Chelmsford County High School for Girls

LGPS Discretions Policy

Approved by the Governing Body: ~~April 2014~~

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LGPS DISCRETIONS POLICY

1. Introduction

Under the LGPS Regulations 2013 effective from 1 April 2014, all employers participating in the LGPS are required to prepare and publish a written statement on how it will exercise the various discretions provided by LGPS 2014, LGPS 2008, LGPS 1997, Compensation and Injury Allowances Regulations

This document includes discretionary policies for LGPS Regulations 2013 as required by regulation 60, LGPS (Administration) Regulations 2008 as required by regulation 66 and 1997 LGPS Regulations as required by regulation 106 (for pre 1 April 2008 leavers and/or councillor members as applicable).

Exceptional Compassionate Grounds
Financial hardship alone is not deemed sufficient grounds. For the purposes of this Policy, exceptional compassionate grounds are where an ex-member has had to give up paid employment to be the sole carer for a severely disabled or seriously ill dependent, and where reasonable additional support is not viable.

2. Employer Discretions – LGPS Regulations 2013

	Discretion	Regulation	Employer Policy
1a	Whether, how much, and in what circumstances to contribute to shared APC or AVC scheme	R16(2)(e), R16(4)(D), R(17)(1), R17)1)(d)	CCHS will not set up a shared cost APC or AVC scheme. The only circumstances under which the Academy will contribute as required, is where an employee chooses, within 30 days following a period of authorised paid leave of absence, to purchase pension.
1b	Whether all or some benefits can be paid if an employee reduces hours of grade (flexible retirement)	R30(6),	CCHS will consent to the payment of benefits on flexible retirement if a member aged 55 permanently reduces their hours by at least 25% and/or grade and there is no financial strain to the Academy.
1c	Whether to waive, in whole or part, actuarial reduction on benefits paid on flexible retirement	R30(8)	CCHS will not waive actuarial reduction on a flexible retirement.
1d	Whether to waive, in whole or part, actuarial reduction on benefits which a member voluntarily withdraws before normal pension age.	R30(8)	CCHS will not waive, in whole or part, the actuarial reduction on benefits where a member voluntarily elects to draw their pension before normal pension age.
1e	Whether to "switch on" the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.		CCHS will not "switch on" the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60
1f	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits.	B30(5) and B20A(5)	CCHS will not waive any actuarial reduction on pre and/or post April 2014 benefits.
1g	Whether 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.	R31	CCHS will not award additional pension to any member.

3. Additional Employer Discretions – LGPS Regulations 2013

	Discretion	Regulation	Employer Policy
2a	Determine rate of employee's contributions	R9(1) 7 R9(3)	CCHS will allocate employees to a contribution band on 1 April, following an assessment of their previous years' earnings. New staff will be allocated a contribution band on the basis of their contracted salary. The allocation of a contribution band will not be reviewed during the year.
2b	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	CCHS will determine that a bonus paid in a previous year is not a regular payment for the purposes of calculating AAP.
2c	Extend 12-month time limit for acceptance of a transfer value	R100(68)	CCHS will not extend the time limit for acceptance of a transfer value, other than in exceptional circumstances where the processing of the election was delayed, other than by the employee.
2d	Extend 12-month time limit for acceptance of a request not to have deferred benefits aggregated with their new or concurrent LGPS employment	R22(8)(b), R22(7)(b)	CCHS will not extend the time limit for acceptance of a request not to have deferred benefits aggregated with their new or concurrent LGPS employment, other than in exceptional circumstances where processing of the election was delayed, other than by the employee.
2e	Which employees to nominate for membership (admission bodies only)	R3(1)(c) & R4(2) (b)	N/A
2f	Determine whether a deferred beneficiary meets the criteria for ill health pension benefits	R38(3)	CCHS will determine in line with the medical assessment as determined on the ill health certificate.
2g	Decide to suspend Tier 3 benefit where member is likely to be capable of undertaking gainful employment	R38(6)	CCHS will determine in line with the medical assessment as determined on the ill health certificate.
2h	Recover any overpayment of Tier3 ill health pension following commencement of gainful employment	R37(3)	CCHS will seek to recover any overpayment where a Tier3 pension has been paid after gainful employment has commenced.

4. Employer Discretions - LGPS (Administration) Regulations 2008

	Discretion	Regulation	Employer Policy
3a	Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60.	B30(2)	CCHS will not consent to applications for early payment of deferred benefits on or after age 55 and before age 60 other than on exceptional compassionate grounds as defined.
3b	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30.	B30(5)(6)	CCHS will not consider waiving actuarial reductions for deferred benefits.

3c	Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60.	B30A(3)	CCHS will not consent to applications for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60 other than on exceptional compassionate grounds as defined.
3d	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30(A)	B30A(5)	CCHS will not consider waiving actuarial reductions.
3e	Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31st March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this discretion is spent entirely after 30th September 2014.	B12	CCHS will not consent to augment membership.

