

Summary of changes to the (a) Managing Retirement policy (b) Pension Contribution Rate Appeals procedure

On 15th September 2015, the Finance, Policy and Recourses Committee approved the revised Managing Retirement policy and the revised Pension Contribution Rate Appeals procedure. Both required review following the introduction of the new Local Government Pension Scheme and new Scottish Teachers' Pension Scheme to ensure they reflected the content of the new Schemes.

(a) Managing Retirement Policy

The three changes made to this policy were as follows:-

1. The **Flexible Retirement Scheme** in Section 5 of the policy has been appropriately updated.

It now reflects the fact that to be eligible the employee must be aged 55 or over, in accordance with the regulations relating to the new Local Government Pension Scheme. Previously it had applied to existing scheme members (up to 31/3/10) from age 50.

An update has also been made to fully reflect the employer pension discretion concerning Flexible Retirement indicating that attempts will be made to accommodate requests where they are financially and operationally feasible with all cases requiring the approval of a Service Manager. In addition a paragraph has been added intimating that where a request is agreed, the benefits payable will be subject to any applicable actuarial reduction.

2. The **Teachers' Phased Retirement Scheme** in Section 5 of the policy has been appropriately updated.

A line has been added under the eligibility criteria indicating that the teacher cannot be older than 75 when they apply, to reflect the new Scottish Teachers' Pension Scheme regulations.

An addition has also been made indicating that a member may apply on three occasions before applying for their final retirement benefits, twice before age 60 and once when 60 or over, or three times when 60 or over.

3. The **Teachers' Winding Down Scheme** in Section 5 of the policy has been appropriately updated.

A line has been added indicating that the scheme applies to members who are either 'protected' or have 'tapered protection' and entered the Scottish

Teachers' Pension Scheme 2015 following winding down, again to reflect the new regulations.

Other necessary updates to terminology have been made as well as a general tidying up of wording.

(b) Pension Contribution Rate Appeals Procedure

The two changes made to this procedure were as follows:-

1. A change has been made to the second paragraph on page 2 whereby reference to part-time employees pension contribution rates being based on the full-time equivalent rate of pay (plus pensionable allowances) has been removed, with the contribution rate for part-time employees now based on their actual pensionable pay (plus pensionable allowances). This is in accordance with a change in pension regulations relating to the new Local Government Pension Scheme.
2. A line has been added to the third paragraph on page 2 in relation to amending an employee's pension contribution rate during the financial year where there has been a permanent and material change to the employee's terms of employment, making it clear that this must comprise an increase or decrease in pensionable pay of over £4000 per annum, pro-rated for part-time employees. This change is in accordance with the Council's employer discretions applying to the Local Government Pension Scheme, the change being the pro-rating for part-timers of the increase/decrease in pensionable pay of over £4000 per annum.

Other necessary updates to terminology have been made as well as a general tidying up of wording.