


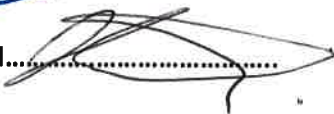


Local Government Pension Scheme Discretions Policy

**This policy was adopted by:
The Directors of Ventrus Multi Academy Trust**

On 13th December 2017

Signed by  **Chair of Directors**

Reviewed on 16.05.19 Signed..... 

Reviewed on Signed.....

Reviewed on Signed.....

1. Introduction

- 1.1. This Policy sets out how the Trust will exercise its discretionary functions under the Local Government Pension Scheme (LGPS), which is administered by Peninsula Pensions.
- 1.2. This policy covers the regulations where a written policy must be in place in relation to the exercise of its discretion, which are:
 - a. 9. Determine rate of employees' contributions
 - b. 16. Shared Cost Additional Pension
 - c. 17 & TP15. Shared Cost AVC arrangement
 - d. 18. Flexible retirement
 - e. 22. Whether to extend the 12 month option period for a member
 - f. 30. Choice of early payment of pension according to the Benefits Regulation
 - g. 31. Power of employing authority to grant additional pension
 - h. TPSch 2. Power to 'switch on' the 85 year rule.

2. Definition

- 2.1. For the purpose of this document:
 - a. Members, Trustees/Directors and Governors are referred to as Trustees;
 - b. Ventrus Multi Academy Trust is referred to as The Trust;
 - c. Staff refers to all staff employed by Ventrus Multi Academy Trust

3. Legal Framework

- 3.1. All employers who participate in the Local Government Pension Scheme are required to formulate a discretions policy in accordance with Regulation 66 of The Local Government Pension Scheme (Administration) Regulations 2008, and Regulation 60 of the Local Government Pension Scheme Regulations 2013.

4. Policy Decisions Table

Regulation R16 (2)(e) and R16 (4)(d)	Policy Decision
<p>Shared Cost Additional Pension Scheme 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><i>*(Current maximum allowed is £6,822)</i></p>	<p>The employer will not contribute to a shared cost contribution scheme.</p> <p>This discretion is exercised only in the circumstances where a scheme member has a period of approved unpaid leave and wishes to pay additional contributions to fund the lost pension due to reduced pensionable pay, has not made the election within 30 days of returning to work, but has done so within 30 days of the notification of the option to pay. The total cost is funded by scheme member at 1/3rd of cost and employer at 2/3rd of cost.</p> <p>In any other circumstances any additional pension contributions will be funded in full by scheme members.</p>

Regulation R30(8), TP3 (1), TPSCH2, Para 2(1), B30(5) and B30 (A) (5)	Policy Decision
<p>Waiving of actuarial reduction</p> <p>Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to member's benefits paid on the grounds of flexible retirement.</p> <p>Employers may also waive, on the compassionate grounds, the actuarial reduction (in whole or in 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 the active members of benefits when a member chooses to voluntarily draw benefits on or after age 55 before age 60 and on or after age 60 and before Normal Pension Age.</p>	<p>This may be considered in exceptional circumstances where there are demonstrable business benefits.</p>
Regulation TP1(1)(c) Sch 2	Policy Decision
<p>Power of employing authority to 'Switch on' the 85 Year Rule (excludes flexible retirement) upon the voluntary early payment of benefits</p> <p>The 85- year rule does not (other than on flexible retirement) automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60. An employer can therefore choose whether to "switch on" 85 year rule for members:</p> <ol style="list-style-type: none"> 1) who voluntarily draw their benefits on or after the age of 55 and before age 60 and 2) Former members who ceased active membership between 1st April 2008 and 31st March 2014 and choose to voluntarily draw their suspended tier 3 ill health pension (on or after 14 May 2018) on or after age 55 and before age 60 and, 3) Former members who ceased active membership between 1st April 1998 and 31st March 2014 and elect for voluntary early payment of any deferred benefits 	<p>This may be considered in exceptional circumstances where there are demonstrable business benefits.</p>
Regulation R31	Policy Decision
<p>Power of employing authority to grant additional pension</p> <p>An employer can choose to grant additional pension to an active member or within 6 months of ceasing to be an active member on the grounds of redundancy or business efficiency (by up to £6,822* per annum). (* the figure of £6,822 will be increased each April under Pensions Increase orders).</p>	<p>This may be considered in exceptional circumstances where there are demonstrable business benefits.</p>

Regulation £11(2)(c) of the LGPS Regulations 1995

In relation to members who ceased active membership before 1 April 1998:

Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds

Regulation 31 (7) of the LGPS Regs 1997

In respect of a member who opted out of the scheme after 31 March 1998 and before 1 April 2008:

Where a member who opted out of the scheme continues to be employed by a Scheme employer, the member is only entitled to receive their benefits at NRD if their employer consents to them doing so.

5. Flexible Retirement Additional Policy

Flexible Retirement (Regulation R30(6) & TP11(2))	Policy Decision
<p>You will need to consider; -</p> <ol style="list-style-type: none">1. The minimum reduction in hours or grade required2. Whether the employee should commit to a reduction in hours or grade for a minimum period3. Whether the employee should commit to remaining in employment with the employer for a minimum period <p>You should also state;-</p> <ol style="list-style-type: none">1. Whether, in addition to the benefits the member has accrued prior to 1st April 2008 (which the member must draw) to permit the member to choose to draw;<ul style="list-style-type: none">• All, part, or none of the benefits they accrued after 31st March and before 1st April 2014 and/or,• All, part, or none of the benefits accrued after 31st March 2014, and• Whether to waive, in whole or in part, any actuarial reduction which would normally be applied to the benefits for Flexible retirement taken before normal retirement age	<p>Ventrus will only consider release of benefits where there is a reduction in employee's gross pay of at least 25% and, will only agree where there is no cost to the employer.</p> <p>Flexible retirement will be subject to:</p> <ul style="list-style-type: none">• Reduction in salary similar to the level of pension to be received, and• A minimum period of employment of 12 months in the reduced grade and/or hours following Flexible Retirement, and• No return to the higher hours/grade