

# Discretions policy

**The Local Government Pension Scheme Regulations 2013**

**and**

**The Local Government Pension Scheme (Transitional Provisions & Savings) Regulations 2014**

Policy effective from: 1 June 2016

<b>Shared Cost Additional Pension Scheme - Regulation R16(2)(e) &amp; R16 (4)(d)</b>	
<i>Discretion:</i> An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC)	<i>Policy:</i> The Support Services Board will consider a shared cost APC in exceptional circumstances, where a person opts to pay for the break after 30 days up to a period of 12 months, from the end of the break. However, if the person opts to pay an APC to buy extra pension the shared cost option does not apply.
<b>Flexible Retirement - Regulation R30(6) &amp; TP11(2)</b>	
<i>Discretion:</i> 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.	<i>Policy:</i> Flexible retirement will be allowed where all benefits are drawn while the member is still continuing in employment. Flexible retirement where only part of a member's benefits are drawn will not be allowed.
<b>Waiving of actuarial reduction - Regulation R30(8)</b>	
<i>Discretion:</i> 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. Employers may also waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to member's 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. 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 and before age 60.	<i>Policy:</i> The actuarial reduction will not be waived for routine flexible retirements. The actuarial reduction will not be waived on benefits which a member voluntarily draws before normal pension age.

<b>Power of employing authority to ‘switch on’ the 85 Year Rule - Regulation TPSch 2, para 2(2) &amp; 2(3)</b>	
<p><i>Discretion:</i></p> <p>An employer can choose whether to “switch on” 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>	<p><i>Policy:</i></p> <p>The 85 year rule will not be switched on for a member voluntarily drawing benefits on or after age 55 and before age 60.</p>
<b>Power of employing authority to grant additional pension - Regulation R31</b>	
<p><i>Discretion:</i></p> <p>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)</p> <p>(* the figure of £6,500 will be increased each April under Pensions Increase orders)</p> <p>These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.</p>	<p><i>Policy:</i></p> <p>No additional pension will be granted to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency.</p>

<b>Choice of early payment of pension - Regulation B30</b>	
<p><i>Discretion:</i></p> <p><b>B30(2)</b> Employers can also allow the early payment of deferred benefits to former members of the LGPS between the ages of 55 and 59.</p> <p><b>Please note where a deferred member left the LGPS before 1 April 2008 the employer policy under the 1997 Regulations will apply.</b></p> <p><b>B30A(3)</b> 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.</p> <p><b>B30(5) &amp; B30A(5)</b> 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>These policies may be subject to review from time to time. Any subsequent change in this Policy Statement will be notified to affected employees.</p>	<p><i>Policy:</i></p> <p>B30(2) An application for the early release of deferred benefits on or after age 55 and before age 60 will only be granted where there is no cost to the Company.</p> <p>B30A(3) An application for early payment of a suspended tier three ill health pension on or after age 55 and before age 60, will only be granted where there is no cost to the Company.</p> <p>B30(5) &amp; B30A(5) Cases will be taken to the Support Service Board in order for it to consider whether an actuarial reduction is appropriate.</p>
<b>Whether to extend 12-month period to allow a transfer-in of non-LG pension rights - Reg 100(6)</b>	
<p><i>Discretion:</i></p> <p>New members have 12 months to decide whether or not to transfer in a pension from non public sector fund. Employers have the discretion whether to allow an extension.</p>	<p><i>Policy:</i></p> <p>No extension to the 12 months transfer window will be granted.</p>