Hayes School

Local Government Pension Scheme (LGPS)
Discretions Policy 2014/2015

Key roles and responsibilities
The Governing Body has overall responsibility for the implementation and monitoring of the LGPS Discretions Policy at Hayes School.

The Governing Body has responsibility for ensuring that the LGPS Discretions Policy as written does not discriminate on any grounds, including but not limited to: age, ethnicity/national origin, culture, religion, gender, disability or sexual orientation.

The Governing Body has overall responsibility handling complaints regarding this policy.

In the first instance complaints should be directed to the Business Manager.

The Business Manager has overall responsibility for the day to day implementation and management of the LGPS Discretions Policy at Hayes School.

The Business Manager is responsible for initiating review procedures as necessary.

Staff members enrolled in The LGPS will be responsible for following the LGPS Discretions Policy.

Discretionary decisions
The academy as an LGPS Employer is legally required to provide employees and LGPS scheme members with information regarding their decision to include or omit the following discretions in their LGPS scheme:

Whether to allow a member to purchase extra annual pension of up to £6500pa
- The academy may agree to allow a member to purchase extra annual pension of up to £6,500 per annum.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.
Whether to grant additional annual pension to a member of up to £6500pa

- The academy may agree to award a member an additional annual pension of up to £6,500 per annum.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.

Whether all or some pension benefits can be paid if a member reduces their hours/grade and continues to work (“flexible retirement”)

- The academy may agree at its own cost (if there is any) for a member who reduces their grade, hours of work or both to receive all or part of their LGPS benefits immediately, even though they have not left the school’s employment.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.

Whether to grant application for early payment of benefits on or after age 55 and before age 60 (for both active and deferred members)

- The academy may agree at its own cost for a member aged 55 or over who leaves employment without an automatic entitlement to immediate LGPS benefits, to receive their benefits immediately.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.

Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.

- If the benefits on flexible retirement would normally be reduced for early payment, the academy may agree at its own cost to waive all or part of the reduction.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.

Whether to waive, the actuarial reduction applied to benefits paid early for both active, deferred members & suspended tier 3 ill health pensions

- If the benefits payable in such cases would normally be reduced for early payment, the academy may agree at its own cost to waive all or part of the reduction.
- The academy will only consider doing so in cases where there is a clear financial or administrative advantage to the school.

Whether to allow the rule of 85 to be “switched on” for members who would normally meet the rule but who will not if they draw the benefits age 55-59

- The rule of 85 is satisfied if members age at the date when they draw their pension plus the number of years in the LGPS scheme adds up to 85 years or more. This can have implications on the amount of pension a member can they draw.
- The academy will only agree to “switch on” the rule of 85 in exceptional circumstances following approval from the Business Manager and The Governing Body and where there is a clear financial or administrative advantage to the school.
Whether the academy will permit late inward transfer of pension rights

- The academy will consider extending the time limit of 12 months for employees to transfer the value of a previous pension scheme if there is clear evidence that they had not been informed of, or could not have reasonably known, the time limit.
- The academy will also consider extending the time limit for the late inward transfers where there is evidence of significant administrative delays.
- Decisions regarding the acceptance of late inward transfers are delegated to the Business Manager and the Governing Body.