

## Human Resources and Facilities

### **Policy Statement on the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 Discretions**

This Policy Statement is only relevant to pension scheme members who were awarded compensatory added years pension upon retirement under the Regulations.

The Council stopped awarding compensatory added years to pension in 2008.

The relevant discretions are as follows:

#### **Part VI – The Effect of New Employment on Part IV Compensation**

If a member who is receiving a compensatory added years pension in accordance with Part IV of these Regulations is re-employed by a LGPS employer then the annual pension resulting from the award of a credited period will be reduced, or suspended, if the combined total of earnings from the new employment and pensions in payment exceed the value of the current rate of pay of the member's former employment.

It should be noted that this adjustment is in addition to any adjustment that may be made to the basic LGPS pension as a result of re-employment with a LGPS employer. Oxfordshire County Council has a policy, which it is required to make under other Regulations, as the administering Authority for the Oxfordshire LGPS fund, which is not to abate the pensions of re-employed pensioner members.

#### **Part VII – The effect of Cessation of New Employment on Part IV Compensation**

After ceasing the re-employment the credited period will be adjusted or stopped altogether if the resulting pension from the re-employment and the basic LGPS pension from the first employment exceed the value of the pension which could have been paid if the member had remained in the first employment until age 65.

#### **Part VII – Awards to Surviving Spouses and Children**

Where more than one current, legal spouse has survived a deceased person, the annual compensatory added years pension will be divided equally.

A spouse's pension will continue to be paid even if the spouse remarries or co-habits, unless at 1.4.98 a pension was already suspended due to remarriage.

In the very rare event of a children's compensatory added years pension being payable in circumstances not covered by the main Pension Regulations full details will be supplied to the appropriate officer for a determination.

#### **Review**

The Council will review this policy at the same time that it reviews the Pensions and Retirement Policy Statement unless it becomes necessary to review at another time.

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