



SOUTH SHROPSHIRE ACADEMY TRUST

Stokesay Primary School

LGPS Discretionary Policy

Jan 2016

Contents:

Statement of intent

1. Discretions
2. Key roles and responsibilities
3. Regulation 31: Whether to grant additional pension to a member (up to £6,500 p.a.)
4. Regulations 16 (2)e and 16 (4)d: Whether to make either a regular or lump sum Additional Pension Contribution (APC) to a member's account (funded in part or wholly by Stokesay Primary School)
5. Regulation 30 (6): Whether all or some benefits can be paid if a member aged 55 or over reduces their hours/pay grade and continues to work (flexible retirement)
6. Regulation 30 (8): Whether to waive actuarial reduction on flexible retirement.
7. Regulation 30 (8): Whether to waive actuarial reduction on early retirement (age 55+) for both active and deferred members and suspended tier 3 ill health pensions
8. TP Regulation 1 (1)c: Whether to allow the rule of 85 to be "switched on" for members who would normally meet the rule but who will not if they draw their benefits aged 55-59
9. Regulations 22 (8 and 9): Whether to extend the 12-month period to separate previous local government service
10. Regulation 9 (3): Determination of the rate of employee's contribution
11. Regulation 100 (6): Whether to extend the 12-month period to allow a transfer-in of non-local government pension rights
12. Regulation 33 to 38: Whether to award an injury allowance following the loss of employment or reduction in pay or death in service through permanent incapacity after sustaining an injury or contracting a disease as a result of anything he /she was required to do in carrying out the duties of the role.

Statement of Intent

Stokesay Primary School is required to compose, publish and keep under review a policy statement in relation to the exercising of a number of discretions under the LGPS 2014.

To ensure value for money and financial stability, Stokesay Primary School adopted an approach that befits the size, finances and current staffing levels at Stokesay Primary School. In addition, the decisions regarding the discretionary powers have been taken to ensure the affordability of the scheme to all members.

Stokesay Primary School is committed to equality and this policy has been created in accordance with anti-discrimination laws, the Equality Act 2010 and with regard to Age Regulations.

Signed by

Principal

Date: _____

Chair of Governors

Date: _____

Review date: _____

1. Discretions

- 1.1. Stokesay Primary School, as an LGPS Employer, is legally required to provide employees and LGPS scheme members with information regarding their decision to include or omit many of the following discretions in their LGPS scheme. Additional discretions are also included which are non-mandatory but have been included as best practice and for transparency:
 - 1.1.1. Regulation 31: Whether to grant additional pension to a member (up to £6,500 p.a.).
 - 1.1.2. Regulations 16 (2) e and 16 (4) d: Whether to make either a regular or lump sum Additional Pension Contribution (APC) to a member's account (funded in part or wholly by Stokesay Primary School).
 - 1.1.3. Regulation 30 (6): Whether all or some benefits can be paid if a member aged 55 or over reduces their hours/pay grade and continues to work (flexible retirement).
 - 1.1.4. Regulation 30 (8): Whether to waive actuarial reduction on flexible retirement.
 - 1.1.5. Regulation 30 (8): Whether to waive actuarial reduction on early retirement (age 55+) for both active and deferred members and suspended tier 3 ill health pensions.
 - 1.1.6. TP Regulation 1 (1) c: Whether to allow the rule of 85 to be "switched on" for members who would normally meet the rule but who will not if they draw their benefits aged 55-59.
 - 1.1.7. Regulations 22 (8 and 9): Whether to extend the 12-month period to separate previous local government service.
 - 1.1.8. Regulation 9 (3): Determination of the rate of employee's contribution.
 - 1.1.9. Regulation 100 (6): Whether to extend the 12-month period to allow a transfer-in of non-local government pension rights.

2. Key roles and responsibilities

- 2.1. The Trustees have overall responsibility for the implementation and monitoring of the LGPS Discretionary Policy at Stokesay Primary School.
- 2.2. The Trustees have responsibility for ensuring that the LGPS Discretionary Policy, as written, does not discriminate on any grounds, including but not limited to: age, ethnicity/national origin, culture, religion, gender, disability or sexual orientation.
- 2.3. The Trustees have overall responsibility for handling complaints regarding this policy as outlined in the Complaints Policy.
- 2.4. In the first instance, complaints should be directed to the Business Director.

