Yorkshire Dales National Park Authority Item 7

Finance & Resources Committee

25 February 2025

Local Government Pension Scheme Employer Discretions Policy

Purpose of the Report

1. To present a revised Local Government Pension Scheme Employer Discretions Policy (**Appendix A**) and proposed amendments to the Flexible Working Policy relating to flexible retirement (**Appendix B**) to Committee.

Recommendation

2. That the revised Local Government Pension Scheme Employer Discretions Policy and amendments to the Flexible Working Policy are adopted.

Strategic Framework

3. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and support the strategic planning framework:

    - Corporate Plan Objective 33
      Ensure that we have HR policies, procedures, terms and conditions to attract and support the right people with the right skills to deliver the Authority's work effectively, as evidenced by accreditation under the Investors in People standard.

Background

4. As an employer member of the Local Government Pension Scheme (LGPS), the Authority has a statutory obligation to agree a series of discretions, and to keep those discretions under review and up to date. An agreed set of discretions, covered by a Discretions Policy, must be lodged with the appropriate pension fund manager, in our case, the North Yorkshire Pension Fund (NYPF).

5. The decision about which discretions to adopt rests with the Authority and there is no requirement to negotiate or consult on how to agree and apply the discretions as this is solely a decision for the participating employer.

6. The Authority has always sought to choose discretions that will limit additional costs, in order that it can continue to justify, in 'Best Value' terms, its ongoing participation in the LGPS. This approach mirrors that taken by North Yorkshire Council (NYC), the largest participating employer in the NYPF.

7. As part of their work in assisting participating employers to review and update their pension discretions, NYPF produced a proforma structure covering the main components of a discretions policy and this structure has been applied within the Authority's Discretions Policy.

8. Our employer discretions were last reviewed in 2020, so have been reviewed as part of the established (5 years maximum) cycle of reviewing all policies and strategies. Given the specialist nature of this policy and the complexity of the legislation, the Director of Corporate Services instructed a Pensions Lawyer to conduct the review to ensure that it remains accurate and fit for purpose.

9. The Discretions Policy was also shared with NYPF together with a copy of the Flexible Working Policy which contains provisions relating to flexible retirement.

Review

10. In general, the discretion 'solutions' proposed for the Authority are unchanged from the previous Discretions Policy. However, a statement has been included at the beginning of the Discretions Policy to clarify that the Authority will consider all relevant circumstances when making a decision. This recognises the legal requirement that the Authority must not fetter its discretion when setting out its policy.

11. The NYPF suggested that further guidance is included in the Flexible Working Policy about what the Authority will accept when applications for flexible retirement are made. Suggested changes to the Flexible Working Policy which clarify the Authority's position are highlighted. The position adopted adheres to the relevant Pensions regulations which say that staff must either reduce their hours or their grade and is also reflective of NYC position.

12. The Member Champion for Corporate Management and UNISON have been consulted on the reviewed Discretions Policy and the proposed additions to the Flexible Working Policy. They have no comments. SMT have also reviewed and commented on the changes.

Financial Implications

13. None.

Legal Implications

14. The Discretions Policy and Flexible Working Policy comply with legislative requirements.

Equality, Diversity and Inclusion Implications

15. An Equality Impact Assessment has been conducted and does not highlight any negative only impacts.

Clare Burrows
Director of Corporate Services

Appendix A

Document Status	
Date adopted	25 February 2025
Adopted by	Finance and Resources Committee
Lead Officer	Director of Corporate Services
Date of next review	February 2030

Local Government Pension Scheme Employer Discretions Policy

Introduction

1. The regulations governing the application of the Local Government Pension Scheme (LGPS) allow each employer to determine how certain discretionary provisions of the scheme will be applied. The following is a general statement of the Yorkshire Dales National Park Authority's (YDNPA/Authority) policy on the exercise of these discretions. The Authority is required to take into account all relevant circumstances when making a decision.

2. Due to changes to the LGPS over time, different regulations and provisions apply to pensions and pensionable service accrued under different arrangements. This Policy sets out the relevant discretions in different sections as listed below; at the start of each of each section, the Regulations applicable to those particular discretions are listed. Should any provision within this policy contradict any LGPS Regulation then the Regulation would apply.

Section	Description
1	Discretions from 1/4/14 in relation to post-31/3/14 active members and post-31/3/14 leavers
2	Discretions in relation to scheme members who ceased active membership on or after 1/4/08 and before 1/4/14
3	Discretions in relation to scheme members who ceased active membership on or after 1/4/98 and before 1/4/08
4	Discretions in relation to scheme members who ceased active membership before 1/4/98
5	Discretions in relation to redundancy and compensatory payments on the early termination of employment
6	Discretions in relation to any compensatory added years awarded before 1/4/07
7	Injury allowances as they apply to leavers, deaths and reductions in pay that occurred after 15/1/12
8	Injury allowances as they apply to leavers, deaths and reductions in pay that occurred before 16/1/12

Definitions

3. Within the Regulations all discretions have a classification as follows:

   Mandatory – the Authority must formulate, publish and keep under review a policy on these discretions.

   Recommended - there is no requirement for the Authority to publish a written policy on these discretions. However, as these matters arise fairly frequently it may be appropriate so that scheme members can be clear on the policy on these matters.

   Less common - there is no requirement for the Authority to publish a written policy on these discretions, though it may choose to do so.

4. Within a number of the discretions, reference is made to **administrative shortcomings,** particularly in relation to the permitted period for the transfer to the LGPS of pension rights accrued under a different pension scheme. The following would be considered a potential administrative shortcoming:

- A scheme member is not given appropriate advice/information to enable them to transfer pension rights;

- A scheme member contacts the Authority, the North Yorkshire Pension Fund (NYPF) or a previous pension scheme regarding transfer within 12 months but does not receive correct or sufficient information to enable them to make a proper decision;

- A scheme member believes that the action they have taken within 12 months is sufficient to have effected transfer;

- A scheme member has used their best endeavours to affect a transfer within 12 months of joining the scheme but the transfer hasn't taken place for reasons outside their control, e.g. investigation into mis-selling or winding up of a previous pension fund.

Injury Allowances

5. The process for the consideration and approval of injury allowances set out in Section 7 and Section 8 is set out in **Appendix 1** to this policy.

Application

6. This policy will apply from the date of approval and replaces all previous employer discretion policies from that date. The policy in force at the time of a relevant event occurring will be the one that is applied.

7. A decision regarding the application of these discretions will be made by the Director of Corporate Services in consultation with the Section 151 Officer. The Chief Executive will be the decision maker for Directors.

8. The definition of Pensionable Pay applicable to this policy is set out in **Appendix 2**.

Section 1
Discretions from 1/4/14 in relation to post 31/3/14 active members and post 31/3/14 leavers.

