



The Liverpool Joint Catholic and
Church of England Academies Trust



Diocese of Liverpool

Local Government Pension Scheme Discretions Policy

Review Period:	Two Yearly
Person Responsible For Policy:	Trust Director of Finance & Resources
Governing Committee:	Trust Board
Date of Governing Committee Approval:	July 2017
Date for Review:	July 2019

1. Statement of Intent

- 1.1. The Trust 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.
- 1.2. To ensure value for money and financial stability, The Trust has adopted an approach that befits the size, finances and current staffing levels at the Trust. In addition, the decisions regarding the discretionary powers have been taken to ensure the affordability of the scheme to all members.
- 1.3. The Trust Board will 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. The policy is non contractual and only entitlements in force under the policy current at the time a relevant event occurs will apply. Any discretions not specifically identified in the document are not being applied by Trust Board at the current time
- 1.5. The Trust Board reserve the right to amend the policy at any time, and in any event the policy will be reviewed two yearly.
- 1.6. The Trust Board will ensure they monitor all requests made under the policy, the decision(s) taken and the reason(s) why, to ensure discretions are exercised in a fair and equitable manner and in accordance with their equality policy.

2. Discretions

- 2.1. The Trust, 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.

Issue	Policy Decision
Whether and how much to contribute to a shared cost Additional Pension Contribution scheme	The Trust Board will not normally apply any discretion. Any such payments would only be made in exceptional circumstances when there are clear business reasons to do so
Whether and how much to contribute to share the cost of Additional Voluntary Contributions arrangements entered in to on or after 1 April 14	The Trust Board will not normally apply any discretion. Any such payments would only be made in exceptional circumstances when there are clear business reasons to do so
Whether and how much to continue to contribute to share cost AVC arrangements entered in to before 1 April 14	The Trust Board will not normally apply any discretion. Any such payments would only be made in exceptional circumstances when there are clear business reasons to do so
Whether all or some benefits can be paid if an employee reduces their hours or grade after age 55 (ie flexible retirement)	The Trust Board will not exercise the discretion

Issue	Policy Decision
Whether to waive, in whole or part, any actuarial reduction on benefits paid on flexible retirement	The Trust Board will not waive any reduction
Whether to augment (ie increase) membership (by up to 10 years) for an active member leaving on grounds of redundancy or business efficiency, or within 6 months of ceasing to be an active member	The Trust Board will not apply this discretion
Whether to grant additional pension to an active member of within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (up to £6500)	The Trust Board would not normally exercise this discretion unless exceptional circumstances and a sound business case to do so
Whether to grant application for early payment of benefits after age 55 and before age 60	The Trust Board will not exercise this discretion unless there are exceptional circumstance and a sound business case to do so
Whether to waive, in whole or part, any actuarial reduction on benefits paid early	The Trust Board will not waive any reduction
Whether to “switch on” the “85 year rule” for a member voluntarily drawing benefits on or after age 55 and before age 60	The Trust Board will not normally exercise this discretion unless there are exceptional circumstances and a sound business case to do so
Whether to waive on compassionate grounds the actuarial reduction applied to benefits from pre April 14 membership due to the “85 year rule” for a member voluntarily drawing benefits on or after age 55 and before age 60	The Trust Board will not waive any reduction
Whether to grant application for early payment of deferred benefits	The Trust Board will not apply this discretion
Whether to waive the actuarial reduction applied to deferred benefits	The Trust Board will not apply this discretion.
Whether to grant application for early payment of a suspended tier 3 ill health pension from age 55 to age 60	The Trust Board will not normally apply this discretion unless there are exceptional circumstances, and in any event only where such discretion does not result in a cost to the Trust Board.
To extend the period of time that an employee has to transfer pension rights in to the LGPS above 12 months	The Trust Board will not extend this period unless there has been maladministration by the Trust Board
To extend the period of time that an employee has to elect that deferred benefits should not be aggregated with a new employment / ongoing concurrent employment	The Trust Board will not extend this period unless there has been maladministration by the Trust Board

Issue	Policy Decision
Determination of employee contribution rate	The Trust Board will set the band within which contributions are to be based annually on 1 April.

3. Key roles and responsibilities

- 3.1. The Trust Board has overall responsibility for the implementation and monitoring of the LGPS Discretions Policy.
- 3.2. The Trust Board 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.
- 3.3. The Trust Board has overall responsibility for handling complaints regarding this policy as outlined in the Complaints Policy.
- 3.4. In the first instance, complaints should be directed to the Director of Finance & Resources.
- 3.5. The Director of Finance & Resources has responsibility for the day-to-day implementation and management of the LGPS Discretions Policy at The Trust.
- 3.6. Staff members enrolled on the LGPS will be responsible for following the LGPS Discretions Policy.