

## LOCAL GOVERNMENT PENSION SCHEME (LGPS) EMPLOYER POLICY STATEMENT

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Co-ordinator: Heidi Longley

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### Introduction

This policy statement clarifies the School's position on the discretions it can exercise in accordance with the Local Government Pension Scheme (LGPS) Regulations 2013 and guidance on how they apply to different retirement options.

The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations, i.e. employees with a contract of employment of over three months' duration and who are under 75 years of age and are contractually enrolled at the start of employment. Those with contracts of less than three months, including casuals, can join but need to elect to do so.

Employees who are members of the pension scheme are only entitled to receive pension benefits if they have two years or more service. Under LGPS Regulation 18, if an employee leaves within two years of the start of their employment their contributions can be repaid or transferred to another scheme, unless there is some fraudulent offence or misconduct in connection with the employment.

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### Principles

Sandwich Technology School will treat any individual retirement case and decision on its merits.

Decisions relating to retirement will be made taking into account the business case and business implications, the financial implications, employment law consideration, the regulations and the legality of each case. It may also take into account long-term savings, affordability, skills and skills retention and impact on service delivery. The definition of business efficiency shall include, but not be limited to, financial savings and/or quality improvements judged on a case by case basis.

Each decision will be made free from discrimination on the grounds of any protected characteristic – age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation or any other personal criteria.

Sandwich Technology School's decisions relating to retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the School will default to the regulations if the policy is not explicit on any current or future regulation.

Decisions relating to the release of deferred benefits to former employees will refer to the relevant pension policies applicable at the time of their employment. In such cases, the decision as to the release of deferred benefits will be on a case by case basis and will take into account the criteria detailed in these principles. Guidance may be sought from the pension administrators as required.

Compassionate grounds are circumstances that are exceptional and would not reasonably be expected to prevail, i.e. the occurrence of a disaster or accident. Financial hardship alone would not normally be deemed sufficient.

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### Discretions

Within the regulations there are a number of discretionary statements that require Sandwich Technology School to explicitly state its position. The discretions detailed below relate to the current LGPS regulations and guidance. They also reflect discretions approved by Sandwich Technology School for the previous pension scheme policies.

Regulation	Discretion
<p>16(2)e and 16(4)d</p> <p>Shared Cost Additional Pension Contributions (SCAPC)</p>	<p>It is not Sandwich Technology School's general policy to operate a SCAPC where a scheme member wishes to purchase extra annual pension (up to the limit defined in the regulations).</p> <p>This does not apply where a scheme member has a period of child related leave or authorised unpaid leave and elects, within 30 days of returning to work, to pay a SCAPC to cover the amount of pension "lost" during the period of absence (Sandwich Technology School is required to contribute two-thirds of the cost). If an election is made after the 30 day time limit the full costs will be met by the scheme member.</p> <p>Where it is not possible to provide the scheme member with the information that is needed for them to make their election within the 30 day deadline, Sandwich Technology School will extend the time limit. The scheme member must request this information within one month of returning to work and then they must return the election form within one month of the information being provided.</p>
<p>30(6) and 30(8)</p> <p>Flexible Retirement</p>	<p>It is the School's policy to provide consent to consider flexible retirement requests only where there are clear financial or operational advantages to Sandwich Technology School.</p> <p>If consent has been given under Regulation 30 (6) it is not Sandwich Technology School's general policy to waive any actuarial reduction unless there are exceptional circumstances.</p> <p>Each case will be considered on its merits by the Headteacher.</p>
<p>30(8)</p> <p>Waiving of Actuarial Reductions</p>	<p>It is not Sandwich Technology School's general policy to waive any actuarial reductions applied to benefits paid early or where a scheme member has previously been awarded a deferred benefit.</p> <p>Each case will be considered on its merits by the Headteacher.</p>
<p>31</p> <p>Award of Additional Pension</p>	<p>Sandwich Technology School has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or, within six months of leaving the scheme, to a scheme member who was dismissed on grounds of redundancy or business efficiency.</p> <p>Sandwich Technology School will only exercise this discretion in exceptional circumstances and only at the discretion of the Headteacher.</p>
<p>TP 1(1)(c) of Schedule 2</p> <p>Whether to allow the rule of 85 to be "switched on" for members from age 55 and before age 60.</p>	<p>It is not the School's general policy to make use of the discretion to "switch back on" the 85 year rule protections unless there are clear financial or operational advantages to Sandwich Technology School.</p> <p>Each case will be considered on its merits by the Headteacher.</p>

Regulation	Discretion
9(1) and (3) Contributions	<p>Sandwich Technology School will determine the appropriate contribution band for an employee by using the pensionable pay received on 1 April each year and every three months thereafter.</p> <p>Variable time employees will have their initial contribution rate at 1 April 2014 set at 5.5 per cent with a reassessment every three months thereafter.</p> <p>Sandwich Technology School will notify employees of their individual contribution rates in their April payslips/by letter/by email each year and thereafter when any changes are made.</p>
17(1) Shared Cost Additional Voluntary Contributions (SCAVC)	Sandwich Technology School will not operate a SCAVC for employees.
21(5) In determining Assumed Pensionable Pay whether a lump sum payment made in the previous twelve months is a “regular lump sum”.	Sandwich Technology School will maintain a list that details what constitutes a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay.
22(7)(b) and 22(8)(b) Aggregation of benefits	Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment unless they elect within twelve months of commencing membership of the LGPS in the new employment to retain separate benefits. Sandwich Technology School has the discretion to extend this period beyond twelve months and each case will be considered on its own merits.
100(6) Aggregation of Benefits	If an employee wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, the election to do so must be made within twelve months of starting a new period of membership. This time limit may be extended if the employee can demonstrate exceptional circumstances so as to justify this.

## Notes

- Under Regulation 60(1) of the Local Government Pension Scheme Regulations 2013, it is compulsory for all employers to make a policy decision under Regulations 16(2)(e), 16(4)(d), 30(6), 30(8) and 31 and Paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014.
- Under Regulation 60(2) a copy of the policies must be sent to the Pensions Section by 30 June 2014 and must be published.

- Under Regulation 60(3) employers must keep the policies under review and make any appropriate changes.
- Under Regulation 60(4) any amendments to these policies must be made available to the Pensions Section and to scheme members within a month of the date of change.