

NATIONAL HORSERACING COLLEGE

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)	As the costs involved are likely to be little or no benefit to the business then the Charity would not normally expect to exercise its discretion to fund additional pensions through either regular or lump sum contributions. However, each application will be considered in the circumstances of each case.
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 Charity is supportive of the principle of allowing members to prepare for retirement in as many ways as possible. Therefore, the NHC would normally expect to exercise its discretion in allowing members to retire flexibly. The individual flexible retirement must support the organisation's business plan and strategy and the Charity reserves the right to refuse an application where this criteria is not met.

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
<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.</p>	<p>Regulation 30 (8)</p>	<p>Because of the additional costs involved in the Charity waiving the actuarial reduction to members it is not envisaged that NHC would normally exercise its discretion in favour of waiving those reductions. However, each case will be considered on its own merits.</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>As a result of the costs involved and the likelihood of there being no benefit to the Charity the organisation would not normally expect to exercise its discretion to award additional pension to members.</p> <p>However, each application will be considered and a decision reached on the merits of each case.</p>

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	<p>As a result of the costs involved and the likelihood of there being no benefit to NHC the Charity would not normally expect to exercise its discretion to award additional pension to members.</p> <p>However, each application will be considered individually and a decision made on the merits of that case.</p>

Date Revised	Date Approved	Summary of Changes	Author