

CATERLINK LTD

STATEMENT OF POLICY – LOCAL GOVERNMENT PENSION SCHEME (LGPS) EMPLOYER DISCRETIONS

ADOPTED: 01/04/2014

DATE UPDATED: 01/09/2018

REVIEW DATE: 31/08/2019

The Local Government Pension Scheme regulations require all scheme employers to publish and keep under review a written policy statement on how they will apply their discretionary powers in relation to certain provisions of the scheme. As the new LGPS came into force on 1 April 2014 it is necessary to adopt new discretionary pension policy statements from this date.

Key to regulations

- the Local Government Pension Scheme Regulations 2013 [prefix **R**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix **B**]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix **L**]

Where

REGULATION	DISCRETION	POLICY ON INDIVIDUAL DISCRETIONS
LGPS2014 scheme – compulsory discretions		
R16(2)(e) & R16(4)(d)	Contributing to a Shared Cost Additional Pension Contribution (SCAPC) - Whether, how much, and in what circumstances to contribute to a shared cost additional pension contributions (SCAPC) scheme	<p><i>“Caterlink will only contribute to the cost of “buying” additional pension where the Scheme member is “buying” additional pension in respect of a period of authorised absence where an election form was received from the Scheme member within 30 days of returning to work.</i></p> <p><i>Caterlink will not have a general policy to extend the 30 day deadline. Caterlink may extend the time limit in exceptional circumstances such as the member not being informed of the right to repay contributions but each case will be decided on its individual merits “</i></p>
R17 (1) and TP15 (1) d		<i>Caterlink will not contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement.</i>
R30(6) & TP11(2)	Flexible retirement - Whether all or some benefits can be paid if an	<i>Caterlink will consider employee requests to take flexible retirement, on a case by case basis, taking into account factors such as service delivery and cost. The Senior</i>

	employee reduces their hours or grade	<i>Management Team 'will be responsible for agreeing (or otherwise) to all requests to take flexible retirement.</i>
R30(8)	Waiving actuarial reductions on flexible retirement - Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	<i>Caterlink will only waive the actuarial reduction on flexible retirement in exceptional circumstances following approval by the Senior Management Team after consideration of the costs that would apply.</i>
R30(8)	Waiving actuarial reductions where benefits drawn voluntarily before NPA - Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age (NPA)	<i>A request for early unreduced payment of benefits on compassionate grounds (i.e. waiving of percentage reduction in respect of early retirement), will normally be considered only where the former member is prevented from full-time working due to the need to provide long-term care for a dependant.</i>
TPSch 2, para 2(2)	Switching on the 85 rule - Whether to "switch on" the 85 rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	<i>Caterlink will only exercise this discretion in exceptional circumstances on a case by case basis. This discretion will only be exercised with the expressed permission of the Senior Management Team after consideration of the costs that would apply.</i>
TPSch 2, para 2(3)	Waiving actuarial reductions where employer has switched on 85 rule - Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits from pre 1 April 2014 membership where the employer has "switched-on" the 85 rule for a member voluntarily drawing benefits on or after age 55 and before age 60	<i>Caterlink will only exercise this discretion in exceptional circumstances on a case by case basis. This discretion will only be exercised with the expressed permission of the Senior Management Team after consideration of the costs that would apply.</i>
R31	Giving extra pension - Whether to give extra 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 p.a.)	<i>Caterlink will only exercise this discretion in exceptional circumstances on a case by case basis. This discretion will only be exercised with the expressed permission of the Senior Management Team</i>

2008 scheme – compulsory discretions

B30(2)	Early payment of pension - Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	<i>Caterlink will consider this regulation in exceptional circumstances only. These may include compassionate grounds or situations where Caterlink can demonstrate improved organisational effectiveness or service efficiencies resulting from payments made under this policy.</i>
B30(5)	Waiving actuarial reductions where benefits drawn early under B30 - Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	<i>Each specific case will be judged equally and fairly on its own individual merits have fully considered the financial implications of waiving the reduction.</i>
B30A(3)	Early payment of pension: Pensioner member with deferred benefits - Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60	<i>Caterlink has no intention to make general use of this discretionary power but may wish to consider its use in exceptional cases (e.g. compassionate grounds).</i>
B30A(5)	Waiving actuarial reductions where benefits drawn early under B30A - Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	<i>Caterlink would only consider to waive the actuarial reduction in exceptional circumstances.</i>

1995 scheme – recommended discretions

D11(2)(c)	Early payment of pension - Grant application from a pre-1 April 1998 leaver for early payment of deferred benefits on or after age 50 on compassionate grounds	<i>Caterlink will consider this regulation in exceptional circumstances only. These may include compassionate grounds or situations where Caterlink can demonstrate improved organisational effectiveness or service efficiencies resulting from payments made under this policy.</i>
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