Applicable Regulations:
R = Local Government Pension Scheme (LGPS) Regulations 2013 (SI 2013/2356)
TP = LGPS (Transitional Provisions, Savings and Amendments) Regulations 2014
A = LGPS (Administration) Regulations 2008 (SI 2008/239)
B -= LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended) (SI 2007/1166)
L = LGPS Regulations 1997 (as amended) (SI 1997/1612)

Regulations are marked M (Mandatory), R (Recommended) or LC (Less Common) according to their status.

Area	Discretion	Reg.	Policy
Granting 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 - figure at 1 April 2014. This is inflation proofed annually)	**R**31 (M)	YDNPA will not grant additional pension to a member.
Shared cost Additional Pension Contributions (to buy additional pension)	Whether, how much and in what circumstances to contribute to a shared cost Additional Pension Contributions (APC) scheme A member can buy back lost pension through an APC arrangement. The discretion is whether the employer will choose to share the cost of the APC if the member of staff elects to buy back the pension after 30	**R**16(2)(e) & **R**16(4)(d) (M)	YDNPA will only contribute to Shared Cost Additional Pension Contributions when an employee has opted to buy back 'lost' pension related to a period of authorised unpaid leave (including sickness absence) within 30 days of returning to work from that leave If applicable, the employee will pay one third of the cost of the Shared Cost APC and the Authority will pay two thirds of the cost. YDNPA will consider applications to share the cost of the APC if the member of staff elects to buy back the pension **after**

	days of returning to work.		30 days of returning to work on a case by case basis.
Flexible retirement	Whether all or some benefits can be paid if an active member aged 55 or over and with at least 2 years qualifying service reduces their hours or grade (flexible retirement)	**R**30(6) & **TP**11(2) (M)	YDNPA will consider applications in accordance with its **Flexible Working** Policy
	Whether to waive, in whole or in part, actuarial reduction to benefits paid on flexible retirement	**R**30(8) (M)	YDNPA will not waive any actuarial reduction on benefits paid on flexible retirement and applications for flexible retirement will be considered in line with the process set out in the Authority's Flexible Working Policy
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)	**TP**Sch 2, para, 1(2) &1(1)(c) (M)	YDNPA will not switch on the 85 Year Rule for any employee voluntarily drawing benefits on or after age 55 and before age 60
Waive 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 1/4/14 and post 31/3/14 membership) a) on compassionate grounds (pre 1/4/14 membership) and in whole or in part on any grounds (post 31/3/14 membership) if the member was	**TP**3(1), **TP**Sch 2 para 2(1), & B30(5), B30A(5) (M)	YDNPA will not waive any actuarial reduction arising out of a voluntary early or flexible retirement. YDNPA will pay any pension strain costs arising out of ending of employment on the grounds of redundancy or in the interests of the efficient exercise of the Authority's functions.

	not in the Scheme before 1/10/06, (Group 4) b) on compassionate grounds (pre 1/4/14 membership) and in whole or in part on any grounds (post 31/3/14 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will not attain 60 between 1/4/16 and 31/3/20 inclusive (Group 3) c) on compassionate grounds (pre 1/4/16 membership) and in whole or in part on any grounds (post 31/3/16 membership) if the member was in the Scheme before 1/10/06 and will be 60 by 31/3/16 (Group 1) d) on compassionate grounds (pre 1/4/20 membership) and in whole or in part on any grounds (post 31/3/20 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will attain 60 between 1/4/16 and 31/3/20 inclusive (Group 2)		
	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	**R**30(8) (M)	YDNPA will not waive any actuarial reduction on benefits paid which a member voluntarily draws before pension age.

	only has post 31/3/14 membership)		
Shared cost Additional Pension Contributions (to buy lost pension following a period of authorised unpaid absence)	If a member has an **authorised unpaid** absence (not including illness or injury, relevant child-related leave or reserve forces service leave) and within 30 days of returning to work they elect to buy back the lost pension, the employer must share the cost (2/3rds) The discretion is whether to extend the 30 day deadline for a member to elect for a shared cost APC	**R**16(16) (R)	YDNPA will consider extending the 30 day deadline if there is evidence of administrative shortcomings.
Transferring in non LGPS pension rights	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	**R**100(6) (R)	YDNPA will allow members to opt to transfer pension rights beyond the 12 month period in exceptional circumstances and/or if there is evidence of administrative shortcomings.
Transferring in LGPS pension rights (only for pre 1.4.14 re-joiners)	Whether to extend the 12 month option period for aggregation of deferred benefits	**A**16(4)(b)(ii) (R)	YDNPA will permit aggregation beyond 12 months in exceptional circumstances and/or if there is evidence of administrative shortcomings.
Transferring in LGPS pension rights (only for post 1.4.14 re-joiners)	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment	**R**22(8)(b) (R)	YDNPA will only extend the 12 month option period in exceptional circumstances and/or if there is evidence of administrative shortcomings.
	Whether to extend the 12 month option period for a member to elect that deferred	**R**22(7)(b) (R)	YDNPA will only extend the 12 month option period in exceptional circumstances and/or if

	benefits should not be aggregated with an ongoing concurrent employment		there is evidence of administrative shortcomings.
Transferring in LGPS pension rights (i.e. final salary benefits which will buy CARE pension only for post 1.4.14 re-joiners)	Whether to extend the 12 month option period for a member (who did not become a member of the 2014 Scheme by virtue of **TP**5 (1)) to elect that pre 1 April 2014 deferred benefit should be aggregated with a new employment	**TP**10 (6) (R)	YDNPA will permit aggregation beyond 12 months in exceptional circumstances and/or if there is evidence of administrative shortcomings.
Employee contribution rate	Employers to assess the relevant contribution band to determine the rate of employee contribution. Banded contribution rates for employees are based on actual pensionable pay received and not whole time equivalent salary. Employers to allocate appropriate band at each 1 April and determine other circumstances in which the banding will be reviewed.	**R**9(1) & **R**9(3) (R)	On 1 April each year, YDNPA will allocate the appropriate band for all members' pensionable pay based on current salary. Where there are any subsequent adjustments to pay, including promotions, pay awards notified after 1 April, changes in hours/FTE (reductions or increases) and other pensionable payments, the banding will be amended accordingly by the Authority's payroll system. Casual workers will be allocated to the lowest available contribution rate band, and this will only be adjusted if their eventual pay exceeds that band limit.
Assumed Pensionable Pay (APP)	In determining APP, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	**R**21(5) (R)	YDNPA would typically include lump sum payments in the calculation of APP where there is evidence that the lump sums were regularly received.
	Where in the employer's opinion, the pensionable pay	**R**21(5A) & **R**21(5B) (R)	YDNPA would typically allow the substitution of a higher level of pensionable

