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**LOCAL GOVERNMENT PENSION SCHEME**

**STATEMENT OF POLICY**

**Background**
Under Regulation 66 of the Local Government Pension Scheme (LGPS) Administration Regulations 2007 (s amended), each employer must formulate, keep under review and publish a Statement of Policy on certain discretions contained within the LGPS Regulations. Where references are made, AReg refers to "Administration" Regulations and BReg to the "Benefit" Regulations.

This statement is applicable to all employees of Shrewsbury Sixth Form College who are eligible to be members of the LGPS.

| 1 | **REGULATION 30 BReg**<br>**CHOICE OF EARLY PAYMENT OF PENSION** |
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**Explanation**
From age 55, members who have left the local government employment may choose to receive early payment of their retirement benefits, subject to the consent of their employer. However, members aged 60 and over do not need their employers consent. The pension benefits must be reduced in accordance with guidance provided by the Government actuary. Employers may determine on compassionate grounds that the benefits are not reduced. Where a person was an active member on 31 March 2008 and makes an election before 31 March 2010, benefits can be paid if aged 50 or over. For a member who joined the Scheme prior to 1 October 2006 where the member's age and membership (in whole years) satisfies the "rule of 85", then the benefits would not be reduced. For a member who joined the Scheme on or after 1 October 2006, then reduced benefits would be payable if taken before age 65.

**Policy**
Each specific case will be judged equally and fairly on its own merits having fully considered service delivery and financial costs. If there is a need for the College to fund a lump-sum contribution into the Pensions Fund this discretion will only be considered in cases where it can be demonstrated that the College can fund the cost of the release within its annual budget.

No decision will set a precedent.

This discretion will be exercised by the Governing Body.

| 2 | **REGULATION 12 BReg** |
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| | **POWER OF EMPLOYING AUTHORITY TO INCREASE TOTAL MEMBERSHIP OF ACTIVE MEMBERS** |

**Explanation**
An employer may resolve to increase the total membership of an active member. A member's total additional membership, including additional membership in respect of different employments, must not exceed 10 years.

**Policy**
Each specific case will be judged equally and fairly on its own merits having fully considered service delivery and financial costs. No decision will set a precedent. This discretion will be exercised by the Governing Body.

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| **3** | **REGULATION 13 BReg**<br>**POWER OF EMPLOYING AUTHORITY TO AWARD ADDITIONAL PENSION** |

**Explanation**
An employer may resolve to award a member additional pension of not more than £6,500 a year, payable from the same date as his/her pension is payable under any other provisions of these regulations. Additional pension may be paid in addition to any increase of total membership resolved under Regulation 12.

**Policy**
Each specific case will be judged equally and fairly on its own merits, having fully considered service delivery and financial costs. No decision will set a precedent. This discretion will be exercised by the Governing Body.

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| **4** | **REGULATION 18 BReg**<br>**FLEXIBLE RETIREMENT** |

**Explanation**
A member who is aged 55 or over and with their employer's consent reduces their hours and /or grade, can then, but only with the agreement of the employer, make an election to the administering authority for all or part payment of their accrued benefits without having retired from that employment. If payment of benefits occurs before age 65, the benefits are actuarially reduced in accordance with guidance issued by the Government Actuary.

Where a person was a member on 31 March 2008 and makes an election before 31 March 2010, benefits can be paid if aged 50 or over.

The employer may choose to waive the reduction in whole or in part. If the employer chooses to do so, then the cost of waiving the reduction in whole or part has to be paid to the Fund.

**Policy**
Each specific case will be judged equally and fairly on its own merits, having fully considered service delivery and financial costs. No decision will set a precedent. This discretion will be exercised by the Governing Body.

Where an application for flexible retirement is approved the College will not waive any actuarial reduction in the employee's pension benefits unless the decision is made after considering any compassionate ground that any reduction could justifiably be waived.

