



SHREWSBURY COLLEGE

Shrewsbury College

Policy Title	LGPS Employer Discretions Policy
Policy Number	HRP
Approved By	Donna Lucas Assistant Principal: Human Resource Development
Author	Jessica Brooks Payroll and Pensions Adviser
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LOCAL GOVERNMENT PENSION SCHEME – EMPLOYER DISCRETIONS

1. INTRODUCTION

This document outlines Shrewsbury College's policy on employer discretions as specified in the Local Government Pension Scheme Regulations.

The policy statements are deduced based on the College's financial situation and the impact that such policy decision would have

Full details of all the regulations and policy statements can be found in Appendix One. These will all be reviewed on an annual basis.

2. APPLICATIONS AND APPEALS

- 2.1 Any applications regarding your pension should be made in writing to the Assistant Principal: Human Resource Development. The Assistant Principal: Human Resource Development will give full consideration to the matter and communicate his/her decision, including the grounds for this, within 28 days of receipt of the application. The applicant will be notified of their right to appeal the decision and to refer any subsequent disagreement with the appeal outcome to the administering authority.
- 2.2 Under the internal dispute resolution procedure (IDRP), an applicant who is not satisfied with the decision made by the Assistant Principal: Human Resource Development may appeal in writing to the Principal within 28 days, setting out the reasons for their appeal. The Principal will review the original decision and issue a further decision, including the grounds for this, within two months of receiving the appeal. If it is likely to take more than two months to reach a decision a letter explaining the reasons for the delay, and giving a new target completion date, will be sent to the applicant. The applicant will be notified of their right to refer the matter to the administering authority.
- 2.3 The decision-makers referred to at 2.1 and 2.2 will comply with the procedure laid down in the *LGPS IDRP Practitioner Guide*, both in terms of decisions reached in connection with the discretionary powers on which the College must publish a statement **and** with other College decisions affecting the individual and their membership of the LGPS.
- 2.4 If the applicant is still not satisfied with the decision of the Principal, the matter may be referred, at the applicant's request, to the administering authority, i.e. Shropshire County Pension Fund. The appellant will need to comply with the appeal requirements laid down by SCPF.

LGPS Employer Discretions

Shared Cost Additional Pension Contributions

This regulation allows Shrewsbury College to fund employee's additional pension contributions (in whole or in part). However additional pension contributions for employees would incur considerable costs for the College.

Regulation 16(2)(e) and R16(4)(d) LGPS2014

Policy Statement: Additional pension contributions will not be funded by the College

Flexible Retirement

Qualifying scheme members who are over age 55 can, with the College's consent continue to work for the College on different (lower) terms and conditions (this is reduced hours or grade) and may request to draw their pension entitlements. Benefits payable will be adjusted in accordance with guidance issued by the Government Actuary

Regulation 30 (6) LGPS2014

Policy Statement: Eligible scheme members can continue to work for the College on different (lower) terms and conditions (that is reduced hours or grade) and they may draw their pension entitlements at the same time, provided that there is no (or minimal) cost to the College

Waiving of actuarial reduction

The College may choose to waive (in whole or in part) any reduction applied to individuals drawing their pension benefits before their normal retirement age.

Rule of 85 protections: It should be noted that some people may ask for "rule of 85 protections" to be applied when their pension benefits are being paid, rather than phrasing the question as asking for the "waiving of an actuarial reduction"

Regulation 30 (8) LGPS2014, TPSch 2, para 2(2) LGPS2014, TPSch2, para2 (3) LGPS2014, Regulations B30 (5), Regulations B30 A (5), LGPS2008, Regulations 31 (5) LGPS1997

Policy Statement: Such applications will be not be approved by Shrewsbury College

Award of Additional Pension

This regulation allows the College to grant additional pension to an active member (or a member that has ceased employment within 6 months by reason of redundancy or business efficiency) of up to £6500pa

Regulation 31 LGPS2014

Policy Statement: Additional pension benefits will not be awarded by Shrewsbury College

Early payment of deferred benefits

The College is able to grant an application for early payment of deferred benefits on or after age 55 and before age 60

Regulation 30(2) LGPS2008, Regulation 31 (2) LGPS1997

Policy Statement: The College will grant an application for early payment of deferred benefits on or after age 55 and before age 60 provided there is little or no cost to the College

Early payment of pension for a pensioner member with deferred benefits

This regulation allows Shrewsbury College to grant the early release of pension benefits for former employees who are deemed to be “pensioner members with deferred benefits” under the ill-health retirement provisions of the LGPS. This applies to individuals who had left the College on the 3rd tier of ill-health retirement. The ill-health retirement benefits are payable for a maximum period of 3 years in such circumstances as the medical evidence indicates that the individual will be capable of working again within 3 years of their ill-health retirement. However, a re-assessment of the medical condition can result in a higher level of ill health retirement benefits being awarded after the individual has ceased their employment.

This regulation allows Shrewsbury College to grant the early release of pension benefits for former employees, who have not had a re-assessment of their medical condition and been awarded a higher level of ill-health retirement benefits.

Regulation 30A(3) LGPS2008

Policy Statement: Such payments should only be granted on exceptional compassionate grounds or in situations where no costs will be charged to the College for authorising the release of pension benefits.