

**LEGER EDUCATION 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)  | The Trust do not offer to contribute to APCs  |
| 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) | The Trust allows employees aged 55+ to request flexible retirement. This requires a minimum 40% reduction in hours or a move to a lower graded post. Trust discretion is required both for the working arrangement and the release of pension benefits. |
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| COMPULSORY DISCRETIONS   |   |   |
|--|---|---|
| Main Purpose of Regulation   | Regulation                                  | Discretion Exercised  |
| 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)                           | The Trust does not normally waive reductions due to cost implications. May consider waiving on compassionate grounds, e.g., caring responsibilities.  |
| <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> | Schedule 2 of the Transitional Regulations. | The employer can agree to apply the 85 year rule for members between 55 and 60, however, because of the potential retrospective impact on the Fund Valuation and future additional costs that the exercise of this discretion would bring to the Trust, and the fact that the Trust does not deem the exercise of this discretion to be necessary in pursuit of its overall business plan and strategy, then, it is not anticipated that there will be any instances where the Trust will switch the rule on 85 for members wishing to retire voluntarily between the ages of 55 and 60. However, every application will be considered on its own individual merits and the circumstances involved. |

| COMPULSORY DISCRETIONS  |               |  |
|---|---------------|--|
| Main Purpose of Regulation  | Regulation    | Discretion Exercised   |
| 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 | The Trust does not routinely award additional pension. May consider it only if there is a specific advantage to the employer, assessed case-by-case. |

| Date Revised | Date Approved | Summary of Changes | Author |
|--------------|---------------|--------------------|--------|
| Jan-24       | Jan-24        | New Policy         | RGR    |