



Employer Discretions

Local Government Pension Scheme (LGPS) Regulations

Church schools serving their communities through excellence,
exploration and encouragement within the love of God.

The diocese of Lincoln is called to faithful worship, confident discipleship and joyful service and our church schools bear witness to our belief that every child is made in the image of God and loved by Him. They were founded for the good of their local communities so that children can be educated through the values and stories of Christianity.

Policy Owner: LAAT CEO
Policy Date: October 2015
Policy Review Date: September 2018

Excellence

Exploration

Encouragement

The Discretions

Regulation	Policy
<p>Regulations 16(2)(e) and 16(4)(d) of the 2013 Regulations</p> <p>Shared Cost Additional Pension Scheme</p> <p>An employer can choose to pay for or contribute towards a member's Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC).</p>	
<p>Regulation 30(6) of the 2013 Regulations & regulation 11(2) of the 2014 Regulations</p> <p>Flexible Retirement</p> <p>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 subject to the employer agreeing to the member either reducing their hours or moving to a position on a lower grade.</p> <p>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>As a general rule the MAT's policy is not to exercise this discretion but the MAT will consider individual cases on their merits having regard to the cost to the Academy/MAT.</p> <p>Any application must be supported by a business case in writing.</p>
<p>Regulation 30(8) of the 2013 Regulations</p> <p>Waiving actuarial reduction</p>	<p>When exercising its discretion in relation to flexible retirement, the MAT will look at its operating requirements; have regard to pension fund members' individual</p>

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<p>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.</p> <p>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.</p> <p>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.</p>	<p>circumstances and the impact on services of granting flexible retirement together with the cost to the Academy/MAT.</p> <p>As a general rule the MAT will only grant flexible retirement to members where there is, in the opinion of the MAT, a financial or operational benefit to the Academy in granting the member's request for flexible retirement.</p> <p>As a general rule the MAT's policy is not to exercise this discretion but will consider individual cases on their merits having regard to the cost to the Academy/MAT.</p> <p>Any application by a scheme member must be supported by a business case in writing.</p> <p>The MAT will not as a general rule exercise its discretion to waive any actuarial reduction in benefits although each case will be considered on its merits (see further below).</p>
<p>Schedule 2, paragraphs 1(1)(c), 2(2) and 2(3) of the 2014 Regulations</p> <p>Power of employing authority to 'switch on' the 85 year rule</p> <p>An employer can choose whether to 'switch on' the 85 year rule for members who voluntarily retire on or after age 55 and before age 60.</p>	<p>As a general rule the MAT's policy is not to exercise these discretions but it will consider individual cases on their merits having regard to the compassionate grounds of individual members and having regard to the cost to the Academy.</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>Regulation 31 of the 2013 Regulations Power of employing authority to grant additional pension</p> <p>An employer can choose to grant additional pension to an active member or to a member within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6500* per annum). (*the figure of £6500 will be increased each April under Pensions Increase Orders)</p>	<p>The MAT's policy is not to switch on the 85 year rule or, as a general rule, to exercise the discretion to waive on compassionate grounds the actuarial reduction but the MAT will consider individual cases on their merits and having regard to the cost to the Academy/MAT.</p>
	<p>As a general rule the MAT's policy is not to exercise this discretion, but it will consider individual cases on their merits and having regard to the cost to the Academy/MAT.</p> <p>An application for additional pension must be supported by a business case in writing.</p>