



Special Partnership Trust



## PENSION POLICY

Date Last Reviewed: September 2021

Review Date: September 2023



Special Partnership Trust

## **Statement of Policy as an employer under the regulations of the Local Government Pension Scheme (LGPS).**

The Special Partnership Trust complies with Teachers Pension regulations.

### **Scope**

This policy confirms that The Special Partnership Trust has prepared this written statement of policy in relation to its decisions in relation to exercise of its discretionary powers as an employer under the regulations of the Local Government Pension Scheme (LGPS). This policy statement complies with the Draft Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 following the implementation of the Employment Equality (Age) Regulations 2006.

### **Mandatory Policy Statements**

**Mandatory policy - Formulation of policy in accordance with Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008.**

Regulations in this part refer to the LGPS (Benefits & Contributions) regulations 2007 (as amended).

### **Regulation 12 – Power of an Employing Authority to increase total active membership of active members:**

An employer can award a scheme member an additional period of membership at any time during that member's active membership of the Scheme with the employer. The additional membership granted (including additional membership in respect of different employments) cannot exceed 10 years.

**Employer's policy: - Augmented service will not be awarded under any circumstance.  
Regulation 12 – Power of an Employing Authority to award additional pension.**

An employer may resolve to award a member additional pension of not more than £7026 a year payable from the same date as his main pension benefits are payable.

**Employer's policy: - Additional Pension will not be awarded under any circumstance.**  
**Regulation 16 - Applications to make absence contributions**

This provides for a scheme member to pay optional contributions within 30 days of either an unpaid absence from work or industrial action. The employer can agree to extend this time limit.

**Employer's policy:**

**The option to allow a late request to repay contributions for a period of unpaid leave is not automatic. Any request to extend the time limit should be presented to the Trust Board.**

**Regulation 17 - Shared Cost Additional Voluntary Contributions (SCAVCs)**

An active member may elect to pay AVCs into a scheme established under contract between his/her appropriate administering authority and a body approved for the purposes of the Finance Act 2004.

Under paragraph 3 of this regulation an employer can, at its discretion contribute to the AVC scheme and where they do the AVC scheme is known as a shared cost additional voluntary contributions arrangement and contributions to it as SCAVCs.

**Employer's policy:**

**The Trust has decided not to adopt a shared cost AVC scheme.**

**Regulation 30 - Flexible retirement**

The Local Government Pension Scheme allows scheme members who have attained the age of 55 to draw their retirement benefits under flexible retirement arrangements even though they have not retired providing that:

- the employer consents,
- there has been a reduction in hours or a reduction in grade.

However, benefits taken on flexible retirement will be subject to a reduction if they are being drawn earlier than age 65 (flexible retirement provisions may be operated for members potentially up to 2 days before a member 75th birthday), the reductions applied will be in accordance with guidance issued by the government actuary. Employers can if they choose waive any reductions that might apply.

**Employer's policy: -**

**An employee who reaches the age of 55 can request to draw their retirement benefits under the flexible retirement arrangements even though they have not left employment, all cases require approval by the Trust. Any request to waive actuarial reductions will be considered on an individual basis, and decisions made on the specific merits of each case. Should a manager support a request to waive actuarial reductions then the case must be put forward to the Trust Board for consideration. Please refer to the flexi-retirement policy**

**Regulation 30 - Early retirement with employer consent**

Where a member age 55 or over leaves local government employment before he/she is entitled to the immediate payment of retirement benefits, (or having attained age 55 and have previously been awarded deferred benefits) he/she can request to receive payment of them immediately. However, where the member is aged less than 60, he/she must have the consent of his/her employer. Any benefits payable may be reduced as appropriate in accordance with guidance issued by the Government Actuary and the employer must pay to the Pension Fund a sum representing the capital cost of releasing those benefits early. An employer may determine on compassionate grounds that his/her retirement pension should not be reduced.

**Employer's policy: -**

The Trust will not automatically consent to requests for early retirement. Where an employee has left the Trust and then submits a written request for their preserved pension benefits to be released early, the application will be considered on an individual basis and evidence will be required that the case is one of compassion if it is so claimed. An application for voluntary early retirement will, if approved, normally result in an actuarial reduction of an employee's pension benefits. However, an employee can apply to the relevant officer with power of approval for the actuarial reductions to be waived on compassionate grounds. Such applications will only be considered where there are exceptional reasons for doing so and any associated pension costs will need approval by the Trust Board.

**Mandatory policy - Formulation of policy in accordance with Regulation 106 of the Local Government Pension Scheme Regulations 1997 (as amended)**

**Regulation 30 - Early retirement with employer consent**

Members who have left the scheme before 1 April 2008 with deferred benefits may elect to receive immediate payment of their deferred benefits. Both of these categories of member are still subject to the 1997 regulations and as such a separate policy statement is required under those scheme rules.

A further policy decision under the 1997 regulations is required in respect of Councillor Members in that if they continue to be employed by an employer but attain age 65, the councillor member can opt to take their benefits whilst continuing in the same employment if the employer consents to this.

**Employer's policy: -**

**Any requests for preserved benefits to be released early will be considered on an individual basis and evidence will be required that the case is one of compassion. Any associated pension costs will need approval by the Trust Board.**

**A request from a member to have their benefits paid on or after their 65th birthday whilst remaining elected will not be allowed, pension benefits will only be released once they are no longer employed.**

**Mandatory policy - Formulation of policy in accordance with the discretionary compensation regulations.**

**Regulation 30 - Redundancy and Compensation payments**

Ref: the Local Government (Early Termination of employment) (Discretionary Compensation) (England and Wales) Regulations 2006 – Regulation 5 and 6  
These regulations provide a discretionary power to award a one-off lump sum payment of up to 2 years pay (104 weeks), inclusive of any redundancy payment made. This applies to any member who terminates their employment on the grounds of redundancy, efficiency or in the case of a joint appointment (not job shares) where termination arises because the other holder of the joint appointment has left it. The provisions apply to all employees who are eligible for participation in the LGPS, whether or not they are current members of the scheme. There is also a discretionary power to waive the weekly pay ceiling placed on statutory redundancy payments and to calculate, instead, on pay up to the actual week's pay.

**Employer's policy:**

**The Trust's policy on redundancy payments is specified in the Redundancy Procedure and there will be no further enhancement as permitted under this regulation.**

**The Role of the Trust Board**

All requests for; pension contribution/variation, early retirement and voluntary redundancy need approval in line with the criteria within this policy.

The Trust will take into account the following:

- The operational implications of the retirements or redundancy for the Trust.
- The benefits of the early retirement
- The needs of the individual concerned
- The Board will also ensure that there is a fair and consistent approach to the approval of requests across the Trust

### **The employee's role in the process**

All requests under this policy must be made in the first instance in writing to their manager who will then liaise with HR. Each request will be considered on an individual basis, and decisions made on the specific merits of each case. There will be no automatic consent.

### **Applications on Compassionate Grounds**

Compassionate grounds can cover a variety of situations and a written application outlining the case should be submitted to the employing manager. Evidence is expected to be submitted supporting the application & the Authority reserves the right to seek additional information or evidence should it feel necessary. Any application for actuarial reductions in benefits could be waived based on the individual's circumstances.

### **Internal Dispute Resolution Procedure**

Any complaints relating to Trust decisions in these matters would need initially to be raised with Headteacher

