



The Chalfonts Community College

Local Government Discretions Scheme Policy

Date created & reviewed August 2020

For review August 2023

These policies reflect legislation at the time they were last reviewed. Any changes in legislation will take precedence over anything printed in the policy. The Chalfonts Community College is here in after also referred to as “the Employer”.

General Principles

Under the rules of the Local Government Pension Scheme (LGPS) the Employer has the right to authorise discretion on a number of matters regarding the administration of the pension scheme.

1.1 For a number of discretions, listed below, there is a statutory requirement to publicise the approach the Employer will take.

1.2 The approach to exercising discretion in this policy is to allow the Employer to make a reasonable decision in individual cases but also to be clear as to the factors it will take into account in making that decision.

1.2.1 A business case should contain the following:

- **Introduction** – state the aim of the business case, the proposed change or purpose;
- **Reasons** – explain the issues and the “why”;
- **Key Outcomes** – expected immediate and longer term benefits;
- **Options/Costs** – main options and a summary of the costs;
- **Recommendation** – expand and justify the reason.

1.3 In formulating and reviewing its policy statements the Employer is required to:

- Have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service, and,
- Be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

1.4 Any complaints relating to decisions in these matters would need initially to be raised under the pension scheme’s Internal Disputes Procedure, details of which are available from the pension scheme administrator. The Employer’s appointed person to deal with Stage 1 Internal Disputes Resolution Procedure (IDRP) complaint cases is The Chair of Governors and can be contacted via the Clerk to the Governors on Tel: 01753 881691 or by emailing suelittman@Chalfonts.org

1.5 This policy confers no contractual rights.

1.6 The Employer retains the right to amend this policy at any time, as the Employer deems appropriate.

1.7 Only the policy, which is current at the time a relevant event occurs to the scheme member, will be the one applied to that member.

1.8 The Principal reserves the right to involve those persons as appropriate (as the Principal deems appropriate) when considering the Business Case including (but not exclusively so) the employee’s line manager, members of the management team, external advisors or members of the Governing Body.

This policy deals with the Employing Authority’s Discretions Under the following legislation:

The Local Government Pension Scheme (Administration) Regulations 2008

the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2009

The Local Government Pension Scheme (Transitional Provision) Regulations 2008

The Local Government Pension Scheme Regulations 2013

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014

The Local Government Pension Scheme Regulations 1997

The Local Government Pension Scheme (Early Termination of Employment) (Discretionary Compensation) 2006

The Local Government Pension Scheme (Discretionary Payments) (Injury Allowances) Regulations 2011

SECTION 1

The following table lists the discretions which may be exercised on and after 1st April 2014 in relation to active scheme members and members who cease active membership after 31st March 2014.

Discretion	Regulation	Discretion	Employer's policy on the exercise
1	R31	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 p.a. on 1 April 2014 - this figure is inflation proofed annually).	The Chalfonts Community College will not have a general policy to grant extra annual pension but may consider doing so where a sound business case can be made for exercising this discretion. Each case will be considered on its individual merits by the Principal. Final approval to be given by the Governing Body.
2	R16 (2)(e) & R16 (4)(d)	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	The employer does not consider contribution towards additional pension contributions to be essential. However, the employer will consider applications made under these specific provisions on the merits of each case having particular regard to factors such as: the Employer's ability to meet the cost of granting such a request: and /or the member's personal circumstances.
3	R30 (6) TP11(2)	Whether all or some benefits can be paid if an employee reduces their hour or grade (flexible retirement)..	The Chalfonts Community College will not have a general policy of exercising this discretion but may exercise this discretion where a sound business case can be made for granting flexible retirement with immediate access to all or part of the member's benefits. The Chalfonts Community College will consider requests on a case by case basis by the Principal. The Principal will take into account the financial strain any flexible retirement option may place on the scheme when taking decisions of this nature.
4	TPSch 2, para 1 (1)(c) & para 1 (2)	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	The Chalfonts Community College will not have a general policy to apply the "rule of 85 protections" but may consider requests on a case by case basis.
5	R30 (8)	Whether to waive in whole or in part actuarial reduction on benefits paid on flexible retirement	The Chalfonts Community College will not waive actuarial reductions on any benefits paid in whole or part. Only in very exceptional circumstances would this be considered by the Principal.
6	R30 (8)	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership).	The Chalfonts Community College will not waive actuarial reductions on any benefits paid in whole or part. Only in very exceptional circumstances would this be considered by the Principal.
7	TP3 (1), TPsch 2, para 2 (1), B30(5) & B30A(5)	Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.

		<p>pre 1 April 2014 and post 31 March 2014 membership):</p> <p>a) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive. Whether to require any strain on Fund</p>	
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SECTION 2

The following table lists the discretions from 1 April 2014 in relation to post 31 March 2014 active members and post 31 March 2014 leavers

1	TPSch 2, para 1(2) & 1(1)(c)	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
2	B30(5), TPSch 2, para 2(1)	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member).	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
3	TPSch 2, para 1(2) & 1(1)(c)	Whether to “switch on” the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
4	B30A(5), TPSch 2, para 2(1)	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits).	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.

