



HCAT

Local Government Pension Scheme Discretions Policy

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Version Number	Version Description	Date of Revision
1	Original	September 2025

HCAT Local Government Pension Scheme Discretions Policy

1. Statement of Intent

- 1.1 Under the rules of the Local Government Pension Scheme (“LGPS”) the employer has the right to authorise discretion on a number of matters regarding the administration of the pension scheme. For a number of discretions there is a mandatory requirement to publicise the approach the employer will take.
- 1.2 The approach to exercising discretion in this policy is to allow the employer to make a reasonable decision in individual cases but also to be clear as to the factors it will take into account in making that decision.
- 1.3 In formulating and reviewing our policy statements we are required to have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service, and, be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.
- 1.4 Any complaints relating to decisions in these matters would need initially to be raised under the pension scheme’s Internal Disputes Resolution Procedure, details of which are available from the pension scheme administrator.
- 1.5 This policy confers no contractual rights and HCAT retains the right to change this policy at any time. This policy will be reviewed on a tri-annual basis and any amendments published accordingly.
- 1.6 The policy which is current at the time a relevant event occurs to the scheme member will be the basis on any decision made.
- 1.7 Any decision pertaining to this policy will be made by the HCAT Finance Committee, who will receive recommendations from the Chief Executive Officer.

Regulation	Main Purpose of Regulation	Employer's Policy on the exercise of this discretion
Regulation 16 (2)(e) and/or 16 (4)(d)	<p>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).</p>	Additional pension contributions will not be funded in whole or in part by HCAT.
Flexible retirement, Regulation 30 (6)	<p>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 (57 from 06.04.2028).</p>	<p>Please refer to the Flexible Retirement Policy.</p> <p>Applications for Flexible Retirement will only be approved if the proposal results in a significant saving to the Trust and are in line with criteria detailed in the Policy. Only in exceptional circumstances will applications outside of these criteria be considered.</p>
Regulation 30 (8)	<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 (57 from 06.04.2028).</p>	Waiving of actuarial reduction will not be considered by HCAT.
Schedule 2 of the Transitional Regulations.	<p>Switching on the 85-year rule for members voluntarily drawing benefits on or after age 55 and before age 60 - 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>	HCAT does not have a general policy of exercising this discretion but may do so where a sound business case can be made or there are exceptional circumstances. HCAT will consider requests on a case-by-case basis and any decisions to exercise this discretion will be fair, equitable and justifiable.

Regulation 31	<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 redundancy or business efficiency.</p>	<p>HCAT does not have a general policy of exercising this discretion but may do so where a sound business case can be made or there are exceptional circumstances. HCAT will consider requests on a case-by-case basis and any decisions to exercise this discretion will be fair, equitable and justifiable.</p>
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