

**Outwood Grange Academy 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>OGAT does not consider contributions towards additional pension contributions to be an essential part of its employment strategy. However, OGAT will consider applications made under these specific provisions having regard to the Trust's general policy from time to time, on the employee pay strategy and the particular circumstances surrounding each case.</p> <ul style="list-style-type: none"> <li>● It is likely that decisions will be made on the merits of each case having particular regard to factors such as: OGAT's ability to meet the cost of granting such a request; and/or</li> <li>● The member's personal circumstances.</li> </ul> <p>However, OGAT will only consider doing this in those cases where there is a clear financial or administrative advantage to the Trust.</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>OGAT will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:</p> <ul style="list-style-type: none"> <li>● The operating requirements of the employing department;</li> <li>● OGAT's ability to meet the cost of granting such a request;</li> </ul>

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
The member must be aged 55 or over.		<ul style="list-style-type: none"> <li>• Whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place can be made;</li> <li>• Whether to permit the member to choose to draw all, part or none of the pension benefits they have built up after 1 April 2008.</li> </ul> <p>However, OGAT will only consider doing this in those cases where there is a clear financial or administrative advantage to the Trust.</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>OGAT will consider waiving, in whole or in part, the actuarial reduction on benefits paid on Flexible Retirement on a case by case basis having particular regard to:</p> <ul style="list-style-type: none"> <li>• OGAT's ability to meet the cost of granting such a request;</li> <li>• The member's personal circumstances.</li> <li>• In OGAT's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and</li> <li>• OGAT can meet the cost of granting such a request.</li> </ul> <p>However, OGAT will only consider doing this in those cases where there is a clear financial or administrative advantage to the Trust.</p>

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
<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>OGAT will (for members with no Rule of 85 protected membership) consider: Waiving all of the reductions in respect of pre 1 April 2014 benefits but only on compassionate grounds and / or waiving all or some of the actuarial reductions in respect of post 31 March 2014 on any grounds.</p> <p>For members with post 1<sup>st</sup> April 2014 protected membership (due to the Rule of 85 protections) OGAT will consider waiving the actuarial reductions but will do so only on compassionate grounds as per the Local Government Pension Scheme regulations.</p> <p>The waiving of reductions will be granted if:</p> <ul style="list-style-type: none"> <li>● In OGAT's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and</li> <li>● OGAT can meet the cost of granting such a request.</li> </ul> <p>OGAT will only consider doing this in those cases where there is a clear financial or administrative advantage to the Trust.</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</p>	<p>Regulation 31</p>	<p>Employers may wish to use this Regulation as an aid to recruitment, an aid to retention or to compensate or reward an employee who is retiring.</p> <p>OGAT will consider applications made under this Regulation having regard to the particular</p>

COMPULSORY DISCRETIONS		
Main Purpose of Regulation	Regulation	Discretion Exercised
scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.		<p>circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to the following:</p> <ul style="list-style-type: none"> <li>● The member's personal circumstances;</li> <li>● The interests of OGAT;</li> <li>● The additional contributions due to the Fund by OGAT in respect of the exercise of this discretion;</li> <li>● Any potential benefits or savings to OGAT arising from the exercise of this discretion;</li> <li>● Other options that are, from time to time, available under OGAT's severance arrangements the funding position of OGAT within the Fund;</li> <li>● The ability of OGAT to meet the cost of granting such an award.</li> </ul> <p>However, OGAT will only consider doing this in those cases where there is a clear financial or administrative advantage to the Trust.</p>

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	TP3(1), TPSch 2, para 2(1) & B30(5) & B30A(5)	

<p>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 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>		
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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 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