SECTION 3

The following table lists the discretions in relation to Local Government Pension Scheme Regulations 1997 in regard the scheme members who opted out on 1/4/1998 and before 1/4/2008

1	31 (2)	Grant application for early payment of deferred benefits on or after age 50 and before age 55.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
2	TPSch 2, para 1(2) & 1(1)(f) & R60	Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60. Note: TPSch 2, para 2(2) does not reference para 1(1)(f) so strictly speaking there is no requirement to publish a policy under this regulation or R60. However, we understand that this is simply a regulatory omission and the appropriate party should publish a policy accordingly.	The Chalfonts Community College will not have a general policy to apply the “rule of 85 protections” but will consider requests on a case by case basis.
3	31(5) & TPSch 2, para 2(1)	Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
4	31(7a)	Optants out only to get benefits paid from NRD if employer agrees	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.

SECTION 4

The following table lists the discretions which may be exercised on and after 1st April 2014 regarding scheme members who ceased active membership before 1st April 1998.

1	D11 (2) (c)	Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds. Although the common provisions of the 1997 Transitional provisions regulations do not specify regulation D11(2)(c), there intention was that it should apply to this regulation.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
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SECTION 5

The following table lists discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)

1	5	To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.	The Chalfonts Community College will not have a general policy of exercising this discretion but may exercise this discretion where a sound business case can be made. The Chalfonts Community College will consider requests on a case by case basis by the Principal and the Governing Body.
2	6	To award lump sum compensation of up to 104 weeks pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	The Chalfonts Community College will not have a general policy of exercising this discretion but may exercise this discretion where a sound business case can be made. The Chalfonts Community College will consider requests on a case by case basis by the Principal and the Governing Body.

SECTION 6

The following table lists discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

1	21(4)	How to apportion any surviving spouse' or civil partner's annual compensatory added years' payment where the deceased person is survived by more than one spouse or civil partner.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
2	25(2)	How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.
3	21(7)	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.

		normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid.		
4	21(5)	If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.	
5	21(7)	Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or cohabitation lasts, should be disapplied i.e. whether the spouse's or civil partners' annual CAY payments should continue to be paid to both of them.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.	
6	17	Whether and to what extent to reduce or suspend the member's annual compensatory added year's payment during any period of re-employment in local government.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.	
7	19	How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government.	The Chalfonts Community College will not have a general policy to exercise this discretion but may consider requests on a case by case basis.	

SECTION 7

The Following table lists discretions under The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011. Each employer is required to publish and review discretionary powers to make any award in respect of leavers, deaths and reduction in pay that occurred post 15 January 2012

8	3(1)	Whether to grant an 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	The Chalfonts Community College will consider each case on available information and on its merits	
9	3(4) & 8	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.	The Chalfonts Community College will consider each case on available information and on its merits	
10	3(2)	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1) (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(2) Employer Man	The Chalfonts Community College will consider each case on available information and on its merits	
11	4(1)	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 of the job.	The Chalfonts Community College will consider each case on available information and on its merits	
12	4(3) & 8	Amount of 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 of the job.	The Chalfonts Community College will consider each case on available information and on its merits	
13	4(2)	Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity).	The Chalfonts Community College will consider each case on available information and on its merits	
14	4(5)	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	The Chalfonts Community College will consider each case on available information and on its merits	
15	6(1)	Whether to grant an injury allowance following cessation of	The Chalfonts Community College will consider each case on available information and on its merits	

		employment with entitlement to immediate LGPS pension where a regulation 3 payment (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job) was being made at date of cessation of employment but regulation 4 (loss of employment through permanent incapacity) does not apply.		
16	6(1)	Determine amount of any injury allowance to be paid under regulation 6(1) (payment of injury allowance following the cessation of employment).	The Chalfonts Community College will consider each case on available information and on its merits	
17	6(2)	Determine whether and when to cease payment of an injury allowance payable under regulation 6(1) (payment of injury allowance following the cessation of employment).	The Chalfonts Community College will consider each case on available information and on its merits	
18	7(1)	Whether to grant an injury allowance to the spouse, civil partner, cohabiting partner (the requirement to nominate a co-habiting partner has ceased entirely under these regulations due to the outcome of the Elmes v Essex high court judgement) 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.	The Chalfonts Community College will consider each case on available information and on its merits	
19	7(2) & 8	Determine amount of any injury allowance to be paid to the spouse, civil partner, nominated co-habiting partner (for awards made on or after 1 April 2008 the requirement to nominate a co-habiting partner has ceased due to the outcome of the Elmes v Essex high court judgement) or dependent of an employee under regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	The Chalfonts Community College will consider each case on available information and on its merits	
20	7(3)	Determine whether and when to cease payment of an injury allowance payable under	The Chalfonts Community College will consider each case on available information and on its merits	

		regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).		
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Abbreviations:

APC – Additional Pension Contribution

NRD – Normal Retirement Date

CAY – Compensatory Added Years

TP – Transitional Provisions