	received in relation to an employment (adjusted to reflect any lump sum payments if appropriate) in the 3 months (or 12 weeks if not paid monthly) before the start of APP, is materially lower than the level of pensionable pay the member would have normally received The discretion is whether to substitute a higher level of pensionable pay by taking into account the pensionable pay received by the member in the previous 12 months		pay assessed over the previous 12 month period.
Late conversion of AVCs to service	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13/11/01)	**TP**15(2A)(b) & **L**66(8) & former **L**66(9)(b) (LC)	YDNPA will typically only extend the 30 day deadline if there is evidence of administrative shortcomings.
Shared cost AVCs	Whether, how much, and in what circumstances to contribute to shared cost AVC arrangements	**R**17(1) & definition of SCAVC in **R**Sch 1 (LC)	YDNPA may pay SCAVC contributions where an employee has elected to pay AVCs by salary sacrifice. The amount of these employer SCAVC contributions will not exceed the amount of salary sacrificed by the employee. This is an Authority discretion which is subject to the employee meeting the Authority's conditions for acceptance

			into the Salary Sacrifice Shared Cost AVC Scheme and may be withdrawn or changed at any time.
Refund of contributions - member left due to an offence/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	**R**19(2) (LC)	YDNPA will consider whether or not to make a refund based on the merits of each case, taking advice from Internal Audit.
Pensionable payments	**Specify in an employee's contract** what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	**R**20(1)(b) (LC)	YDNPA reserves the right to specify what, if any, other payments or benefits are to be pensionable in accordance with the Regulations but will automatically include 'detriment' or 'protected' pay as pensionable pay. See **Appendix 2** for guidance on pensionable and non-pensionable pay.
T3 Ill health review	Determine whether person in receipt of Tier 3 ill health pension has started gainful employment	**R**37(3) & (4) (LC)	YDNPA may make a determination whether to suspend or cease the pension, if it is made aware that such a person has stated gainful employment (more than 30 hours per week for more than 12 months).
T3 Ill health review overpayments	Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	**R**37(3) (LC)	YDNPA may recover any overpaid Tier 3 pension following commencement of gainful employment.
Deferred member - Ill health	Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of	**R**38(3) (LC)	YDNPA will be guided by the Recommendation of an independent registered Medical Practitioner (IRMP). Payment of pension benefits will commence from the date that YDNPA makes the

	undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner		decision that the member meets the criteria for early release of deferred benefits.
T3 Ill health recommencement	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	**R**38(6) (LC)	YDNPA will be guided by the Recommendation of an independent registered Medical Practitioner (IRMP). Payment of pension benefits will commence from the date that YDNPA makes the decision that the member meets the criteria for early release of deferred benefits.
Forfeiture certificate	Whether to apply to Secretary of State for a forfeiture certificate where member is convicted of a relevant offence (a relevant offence is an offence committed in connection with an employment in which the person convicted is a member, and because of which the member left the employment)	**R**91(1) & (8) (LC)	YDNPA will consider whether or not to apply for and enact a certificate based on the merits of each case, taking advice from Internal Audit.
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see **R**95 below)	**R**91(4) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly, based on the merits of each case, taking advice from Internal Audit.
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	**R**92(1) & (2) (LC)	YDNPA will not direct that interim payments are made from the Pension Fund pending a decision.

Recovery of monetary obligation	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits from transferred in pension rights or APCs or AVCs or, subject to R95 below, in respect of any GMP) where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	**R**93(2) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly, based on the merits of each case, taking advice from Internal Audit.
Guaranteed Minimum Pensions (GMP) forfeiture	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under **R**91 or recovery of a monetary obligation under **R**93 should deprive the member or the member's surviving spouse or civil partner of any GMP entitlement.	**R**95 (LC)	This will be considered on a case-by-case basis taking into account all of the relevant considerations.
Bulk transfer	Whether to agree to bulk transfer payment where two or more members' active membership ends on their joining a registered non local	**R**98(1)(b) (LC)	YDNPA will consider whether or not to agree on the merits of each case after consideration with the Administering Authority and after having taken appropriate actuarial advice.

	government pension scheme		
Final pay period (fees)	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending 31st March in the 10 years prior to leaving	**TP**3(6), **TP**4(6)(c), **TP**8(4), **TP**10(2)(a), **TP**17(2)(b) & **B**11(2) (LC)	YDNPA will allow members to so choose.

Section 2
Discretions in relation to scheme members who ceased active membership on or after 1/4/08 and before 1/4/14.

Applicable Regulations:
A = LGPS (Administration) Regulations 2008
B -= LGPS (Benefits, Membership and Contributions) Regulations 2007
T = LGPS (Transitional Provisions) Regulations 2008 (SI 2008/238)

Regulations are marked M (Mandatory) or LC (Less Common) according to their status.

Area	Discretion	Reg.	Policy
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).	**TP**Sch 2, para, 1(2) &1(1)(c) (M)	YDNPA will not switch on the 85 Year Rule for any employee voluntarily drawing benefits on or after age 55 and before age 60.
	Whether to "switch on" the 85 year rule for a pensioner member with deferred benefits (i.e. a suspended tier 3 ill health pensioner) voluntarily drawing benefits on or after age 55 and before age 60.	**TP**Sch 2, para, 1(2) &1(1)(c) (M)	YDNPA will not switch on the 85 Year Rule for a pensioner member with deferred benefits (i.e. a suspended tier 3 ill health pensioner) voluntarily drawing benefits on or after age 55 and before age 60.
Waive reduction	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under **B**30 (member)	**B**30(5), TPSch 2 para 2(1) (M)	Applications from deferred pensioners will be considered on compassionate grounds, taking into account the costs of waiving any reduction..
Waive reduction	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under **B**30A (pensioner member with deferred benefits, i.e. a suspended tier 3 ill health pensioner)	**B**30A(5) TPSch 2 para 2(1) (M)	Applications from deferred pensioners will be considered on compassionate grounds, taking into account the costs of waiving any reduction.
Late conversion of AVCs to service	Allow late application to convert scheme AVCs into membership credit	**T**Sch1 & **L**66(8) &	YDNPA will only extend the 30 day deadline if there is evidence of

	i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13/11/01)	former **L**66(9)(b) (LC)	administrative shortcomings.
Refund of contributions - member left due to an offence/grave misconduct	No right to return of contributions where member left 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	**A**47(2) (LC)	YDNPA will consider whether or not to make a refund based on the merits of each case, taking advice from Internal Audit.
Forfeiture certificate	Whether to apply to Secretary of State for a forfeiture certificate where member is convicted of a relevant offence (a relevant offence is an offence committed in connection with an employment in which the person convicted is a member, and because of which the member left that employment)	**A**72(1) & (6) (LC)	YDNPA will consider whether or not to apply for and enact a certificate based on the merits of each case taking advice from Internal Audit.
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	**A**72(3) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly, based on the merits of each case taking advice from Internal Audit.
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	**A**73(1) & (2) (LC)	YDNPA will not direct that interim payments are made from the Pension Fund pending a decision.
Recovery of monetary obligation	Whether to recover from Fund any monetary	**A**74(2) (LC)	YDNPA will consider whether or not to recover

	obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment		and reduce benefits accordingly, based on the merits of each case and in the light of advice from Internal Audit.
	Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left employment because of that fraudulent offence or grave misconduct), or amount of refund if less	**A**76(2) & (3) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly, based on the merits of each case, taking advice from Internal Audit.
Deferred member - Ill health	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	**B**31(4) (LC)	YDNPA will be guided by the Recommendation of an independent registered Medical Practitioner (IRMP). Payment of pension benefits will commence from the date that YDNPA makes the decision that the member meets the qualifying criteria.
T3 Ill health recommencement	Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment	**B**31(7) (LC)	YDNPA will be guided by the recommendation of an independent registered Medical Practitioner (IRMP). See above

Section 3
Discretions in relation to scheme members who ceased active membership on or after 1/4/98 and before 1/4/08.

