

WATFORD BOROUGH COUNCIL

**HR POLICY: Local Government Pension Scheme 2014
Employee Contribution Rate Discretion**

DATE ISSUED: APRIL 2014

1. INTRODUCTION

- 1.1 Under the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2008, each Employing Authority is required to publish and maintain a Discretions Policy under the LGPS. This document sets out below a new discretion to be applied within Watford Borough Council as a consequence of the Local Government Pension Scheme becoming a career average pension scheme from 1 April 2014.

2. SCOPE

- 2.1 This policy and procedure set out in this document applies to all Council employees, who are eligible to and have elected to join the Local Government Pension Scheme.

3. DISCRETION WITHIN THE SCHEME

- 3.1 Discretion of employer to determine employee contribution rate - Regulation 9(3)

All employers within the LGPS must review the contribution band to which they allocate Scheme members each April. Employers have the discretion to review band levels during the year.

Watford Borough Council will assign new members of the Local Government Pension Scheme to a contribution band on their first day of Scheme membership, based on their annual pensionable pay.

The Council will then monitor earnings each pay period (i.e on a monthly basis) and reallocate scheme members into the appropriate contribution band each time the scheme member's pensionable pay changes, i.e due to overtime payments or honorariums. Backdated pay awards will be applied retrospectively, they will not be subject to the monthly review.

4. DETERMINATION OF QUESTIONS AND DISPUTES

- 4.1 Any applications to deal with questions and disputes arising from the administration of the scheme membership must be made in writing to the Head of Human Resources, 3rd Floor, New Annexe, Town Hall, Watford, Hertfordshire, WD17 3EX.