

Learners 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)	<p>Learners' Trust will meet its statutory obligation to contribute where:</p> <ul style="list-style-type: none"> • an employee buys back pension lost during an authorised period of absence • the employee applies within 30 days of returning to work. <p>In these cases, Learners' Trust will contribute two-thirds of the cost, with the employee paying one-third. Learners' Trust will not normally contribute to any other Additional Pension Contributions (APCs).</p> <p>In exceptional circumstances (e.g. administrative error, compelling business case, or other equitable grounds), Learners' Trust may consider contributing. Any such decision must normally be made within 6 months of the employee's return.</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.	Flexible retirement, Regulation 30 (6)	<p>In exceptional circumstances, Learners' Trust may approve a lesser reduction where this meets the service needs of the business and remains financially sustainable.</p> <p>Requests will be considered on a case-by-case basis, taking into account:</p> <ul style="list-style-type: none"> • financial cost to Learners' Trust

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
The member must be aged 55 or over.		<ul style="list-style-type: none"> • individual circumstances and workforce planning needs • current and future operational needs and impact to Learners' Trust • role availability <p>Once agreed, increases in hours/grade will not normally be permitted where this would give an employee greater financial gain than before flexible retirement.</p> <p>Actuarial reductions will apply where benefits are taken before Normal Pension Age, unless waived under section 4.3 (Reg 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.	Regulation 30 (8)	<p>Learners' Trust will not normally waive these reductions.</p> <ul style="list-style-type: none"> • In exceptional cases, the Board may approve a full or partial waiver where: there is a compelling financial or operational benefit to Learners' Trust, or • there are strong compassionate grounds.
<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</p>	Schedule 2 of the Transitional Regulations.	Learners' Trust will not normally apply this rule, however, the Board may approve its application in exceptional cases.

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
<p>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>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>	Regulation 31	<p>Learners' Trust will not award additional pension at its own cost to any active or former employee, including those dismissed for redundancy or business efficiency.</p>

OPTIONAL DISCRETIONS

Main Purpose of Regulation	Regulation	Discretion Exercised
<p>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 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</p>	<p>TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)</p>	

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		
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	TPSch 2, para 1(2) & 1(1)(f) & R60	

after age 55 and before age 60		
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