

Now Then Cleaners Ltd

**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)	NowThen Cleaners Ltd will not normally agree to share the cost of Additional Pension Contributions with a member. This discretion will only be exercised in exceptional circumstances, subject to business case approval by the Company Directors.
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)	NowThen Cleaners Ltd may consider applications for flexible retirement from active members aged 55 or over. Each case will be considered individually, subject to service delivery requirements and cost assessment. Any approval must be authorised by the Company Directors. Benefits will normally be reduced in line with actuarial guidance, unless otherwise stated under Regulation 30(8).
Waiving of actuarial reduction - This regulation allows the employer to consent to the early	Regulation 30 (8)	NowThen Cleaners Ltd will not normally waive actuarial reductions on early payment of pension benefits. This discretion may be exercised only

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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.		in exceptional circumstances, subject to Company Director approval and a full financial assessment.
<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.	<p>NowThen Cleaners Ltd will not normally exercise its discretion to permit the early payment of pension benefits without actuarial reduction under the transitional protections contained within Schedule 2 of 1 the Transitional Regulations (including the 85-year rule protections). This discretion may only be applied in exceptional circumstances and where the associated strain costs can be met by the employer, subject to approval by the Company Directors.</p>
The power of employing authority to award additional pension - this regulation allows an employer to resolve to	Regulation 31	NowThen Cleaners Ltd will not normally award additional pension to members. This discretion may only be exercised in wholly exceptional cases, subject to Company Director

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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.		approval, with full consideration of cost implications.

OPTIONAL DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
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	TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)	

<p>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 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</p>		
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)</p>	<p>B30(5), TPSch 2, para 2(1)</p>	
<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A</p>	<p>B30A(5), TPSch 2, para 2(1)</p>	

(pensioner member with deferred benefits, i.e. a suspended tier 3 ill health pensioner)		
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 after age 55 and before age 60	TPSch 2, para 1(2) & 1(1)(f) & R60	
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