

“Together in Achievement”



Flexible Retirement Policy for Support Staff

Policy statement on discretionary decisions
for employees in Local Government Pension Scheme

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Version:	1.1

Flexible Retirement Policy for Support Staff

Introduction

Under the Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 which were effective from 1st April 2014, all employers participating in the LGPS are required to prepare and publish a written statement on how they will exercise the various discretions provided by the scheme. This document serves that purpose.

There are also some residual discretions which employers may be required to exercise under the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 where they had staff who were in the scheme and who left between 1 April 2008 and 31 March 2014. Employers participating in the LGPS are required to prepare and publish a written statement on how they will exercise the various discretions. This document also serves that purpose.

Decisions relating to the exercise of discretions will be treated by Aspire Multi Academy Trust ("Trust") on its merits. Decisions will be made taking into account the business case and implications for the Trust.

These policy decisions are to be kept under review. Reviews will take place every three years. The Trust will make such revisions as are appropriate following a change in its policy and will conduct a full review of this policy on a triennial basis.

Employer Discretion	Policy on individual Discretions
Local Government Pension Scheme Regulations 2013	
Regulation 16: Power to fund additional pension Additional pension contributions can be made by active members to purchase additional benefits in the LGPS. Under Regulation 16(2)(e) the employer has a discretion to fund additional regular contributions and under Regulation 16(4)(d) to fund additional lump sum contributions. The amount of additional pension that can be purchased is currently limited to £7,194. This limit is subject to annual increases.	The Trust will exercise its discretion to fund additional pension contributions in exceptional circumstances. In deciding whether to exercise its discretion, the Trust will consider all relevant circumstances including, but not limited to: • the cost to the Trust; • the member's years of service; and • the business needs of the Trust.
Regulation 30(6): Flexible retirement An employee who is 55 or over and reduces their grade or hours may, with	Before deciding whether to grant flexible retirement, each specific case will be judged equally and fairly on its own merits. In deciding whether to grant a request for

Employer Discretion	Policy on individual Discretions
the consent of their employer, receive immediate payment of some or all of their retirement pension, reduced by an amount in accordance with actuarial guidance issued by the Secretary of State.	flexible retirement the Trust will consider all of the relevant factors, including: • whether the employee's skills and experience would be easy to replace if they left the organisation; • whether there would be any shortage of skills or experience if the employee were to leave the organisation; • what impact flexible retirement would have on the Trust's objectives; • whether it is practical to re-organise work among existing employees or recruit additional employees; • whether an associated role at a lower grade is available for the employee; • the cost to the Trust in granting flexible retirement; and • any other relevant factors
Regulation 30(8): Waiving actuarial reduction on flexible retirement or early payment of benefits or retirement for those aged 55 and over Employers have a discretion whether to waive the actuarial reduction which would otherwise apply where a member who is 55 or over receives early payment of their pension on retirement or flexible retirement.	The Trust will consider waiving the actuarial reduction in pension benefits in the following circumstances: • on grounds of severe financial hardship; • on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to
Regulation 31: Award of additional pension by employer An employer may award additional pension to an active member of the LGPS or a member who is dismissed by reason of redundancy or business efficiency or whose employment terminates by mutual consent on grounds of business efficiency. The amount of additional pension that can be awarded is currently limited to £7,194. This limit is subject to annual increases.	The Trust will exercise its discretion to award additional pension where a sound business case is made. In deciding whether to exercise its discretion, the Trust will consider all relevant circumstances including, but not limited to: • the cost to the Trust; • the length of service of the member; • the business efficiency needs of the Trust; and • whether the member was or will be dismissed on the grounds of business efficiency or redundancy.

Employer Discretion	Policy on individual Discretions
Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014	
Paragraph 1(3) of Schedule 2: Application of the Rule of 85 An employer can choose whether to allow certain employees who were LGPS members of the 1998 Scheme and who satisfy the rule of 85 (where their age added to their years of pensionable service are equal to or more than 85) to take unreduced benefits from the 2014 Scheme where the employee is between 55 and 60.	The Trust will exercise its discretion to allow rule of 85 protection in exceptional circumstances. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.
Paragraph 2(2) of Schedule 2: Waiver of actuarial reduction on compassionate grounds An employer can choose to waive any actuarial reduction for an employee who is eligible for Rule of 85 that applies where an employee requests to receive their benefits early.	The Trust will consider waiving the actuarial reduction in pension benefits in the following circumstances: • on grounds of severe financial hardship; • on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.
Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 in respect of staff who left the LGPS between 1 April 2008 and 31 March 2014 only	
Regulation 30(2): Early Payment of Benefits on retirement for those aged 55 and over Whether to allow early payment of benefit sat/after age 55 and before 60 for former members	The Trust will consider consenting to early release of pension benefits in the following circumstances: • on grounds of severe financial hardship; • on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.
Regulation 30(5): Waiver of actuarial reduction on compassionate grounds	The Trust will consider waiving the actuarial reduction in pension benefits in the following circumstances: • on grounds of severe financial hardship;

Employer Discretion	Policy on individual Discretions
Employers have a discretion whether to waive the actuarial reduction which would otherwise apply where a former member who is 55-60 receives early payment of their pension on retirement	• on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.
Regulation 30A(3): Early Payment of Benefits for former member aged 55 and over who has had Tier 3 ill-health retirement benefits suspended Whether to allow early payment of benefits at/after age 55 and before 60 for a former member who has had Tier 3 ill health retirement benefits suspended.	The Trust will consider consenting to early release of pension benefits in the following circumstances: • on grounds of severe financial hardship; • on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.
Regulation 30A(5): Waiver of actuarial reduction on compassionate grounds for former member aged 55 and over who has had Tier 3 ill-health retirement benefits suspended Employers have a discretion whether to waive the actuarial reduction which would otherwise apply where a former member who is 55-60 receives early payment of their pension on retirement under Regulation 30A following suspension of a Tier 3 ill health retirement pension.	The Trust will consider waiving the actuarial reduction in pension benefits in the following circumstances: • on grounds of severe financial hardship; • on compassionate grounds; or • where there is a business benefit to the Trust. The Trust will consider all of the relevant circumstances when deciding whether to waive any actuarial reduction, including the benefits and costs to the Trust and the benefits to the employee.