

Docking Parish Council

Pension Policy – Local Government Pension Scheme (LGPS)

Updated for LGPS (Miscellaneous Amendments) (Member Benefits) Regulations 2026 (effective 1 April 2026)

1. Compulsory Items

1.1 Funding of Additional Pension (APC / Additional Pension Contributions)

Regulations 16(2)(e), 16(4)(d)

The Council may fund, in whole or in part, a member's Additional Pension Contribution (APC) arrangement.

APCs may be made by:

- regular contributions, or
- a lump sum payment.

Where an APC is used to purchase pension for a period of authorised unpaid leave, the following applies:

- For authorised unpaid leave of less than 15 calendar days (excluding strike action), pension contributions are mandatory during the absence and are deducted through payroll.
- Contributions are calculated on the employee's normal contractual pay, not Assumed Pensionable Pay (APP).
- There is no requirement for the member to enter into a buy-back arrangement for these short absences.

Where APC arrangements apply to other eligible service gaps not covered by the 2026 unpaid leave rules, the Council will apply LGPS regulations in force at the time.

1.2 Awarding Additional Pension

Regulation 31

The Council may award a member additional pension up to the statutory maximum permitted under LGPS regulations (currently £6,500 per annum, subject to annual indexation or amendment).

1.3 Flexible Retirement

Regulation 30(6)

The Council may, at its discretion, allow a member aged 55 or over to take flexible retirement where they reduce:

- hours, and/or
- grade of employment

and draw all or part of their LGPS benefits while continuing employment.

1.4 Waiving Actuarial Reduction

Regulation 30(8)

The Council may waive, in whole or part, actuarial reductions applied to benefits taken before Normal Pension Age.

2. Non-Compulsory Items – Included

2.1 Forfeiture of Pension Rights

Regulations 91, 92, 93

Where a member ceases employment due to:

- criminal conviction relating to employment, or
- fraud, negligence, or misconduct causing financial loss to the Council,

the Council may, in accordance with LGPS regulations, apply forfeiture of pension rights or redirect benefits as permitted by law.

2.2 Internal Dispute Resolution (IDRP) – Adjudicator

Regulation 74(1)

The Council adopts the LGPS Internal Dispute Resolution Procedure.

Stage 1 decisions shall be determined by an appointed adjudicator. Unless otherwise determined, this shall be:

- the Chair of Council acting with the Personnel Committee, or
- an external independent adjudicator appointed by the Council.

Contact details for any external adjudicator shall be made available upon request.

2.3 Admission of Employees to LGPS

Regulation 3(5)

The Council is a designated employer under the LGPS.

Admission of eligible employees to the LGPS shall be considered at the point of appointment or thereafter, subject to statutory eligibility rules and fund admission requirements.

There is no automatic entitlement beyond statutory eligibility.

3. Additional Statutory Provisions (2026 Updates)

3.1 Authorised Unpaid Leave – Less Than 15 Days

LGPS Miscellaneous Amendments Regulations 2026

For authorised unpaid leave of less than 15 calendar days (excluding strike action):

- Pension contributions are compulsory during the period of leave
- Contributions are based on the employee's normal contractual pay
- Both employer and employee contributions are deducted via payroll
- No APC/QAPA election is required

Payroll systems must ensure correct reporting to the administering authority.

3.2 Authorised Unpaid Leave – 15 Days or More (QAPA Arrangements)

For authorised unpaid leave of 15 calendar days or more:

- Pension contributions are not automatically deducted during the absence
- The employee may elect to purchase the pension lost through a Qualifying Additional Pension Arrangement (QAPA)

Where a QAPA is requested:

- The Council will calculate the cost using the relevant LGPS calculator
- The Council will notify the employee of:
 - cost of purchase
 - employer contribution element
 - method of payment
 - deadline for election
- The Council will provide required information to the LGPS administering authority

The Council may determine whether to allow payment over a period exceeding one year, in accordance with LGPS regulations.

3.3 Child-Related Leave (Enhanced Protection)

For the purposes of LGPS pension calculations, child-related leave includes:

- unpaid additional maternity leave
- unpaid additional adoption leave
- unpaid shared parental leave
- paternity leave and bereaved partner's paternity leave (including unpaid periods)

During these periods:

- Assumed Pensionable Pay (APP) applies
- Employer pension contributions are based on APP
- Employees are not required to make buy-back payments

- Pension benefits continue to accrue as if normal pensionable pay applied (subject to LGPS rules)
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3.4 50/50 Section Adjustments

Where an employee in the 50/50 section enters a period of unpaid leave that extends into the next pay period:

- The employee must be moved to the main section in accordance with LGPS regulations
 - Contributions and reporting must be adjusted accordingly
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4. Non-Compulsory Items – Not Included

The Council confirms it does not currently adopt provisions relating to:

- Membership aggregation
- Shared cost AVCs
- Transfers of pension rights
- Member contribution rate variations beyond statutory requirements

These may be reviewed in future.

5. Policy Review

This policy will be reviewed:

- in line with any future amendments to LGPS Regulations
- or when statutory changes affect pension administration requirements