Applicable Regulations:
L = LGPS Regulations 1997 (as amended) (SI 1997/1612)
R = Local Government Pension Scheme (LGPS) Regulations 2013 (SI 2013/2356)
TP = LGPS (Transitional Provisions, Savings and Amendments) Regulations 2014 (SI 2014/525)

Regulations are marked M (Mandatory) or LC (Less Common) according to their status.

Area	Discretion	Reg.	Policy
Employer consent retirement	Grant application for early payment of deferred benefits on or after age 50 and before age 55	**L**31(2) (M)	YDNPA will not grant early payment of deferred benefits before the age of 55.
Waive reduction	Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early	**L**31(5) & **TP**Sch 2, para 2(1) (M)	YDNPA will not waive actuarial reduction on deferred benefits paid early.
Employer consent at Normal Retirement Date (NRD) for optant out	Where a member who opted out of the scheme continues to be employed by a Scheme employer, the member is only entitled to receive their benefits at NRD if their employer consents to them doing so (in respect of a member who opted out of the scheme after 31/3/98 and before 1/4/08).	**L**31 (7A) (M)	YDNPA will agree to optants out being able to get benefits paid from their NRD.
85 Year Rule	Whether to "switch on" the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	**TP**Sch 2, para 1(2) & 1(1)(f) & R60 (M)	YDNPA will not switch on the 85 Year Rule for any deferred member voluntarily drawing benefits on or after age 55 and before age 60.
No double entitlement	Decide, in the absence of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member	**L**34 (1)(b) (LC)	YDNPA will choose to automatically apply the regulations of greatest benefit to the employee.

	would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership. (i.e. where a member is entitled to the 'normal' payment of a preserved benefit and an ill health benefit from preserved status, they are not entitled to both payments. In the absence of an election from the member, the employer can decide which benefit can be paid)		
Refund of contributions - member left due to an offence/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	**L**88(2) (LC)	YDNPA will consider whether or not to make a refund based on the merits of each case, taking advice from Internal Audit.
Forfeiture certificate	Forfeiture of pension rights on issue of Secretary of State's certificate following a relevant offence (a relevant offence is an offence committed in connection with an employment in which the person convicted is a member, and because of which the member left the employment)	**L**111(2) & (5) (LC)	YDNPA will consider whether or not to apply for and enact a certificate based on the merits of each case, taking advice from Internal Audit.
	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	**L**112(1) (LC)	YDNPA will not direct that interim payments are made from the Fund pending a decision.

Recovery of monetary obligation	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights)	**L**113(2) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly based on the merits of each case and in the light of advice from internal audit.
	Recovery from Fund of financial loss caused by employee, or amount of refund if less	**L**115(2) & (3) (LC)	YDNPA will consider whether or not to recover and reduce benefits accordingly based on the merits of each case and in the light of advice from internal audit.

Section 4
Discretions in relation to scheme members who ceased active membership before 1/4/98.

Applicable Regulations:
L = LGPS Regulations 1995 (as amended) (SI 1995/1019)
TL = LGPS (Transitional Provisions) Regulations 1997 (SI 1997/1613)

Regulations are marked M (Mandatory) or LC (Less Common) according to their status.

Area	Discretion	Reg.	Policy
Employer consent retirement	Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds	**TP**3(5A)(vi) **TL**4 & **L**106(1) & D11(2)(c) (M)	YDNPA will not grant applications for early payment of deferred benefits between the ages of 50 and 55. Over the age of 55, YDNPA will consider on a case by case basis.
No double entitlement	Decide, in the absence of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership. (i.e. where a member is entitled to the 'normal' payment of a preserved benefit and an ill health benefit from preserved status, they are not entitled to both payments. In the absence of an election from the member, the employer can decide which benefit can be paid)	D10 (LC)	YDNPA will choose to automatically apply the regulations of greatest benefit to the employee.

Section 5
Discretions in relation to redundancy and compensatory payments on the early termination of employment

Applicable Regulations:
Local Government (Early Termination of Employment) (Discretionary Compensation) (England and wales) Regulations 2006 (as amended) (SI 2006/2914)

All Regulations are Mandatory.

Area	Discretion	Reg.	Policy
Redundancy Pay on actual weeks' pay	To base redundancy payments on actual weeks pay where this exceeds the statutory weeks' pay limit	5 (M)	YDNPA uses actual salary (= actual weekly pay) in the calculation of redundancy payments. Where the resultant value exceeds the statutory weekly capped amount, the higher of actual weekly pay or the statutory weekly pay will be used. These entitlements will be applied to part-time staff on a pro-rata basis.
Lump sum compensation	To award lump sum compensation of up to 104 weeks' pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment	6 (M)	YDNPA will not award any lump sum compensation[1] in any situation.

[1] This refers to compensation in the form of added years (expressed as weeks) of pension entitlement, and not to redundancy pay.

Section 6
Discretions in relation to any Compensatory Added Years (CAY) awarded before 1/4/07.

Applicable Regulations:
Local Government (Early Termination of Employment) (Discretionary Compensation) (England and wales) Regulations 2000 (as amended) (SI 2000/1410)

All Regulations are Mandatory.

Area	Discretion	Reg.	Policy
Abatement during re-employment	Whether and to what extent to reduce or suspend the member's annual compensatory added years (CAY) payment during any period of re-employment in local government	17 (M)	YDNPA will make a determination after consultation with the administering Authority and having regard to the date of the original award.
Reduction following cessation of re-employment	How to reduce the member's annual CAY payment following the cessation of a period of re-employment in local government	19 (M)	YDNPA will make a determination after consultation with the administering Authority and having regard to the date of the original award.
Apportionment of survivor benefit	How to apportion any surviving spouse's or civil partner's annual CAY payment where the deceased person is survived by more than one spouse or civil partner	21(4) (M)	YDNPA will consider on a case by case basis.
Effects of remarriage, new civil partnership or co-habitation on survivor's compensation payments	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual CAY payments should continue to be paid	21(7) (M)	YDNPA will consider on a case by case basis.
	If, under the preceding decision, the authority's	21(5) (M)	If YDNPA determined to suspend such payment, it

	policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual CAY payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation		will reinstate after the end of the remarriage, new civil partnership or cohabitation.
	Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or co-habitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them	21(7)(M)	YDNPA will consider on a case by case basis.

