

LGPS DISCRETIONS POLICY

Learning Academies Trust

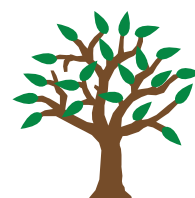
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CHANGES

Policy date	Summary of change	Author	Version	Review date
01/11/2016	Policy has been created.	Simon Spry	1.0	29/06/2020
07/07/2020	Policy ratified	Jonathan Bushby, Chair of the Trust Finance Committee	2.0	07/06/2023

1. LGPS 2013 & 2014 DISCRETIONS

1.1. Regulation R17 (1) and TP15 (1) (d) and A25 (3) and definition of SCAVC in RSch 1

Regulation R17 (1) and TP15 (1) (d) and A25 (3) and definition of SCAVC in RSch 1	Policy Decision
<p>Shared Cost Additional Voluntary Contribution Arrangement</p> <p>An employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution arrangement entered into on or after 1 April 2014 through a shared cost AVC.</p> <p>An employer can choose to pay for or contribute towards a member's Additional Voluntary Contribution arrangement entered into before 1 April 2014 through a shared cost AVC.</p>	Not approved

1.2. Regulation R30 (6) and TP11 (2)

Regulation R30 (6) and TP11 (2)	Policy Decision
<p>Flexible Retirement (Requires a separate policy)**</p> <p>Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade.</p> <p>In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.</p>	<p>A scheme member, who has reached the age of 55 or over and who reduces their working hours or grade of employment, may request that the employer agrees to payment of either all or part of their accrued benefits.</p> <p>Some examples of where an employee may be eligible to apply to take flexible retirement are as follows:</p> <ul style="list-style-type: none"> Employee accepts a new job role on less hours or lower grade as part of a restructure. Request by employee to reduce hours or move to lower graded post approved by employer. Reduction in grade following job evaluation review. <p>To ensure consistency with the Teachers</p>

	<p>Pension Regulations, the Learning Academies Trust will currently only consider release of benefits where there is a reduction in employee's gross pay of at least 25% and, will only agree where there is no cost to the employer.</p> <p>Not approved</p>
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1.3. Regulation R30 (8) , TP3 (1), TPSch2, Para 2(1), B30 (5) and B30 (A) (5)

Regulation R30 (8) , TP3 (1), TPSch2, Para 2(1), B30 (5) and B30 (A) (5)	Policy Decision
<p>Waiving of actuarial reduction Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members' benefits paid on the grounds of flexible retirement.</p> <p>Employers may also waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to members' benefits for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits on or after age 60 and before normal pension age.</p> <p>Employers also have the power to waive, in whole or in part, the actuarial reduction applied to active members' benefits when a member chooses to voluntarily draw benefits on or after age 55 before age 60.</p>	Not approved

1.4. Regulation TPSch 2, para 2 (2) and 2 (3)

Regulation TPSch 2, para 2 (2) and 2 (3)	Policy Decision
<p>Power of employing authority to 'switch on' the 85 year rule An employer can choose whether to switch on the 85 year rule for members who voluntarily retire on or after age 55 and before age 60.</p> <p>An employer can also choose to waive, on compassionate grounds, the actuarial reduction applied to benefits for a member voluntarily drawing benefits on or after age 55 and before age 60.</p>	Not approved

1.5. Regulation R31

Regulation R31	Policy Decision
<p>Power of employing authority to grant additional pension An employer can choose to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500* per annum). (*the figure of £6,500 will be increased each April under Pensions Increase Orders)</p>	Not approved

**** Flexible Retirement - Please note that if you wish to offer your members the option of flexible retirement, you will need to formulate a separate policy (please refer to the Guidance Notes)**

Policies not required but recommended:	Policy Decision
R22 (8) (b) - Whether to extend the 12 month option period for a member to elect that post 31st March 2014 deferred benefits should not be aggregated with a new employment	No
R22 (7) (b) - Whether to extend the 12 month option period for a member to elect that post 31st March 2014 deferred benefits should not be aggregated with an ongoing concurrent employment	No
R100 (6) - Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	No
R9(1) & R9(3) - Determine rate of employees' contributions and when the contribution rate will be assessed	The rate will be determined monthly depending on the pay received in the period.

1.6. LGPS 2008 discretions

To cover scheme members who ceased active membership on or after 1 April 2008 and before 1 April 2014 (no need to complete if not applicable).

Regulation B18	Policy Decision
<p>Flexible Retirement (Requires a separate policy)** Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade.</p> <p>In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.</p>	<p>A scheme member, who has reached the age of 55 or over and who reduces their working hours or grade of employment, may request that the employer agrees to payment of either all or part of their accrued benefits.</p> <p>Some examples of where an employee may be eligible to apply to take flexible retirement are as follows:</p> <ul style="list-style-type: none"> • Employee accepts a new job role on less hours or lower grade as part of a restructure. • Request by employee to reduce hours or move to lower graded post approved by employer.

	<ul style="list-style-type: none"> Reduction in grade following job evaluation review. <p>To ensure consistency with the Teachers Pension Regulations, the Learning Academies Trust will currently only consider release of benefits where there is a reduction in employee's gross pay of at least 25% and, will only agree where there is no cost to the employer.</p> <p>Not approved</p>
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Regulation B30	Policy Decision
<p>Choice of early payment of pension B30 (2) Employers can also allow the early payment of deferred benefits to former members of the LGPS between the ages of 55 and 59.</p>	Not approved

Please note where a deferred member left the LGPS before 1 April 2008 the employer policy under the 1997 regulations will apply.

B30A(3) Employers may also grant an application for reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60.

B30 (5) and B30A (5) In such cases, pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.