

**WEST DUNBARTONSHIRE COUNCIL****Report by the Chief Officer of People and Technology****Corporate Services Committee: 22 May 2024**

---

**Subject: Revised Employer Discretions - Local Government Pension Scheme (Scotland) Regulations 2018**

**1. Purpose**

**1.1** The purpose of this report is to provide an update on the review of the Council's Statement of Policy, and the proposed revisions to the Statement.

**2. Recommendations**

**2.1** It is recommended that Committee:

- (1) note the content of this report; and
- (2) approve the recommended revisions to the Statement of Policy on Discretions.

**3. Background**

**3.1** At the Corporate Services Committee meeting in August 2019, delegated authority was granted to the Chief Officer People and Technology, to make the necessary technical changes to the Council's discretions on receipt of any revisions to the master policy from Strathclyde Pension Fund Office (SPFO). The revised Council Statement of Policy is therefore appended to this report.

**3.2** The discretions available to the council are reviewed periodically as required. The nature of the most recent revisions reflects the current financial climate, while also maximising the opportunities available to employees in accordance with the LGPS (Scotland) Regulations.

**4. Main Issues**

**4.1** The revised statement (Appendix 1) details the specific changes. The proposed revisions are clearly identified.

**Changes to the Master Statement of Policy**

**4.2** The Master Statement of Policy from SPFO included all Regulation amendments since the previous version was published in 2019. This resulted in the following:

- the removal of obsolete regulations and an associated change to regulation referencing; and therefore
- a requirement to update the Council's obligations, policy decision and the associated regulations.

## Amended Council Policy Statements

- 4.3** The amendments are minimal, mainly focused on the temporary variation to the compensatory added years (CAY) introduced in September 2022. These are now proposed to be permanent in nature.

### **People Implications**

- 5.1** The majority of these changes offer positive opportunities for employees by increasing the flexibility and benefits available. Subject to approval, the scheme document will be published on the Council's intranet and provided to SPFO as required by the Regulations.

### **6. Financial and Procurement Implications**

- 6.1** The regulation changes to the statement of policy have no added financial impact or procurement implications. The policy statements aim to realise savings or have a cost neutral impact. This can be varied in specified circumstances.

- 6.2** In overall terms, the policy statement covers all employer discretionary enhancements. The decision to consider any discretionary enhancement would have a financial impact if, and when the discretion was applied. Early release incurring a financial cost to the Council must always be supported by a business case, clearly demonstrating that costs are offset by savings in subsequent years. This is reflected in the agreed cost benefit analysis process and a report is submitted to this Committee confirming all early departures, costs and savings generated.

### **7. Risk Analysis**

- 7.1** In determining application of discretions, the Council must strive to maintain public confidence in the way it exercises these powers. Ensuring the application is open, transparent and cost effective will minimise the risk of public confidence diminishing.

### **8. Equalities Impact Assessment (EIA)**

- 8.1** Discretions available under the LGPS are determined by Regulation, with employers thereafter determining whether to exercise specific discretions.
- 8.2** A number of discretions are age specific and apply to those employees aged 55 (age 50 for protected members) or over. While this is a requirement of the regulations, age specific discretions will advantage those older than 55 (age 50 for protected members). To mitigate this, all discretions will be applied in a fair, consistent and transparent manner.

### **9. Consultation**

- 9.1** The Trades Unions are aware of the requirement to review and re-publish and have been informed of these most recent changes.

## **10. Strategic Assessment**

- 10.1** Application of discretions supports the Council to adjust its' workforce profile to changing circumstances. Discretions should be applied in a fair and transparent manner, give value for money to the Council and secure service delivery without putting unnecessary financial strain on the Council.

---

**Victoria Rogers**  
**Chief Officer People and Technology**  
**Date: 1 May 2024**

**Person to Contact:** Victoria Rogers

**Appendices:** Appendix 1 – West Dunbartonshire Council Policy Statement LGPS 2024

**Background Papers:** CS Committee report: Revised Employer Discretions - Local Government Pension Scheme (Scotland) – 21<sup>st</sup> August 2019

**Wards Affected:** All