Section 7
Injury allowances as they apply to leavers, deaths and reductions in pay that occurred after 15/01/12.

Applicable Regulations:
Local Government (Discretionary Payments) (Injury Allowance) Regulations 2011 (SI 2011/2954).

It is a **mandatory** requirement to have all of the following discretions in place; the Policy decisions have been captured within the Authority's Injury Allowance Payment Scheme (*see* **Appendix 1).**

Discretion	**Reg.**	**Policy**
Whether to grant an injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job	3(1)	YDNPA will consider each case on its merits.
Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job	3(4) and 8	Any injury allowance will not exceed the amount of the reduction in remuneration offset against any other benefits, payments or awards received in relation to the injury or disease.
Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1) (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job)	3(2)	Any injury allowance granted will cease when the employee leaves employment with YDNPA. The injury allowance will be reviewed should the employee's circumstances change, e.g. in relation to the employee's working or earning capacity or other payments received.
Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job	4(1)	YDNPA will consider each case on its merits.
Amount of injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job	4(3) and 8	Any injury allowance granted will not exceed 85% of the employee's final pensionable remuneration, offset against any other benefits, payments or awards received in relation to the injury or disease.
Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity)	4(2)	Any injury allowance will cease when the employee reaches their state pension age or is granted tier 1 ill-health retirement.
Whether to suspend or discontinue injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	4(5)	Any injury allowance will be reassessed or suspended if the employee becomes capable of working again.

Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a regulation 3 payment (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job) was being made at date of cessation of employment but regulation 4 (loss of employment through permanent incapacity) does not apply	6(1)	YDNPA will not make an injury allowance award.
Determine amount of any injury allowance to be paid under regulation 6(1) (payment of injury allowance following cessation of employment)	6(1)	YDNPA will not make an injury allowance award.
Determine whether and when to cease payment of an injury allowance payable under regulation 6(1) (payment of injury allowance following cessation of employment)	6(2)	YDNPA will not make an injury allowance award.
Whether to grant an injury allowance to the spouse, civil partner, co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job	7(1)	YDNPA will consider each case on its merits.
Determine amount of any injury allowance to be paid to the spouse, civil partner or co-habiting partner under regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job)	7(2) and 8	Any injury allowance granted will not exceed 85% of the employee's final pensionable remuneration, offset against any other benefits, payments or awards received in relation to the injury or disease.
Determine whether and when to cease payment of an injury allowance payable under regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job)	7(3)	Any injury allowance granted will cease at the date when the employee would have reached their state pension age or may be reviewed if the beneficiary remarries, enters u into a new civil partnership or cohabits.

Section 8
Injury allowances as they apply to leavers, deaths and reductions in pay that occurred before 16/01/12.

Applicable Regulations:
Local Government (Discretionary Payments) Regulations 1996 (as amended) (SI 1966/1680).

The following discretions all fall to be classed as 'Less Common', and there is no requirement for the Authority to publish a written policy on these discretions. In this instance, it has been decided to include these discretions as they already formed part of the preceding Discretions Policy, published in 2020. The implications of these policy decisions have been captured within the Authority's Injury Allowance Payment Scheme (see **Appendix 1**).

Discretion	**Reg.**	**Policy**
Suspend or discontinue injury allowance if person becomes capable of working again	34(4)	Any injury allowance will be reassessed or suspended if the employee becomes capable of working again.
Amount and duration of a dependent's, spouse's or civil partner's injury allowance following death of employee after sustaining an injury or contracting a disease as a result of anything required to do in carrying out duties of job	37(3), 37(6) and 38	Any injury allowance granted will not exceed 85% of the employee's final pensionable remuneration, offset against any other benefits, payments or awards received in relation to the injury or disease. This allowance will cease at the date when the employee would have reached the state pension age or may be reviewed if the beneficiary remarries, enters into a new civil partnership or cohabits.
Reinstate spouse's or civil partner's injury allowance following earlier cessation due to cohabitation, remarriage or registration of a new civil partnership	37(4)	If the YDNPA determined to suspend such payment, it will consider reinstating it after the end of the remarriage, new civil partnership or cohabitation.
Amount of gratuity payable to surviving dependent, spouse or civil partner where amount of annuity payments fall short of their capital value at date of award	41(4)	YDNPA will not award a further gratuity.
Amount of gratuity payable to surviving dependent, spouse or civil partner where amount of *redundancy* annuity payments fall short of their capital value at date of award.	42(4	YDNPA will not award a further gratuity.
Amount of gratuity payable to *any other* surviving dependent, spouse or civil partner where amount of annuity payments paid under 42(4) fall short of their capital value at date of award.	42(7)	YDNPA will not award a further gratuity.

Appendix 1

Injury Allowance Payment Scheme

1. Introduction

1.1 Any employee who sustains an injury or contracts a disease whilst at work which results in permanent incapacity may apply to the Authority for an injury allowance. In the event that an employee dies in the course of their duties, their dependents may be awarded an allowance.

1.2 The scheme as set out here applies the provisions of the Authority's LGPS Employer Discretions Policy and should be read in conjunction with that policy.

1.3 Allowances are decided and paid by the Authority and not by the North Yorkshire Pension Fund (NYPF), although any payment awarded is administered by NYPF. The award of an allowance is not an admission of any liability.

1.4 Granting of any award is discretionary.

2. Scope and Eligibility

2.1 Any employee of the Authority who is eligible to be a member of the LGPS may apply for an allowance under this scheme. Membership of the scheme is not necessary.

2.2 The scheme applies where an employee sustains an injury or contracts a disease as a result of anything they were required to do in carrying out their work and, as a result, suffers permanent incapacity. Such incapacity results in the employee being unable to work again or only able to work in a 'reduced capacity', that is, their remuneration or potential remuneration is permanently reduced, or in their death.

2.3 The Authority will consider a payment of an injury allowance in the following situations:

- Where permanent incapacity results in loss of employment;
- Where permanent incapacity results in the employee only being able to work in a reduced capacity such that their remuneration or potential remuneration is permanently reduced;
- On the death of an employee.

2.4 To be eligible for consideration, the injury must have occurred or the disease contracted 'during the course of employment'. If the accident/injury occurred during the journey to or from work including home to work travel in an Authority vehicle (this includes vehicles issued to Rangers and other staff who are routinely permitted to use those vehicles for home to work travel) or during a lunch break, this would not be construed as 'during the course of their employment'.

3. Conditions

3.1 The Authority may choose to review appropriate cases from time-to-time or in the event that the employee's circumstances change, for example, in relation to the employee's working or earning capacity or other payments received.

3.2 The Authority will have regard to all the circumstances including the degree of the injury sustained or the severity of the disease contacted in determining the amount of any award/allowance.

3.3 The conditions for the termination or review of payments, detailed for each type of injury allowance, are included in sections (i) to (iii), below.

3.4 Any award assessed will be reduced by the full amount of any other benefits or payments or awards received in relation to the injury or disease, including ill health or other pension payments (whether LGPS or otherwise), statutory benefits, compensation and damages/insurance payments. On request, the employee must furnish the Authority with documentary evidence of all of the above and any other income/capital that may be relevant.

