

Sports & Leisure Management Ltd

**LOCAL GOVERNMENT PENSION
SCHEME REGULATIONS 2014**

**EMPLOYER DISCRETIONS
POLICY STATEMENT**

Discretions of the Employing Authority

| COMPULSORY DISCRETIONS | | |
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| 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) | SLM will consider all of the relevant circumstances before deciding whether and what to contribute, including the benefits and costs to the business and the benefits to the employee. |
| 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) | SLM will consider pension benefits being paid under the flexible retirement policy to an employee over 55, who requests this, provided their remuneration is reducing by 40% through either a reduction in hours and/or grade. Agreement must be obtained by the Group Finance Manager and Managing Director who will ensure that granting this benefit does not significantly or detrimentally effect service delivery, the flexible working arrangement is fair to all employees in the team, and the charge for the paying benefits early is affordable in each case. The employee must apply |

| COMPULSORY DISCRETIONS | | |
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| Main Purpose of Regulation | Regulation | Discretion Exercised |
| | | to the Payroll Manager at Head Office to request this benefit. |
| 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) | SLM will consider all of the relevant circumstances before deciding whether to waive any actuarial reduction, including the benefits and costs to the business and the benefits to the employee. |
| <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. | Early retirements for employees aged 55 and over, but under age 60, are not generally agreed to but SLM reserve the right to do so in exceptional circumstances where SLM considers it is in its financial or operational interests. In exercising its discretion SLM will seek to ensure that the cost of the early retirement will be satisfactorily offset by the combined benefits to SLM of the cost savings to be generated from early retirement and other economic and operational factors such as service efficiency and effectiveness, as well as any other relevant circumstances. |

| COMPULSORY DISCRETIONS | | |
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| 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 | SLM will consider all of the relevant circumstances before deciding whether to grant any additional pension, including the benefits and costs to the business and the benefits to the employee. |

| Date Revised | Date Approved | Summary of Changes | Author |
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