

Upper Medway Internal Drainage Board

Pension Policy

The policy statement applies to all members of staff who are eligible to be members of the scheme, as defined in the regulations i.e., employees with a contract of employment of over three month's duration and who are under 75 years of age and are contractually enrolled at the start of employment.

As necessary, the Clerk will undertake responsibility for non-material changes between Board meetings, with advice and guidance provided by both the Finance Officer and our external advisor. This is in keeping with day-to-day delegation as per the division of responsibility and scheme of delegation. The Clerk will not make policy or major changes that impact either the provision or long-term success of the scheme.

This paper confirms the pension policy of the Upper Medway Drainage Board as it relates to the exercise of discretions contained in the Local Government Pension Scheme Regulations 2013 and the LGPS (Transitional Provisions, Savings, and amendments) Regulations 2014. Last updated June 2014.

It is not the Upper Medway Internal Drainage Board's general policy to operate a SCAPC (The Local Government Pension Scheme Regulations 2013)

Regulation 16 (2)e and 16 (4)d – Shared Cost Additional Pension Contributions where a scheme member wishes to purchase extra annual pension (up to the limit defined in the regulations).

This does not apply where a scheme member has a period of child related leave or authorised unpaid leave and elects, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence, the Upper Medway Internal Drainage Board are required to contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the scheme member.

Where it is not possible to provide the scheme member with the information that is needed for them to make their election within the 30 day deadline, the Upper Medway Internal Drainage Board will extend the time limit. The scheme member must request this information within 1 month of returning to work and then they must return the election form within one month of the information being provided.

Regulation 30(6) – Flexible Retirement

It is the Upper Medway Internal Drainage Board's policy to provide consent to consider flexible retirement requests only where there are clear financial or operational advantages to the Upper Medway Internal Drainage Board.

If consent has been given under Regulation 30 (6) it is not the Upper Medway Internal Drainage Board's general policy to waive any actuarial reduction unless there are exceptional circumstances.

Each case will be considered on its merits initially by the Clerk but will then be presented to the Boards for their final consideration.

Regulation 30(8) – Waiving of Actuarial Reductions

It is not the Upper Medway Internal Drainage Board's general policy to waive any actuarial reductions applied to benefits paid early or where a scheme member has previously been awarded a deferred benefit.

Each case will be considered on its merits initially by the Clerk but will then be presented to the Board for their final consideration.

Regulation 31 – Award of Additional Pension

The Upper Medway Internal Drainage Board has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or within 6 months of leaving the scheme to a scheme member who was dismissed on grounds of redundancy or business efficiency.

The Upper Medway Internal Drainage Board will only exercise this discretion in exceptional circumstances and only at the discretion of the Clerk and the Boards.

TP Regulations 1 (1)(c) of Schedule 2 – Whether to allow the rule of 85 to be ‘switched on’ for members from age 55 and before age 60.

It is not the Upper Medway Internal Drainage Board’s general policy to make use of the discretion to ‘switch back on’ the 85 year rule protections unless there are clear financial or operational advantages to the Upper Medway Internal Drainage Board.

Each case will be considered on its merits initially by the Clerk but will then be presented to the Boards for their final consideration.

Each decision will be made free from discrimination on the grounds of any protected characterising – age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race, religion and belief, sex, sexual orientation, or any other personal criteria.

Regulation 9 (1) & (3) – Contributions

The calculation of pensionable pay will include basic annual salary plus any other pensionable salary items including – Market Supplement/ Premium, Overtime, Bonus, Honorarium, Salary Supplements. The pensionable pay will be reviewed monthly and based on earnings for that month to identify the appropriate band and contribution percentage.

The Upper Medway Internal Drainage Board will determine the appropriate contribution band for an employee by using the pensionable pay received on 1 April each year and every 3 months thereafter.

Variable time employees will have their initial contribution rate at 1 April 2022 set at 5.5% with a reassessment every 3 months thereafter.

The Upper Medway Internal Drainage Board will notify employees of their individual contribution rates in their April payslips/by letter/by email each year and thereafter when any changes are made.

Regulation 17 (1) – Shared Cost Additional Voluntary Contributions (SCAVC)

The Upper Medway Internal Drainage Board will not operate a SCAVC for employees.

Regulation 21 (5) – In determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a 'regular lump sum'.

The Upper Medway Internal Drainage Board will maintain a list which details what the Upper Medway Internal Drainage Board considers being a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay.

Regulation 22 (7)(b) & 22 (8)(b) - Aggregation of Benefits

Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment unless they elect within 12 months of commencing membership of the LGPS in the new employment to retain separate benefits. The Upper Medway Internal Drainage Board has the discretion to extend this period beyond 12 months and each case will be considered on its own merits.

Regulation 100 (6) – Aggregation of Benefits

If an employee wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, the election to do so must be made within 12 months of starting a new period of membership. This time limit may be extended if the employee can demonstrate exceptional circumstances so as to justify this.

NB Under Regulation 60(1) of the Local Government Pension Scheme Regulations 2013, it is compulsory for all employers to make a policy decision under Regulations 16(2)(e), 16(4)(d), 30(6), 30(8) and 31 and Paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014

Under Regulation 60(2) a copy of the policies must be sent to the Pensions Section by 30th June 2014 and must be published.

Under Regulation 60(3) employers must keep the policies under review and make any appropriate changes.

Under Regulation 60(4) any amendments to these policies must be made available to the Pensions Section and to scheme members within a month of the date of change.

Oliver Pantrey

Clerk

11/11/25

Amendments March 2022

- Removed Lower Medway IDB References
- Removed plural use when referring to the Board
- Changed Clerk of Works to Clerk

Amendments November 2025

- Made reference to Clerk responsibilities for non-material changes between Board meetings.
- Removed pluralisation throughout (remnant of joint services mentioning)