**THE COLLEGE IS NOT OBLIGED BY THE REGULATIONS TO PUBLISH A STATEMENT ON THE FOLLOWING DISCRETIONS BUT HAS CHOSEN TO DO SO:**

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| **5** | **REGULATION 3 BReg**<br>**CONTRIBUTIONS PAYABLE BY ACTIVE MEMBERS** |

**Explanation**
Employers will determine the contribution rate payable based on whole-time pensionable pay for existing members as at 1 April 2015 or at the commencement of employment. Where there has been a material change to a member's pensionable pay in the course of a financial year, his/her employing authority may re-determine the contribution rate to be applied.

**Policy**
The College will consider re-determining the contribution band of a financial year should there be a material change to a member's pay which would have a direct affect on the employer's liabilities.

Each specific case will be judged equally and fairly on its own merits, having fully considered service delivery and financial costs. No decision will set a precedent. This discretion will be exercised by the Governing Body.

| 6 | REGULATION 16 AReg<br>RE-EMPLOYED AND RE-JOINING MEMBERS |
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**Explanation**
Where a deferred member becomes an active member again before becoming entitled to the immediate payment of retirement benefits in respect of his former membership, he/she may elect to have his/her former membership aggregated with his/her current active membership. An election must be made in writing to the member's appropriate administering authority before the expiry of the period of 12 months, beginning with the date that he/she again became an active member (or such longer period as his employer may allow).

**Policy**
The College will consider extending the period of 12 months, beginning with the date that the member became an active member again to allow a member to aggregate his former membership in exceptional circumstances where it was beyond the member's control.

| 7 | REGULATION 22 AReg<br>APPLICAION TO MAKE ABSENCE CONTRIBUTIONS |
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**Explanation**
Employing authorities have the discretion to extend the period beyond 30 days for a person to apply in writing to make contributions.

**Policy**
The College will consider extending the period of 30 days in circumstances beyond the member's control in exceptional circumstances

| 8 | REGULATION 25 AReg<br>SHARED COST AVC |
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**Explanation**
Employers may resolve to establish and maintain a shared cost additional voluntary contribution scheme (SCAVC). Who can join, how much the employer and the employee will jointly contribute and the type of benefits provided must be considered.

**Policy**
The College does not propose to introduce a Shared Cost Additional Voluntary Contribution Scheme.

| 9 | REGULATION 83 AReg<br>INWARD TRANSFERS OF PENSION RIGHTS |
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**Explanation**
A person who becomes an active member who has relevant pension rights may request his fund authority to accept a transfer value for some or all of his/her former rights. An election must be made in writing before the expiry of the period of 12 months, beginning with the date that he became an active member (or any such longer period as his employer may allow).

**Policy**
The College will consider extending the period of 12 months beginning with the date that the employee became an active member – thereby allowing a member to transfer some or all of his rights from the relevant transfer or in exceptional circumstances or where it was beyond the member's control.

**From 1 June 2004, an amended Internal Dispute Resolution Procedure (attached at Appendix A) applies to active members of the LGPS and to others such as deferred and pensioner members, whose position may be affected by decisions taken by their former employer or LGPS administering authority.**

| 10 | REGULATION 57 AReg<br>NOTIFICATION OF FIRST INSTANCE DECISIONS |
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**Explanation**
Responsibility for determinations under the first stage of the procedure now rests with a 'specified person' appointed by your (former) employer. Your employer must specify the job title and address of the person to whom applications should be directed.

**Policy**
Name of the Scheme employer: Shrewsbury Sixth Form College

The person specified is:
Mr Martin Ward
Principal
Shrewsbury Sixth Form College
Priory Road
Shrewsbury
SY1 1RX

**Appendix 1**

**APPEALS PROCEDURE**

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**LOCAL GOVERNMENT PENSION SCHEME**

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## 1. Internal Disputes Resolution Procedure (IDRP)

**1.1** If you are dissatisfied with any decision taken by Shrewsbury Sixth Form College regarding your pension or benefits then you may lodge an appeal through the Internal Disputes Resolution Procedure. This should be made in writing to the Principal clearly stating the grounds of your appeal and within six months of the date of the notification of the decision. You may ask someone to lodge the appeal on your behalf. This could be a trade union official, welfare officer, spouse/partner or a friend. You will be informed in writing of the outcome within 14 days of receipt of your letter.

