

Lift Schools

LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 2014

EMPLOYER DISCRETIONS POLICY STATEMENT

Discretions of the Employing Authority

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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)	AET's policy is not to fund additional pension contributions via Shared Cost Additional Pension Contributions.
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)	Formerly B18(1) (no change) AET is committed to enabling staff to achieve a positive work-life balance and will take positive steps to accommodate requests for flexible retirement wherever this is feasible. However, AET will not waive the reduction to benefits in cases of staff applying for flexible retirement. Staff seeking flexible retirement will be expected to reduce their working hours by a minimum of one day (or equivalent) per week and/or transfer to a role which is a minimum of one

COMPULSORY DISCRETIONS

Main Purpose of Regulation	Regulation	Discretion Exercised
		<p>Pay Band below their current substantive.</p> <p>Each application will be considered on its merits. In reaching their decision AET will also take into account the following factors:</p> <ul style="list-style-type: none"> - The costs to the Trust (employees need to be aware that applications which would incur significant cost to the employer are unlikely to receive approval) - Whether these costs are affordable, both in the short and longer term - The reasons for the application (and particularly whether there are compassionate grounds to be considered) - The potential impact on performance or service delivery of the proposed changes in hours - The ability to reorganise work among existing staff or to recruit staff to fill the gap created by the reduction in working hours <p>Applications will be approved only where, after taking all of the above information into account and where it would be in the best interests of the Trust to agree the application.</p>
<p>Waiving of actuarial reduction - This regulation allows the employer to consent to the early release of all, or part, of a member's LGPS benefits</p>	<p>Regulation 30 (8)</p>	<p>AET will consider each case on its merits, taking into account the circumstances of the individual and any financial implications for the Trust.</p>

COMPULSORY DISCRETIONS

Main Purpose of Regulation	Regulation	Discretion Exercised
<p>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>AET will consider each application on its merits. In reaching their decision, AET will take into account:</p> <ul style="list-style-type: none"> - The costs to the Trust - Whether these costs are affordable, both in the short and longer term - The reasons for the application - Whether it would be in the best interests of the Trust to agree the application
<p>The power of employing authority to award additional pension - this regulation allows an employer to resolve to award a member an amount of additional pension, up to the LGPS</p>	<p>Regulation 31</p>	<p>AET will consider each application on its merits, but approval will only be given in very serious and exceptional circumstances where the employee would otherwise suffer unavoidable and severe financial hardship. In reaching their decision AET will also</p>

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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.		<p>take into account the following factors:</p> <ul style="list-style-type: none"> - The costs to the Trust - Whether these costs are affordable, both in the short and longer term - The reasons for the application (and particularly whether there are compassionate grounds to be considered) - Whether it would be in the interests of the Trust to agree the application

OPTIONAL DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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	TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)	

<p>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 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>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A</p>	<p>B30A(5), TPSch 2, para 2(1)</p>	

(pensioner member with 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