2.5. The Business Director has responsibility for the day-to-day implementation and management of the LGPS Discretionary Policy at Stokesay Primary School. Staff members enrolled on the LGPS will be responsible for following the LGPS Discretionary Policy.

3. Regulation 31: Whether to grant additional pension to a member (up to £6,500 p.a.).

3.1. The LGPS 2014 Regulations state that Stokesay Primary School may agree, at its own cost, to award a member additional membership up to a maximum of ten years. Stokesay Primary School will only consider doing so in cases where there is a clear financial or administrative advantage to Stokesay Primary School and with the expressed permission of the Salaries Committee.

3.2. Note: The figure of £6,500 p.a. will be increased each April under the Pension (Increase) Act 1971.

4. Regulations 16 (2) e and 16 (4) d: Whether to make either a regular or lump sum Additional Pension Contribution (APC) to a member's account (funded in part or wholly by Stokesay Primary School).

4.1. Stokesay Primary School will only consider doing so in exceptional circumstances and with the approval of the Salaries Committee.

5. Regulation 30 (6): Whether all or some benefits can be paid if a member aged 55 or over reduces their hours/pay grade and continues to work (flexible retirement).

5.1. The LGPS 2014 Regulations state that Stokesay Primary School may agree, at its own cost (if there is any) for a member aged 55 or over, who reduces their grade, hours of work, or both, to receive all or part of their LGPS benefits immediately, even though they have not left Stokesay Primary School's employment. Stokesay Primary School will only consider doing so in cases where there is a clear financial or administrative advantage to Stokesay Primary School and with the approval of the Salaries Committee.

6. Regulation 30 (8): Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.

6.1. The LGPS 2014 Regulations state that if the benefits on flexible retirement would normally be reduced for early payment, Stokesay Primary School may agree, at its own cost, to waive all or part of the reduction. Stokesay Primary School will only consider doing so in exceptional circumstances and with the approval of the Salaries Committee.

7. Regulation 30 (8): Whether to waive actuarial reduction on early retirement (age 55+) for both active and deferred members and suspended tier 3 ill health pensions.

7.1. Stokesay Primary School may agree, at its own cost, for a member aged 55 or over, who leaves its employment without an automatic entitlement to immediate LGPS benefits, to receive their benefits immediately. Stokesay Primary School will only consider doing so in exceptional circumstances and with the approval of the Salaries Committee.

8. LGPS Transitional Provisions, Savings and Amendment Regulations 2014 Regulation 1 (1)c: Whether to allow the rule of 85 to be “switched on” for members who would normally meet the rule but who will not if they draw their benefits aged 55-59.

8.1. Stokesay Primary School will only consider “switching on” the rule of 85 in cases where there is a clear financial or administrative advantage to Stokesay Primary School and with the approval of the Salaries Committee.

9. Regulations 22 (8 and 9): Whether to extend the 12-month period to separate previous local government service.

9.1. Stokesay Primary School will only allow an extension to the 12-month period to combine previous non-local government service where it can be shown that the member was not provided with the required information within 6 months of starting at Stokesay Primary School.

10. Regulation 9 (3): Determination of the rate of employee’s contribution.

10.1. Stokesay Primary School will only review all employees’ contribution bands as at 1 April each year, except if the member has been promoted on a permanent basis. When a member’s salary or hours change during the year, the member will remain on the same employee contribution rate until the following April, except where they have progressed to a higher contribution band, in which case the change will take immediate effect.

11. Regulation 100 (6): Whether to extend the 12-month period to allow a transfer-in of non-local government pension rights.

11.1. Stokesay Primary School will only allow an extension to the 12-month period to combine previous non-local government service where it can be shown that the member was not provided with the required information within 6 months of starting at Stokesay Primary School.

12. Regulation 33 to 38: Whether to award an injury allowance following the loss of employment or reduction in pay or death in service through permanent incapacity after sustaining an injury or contracting a disease as a result of anything he/she was required to do in carrying out the duties of the role.

11.2. Stokesay Primary School/School will consider each case on its merits using the criteria listed in the Local Authority's LGPS Injury Allowance Payment Scheme.