3.5 The Authority may choose to pay a lump sum or annual allowance. Any lump sum payments or awards may be taken at 1/12th of their amount to produce a comparative 'annual' income.

3.6 Any change in circumstances must be notified immediately to the Director of Corporate Services, e.g. relating to the employee's working or earning capacity or withdrawal of benefits relating to the injury or disease. If the employee fails to notify the Authority of any relevant change, the Authority may later seek to recover all or part of any allowance made since the change of circumstances.

3.7 If the Authority decides there should be a regular review of the allowance, the employee will be advised of its decision and any allowance may be suspended or terminated if the employee does not comply with reasonable requests on review.

3.8 The amount of any award is at the discretion of the Authority.

(i) Claim for loss of employment through permanent incapacity

3.9 Where an employee ceases employment due to permanent incapacity as a direct result of injury or disease contracted in the course of carrying out their employment, the Authority may consider paying the employee an allowance not exceeding 85 per cent of the employee's annual rate of pensionable remuneration at the point the employment ceased. Any allowance will be offset against other payments detailed in paragraph 3., above.

3.10 Where the employee was receiving no pay or reduced pay at the time the employment ended because of absence, the Authority will assess the remuneration on the basis of the pay the employee would have received but for being absent.

3.11 The Authority may suspend or discontinue the allowance if the former employee becomes capable of gainful employment.

3.12 Under this policy, “gainful employment” means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

3.13 Payment of the allowance will cease when the employee reaches their state pension age or is granted Tier 1 ill-health retirement.

(ii) Claim for reduction in remuneration

3.14 Whilst an employee is receiving reduced pay as a direct result of an injury or disease contracted in the course of carrying out their employment, the Authority may consider paying the employee an allowance while the reduction in pay continues.

3.15 The value of the allowance, when added to the reduced pay being received by the employee, will not be of a value that means the employee receives total pay in excess of the pay that they would normally expect to have received but for their injury or disease. The allowance will be offset against other payments detailed in paragraph 3.4 above.

3.16 In determining the amount of allowance to award, the Authority will take into account a deduction for national insurance contributions. The amount of the allowance will not be regarded as pensionable pay.

3.17 Should the employee’s remuneration change as a result of a move to another role within the Authority or due to a change in the employee’s capacity, either improvement or deterioration, then their allowance will be reviewed.

3.18 The award will be payable from the date remuneration was reduced and may be increased in line with cost of living rises where appropriate. The allowance will cease when the employee leaves the Authority.

3.19 Where an employee has been entitled to an allowance under this provision and ceases to be employed, is not entitled to an award for permanent incapacity, but is entitled to an annual retirement pension and the amount of that pension fall short of any allowance paid under this provision, the Authority may pay the employee an allowance. This allowance shall not exceed the shortfall between the pension payment and the award under this provision.

(iii) Death award[2]

3.20 Where an employee dies as a direct result of injury or disease contracted in the course of carrying out their employment, the Authority may consider paying an

[2] Note that a member of the Pension Scheme who dies in service is entitled to a separate Death Grant of three times pensionable pay; the Authority also holds insurance against its employer liabilities (which may also be relevant where such a death is caused directly by the Authority’s actions). The Death Award described above is separate from either of these other two potential payments and is discretionary. It is likely only to be applicable in exceptional cases, for example as a result of an employee contracting a fatal disease or condition (e.g. asbestosis) linked to work practices.

annual allowance or a lump sum to a surviving spouse, civil partner, nominated co-habiting partner, or dependent (as defined by the Regulations).

3.21 The Authority may determine the amount of the allowance or lump sum having regard to all the circumstances of the case. The Authority may review the amount of any allowance at any time.

3.22 Where the employee was receiving no pay or reduced pay at the date of death because of absence related to the injury or disease, the Authority will assess the remuneration on the basis of the pay the employee would have received but for being absent. The allowance will be offset against other payments detailed in paragraph 3.4, above.

3.23 An allowance to a dependent ("an eligible child") shall continue for such period as the Authority may determine and will be considered on a case-by-case basis, having regard to all the relevant circumstances.

3.24 Any allowance to widow or widower, surviving civil partner or nominated cohabiting partner will be reviewed on remarriage, civil partnership or cohabitation. An allowance will not be payable if the individual's marriage to, or civil partnership or cohabitation with, the employee took place after the event causing the injury or illness.

4. Application Procedure

4.1 Applications under the Scheme must be made without unreasonable delay (which will depend on the specific circumstances of the case).

4.2 The employee is required to claim the injury allowance in writing and to provide all information or evidence they wish to submit in support of the claim. In the event of a claim after death, this should be submitted by the Executor or Administrator of the estate.

4.3 Claims should be directed to the Head of HR, who will refer the employee (or written evidence in the case of death) to the Authority's Occupational Health provider who will in turn refer the application to an Independent Registered Medical Practitioner (IRMP) who will be asked to advise on:

- Whether the injury or disease was sustained or contracted wholly in the execution of the employee's duties
- The degree of disability if employment is terminated as a result of the injury or disease
- Whether the injury or disease is likely to be temporary or permanent
- If temporary, the possible length of the effect of the injury or disease
- Whether any award should be subject to regular review
- Any other matters either the Head of HR, Occupational Health Service or the IRMP thinks appropriate
- And to certify to the same by completing and signing the Certificate to be provided by Occupational Health Service in conjunction with the Head of HR.

4.4 In the case of deaths, written evidence will be submitted to Occupational Health.

4.5 In all cases, a copy of the relevant accident reports should be supplied with the Occupational Health referral to be forwarded to the IRMP. The accident report will be an important document in determining whether an employee may have an entitlement under this scheme and managers should ensure that the appropriate forms are completed at the time of the incident.

4.6 Any other correspondence or documentation relating to the event (including any insurance claims) should be provided to the Head of HR who may share these with Occupational Health and the IRMP if relevant to the employee's claim. If the employee was working at a site not operated or managed by the Authority, the Head of HR may contact a representative of the site operator, manager or owner for information.

4.7 Occupational Health, on the advice of the IRMP, may decide that the employee should be referred for specialist and/or up to date advice. In that case, the employee will be required to give their authority for disclosure of medical details and information and to attend for examination as reasonably requested. Should the employee refuse to give this authority the Director of Corporate Services will base their decision on whether to make any award on the information that they have available to them at the time.

4.8 The decision on whether to make an award under this scheme rests with the Director of Corporate Services. That director will consult with the Chief Executive, the Section 151 Officer and the Head of HR before making such a decision. In circumstances where a Director or the Chief Executive is the subject of a claim under this scheme, authorisation rests with the Chief Executive or the Chair, respectively.

4.9 The Director of Corporate Services will notify the employee of their decision in writing. If the application is unsuccessful, the employee with be provided with reasons for this decision.

