

Eastwood Park Academy Trust (EPAT)

EPAT

Believe Succeed Together

Local Government Pension Scheme Discretions Policy

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1.0 Introduction

Under the LGPS Regulations, the Eastwood Park Academy Trust is required to formally publish its policy on “discretions”.

Unless stated otherwise the references to regulations are set out below:

- The Local Government Pension Scheme Regulations 2013.
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
- The Local Government Pension Scheme (Administration) Regulations 2008.
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 as amended).
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008.
- The Local Government Pension Scheme Regulations 1997 (as amended).
- The Local Government Pension Scheme Regulations 1995.

This policy statement clarifies Eastwood Park Academy Trust’s position on the discretions. The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations.

2.0 Employer Discretions - Local Government Pension Scheme Regulations 2013

	Discretion	Regulation	Employer Policy
2a	Whether, how much, and in what circumstances to contribute to a shared cost Additional Pension Contribution (“APC”) or Additional Voluntary Contribution (“AVC) scheme.	R16(2)(e) & R16(4)(d) R17(1) R15(1)(d)	Eastwood Park Academy Trust will not consider contributing to a shared cost APC or AVC scheme. NB the Academy will contribute, as required, where an employee chooses within 30 days, to purchase pension following a period of authorised unpaid leave of absence.
2b	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).	R30(6) & TP11(2)	Eastwood Park Academy Trust will consent to the payment of benefits on flexible retirement if, with consent, a member permanently reduces their hours by at least 25% and/or takes on a role with less responsibility. Refer to Flexible Retirement Policy.
2c	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	R30(8)	Eastwood Park Academy Trust will not consider waiving actuarial reductions on a flexible retirement.
2d	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age.	R30(8)	Eastwood Park Academy Trust will not consider waiving actuarial reductions on a retirement before normal pension age.
2e	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	TPSch 2, paras 1(2) and 2(2)	Eastwood Park Academy Trust will not consider “switching on” the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.
2f	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits.	TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)	Eastwood Park Academy Trust will not consider waiving actuarial reductions on pre and or post 2014 benefits.
2g	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 (by up to £6,500.00 p. a.).	R31	Eastwood Park Academy Trust will not consider granting additional pension to a member ceasing to be an active member by reason of redundancy or business efficiency.

3.0 Additional Employer Discretions – LGPS Regulations 2013

	Discretion	Regulation	Employer Policy
3a	Determine rate of employee's contributions	R9(1) 7 R9(3)	Eastwood Park Academy Trust and Dataplan Payroll 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.
3b	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	Eastwood Park Academy Trust will determine that a bonus paid in a previous year is not a regular payment for the purposes of calculating AAP.
3c	Extend the 12 month time limit for acceptance of a transfer value	R100(68)	Eastwood Park Academy Trust 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.
3d	Extend the 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)	Eastwood Park Academy Trust 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.
3e	Which employees to nominate for membership (admission bodies only)	R3(1)(c) & R4(2)(b)	N/A
3f	Determine whether a deferred beneficiary meets the criteria for ill health pension benefits	R38(3)	Eastwood Park Academy Trust will determine in line with the medical assessment as determined on the ill health certificate.
3g	Decide to suspend Tier 3 benefit where member is likely to be capable of undertaking gainful employment	R38(6)	Eastwood Park Academy Trust will determine in line with the medical assessment as determined on the ill health certificate.
3h	Recover any overpayment of Tier3 ill health pension following commencement of gainful employment	R37(3)	Eastwood Park Academy Trust will seek to recover any overpayment where a Tier3 pension has been paid after gainful employment has commenced.

4.0 Employer Discretions - Local Government Pension Scheme (Administration) Regulations 2008

	Discretion	Regulation	Employer Policy
4a	Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60.	B30(2)	Eastwood Park Academy Trust 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.
4b	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30.	B30(5)	Eastwood Park Academy Trust will not consider waiving actuarial reductions for deferred benefits.
4c	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)	Eastwood Park Academy Trust 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.
4d	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30(A)	B30A(5)	Eastwood Park Academy Trust will not consider waiving actuarial reductions.
4e	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	Eastwood Park Academy Trust will not consent to augment membership.

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

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

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

	Discretion	Regulation	Employer Policy
6a	Grant applications for early payment of deferred pension benefits on or before age 50 and before age 65 on compassionate grounds.	D11(2)(c)	Eastwood Park Academy Trust will not consent to applications for early payment of deferred benefits to those aged 55+ other than on exceptional compassionate grounds. Applications for those aged 50-54 will not be considered due to the HMRC ruling that such payments are unauthorised.

7.0 Employer Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

	Discretion	Regulation	Employer Policy
7a	To base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.	5	Eastwood Park Academy Trust will base redundancy payments on actual week's pay.
7b	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	Eastwood Park Academy Trust 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.

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

	Discretion	Regulation	Employer Policy
8a	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)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8b	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	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8c	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1).	3(2)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8d	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)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8e	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	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8f	Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1).	4(2)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8g	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	4(5)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8h	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)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.

8i	Determine whether and when to cease payment of an injury allowance payable under regulation 6(1)	6(2)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8j	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)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8k	Determine amount of any injury allowance to be paid under regulation 7(1)	7(2) and 8	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.
8l	Determine whether and when to cease payment of an injury allowance payable under regulation (7)1	7(3)	Eastwood Park Academy Trust Policy is not to set up an Injury Allowance Scheme at this time.