

**Northern Education Trust (NET)**

**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)	<b><i>NET does not intend to contribute to a shared cost additional pension contribution (APC) scheme</i></b>
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)	<b><i>NET may pay all or some benefits if an employee takes flexible retirement.</i></b>

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>	Regulation 30 (8)	<b><i>NET does not intend to waive actuarial reduction on benefits paid on flexible retirement or on benefits which a member voluntarily draws before normal pension age</i></b>
<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.	<b><i>NET does not intend to "switch on" the 85 year rule in such circumstances</i></b>

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	<b><i>NET does not intend to grant such additional pension</i></b>

Date Revised	Date Approved	Summary of Changes	Author
October 2022	19 October 2022	<p>Further feedback received from Greater Manchester Pension Fund. Legal advice taken on the feedback.</p> <p>Regulations 16(2)(e), 16(4)(d) and 60(1)(a) of the LGPS Regulations 2013. Wording amended from: <i>In exceptional circumstances, NET will pay shared cost APCs where an employee has elected to pay APCs by salary sacrifice. The amount of these employer shared cost APCs will not exceed the amount of salary sacrificed by the employee. This is subject to the employee meeting the conditions for acceptance into the salary sacrifice shared cost APC scheme.</i></p> <p>To:</p>	Jude Mitchell (Deputy chief operating officer)

		<p><i>"NET does not intend to contribute to a shared cost additional pension contribution (APC) scheme"</i></p>	
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