5. Appeals

5.1 Appeals against a decision not to make an award should be submitted to the Chief Executive within 10 working days of receipt of the decision letter, following the mechanism set out in the Authority's Grievance Procedure. There is no right of appeal against the amount of benefit awarded.

5.2 The Authority reserves the right to review appropriate cases on the receipt of new evidence. The employee (or widow/widower) may also request a review on receipt of new evidence.

Appendix 2

Definition of Pensionable Pay

When is pay pensionable under the Local Government Pension Scheme?

LGPS 2014 covers what elements of pay are pensionable and, as importantly, what aren't.

The categories of pay and awards available to YDNPA employees and whether or not they are pensionable under the LGPS regulations are set out below. Pensionable payments are included in the total 'pay' figure each year on which both the employee and the employer pay pension contribution. Pensionable pay is taken into account when calculating retirement benefits.

Pensionable	**Non-Pensionable**
• normal salary or wages • market rate supplement payment • acting up payment • honoraria payments for additional temporary duties • overtime – both contractual and non-contractual • pay for additional hours if you work part time • maternity, paternity, adoption and shared parental pay • any other taxable benefits specified as pensionable in your contract.	• any travelling or subsistence allowances • pay in lieu of notice • pay in consideration of loss of holidays • pay as an inducement not to leave before the payment is made • any award of compensation made for the purpose of achieving equal pay, other than a payment representing arrears of pay • pay relating to loss of future pensionable payments or benefits • pay paid by your employer when you are on reserve forces leave • the monetary value of a car or pay received in lieu of a car • any sum which has not had tax liability determined on it.

Appendix B

Flexible Working Policy

1. Introduction

1.1 The Authority recognises that working flexibly can increase staff motivation, enhance staff wellbeing and improve performance and productivity. As part of its commitment to provide an inclusive and positive working environment, the Authority is committed to supporting staff to achieve a good work-life balance. At the same time this policy will support managers in developing a more flexible workforce in line with customer and service needs.

1.2 This policy will be regularly reviewed by the Authority and may be amended at any time following appropriate consultation.

2. Scope

This policy only applies to all staff directly employed by the Authority.

3. Eligibility

3.1 All staff have a statutory right to request flexible working. Under the statutory procedure, staff can make two requests in every 12-month period. If a member of staff has submitted a flexible working request, they must wait until that request has been considered and any appeal has been dealt with, before submitting another.

3.2 A flexible working request involves changing the terms and conditions of employment either on a permanent or temporary basis. If the change requested is for a temporary period, this should be made clear at the outset. Where a permanent change is agreed there is no automatic right to return to pre-existing working arrangements at any time. Requests will be considered for any type of flexible working with an open mind

4. Types of flexible working

4.1 Examples of flexible working include:

- A request to work from another location for all or some of the time where the role allows;
- a permanent or temporary change of hours, e.g. a reduction in hours; or
- a change to a working pattern, e.g. compressed hours.

4.2 The Authority has a separate policy for home working, including blended working arrangements, and this should be referred to alongside this policy.

5. Flexible working and pre-retirement or flexible retirement

5.1 Flexible working arrangements allow staff who are approaching retirement to reduce their hours, for example tapering down from full time to part-time in the period preceding retirement. This could help in preparing for the transition between paid work and retirement.

5.2 The Local Government Pension Scheme (LGPS) allows staff aged 55[3] or over, but less than age 75, who are current active members of the scheme, with at least 2 years or more membership, to draw their pension while continuing to work in a reduced capacity. The regulations say that staff must either reduce their hours or their grade. Further details are available from the North Yorkshire Pension Fund (NYPF) website, https://nypf.org.uk/flexible-retirement/.

5.3 Agreement to early pension release (i.e. pension being released prior to normal retirement age whilst continuing in employment) is a separate decision to any request for flexible working. Early pension release in these circumstances is at the Authority's discretion and the Authority's LGPS Employer Discretion Policy YDNPA confirms that the Authority will not waive any actuarial reduction on benefits paid on flexible retirement.

5.4 To be eligible for the flexible retirement scheme, a member of staff must reduce their earnings on a permanent and significant basis. Where flexible retirement is agreed, the employee will be required to continue working in this reduced capacity until their full retirement from the Authority's employment.

5.5 The required permanent and sustained reduction in earnings can be achieved, for example by a request to reduce hours in current post (for example from five days to three days), by appointment to another role on a lower pay band or reduced hours or both.

5.6 Applications for flexible retirement must be approved by the relevant Director, or the Chief Executive if a Director is submitting an application. Approval will be based on assessment of whether the proposed working arrangements align with Authority and service needs, including consideration for skills retention and experience.

5.7 Staff should seek independent advice regarding the pay and pensions impact of any reduction in their working hours before making a commitment.

6. Making a request for flexible working

6.1 Staff can discuss flexible working requirement informally with their manager at any time and/or make a formal request under this policy and the Statutory Scheme.

6.2 All requests should be made in writing by completing the Flexible Working Application Form which is available at Appendix A.

6.3 All requests made under this policy must include:

- the date of the request;
- the changes that the member of staff is seeking to their terms and conditions of employment;
- the date on which they would like the change to come into effect;
- a statement that the request is a statutory request;
- if and when they have made a previous application for flexible working; and

[3] The Government has announced that the normal minimum pension age will increase to age 57 from 6 April 2028.

- if they have made a previous request, when they made that application.

6.4 An application should not be refused if it does not contain the required information. The member of staff should be told what additional or amended information they need to provide and then asked to resubmit the request.

7. Timescales

7.1 Once a flexible working request has been submitted, it will be dealt with as soon as possible. However, all requests must be considered and determined within two months of receiving the request, including the appeal process. A flowchart for the process is at Appendix B.

7.2 The timescales within this policy may be extended where this is mutually agreed.

8. Consultation process

8.1 If the member of staff's request cannot be immediately agreed in full, the member of staff must be consulted before any decision is made. In such cases, the member of staff will be invited to a consultation meeting to discuss the request as detailed below.

8.2 The relevant Section Head, Director (if the application is made by a Section Head or other member of staff that reports directly to a Director) or Chief Executive (if the application is made by a Director) will arrange the consultation meeting with the member of staff to discuss the request.

8.3 The member of staff will be given reasonable notice of the meeting and it will be held within fourteen days of the manager receiving the request. If the meeting cannot be held within this timescale, the member of staff will be informed of the reason for any delay.

8.4 Staff may, if they wish, ask a work colleague or trade union representative to attend the meeting with them.

8.5 The content of the meeting and the way in which it is conducted should allow for a reasonable discussion and consideration of the request. It will usually be helpful to discuss, for example, the potential benefits or other impacts of accepting or rejecting the request, and any practical considerations involved in implementing the request. It is an opportunity to ensure that all relevant information is understood and for alternative options that may be available and suitable to be discussed before a decision is made.

8.6 Staff are encouraged to be as open as possible about their needs so that a constructive discussion about what is feasible can be held.

