

**INDEPENDENT TRAINING SERVICES**

**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)	In view of the costs involved, ITS would not normally fund additional pensions for members either through regular contributions or lump sum contributions. However there may be circumstances when this will be an appropriate incentive, for example in the retention of specialist staff, and therefore all applications will be considered on their 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)	ITS will give due consideration to any requests by the individual and will also take into account the needs of the organisation at the time of the application.  Any request that would result in additional costs to the organisation is likely to be rejected
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	Regulation 30 (8)	Whilst ITS will give all consideration to any such request received, there will be circumstances when it will not be possible to give the consent either immediately or at all. The organisation will give due consideration to any reasons raised by the individual and will also take into account the needs of

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employed. The member must be aged 55 or over.		<p>the organisation at the time of the application.</p> <p>Any member employee making an application for early access to their pension may apply to the organisation for their agreement not to reduce the pension actuarially on compassionate grounds.</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>Because of the potential retrospective impact on the 2013 Fund Valuation and the future additional costs that the exercise of the discretion would bring the organisation, and the fact that the organisation does not deem the exercise of this discretion to be necessary in the pursuit of its overall business plan and strategy then it is not anticipated that there will be any instances where ITS will switch on the rule of 85 for members wishing to retire voluntarily between the ages of 55 and 60. However, every application will be considered on its individual merits and the circumstances involved</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 maximum, to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of	Regulation 31	<p>Because of the costs involved and the likelihood of this provision being of little or no benefit to the organisation's business plan and strategy, ITS would be unlikely to award additional pension to employees. However, there may be exceptional circumstances where such additional pension is granted and applications will be assessed on their individual merits.</p>

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Main Purpose of Regulation	Regulation	Discretion Exercised
redundancy or business efficiency.		

Date Revised	Date Approved	Summary of Changes	Author
05/09/2025	05/09/2025		Viv Tarmey