

Feversham College LPGS Discretionary Statement

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Statement of Intent

Feversham College is required to compose, publish and keep under review a policy statement in relation to the exercising of a number of discretions under the LGPS 2014.

To ensure value for money and financial stability, Feversham College has adopted an approach that befits the size, finances and current staffing levels at Feversham College. In addition, the decisions regarding the discretionary powers have been taken to ensure the affordability of the scheme to all members.

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1. Discretions

1.1. Feversham College, as an LGPS Employer, is legally required to provide employees and LGPS scheme members with information regarding their decision to include or omit many of the following discretions in their LGPS scheme. Additional discretions are also included which are non-mandatory but have been included as best practice and for transparency:

- 1.1.1. Regulation 31: Whether to grant additional pension to a member (up to £6,500 p.a.).
- 1.1.2. Regulations 16 (2)e and 16 (4)d: Whether to make either a regular or lump sum Additional Pension Contribution (APC) to a member's account (funded in part or wholly by Feversham College).
- 1.1.3. Regulation 30 (6): Whether all or some benefits can be paid if a member aged 55 or over reduces their hours/pay grade and continues to work (flexible retirement).
- 1.1.4. Regulation 30 (8): Whether to waive actuarial reduction on flexible retirement.
- 1.1.5. Regulation 30 (8): Whether to waive actuarial reduction on early retirement (age 55+) for both active and deferred members and suspended tier 3 ill health pensions.
- 1.1.6. TP Regulation 1 (1)c: 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 their benefits aged 55-59.
- 1.1.7. Regulations 22 (8 and 9): Whether to extend the 12-month period to separate previous local government service.
- 1.1.8. Regulation 9 (3): Determination of the rate of employee's contribution.
- 1.1.9. Regulation 100 (6): Whether to extend the 12-month period to allow a transfer-in of non-local government pension rights.

2. Key roles and responsibilities

- 2.1. The Directors have overall responsibility for the implementation and monitoring of the LGPS Discretionary Policy.
- 2.2. The Directors have responsibility for ensuring that the LGPS Discretionary Policy statement, as written, does not discriminate on any grounds, including but not limited to: age, ethnicity/national origin, culture, religion, gender, disability or sexual orientation.

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- 2.3. The Directors have overall responsibility for handling complaints regarding this policy as outlined in the Complaints Policy.
3. **Regulation 31: Whether to grant additional pension to a member (up to £6,500 p.a.).**
 - 3.1. The LGPS 2014 Regulations state that Feversham College may agree, at its own cost, to award a member additional membership up to a maximum of ten years. Feversham College will only consider doing so in cases where there is a clear financial or administrative advantage and with the expressed permission of the Staffing Sub-Committee.
 - 3.2. Note: The figure of £6,500 p.a. will be increased each April under the Pension (Increase) Act 1971.
4. **Regulations 16 (2)e and 16 (4)d: Whether to make either a regular or lump sum Additional Pension Contribution (APC) to a member's account (funded in part or wholly by the Academy).**
 - 4.1. Feversham College will only consider doing so in exceptional circumstances and with the approval of the Staffing Sub-Committee.
5. **Regulation 30 (6): Whether all or some benefits can be paid if a member aged 55 or over reduces their hours/pay grade and continues to work (flexible retirement).**
 - 5.1. The LGPS 2014 Regulations state that Feversham College may agree, at its own cost (if there is any) for a member aged 55 or over, 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 employment. Feversham College will only consider doing so in cases where there is a clear financial or administrative advantage and with the approval of the Staffing Sub-Committee.
6. **Regulation 30 (8): Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.**
 - 6.1. The LGPS 2014 Regulations state that if the benefits on flexible retirement would normally be reduced for early payment, Feversham College may agree, at its own cost, to waive all or part of the reduction. Feversham College will only consider doing so in exceptional circumstances and with the approval of the Staffing Sub-Committee.
7. **Regulation 30 (8): Whether to waive actuarial reduction on early retirement (age 55+) for both active and deferred members and suspended tier 3 ill health pensions.**
 - 7.1. Feversham College may agree, at its own cost, for a member aged 55 or over, who leaves its employment without an automatic entitlement to immediate LGPS benefits, to receive their benefits immediately. Feversham College will only consider doing so in exceptional circumstances and with the approval of the Staffing Sub-Committee.

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8. LGPS Transitional Provisions, Savings and Amendment Regulations 2014 Regulation 1 (1)c: 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 their benefits aged 55-59.
 - 8.1. Feversham College will only consider “switching on” the rule of 85 in cases where there is a clear financial or administrative advantage and with the approval of the Staffing Sub-Committee.
9. Regulations 22 (8 and 9): Whether to extend the 12-month period to separate previous local government service.
 - 9.1. Feversham College will only consider this in cases where there is a clear financial or administrative advantage and with the approval of the Staffing Sub-Committee.
10. Regulation 9 (3): Determination of the rate of employee’s contribution.
 - 10.1. Feversham College will review all employees’ contribution bands when there has been a contractual change to a member’s salary or hours during the financial year. Contribution rates will not be reviewed as the result of one-off additional payments.
11. Regulation 100 (6): Whether to extend the 12-month period to allow a transfer-in of non-local government pension rights.
 - 11.1. Feversham College will not exercise this function.
12. Regulation 33 to 38: Whether to award an injury allowance following the loss of employment or reduction in pay or death in service through permanent incapacity after sustaining an injury or contracting a disease as a result of anything he/she was required to do in carrying out the duties of the role.
 - 12.1. Feversham College will not exercise this function.