

**Independent Cleaning Services (00118,  
00028 & 00119)**

**LOCAL GOVERNMENT PENSION  
SCHEME REGULATIONS 2014**

**EMPLOYER DISCRETIONS  
POLICY STATEMENT**

## Discretions of the Employing Authority

<b>COMPULSORY DISCRETIONS</b>		
<b>Main Purpose of Regulation</b>	<b>Regulation</b>	<b>Discretion Exercised</b>
Funding of Additional Pension through a Shared Cost Additional Pension Contribution - Where an active Scheme member wishes to purchase extra annual pension up to the maximum by making Additional Pension Contributions (APCs), the employer may choose to (voluntarily) contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).	Regulation 16 (2)(e) and/or 16 (4)(d)	ICS will not in normal circumstances enter into any Shared Cost Additional Pension Contribution scheme for any of its employees. ICS would only consider the exercise of this discretion in exceptional circumstances considering each case on its own merits.
Flexible Retirement - This regulation allows the employer to consent to the early release of all, or part, of a member's LGPS benefits provided they have also consented to the reduction of hours worked or grade in which the member is employed. The member must be aged 55 or over.	Flexible retirement, Regulation 30 (6)	ICS will consider applications in accordance with its policy on early/flexible retirement.
Waiving of actuarial reduction - This regulation allows the employer to consent to the early	Regulation 30 (8)	ICS will not ordinarily waive, in whole or part, any actuarial reduction on flexible retirement unless there are exceptional reasons for doing so. ICS will consider each case on its own merits, and it will only consider applying this discretion where there is a clear financial or operational advantage in doing so.

**COMPULSORY DISCRETIONS**

<b>Main Purpose of Regulation</b>	<b>Regulation</b>	<b>Discretion Exercised</b>
<p>release of all, or part, of a member's LGPS benefits provided they have also consented to the reduction of hours worked or grade in which the member is employed. The member must be aged 55 or over.</p>		
<p>Switching on the 85-year rule for members voluntarily drawing benefits on or after age 55 and before age 60 -</p> <p>Whilst the 85-year rule does not automatically apply in full if the employee decides to voluntarily draw benefits on or after age 55 and before age 60, this regulation allows the employer to switch the rule back on.</p> <p>If the employer switches on the 85-year rule they will pick up any strain on Fund cost.</p>	<p>Schedule 2 of the Transitional Regulations.</p>	<p>ICS will not ordinarily switch on the 85-year rule unless there are exceptional reasons for doing so. ICS will consider each case on its own merits, and it will only consider applying this discretion where there is a clear financial or operational advantage in doing so</p>
<p>The power of employing authority to award additional pension - this regulation allows an employer to resolve to award a member an</p>	<p>Regulation 31</p>	<p>ICS will not ordinarily grant additional pensions unless there are exceptional reasons for doing so. ICS will consider each case on its own merits, and it will only consider applying this discretion where there is a clear financial or operational advantage in doing so</p>

<b>COMPULSORY DISCRETIONS</b>		
<b>Main Purpose of Regulation</b>	<b>Regulation</b>	<b>Discretion Exercised</b>
amount of additional pension, up to the LGPS maximum, to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.		

<b>OPTIONAL DISCRETIONS</b>		
<b>Main Purpose of Regulation</b>	<b>Regulation</b>	<b>Discretion Exercised</b>
Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/14 and post 31/3/14 membership) a) on compassionate grounds (pre 1/4/14 membership) and / or, in whole or in part on any grounds (post 31/3/14 membership) if the member was not in the Scheme before 1/10/06, b) on compassionate grounds (pre 1/4/14	TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)	

<p>membership) and / or, in whole or in part on any grounds (post 31/3/14 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will not attain 60 between 1/4/16 and 31/3/20 inclusive c) on compassionate grounds (pre 1/4/16 membership) and / or, in whole or in part on any grounds (post 31/3/16 membership) if the member was in the Scheme before 1/10/06 and will be 60 by 31/3/16 d) on compassionate grounds (pre 1/4/20 membership) and / or, in whole or in part on any grounds (post 31/3/20 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will attain 60 between 1/4/16 and 31/3/20 inclusive</p>		
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)</p>	<p>B30(5), TPSch 2, para 2(1)</p>	<p>ICS will not ordinarily waive, in whole or part, any actuarial reduction on early retirement unless there are exceptional reasons for doing so. ICS will consider each case on its own merits, and it will only consider applying this discretion where there is a clear financial or operational advantage in doing so.</p>
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with</p>	<p>B30A(5), TPSch 2, para 2(1)</p>	<p>ICS will not ordinarily waive, in whole or part, any actuarial reduction on early retirement unless there are exceptional reasons for doing so. ICS will consider each case on its own merits, and it will only consider applying this discretion where there is a clear financial or operational advantage in doing so.</p>

deferred benefits, i.e. a suspended tier 3 ill health pensioner)		
Grant application for early payment of deferred benefits on or after age 50 and before age 55	L31(2)	
Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early	L31(5) & TPSch 2, para 2(1)	
Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, para 1(2) & 1(1)(f) & R60	
Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds	TP3(5A)(vi) TL4 & L106(1) & D11(2)(c)	

Date Revised	Date Approved	Summary of Changes	Author
11/03/2026			J Smedley