**1.2** If, upon notification of the decision, you remain dissatisfied then you may lodge an appeal for the decision to be reconsidered. This should be made in writing to the Corporation (or a Committee of the Corporation of at least 3 members or the Chairman of the Corporation) clearly stating the grounds of your appeal and within six months of the date of the notification of the decision. You will be informed in writing of the outcome within 14 days of receipt of your letter.

## 2. The Pensions Advisory Service (TPAS)

**2.1** TPAS is available to assist Scheme members and beneficiaries in connection with queries or difficulties they cannot resolve with the scheme administrator. 11 Belgrave Road, London, SW1V 1RB, tel; 0845 601 2923. Before requesting assistance from TPAS in resolving a dispute, you must have already made an attempt to settle through the IDRP.

## 3. Pensions Ombudsman

**3.1** If you are still unhappy following notification of the College's second decision then you can refer your complaint to the Pensions Ombudsman provided you do so within three years from the date of the original decision. The ombudsman will expect you to have contacted TPAS prior to making your complaint. The ombudsman's decision is final and binding on all parties, subject to any appeal made to the High Court on a point of common law.

## 4. Contacts

**4.1** TPAS:

Web: www.pensionadvisoryservice.org.uk
Tel: 0845 601 2923
Post: 11 Belgrave Road, London, SW1V 1RB

Email: enquiries@pensionsadvisoryservice.org.uk
Fax: 0207 233 8016

**4.2** Pensions Ombudsman: Web: www.pensionsombudsman.org.uk
Tel: 0207 834 9144
Post: 11 Belgrave Road, London, SW1V 1RB
Email: enquiries@pensionombudsman.org.uk
Fax: 0207 821 0065

**APPENDIX 2**

## COMMENTARY ON THIS STATEMENT OF POLICY

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|---|---|
| **1** | **REGULATION 30 BREG**<br>**CHOICE OF EARLY PAYMENT OF PENSION** |

There is no change to this regulation.

| | |
|---|---|
| **2** | **REGULATION 12 BReg**<br>**POWER OF EMPLOYING AUTHORITY TO INCREASE TOTAL MEMBERSHIP OF ACTIVE MEMBERS** |

There is no change to this regulation.

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|---|---|
| **3** | **REGULATION 13BReg**<br>**POWER OF EMPLOYING AUTHORITY TO AWARD ADDITIONAL PENSION** |

Employers were able to grant additional pension to an active scheme member of up to £5,000 per annum (in aggregate). Under the new scheme this has been increased to £6,500.

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| **4** | **REGULATION 18 BReg**<br>**FLEXIBLE RETIREMENT** |

There is no change to this regulation.

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|---|---|
| **5** | **REGULATION 3BReg**<br>**CONTRIBUTIONS PAYABLE BY ACTIVE MEMBERS** |

There is no change to this regulation

| | |
|---|---|
| **6** | **REGULATION 16 AReg**<br>**RE-EMPLOYED AND RE-JOINING DEFERED MEMBERS** |

There is no change to this regulation.

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|---|---|
| **7** | **REGULATION 22 AReg**<br>**APPLICATIONS TO MAKE ABSENCE CONTRIBUTIONS** |

There is no change to this regulation.

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|---|---|
| **8** | **REGULATION 25 AReg**<br>**SHARED COST AVC** |

There is no change to this regulation.

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|---|---|
| **9** | **REGULATION 83 AReg** |

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|---|---|
| | **INWARD TRANSFERS OF PENSION RIGHTS** |

There is no change to this regulation.

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| **10** | **REGULATION 57 AReg**<br>**NOTIFICATION OF FIRST INSTANCE DECISIONS** |

There is no change to this regulation.