8.7 A written record of the meeting should be kept which provides an accurate reflection of the discussion that has taken place.

9. Considering the request

9.1 Following the meeting, the Section Head/Director/Chief Executive will consider the proposed flexible working arrangements carefully, taking into account:
- the potential benefits to both the member of staff and the Authority; and
- any adverse impact on the Authority's services or on other members of staff from implementing the changes.

9.2 It is recognised that not all working patterns or flexible working options will be suitable for all teams or sections. Each request will be considered on a case-by-case basis and agreeing to a request will not set a precedent or create the right for another member of staff to be granted a similar change to their working pattern.

9.3 The relevant Section Head must discuss the flexible working application with their relevant Director, Head of HR and Head of Finance, before a decision is made.

10. Notification of the decision

10.1 As applicable, the Section Head/Director/Chief Executive will make a decision and the member of staff will be notified in writing of the decision and the reason, usually within seven days of the consultation meeting. The notification will be sent from HR.

11. Request approved

11.1 The request may be approved in full or in part. For example:

- the request may be approved on a temporary basis;
- the member of staff may be asked to try the flexible working arrangements for a trial period; or
- a proposed modified version of the request may be made.

11.2 Where the request is approved, in full or in part, the notification of the decision will provide details of when the changes will apply from and the relevant manager may meet with member of staff to discuss how the changes will be implemented. The notification will also confirm any changes to the terms and conditions of employment, including whether they are temporary or permanent.

12. Reasons for rejecting a request

12.1 While the Authority is committed to encouraging flexible working patterns, there is a need to consider the business impact of the request including the impact on the work of the team/section and the consequences for other staff. In some cases, it may not be possible for a request to be accommodated because of the following reasons:

- the burden of additional costs;
- an inability to reorganise work among existing staff;
- an inability to recruit additional staff;
- a detrimental impact on quality;
- a detrimental impact on performance;
- a detrimental effect on ability to meet customer demand;
- insufficient work for the periods the member of staff proposes to work; and
- a planned structural change to the business.

A request will not be rejected for any other reason.

13. Appeal process

13.1 A member of staff has the right to appeal if their request for flexible working is rejected or only agreed in part if:

- there is new information that was not previously available at the time the original decision was made; and/or
- they think that the request was not dealt with in a reasonable manner.

13.2 An appeal should be sent in writing to the Head of HR within seven days of receiving the decision notification. The appeal notification should set out the grounds on which the member of staff is appealing. An appeal meeting, with a Section Head or Director that did not make the original decision, will be arranged and held within fourteen days of the appeal notification being received.

13.3 Following the appeal meeting, the member of staff will be notified in writing of the outcome, usually within seven days of the appeal meeting. The outcome of the appeal is final and there will be no further right of appeal. The notification will be sent from HR.

14. Treating an application as withdrawn

14. If a member of staff fails to attend, without good reason, both the first and second meeting to discuss their application, or both the first and second meeting to discuss their appeal, the Authority will treat their application as withdrawn.

Appendices:

Appendix A – Flexible Working Application Form
Appendix B – Flowchart of timescales for the flexible working request process

Appendix A - Flexible Working Application Form

Before completing this form please ensure you have read and understood the above policy. It will assist the decision making process if you provide as much information as possible about your requested working arrangements.

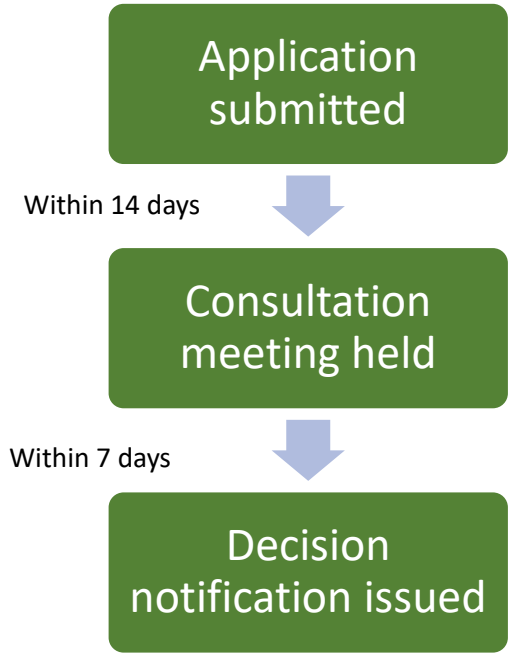
About you	
Name	
Job Title	
Directorate	

Your flexible working application	
Date of request	Click or tap to enter a date.
Are you applying for flexible retirement?	Choose an item.
Please provide details of your current working arrangements, i.e. days, hours, working patterns etc.	
Click or tap here to enter text.	
Please provide details of the change you are requesting to your working arrangements, i.e. days, hours, working pattern etc. Please include as much detail as possible, including if the request is for a temporary period.	
Click or tap here to enter text.	
What date are you requesting the change to come into effect?*	Click or tap to enter a date.
Is this application a statutory request?	Choose an item.
Have you made a previous request for flexible working to the Authority?	Choose an item.
If you have made a previous request, when did you submit that request?	Click or tap to enter a date.

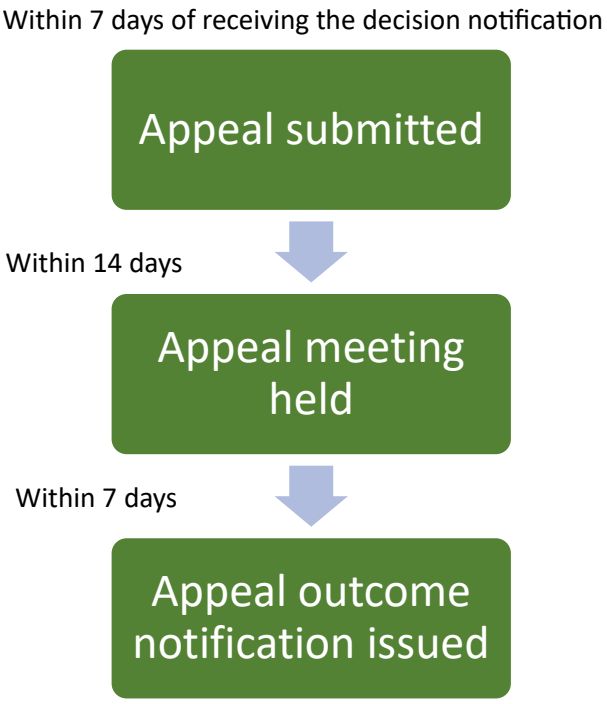
* For flexible retirement requests, this is the intended start date of the reduction in hours. Your flexible retirement date will be the day before this date.

Please forward this completed form to the relevant Section Head or Director (if you are a Section Head or other member of staff that reports directly to a Director or you are submitting a flexible retirement application) or to the Chief Executive (if you are a Director).

Appendix B – Flowchart of timescales for the flexible working request process



Appeal process



All requests must be considered and determined within two months of receiving the request, including the appeal process.