

Early Release of Deferred Pension Benefits

Procedure for Dealing with Requests

Human Resources
Reviewed December 2023

EARLY RELEASE OF DEFERRED PENSION BENEFITS

PROCEDURE FOR DEALING WITH REQUESTS

1. Requests for Early Release of Deferred Pension Benefits

Part 1, Paragraph 6, of the council's Policy on Applying Discretionary Pension Provisions, provides that a former employee aged 55 or over may request the early release of deferred pension benefits on compassionate grounds.

2. Council Policy on Applying Discretionary Provisions – Regulation 30

2.1 The council's policy states that applications made under Regulation 30, of the Local Government Pension Scheme (Scotland) Regulations 1998, will be considered on an individual basis.

2.2 A decision to waive any actuarial reduction under this regulation will put a strain on the pension fund, a cost which is passed on to the council.

'Any former scheme member who left prior to 1 April 2015 and is aged 55 or over, providing they are no longer in local government employment, may request unreduced payment of their deferred benefits on compassionate grounds.

The council will only exercise their discretion to waive the actuarial reduction in exceptional cases of hardship'.

2.3 'Compassionate grounds' is not specified under the regulations nor is the term 'hardship' and it is therefore for individual authorities to define the circumstances in which they would support such requests. The council's Corporate Management Team has elected to interpret compassionate grounds and hardship with reference to the criteria set out in Section 3 below.

3. Criteria to be Considered

3.1 The council will generally only support requests for early release of benefits where a former employee has had to give up work because of extenuating personal circumstances.

3.2 Requests from individuals who have been forced to give up employment to provide direct care to a dependant, supported as necessary by medical evidence, would be afforded the most favourable consideration. It is proposed that the following factors should be taken into account when considering whether requests are to be supported:

- The nature of the compassionate circumstances and whether they would be considered permanent or temporary.
- The individual's age, service with the council and membership of the Pension Fund.
- The nature and reasons for leaving council employment (e.g. disciplinary action pending at the time).
- The individual's general employment record.

- Any other reasonable means of support/income available to the individual.

3.3 In summary, the council will generally look favourably on cases where:

- individuals find themselves in difficult circumstances through no fault of their own;
- their situation is likely to be permanent;
- they are unlikely to secure employment on the same basis to that previously held;
- their departure from the council was without controversy and their employment record gave no cause for concern.

4. Protocol for Processing Requests

4.1 Requests should be passed to the Head of Corporate Services in the first instance.

4.2 The individual should be asked to complete and sign the application form set out in Appendix 1.

4.3 On receiving the completed application form, the Head of Corporate Services will check that the relevant criteria are met and that all necessary supporting information is available.

4.4 Requests that satisfy the relevant criteria as detailed in Section 3 above will be passed to the Chief Executive with a recommendation from the Depute Chief Executive supported by full details of the associated costs obtained from the Pension Fund.

4.5 The Chief Executive will decide if the request is to be accommodated, based on the supporting information (see Approval Mandate set out in Appendix 2).

4.6 Costs associated with consenting to the early release of pension benefits on compassionate grounds will be met from individual Service budgets.

**Human Resources
December 2023**



**APPLICATION FOR EARLY PAYMENT OF PENSION BENEFITS
ON COMPASSIONATE GROUNDS**

Part A (to be completed by applicant)			
Applicant's Name			
Date of Birth:			
Post previously held with the council and Service area:			
Dates of employment:	From:	to:	inclusive
Applicant's home address:			
		Post Code:	
Please state your reasons for leaving employment with the council:			
Are you currently in any form of paid employment?			
Please ✓ as appropriate		YES	NO
If you are in employment please provide details below:			
Employer's name:			
Your job title:			
Hours you work per week:			
Are you in receipt of an occupational pension or other income?			
Please ✓ as appropriate		YES	NO
Please provide details of other income:			

Please provide details of your circumstances in support of your request for early release of deferred pension benefits on the grounds of 'exceptional hardship':

If your circumstances relate to the care of a dependant, please provide the information requested below.

Relationship of dependant:

Please provide information on why care of a dependent has: resulted in your leaving employment; prevented employment; or limited employment.

APPLICANT'S DECLARATION

I declare that the information I have given on this form is a true and correct account of my circumstances.

Applicant's signature:

Date:

Completed form to be returned to:

West Lothian Council, Human Resources, Civic Centre, Howden South Road, Livingston EH54 6FF

**APPROVAL OF EARLY PAYMENT OF PENSION BENEFITS
ON COMPASSIONATE GROUNDS**

To be completed by the Head of Corporate Services:

APPLICANT'S PERSONAL DETAILS

Name of applicant:

Applicant's age:

Other income:

APPLICANT'S COUNCIL SERVICE

Job Title:

Service Area:

Length of previous service:

Reasons for Leaving:

General Employment Record:

APPLICANT'S CIRCUMSTANCES

Applicant's circumstances are considered to indicate exceptional hardship and have not been the result of their own actions:

YES

NO

Applicant's circumstances are considered to be permanent:

YES

NO

Applicant is unlikely to secure employment on the same basis as previously held:

YES

NO

Applicant's departure from the council was without controversy and their employment record gave no cause for concern:

YES

NO

DEPUTE CHIEF EXECUTIVE RECOMMENDATION

It is my view that the relevant criteria has been satisfied and that consideration should be given to approving the request for early payment of deferred pension benefits on compassionate grounds. The associated strain costs as detailed in the pension fund statement attached will be met within the service budget.

Signature:

Date:

CHIEF EXECUTIVE AUTHORISATION

Graham Hope

Signature:

Date: