

NORTHAMPTON SCHOOL FOR GIRLS

Local Government Pension Scheme (LGPS) Discretions Policy Statement

Introduction

Under the LGPS Regulations 2013 effective from 1 April 2014, all employers participating in the Local Government Pension Scheme (“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).

This policy confers no contractual rights. Northampton School for Girls retains the right to change the policies at any time without prior notice or consultation. Only the policy which is current at the time a relevant event occurs to an employee/scheme member will be the one applied to that employee/member.

Discretions that are COMPULSORY and relate to discretions from 01.04.2014 in relation to post 31.03.2014 active members and post 31.03.2014. leavers R = LGPS Regulations 2013 TP = LGPS (Transitional Provisions, Savings and Amendments) Regulations 2014	Regulation	Employer Policy
a. Granting Additional Pension 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 £6,822.00 p.a. - figure at 1st April 2018).	R31	Northampton School for Girls Academy will not consider granting additional pension to a member ceasing to be an active member by reason of redundancy or business efficiency.
bi. Shared cost APC (part 1) Whether, where an active Scheme member wishes to purchase extra annual pension of up to £6,822 (figure at 1 April 2018) by making Additional Pension Contributions (APCs), to (voluntarily) contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC)	R16(2)(e) & R16(4)(d)	Northampton School for Girls Academy will not consider contributing to a shared cost APC or AVC scheme.
bii. Shared cost APC (part 2) Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)	R16(16)	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, and will consider requests on a case by case basis to extend this deadline.

ci. Flexible Retirement (part 1) Whether all or some benefits can be paid if an active member aged 55 or over and with at least 2 years qualifying service reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	Northampton School for Girls Academy will consider payment of benefits on flexible retirement, dependent on the potential benefit to the academy & its current financial position.
cii. Flexible retirement (part 2) Whether to waive, in whole or in part, actuarial reduction to benefits paid on flexible retirement	R30(8)	Northampton School for Girls Academy will consider waiving actuarial reductions on a flexible retirement, dependent on the potential benefit to the academy & its current financial position.
ciii. Flexible retirement (part 3) 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)	R30(8)	Northampton School for Girls Academy will consider waiving actuarial reductions on a retirement before normal pension age, dependent on the potential benefit to the academy & its current financial position.
d 85 Year Rule 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).	TPSch 2, para, 1(2) & 1(1)(c)	Northampton School for Girls Academy will not consider “switching on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.
ei. Waive Reduction (part 1) 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 pre 1/4/14 and post 31/3/14 membership) on a) compassionate grounds (pre 1/4/14 membership) & in whole or in part on any grounds (post 31/3/14 membership) if the member was not in the Scheme before 1/10/06, b) compassionate grounds (pre 1/4/14 membership) and in whole or in part on any grounds (post 31/3/14 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will not attain 60 between 1/4/16 and 31/3/20 c) compassionate grounds (pre 1/4/16 membership) and in whole or in part on any grounds (post 31/3/16 membership) if the member was in the Scheme before 1/10/06 and will be 60 by 31/3/16 d) compassionate grounds (pre 1/4/20 membership) and in whole or in part on any grounds (post 31/3/20 membership) if the member was in the Scheme before 1/10/06, will not be 60 by 31/3/16 and will attain 60 between 1/4/16 and 31/3/20	TP3(1), TPSch 2 para 2(1), B30(5) & B30A(5)	Northampton School for Girls Academy will consider waiving actuarial reductions on pre and or post 2014 benefits for exceptional compassionate 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. Any decision will be made on a case-by-case basis.

<p>eii. Waive Reduction (part 2) 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 31/3/14 membership)</p>	R30(8)	Northampton School for Girls Academy will not consider waiving actuarial reductions 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 31/3/14 membership)
<p>f. Extend APC deadline Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave)</p>	R16(16)	The Academy will consider requests on a case by case basis to extend this deadline.
<p>g. Variable APC employer contributions Whether, how much, and in what circumstances to contribute to a share cost APC scheme</p>	R16(2)(e) & R16(4)(d)	Northampton School for Girls Academy will not consider contributing to a share cost APC scheme.

Discretions that are NOT COMPULSORY but that NSG Academy Trust have included and relate to discretions from 01.04.2014 in relation to post 31.03.2014 active members and post 31.03.2014. leavers R = LGPS Regulations 2013 and TP = LGPS (Transitional Provisions, Savings and Amendments) Regulations 2014	Regulation	Employer Policy
h. Shared cost AVCs Whether, how much, and in what circumstances to contribute to shared cost AVC arrangements.	R17(1) & definition of SCAVC in RSch 1	Northampton School for Girls Academy will not consider contributing to a share cost APC scheme under any circumstances.
i. Transferring in non LGPS pension rights Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(6)	Northampton School for Girls Academy 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 (unless by the employee) when a request for an extension will be considered.
ji. Joining LGPS membership (part 1) Whether to extend the 12 month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with a new employment	R22(8)(b)	Northampton School for Girls Academy 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 (unless by the employee) when a request for an extension will be considered.
jii. Joining LGPS membership (part 2) Whether to extend the 12 month option period for a member to elect that post 31 March 2014 deferred benefits should not be aggregated with an ongoing concurrent employment	R22(7)(b)	Northampton School for Girls Academy 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 (unless by the employee) when a request for an extension will be considered.

<p>k. Employee contribution rate How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March)</p>	<p>R9(1) & R9(3)</p>	<p>Northampton School for Girls Academy 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.</p>
<p>l. Regular lump sum payments In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"</p>	<p>R21(5)</p>	<p>Northampton School for Girls Academy has determined that a lump sum payment paid in a previous year is not a regular payment for the purposes of calculating AAP.</p>
<p>m. Pensionable Pay Where in the Employer's opinion, the pensionable pay received in relation to an employment (adjusted to reflect any lump sum payments) in the 3 months (or 12 weeks if not paid monthly) preceding the commencement of Assumed Pensionable Pay (AP)), is materially lower than the level of pensionable pay the member would have normally received, decide whether to substitute a higher level of pensionable pay having had regard to the level of pensionable pay received by the member in the previous 12 months.</p>	<p>R21(5A) & R21(5B)</p>	<p>Northampton School for Girls Academy will consider such a request on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy.</p>
<p>n. Deferred benefits Whether to extend the 12 month option period for a member (who did not become a member of the 2014 Scheme by virtue of TP5(1)) to elect that pre 1 April 2014 deferred benefits should be aggregated with a new employment</p>	<p>TP10(6)</p>	<p>Northampton School for Girls Academy will not extend the time limit for acceptance of a request 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) when a request for an extension will be considered.</p>

Discretions that are COMPULSORY and relate to discretions in relation to Scheme Members who ceased active membership on or after 01.04.2008 and before 01.04.2014. B = LGPS (Benefits, Memberships and Contributions) Regulations 2007	Regulation	Employer Policy
a. Granting Additional Pension 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 £6,822.00 p.a. - figure at 1st April 2018).	R31	Northampton School for Girls Academy will not consider granting additional pension to a member ceasing to be an active member by reason of redundancy or business efficiency.
b. 85 year rule 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	TPSch 2, para1(2) & 1(1)C)	Northampton School for Girls Academy will not consider “switching on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.
c. Waive reduction Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5), TPSch 2, para 2(1)	Northampton School for Girls Academy will consider waiving actuarial reductions on pre and or post 2014 benefits for exceptional compassionate 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. Any decision will be made on a case-by-case basis.

Discretions that are NOT COMPULSORY but that NSG Academy Trust have included and relate to discretions in relation to Scheme Members who ceased active membership on or after 01.04.2008 and before 01.04.2014. B = LGPS (Benefits, Memberships and Contributions) Regulations 2007	Regulation	Employer Policy
di. Joining LGPS membership (part 1) Whether to extend the 12 month option period for aggregation of deferred benefits	A16(4)(b) (ii)	Northampton School for Girls Academy will not extend the time limit for acceptance of a request to have deferred benefits aggregated with their new or concurrent LGPS employment, other than in exceptional circumstances where processing of the election was delayed (unless by the employee) when a request for an extension will be considered.
dii. Joining LGPS membership (part 2) Whether to extend the normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	A83(8)	Northampton School for Girls Academy will not extend the time limit for acceptance of a request to accept a transfer value, other than in exceptional circumstances where processing of the election was delayed (unless by the employee) when a request for an extension will be considered.
diii. Joining LGPS membership (part 3) Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership	TSch1 & L66(8) & former L66(9)(b)	Northampton School for Girls Academy will not extend the time limit for acceptance of a request to convert scheme AVCs into membership credit, other than in exceptional circumstances where processing of the election was delayed (unless by the employee) when a request for an extension will be considered.
ei. Member contributions (part i) Whether to allow a late application by member to pay optional contributions for a period of unpaid child related leave, strike, or unpaid leave of absence beyond 30 days	A22(2)	Northampton School for Girls Academy will not extend the time limit for acceptance of a request to pay optional contributions for a period of unpaid leave, other than in exceptional circumstances where processing of the election was delayed (unless by the employee) when a request for an extension will be considered.
eii. Member contributions (part ii) No right to return of contributions where member left their employment due to offence of a fraudulent character or grave misconduct in connection with that employment unless employer directs a total or partial refund is to be made	A47(2)	Northampton School for Girls Academy will not consider directing a total or partial refund for pension contributions where a member left employment due to offence of a fraudulent character or grave misconduct.

Discretions that are COMPULSORY and relate to discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to any other scheme members who ceased active membership on or after 1.4.98. and before 1.4.08.	Regulation	Employer Policy
a. Employer consent retirement Grant an application for early payment of deferred benefits on or after age 50 and before age 55.	31(2)	Northampton School for Girls Academy will not consider granting an application for early payment of deferred benefits on or after age 50 and before age 55.
b. 85 year rule 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: TPSch2, para 2(2) does not reference para 1(1)(f) so there is strictly speaking no requirement to publish a policy under this regulation or R60. LGSS recognises this is a regulatory omission and the employer should publish a policy accordingly	TPSch 2, para 1(2) & 1(1)(f) & R60	Northampton School for Girls Academy will not consider "switching on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.
c. Waive reduction Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early	31(5)	Northampton School for Girls Academy will consider waiving actuarial reductions on pre and or post 2014 benefits for exceptional compassionate 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. Any decision will be made on a case-by-case basis.
d. Opting out Employer consent at NRD for optant out	31(7A)	Northampton School for Girls Academy will not give consent at NRD for opt out.

Under Regulation 7 of the Discretionary Compensation Regulations, each authority (other than an Admitted Body) is required to formulate and keep under review a policy which applies in respect of exercising their discretion in relation to Early Termination of Employment:

Discretions that are NOT COMPULSORY but that NSG Academy Trust have included and relate to discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)	Regulation	Employer Policy
a. Redundancy Pay on actual weeks pay To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.	5	Northampton School for Girls Academy will not consider basing redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.
b. Lump sum compensation 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.	6	Northampton School for Girls Academy will not consider awarding 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.

Discretions under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

Discretions that are COMPULSORY and relate to discretions in relation to the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011	Regulation	Employer Policy
a. 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.	3(1)	Northampton School for Girls Academy will consider the grant on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy. It will consider the amount of injury allowance, and continuation of an injury allowance on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy.
b. 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	
c. 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)	
d. 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.	4(1)	Northampton School for Girls Academy will consider the grant on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy. It will consider the amount of injury allowance, and continuation of an injury allowance on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy.
e. 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.	4(3) and 8	
f. Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity)	4(2)	
g. 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.	4 (5)	Northampton School for Girls Academy will consider the matter on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy.

h. Whether to grant an injury allowance following cessation of 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.	6(1)	Northampton School for Girls Academy will consider the grant on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy. It will consider the amount of injury allowance, and cessation of payment of an injury allowance on a case by case basis, depending on the individual circumstances of the employee, and the financial position of the academy.
i. Determine amount of any injury allowance to be paid under regulation 6(1) (payment of injury allowance following the cessation of employment)	6(1)	
j. 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)	6(2)	
k. Whether to grant an injury allowance to the spouse, civil partner, 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)	Northampton School for Girls Academy will consider the grant on a case by case basis, depending on individual circumstances and the financial position of the academy. It will consider the amount of injury allowance, and cessation of payment of an injury allowance on a case by case basis, depending on the individual circumstances of and the financial position of the academy.
l. Determine amount of any injury allowance to be paid to the spouse, civil partner, nominated co-habiting partner	7(2) and 8	
m. Determine whether and when to cease payment of an injury allowance payable 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).	7(3)	