compensation and 3/80ths lump sum compensation, with</p> <p>b) the 1/80th LGPS pension and 3/80ths lump sum the member would have achieved in their first job to 31 March 2009, plus the 1/60th LGPS pension the member would have achieved in their first job (ignoring any potential commutation for a lump sum), if the member had stayed in the first job through to age 65.</p> <p>In determining the benefits the employee could have achieved had he / she remained in the first employment through to age 65 it will be necessary to determine the pensionable pay to be used in the calculation. For this purpose, the pensionable pay figure used in the calculation of the pension benefits in the first job will be used as brought up to date by increasing it in line with the Pensions Increase (Review) Orders.</p>
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If a person has been awarded more than one previous period of compensatory added years, e.g. as a result of being made redundant more than once, the abatement / claw back provisions are modified. In such a case, the rules under the former Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001 will be applied where a person ceases a period of re-employment in local government and has previously been granted more than one period of compensatory added years, but using the pay in the first job as increased in line with inflation (i.e. ignoring regulations 17(5)(a)(ii), 17(6) and 17(7) of the Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001.

Where compensatory added years were awarded before 24 March 2003 Belfast City Council will reduce a person's annual compensatory added years' payment following the cessation of a period of re-employment in local government (see note below) in accordance with the Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001.

Note: *'local government' means employment with an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body). Technically, an employee of an Admitted Body (i.e. a body that has applied to the administering authority to allow its employees to join the LGPS and has entered into a formal admission agreement) is only employed in 'local government' if he / she is a member of the LGPS.*

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<p>2. How any surviving spouse's or civil partner's annual compensatory added years pension is to be apportioned where the deceased person is survived by more than one spouse or civil partner.</p> <p>(No change to existing BCC discretion)</p>	<p>Belfast City Council will apportion any surviving spouse's or civil partner's annual compensatory added years pension where the deceased person is survived by more than one spouse or civil partner in such proportions as, at its sole discretion, it sees fit (based on the merits of the individual cases).</p>
<p>3. Whether, if the spouse or civil partner of a person who ceased employment before 1 February 2003 remarries, enters into a civil partnership or cohabits after 1 February 2003, the normal annual compensation suspension rules will be disapplied i.e. the spouse's or civil partner's annual compensatory added years pension will continue to be paid.</p> <p>(No change to existing discretion)</p>	<p>If the spouse or civil partner of a person who ceased employment before 1 February 2003 remarries, enters into a new civil partnership or cohabits after 1 February 2003, the normal annual compensation suspension rules will be disapplied i.e. the spouse's or civil partner's annual compensatory added years pension will continue to be paid.</p>