



EBOR ACADEMY TRUST

30NS

Local Government Pension Scheme – Discretions Policy

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1. INTRODUCTION

- 1.1. Under the rules of the Local Government Pension Scheme (“LGPS”) the employer has the right to authorise discretion on a number of matters regarding the administration of the pension scheme. For a number of discretions there is a statutory requirement to publicise the approach the employer will take in these areas. Details of the regulations and the discretions that the Trust has as an employer are available on the LGPS website <https://lgpsregs.org/employer-resources/guidesetc.php> (see sections entitled “Discretions”).
- 1.2. This policy sets out Ebor Academy Trust’s approach to these discretions. It aims to allow the Trust to make a sound decision in individual cases, acting reasonably and lawfully at all times, but also to be clear as to the factors it will take into account in making that decision.
- 1.3. In formulating and reviewing its policy statements the Trust is required to:
 - Have regard to the extent to which the exercise of its 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. Any complaints relating to decisions in these matters that cannot be resolved informally at a local level will need to be raised under the pension scheme’s Internal Disputes Resolution Procedure, details of which are available from the pension scheme administrator (i.e. either the North Yorkshire Pension Fund or East Riding Pension Fund).
- 1.5. This policy confers no contractual rights and Ebor Academy Trust reserves the right to change this policy at any time or as required. It will be reviewed every 6 years or as the need arises. Once reviewed, it will be sent to the administering authorities within one month.

2. DISCRETIONS AND THE TRUST’S POLICY

2.1. Power of employing authority to award additional pension

It is not Ebor Academy Trust’s general policy to grant additional pension to an active member, or within 6 months of a ceasing to be an active member, by reason of redundancy or business efficiency. Any exceptional cases that were of overall benefit to the Trust would require the agreement of the Trust’s Chief Operating Officer or Chief Executive Officer.

2.2. Power of the employing authority to award additional pension - Shared cost

Subject to the paragraph below, it is not Ebor Academy Trust’s general policy to grant additional pension to scheme members under this regulation. Any exceptional cases that were of overall benefit to the Trust would require the agreement of the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director.

The above does not apply where a scheme member has had a period of approved unpaid leave and elects, within 30 days of return to work, to pay a Shared Cost Additional Pension

Contribution (SCAPC) to cover the amount of pension 'lost' during the period of absence. In this case Ebor Academy Trust will contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the employee.

Where it is not possible to provide the employee with the information they need to make their election within the 30 day deadline, it will be extended. However, the scheme member must contact the Trust to request this information within 30 days of returning to work and respond within 30 days of the information being provided. The Trust will extend the deadline for a member to elect for a SCAPC to 60 days or longer where there is evidence of administrative shortcoming.

2.3. Flexible retirement (reducing hours or grade after reaching 55 whilst receiving pension benefits)

It is not the policy of Ebor Academy Trust to agree to the flexible retirement of a scheme member unless consent has been given by the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director.

A flexible retirement may be considered on:

- Reduction of hours and/or grade with the release of pension benefits, or
- Appointment to new continuing employment within the Trust on reduced hours and/or grade, with the release of pension benefits

Flexible retirement will be subject to:

- A minimum period of employment of 12 months in the reduced grade and/or hours following Flexible Retirement, and
- No return to the higher hours/grade.

Under flexible retirement, you can choose to take some or all of your pension benefits, but you must take **all** of the benefits you have built up before 1 April 2008 (including your annual pension and lump sum). For clarity, this comprises of the following:

All of the pension benefits accrued before 1 April 2008, to include your annual pension and lump sum, then

- all, part or none of the pension benefits accrued after 31 March 2008 and before 1 April 2014, and / or
- all, part or none of the pension benefits accrued after 31 March 2014

If consent has been given for flexible retirement, the Trust will not routinely pay any strain cost (applicable to support staff over 55 years of age). Because a strain cost cannot be paid for by the employee, this means that if any strain cost is incurred by such a request, the flexible retirement request will generally be declined. Any exceptional cases would need the consent of the Chief Executive Officer.

2.4. Waiving of reductions for a member voluntarily drawing benefits before normal pension age. This includes deferred members who ceased to be active membership on or after 1.4.08 and before 1.4.14 and includes pensioner members with deferred benefits (i.e. a suspended tier 3 ill health pensioner)

It is not the policy of Ebor Academy Trust to waive pension reductions for a member voluntarily drawing benefits before their normal retirement age. Any exceptional cases would need the consent of the Chief Operating Officer or Chief Executive Officer and be in line with the applicable pension regulations at the time. (please also see 2.3 above).

