

Northern College

**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)	The college will not contribute by either regular contributions or lump sum contribution towards an active member's additional pension contributions unless there will be a financial or other benefit to the college. Any proposal to fund in whole or in part an active member's additional pension contributions requires approval by the Corporation.
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)	The college will consider applications for flexible retirement where there is no impact on the delivery of its services and it presents an overall cost-efficiency for the college. The determination of cost efficiency will include an assessment of any potential savings and also the potential impact of any flexible retirement on the college's pension scheme. The college will not under any circumstances waive any actuarial reduction which would otherwise apply to the retirement benefits, or accept applications which would incur costs by virtue of their

COMPULSORY DISCRETIONS

Main Purpose of Regulation	Regulation	Discretion Exercised
		impact on the scheme for a flexible retirement.
<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 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>Regulation 30 (8)</p>	<p>There will normally be a reduction to the pension where employees retire before their normal pension age with insufficient service to qualify for a full pension. The college will only normally consider this on compassionate grounds or where such a retirement is in the clear interests of the college. In both cases it would normally need to be demonstrated that any costs to the college would be covered by cost savings in the subsequent three year period. Any proposal to waive actuarial reductions requires approval by the Corporation.</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</p>	<p>Schedule 2 of the Transitional Regulations.</p>	<p>The college will not exercise its discretion to fund additional cost applicable to the 85 year rule for 55 to 60 year olds unless it can be shown that there is a specific advantage to the college to do so. It would normally need to be demonstrated that any costs to the college would be covered by cost savings in the subsequent three year period. Any proposal to 'switch on' the 85 year rule requires approval of the Corporation.</p>

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
will pick up any strain on Fund cost.		
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 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.	Regulation 31	The college will not have a policy of awarding additional pension in this way and will not exercise its discretion to award additional pension unless it can be shown that there is a specific advantage to the college to do so. It would normally need to be demonstrated that any costs to the college would be covered by cost savings in the subsequent three year period. Any proposal to waive actuarial reductions requires approval of the Corporation.

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	TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)	

<p>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 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>		
---	--	--

Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)	B30(5), TPSch 2, para 2(1)	
Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits, i.e. a suspended tier 3 ill health pensioner)	B30A(5), TPSch 2, para 2(1)	
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
01/10/2025	01/10/2025		Emma Beal