5. Employer Discretions – Local Government Pension Scheme Regulations 1997 (as amended) in relation to pre 1 April 2008 leavers

	Discretion	Regulation	Employer Policy
4a	Grant application from a post 31st March 1998 / pre 1st April 2008 leaver for early payment of benefits on or after age 50/55 and before age 60.	31(2)	CCHS will not consent to applications for early payment of deferred benefits to those age 55+ other than on exceptional compassionate grounds as defined. Applications for those age 50-54 will not be considered due to the HMRC ruling that such payments are unauthorised.
4b	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31st March 1998 / pre 1st April 2008 leaver.	31(5)	CCHS will not consider waiving actuarial reductions.

6. Employer Discretions – Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1 April 1998 leavers

	Discretion	Regulation	Employer Policy
5a	Grant applications for early payment of deferred pension benefits on or before age 50 and before age 65 on compassionate grounds.	D11(2)(c)	CCHS will not consent to applications for early payment of deferred benefits to those age 55+ other than on exceptional compassionate grounds as defined. Applications for those age 50-54 will not be considered due to the HMRC ruling that such payments are unauthorised.

7. Employer Discretions - Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

	Discretion	Regulation	
6a	To base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.	5	CCHS will base redundancy payments on actual week's pay.
6b	To award lump sum compensation of up to 104 week's pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	6	CCHS will not award lump sum compensation in cases of redundancy*, termination of employment on efficiency grounds, or cessation of a joint appointment. *except where so obliged by virtue of TUPE.

8. Employer Discretions under the Local Government (Discretionary Payments) (Injury Allowance) Regulations 2011

	Discretion	Regulation	
7a	Whether to grant an injury allowance following a reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties.	3 (1)	CCHS policy is not to set up an Injury Allowance Scheme at this time.
7b	Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	3(4) and 8	CCHS policy is not to set up an Injury Allowance Scheme at this time.
7c	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1).	3(2)	CCHS policy is not to set up an Injury Allowance Scheme at this time.
7d	Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties if the job.	4(1)	CCHS policy is not to set up an Injury Allowance Scheme at this time.
7e	Amount of injury allowance following cessation as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	4(3) and 8	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7f	Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1).	4(2)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7g	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less	4(5)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.

	than 30 hours per week for a period of not less than 12 months.		
7h	Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a reg 3 payment was being made at date of cessation of employment but reg 4 does not apply.	6(1)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7i	Determine whether and when to cease payment of an injury allowance payable under regulation 6(1).	6(2)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7j	Whether to grant an injury allowance to the spouse, civil partner, nominated co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	7(1)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7k	Determine amount of any injury allowance to be paid under regulation 7(1).	7(2) and 8	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.
7l	Determine whether and when to cease payment of an injury allowance payable under regulation (7)1.	7(3)	CCHS policy is **not** to set up an Injury Allowance Scheme at this time.

~~Note: The Pension Scheme expects that where an employee retires and accesses their pension that they are genuinely ceasing work by reason of retirement (i.e. not returning to similar employment). In any case, the Academy will require a minimum 31 day break if the employee is to return to work following retirement.~~
Not on old LGPS policy

Appendix A Application for Flexible Retirement

Local Government Pension Regulations (as amended)

APPLICATION FOR FLEXIBLE RETIREMENT

NAME: _____

SCHOOL: _____

NATIONAL INSURANCE NO: _____

PAYROLL NO: _____

Part One: Employee's Declaration

Either:
I will reduce my grade*/ working hours*/percentage* from _____ to _____. The date for this change will be as agreed with my line manager. If this change to my contract is agreed, I elect to receive immediate payment of my pension.
I understand that this election will not be valid unless my employer consents to the release of my pension.
I also understand that I may withdraw this election (and where appropriate the request to alter my contract) once I have considered my pension benefit estimate.

Or:

I have reduced my grade*/ working hours*/percentage* from _____ to _____ with effect from _____20___. I elect to receive immediate payment of my pension.
I also understand that I may withdraw this election once I have considered my pension benefit estimate.

* delete as appropriate

Signed:_____ Date: _____

This form should be submitted to your headteacher

Part Two: Headteacher's Consent

I confirm that the school supports the changes to the contract detailed overleaf from the date given*/date to be agreed* and supports this application for flexible retirement.

* delete as appropriate

I confirm that there will be no financial strain to the employer as a result of this retirement.

Signed:_____
Headteacher

Name: _____

Date: _____

PTO

Part Three: Governors' Consent

I confirm that there will be no financial strain to the employer as a result of this retirement and therefore confirm acceptance of this application.

Signed:_____
Chair of Governors/Personnel/Finance Committee

Name: _____

Date: _____