2.5. Power to turn on the 85 year rule for active members and post 31.3.14. leavers

It is not Ebor Academy Trust's general policy to turn this rule on for members. Any exceptional cases that are of demonstrable business benefit to the Trust would require the agreement of the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director.

2.6. Power to turn on the 85 year rule for who members who ceased to be active membership on or after 1.4.08 and before 1.4.14 (including pensioner members with deferred benefits (i.e. a suspended tier 3 ill health pensioner))

It is not Ebor Academy Trust's general policy to turn this rule on for members. Any exceptional cases that are of demonstrable business benefit to the Trust would require the agreement of the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director

2.7. Power to pay redundancy payments at actual weeks' pay

It is not Ebor Academy Trust's general policy to pay redundancy payments on actual week's pay; the statutory maximum weekly rate will apply, nor will lump sum compensation payments be enhanced in cases of redundancy, termination of employment on efficiency grounds or cessation of a joint appointment.

Any exceptional cases that were of demonstrable business benefit to the Trust would require the agreement of the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director.

2.8. Injury allowances

It is not Ebor Academy Trust's general policy to make payments under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011. Any exceptional cases that were of demonstrable business benefit to the Trust would require the agreement of the Chief Operating Officer or Chief Executive Officer having taken into account information and advice provided by the HR Director and Finance Director.

3. OPTIONAL DISCRETIONS AND THE TRUST'S POLICY

There are additional optional discretions that the Trust can adopt in relation to the LGPS. This section outlines the Trust's policy in these areas:

3.1. Membership aggregation regulation

Ebor Academy Trust will not extend the default 12 month period for members to decide if they wish to combine their previous and new LGPS membership, the only exception to this being if there is evidence of administrative shortcomings by one of the administering authorities. The Chief Operating Officer will determine if such shortcomings have taken place on analysis of the facts of each case.

3.2. Transfer of pension rights for new members

Ebor Academy Trust will generally not extend the default 12 month period for new members to decide if they wish to transfer previous pension rights into the LGPS. The exception to this is where exceptional circumstances exist and/or if there is evidence of administrative shortcomings. This includes:

- A scheme member is not given appropriate advice/information to enable them to transfer pension rights.
- A scheme member contacts the relevant administering authority or a previous pension scheme regarding transfer within 12 months, but does not receive correct or sufficient information to enable them to make a proper decision.
- A scheme member believes that the action they has taken within 12 months is sufficient to have effected transfer.
- A scheme member has used their best endeavours to effect a transfer within 12 months of joining the scheme but the transfer has not taken place for reasons outside of their control, e.g. investigation into mis- selling, winding up of previous fund, etc.

The Chief Operating Officer will be the decision maker for the Trust on whether the above exceptions have been proven.

3.3. Determination of employees' contributions

On 1st April each year, Ebor Academy Trust will allocate the appropriate band bases on the nationally determined employee contribution rates and bands for all members' pensionable pay; this will be based on the previous years' pensionable pay and include incremental progression and cost of living increases where known as at 1st April. This will not change during the financial year unless there is a post change or cessation of salary protection arising from that change, or a pay award which cannot be applied on 1 April. This would include a pay award which is being applied retrospectively to 1st April or a pay award which applies from a date other than 1st April. For new posts commencing during the year, their band will depend on starting salary.

Only permanent changes to pensionable pay will result in re-banding.

If members have variable or zero hours contracts, the relevant band will be based on an assessment of the total pensionable pay received in the previous year. For new variable or nil hours posts, banding will be by reference based on the whole time equivalent of the salary, and reviewed 6 months after appointment so as ensure the correct band has been allocated (based on total pensionable pay in the first 6 months after appointment). If any member believes this would be inaccurate, they should contact the Trust's Payroll Manager for further information.

3.4. Lump sums in relation to Assumed Pensionable Pay (APP)

It is not the policy of Ebor Academy Trust to pay lump sums on a regular basis, as such lump sums will not be included in Assumed Pensionable Pay.

3.5. Shared Cost Additional Voluntary Contributions (SCAVC)

Ebor Academy Trust will allow its employees to contribute to Additional Voluntary contributions via a salary sacrifice arrangement whilst making the individual's pre-salary sacrifice level of pay pensionable, as long as the administrative costs do not outweigh the employer's saving on national insurance. This is known as Shared Cost AVC arrangements.

3.6 Ill health reviews

Ebor Academy Trust will make a determination whether to suspend or cease a pension if it is made aware that a person in receipt of a Tier 3 pension has started gainful employment of more than 30 hours for more than 12 months. The Trust will recover any overpaid Tier 3 pension following commencement of the individual's gainful employment.

For specific information about your own pension, please see the LGPS site at the following link:
<https://lgpsregs.org/employer-resources/guidesetc.php>

