

# **DONCASTER CULTURE LEISURE TRUST**

## **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)	DCLT will not normally contribute towards Shared Cost APCs. However, in <i>exceptional circumstances</i> , such as administrative error or where it is clearly in the Trust's financial or operational interests, DCLT may agree to contribute. Each case will be considered on its individual 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)	DCLT may permit flexible retirement for employees aged 55+, where there is a permanent and meaningful reduction in hours (e.g., at least 20%) or grade. Each case will be considered against the business case, service needs, and financial implications.  Employees will be able to draw all/some/none of their post-2008 and post-2014 pension rights.  Any actuarial reductions will normally apply, though DCLT reserves the

COMPULSORY DISCRETIONS		
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		right to waive reductions where there is a strong business case.
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.	Regulation 30 (8)	DCLT will not normally waive actuarial reductions on early retirement. However, where there are <i>compelling compassionate grounds</i> or <i>clear financial/operational benefits</i> , DCLT may agree to waive in whole or in part. Each case will be considered individually.
<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>	Schedule 2 of the Transitional Regulations.	DCLT will not normally apply the 85-Year Rule for voluntary retirements before age 60. However, where there are <i>clear business or financial benefits</i> (e.g., workforce restructuring, avoiding redundancies), DCLT may agree to apply it

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
If the employer switches on the 85-year rule they 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	DCLT will not normally award additional pension. However, in <i>exceptional cases</i> , such as redundancy or business efficiency terminations, DCLT may grant additional pension where there is a demonstrable business case and where the award represents value for money.

Date Revised	Date Approved	Summary of Changes	Author