

Local Government Pension Scheme 2014 (Administered by the Cheshire Pension Fund)

Employer Pension Discretions Policy Statements for Employees

Employer name: The Fallibroome Trust

Effective date of discretions: 1 September 2023

Completed by: Sian Geddes

***Signed: Elizabeth Whitehurst**

Date: 1 September 2023

Employer Discretions

COMPULSORY - Policy Statements in accordance with Local Government Pension Scheme Regulations 2013

REGULATION 16 (2)(e) & (4)(d)

Ability to contribute to a shared cost additional pension contribution (APC) scheme

EXPLANATION Where an employee has elected to pay Additional Pension Contributions (APCs) an employer can elect to fund part or the entire employees share of the contributions.

In your policy you must decide:

- if you would consider contributing to a shared cost APC,
- in what circumstances you would enforce this discretion, and,
- how much you would contribute.

Note: this discretion only relates to cases where the member is working as normal rather than being on authorised leave without pay. For cases where members are on authorised leave without pay e.g. as a result of an approved career break or unpaid additional maternity leave the employer must fund 2/3rds of the contribution if the member makes an election within 30 days of returning to work.

Please state your policy in the box below:

The Fallibroome Trust has determined that as such funding is not mandatory, and that we have a duty to use taxpayers' money prudently, we will never fund an Additional Pension Contribution.

REGULATION 30 (6) & (8)

Ability to award flexible retirement & waive actuarial reduction

EXPLANATION A member who is aged 55 or over and with their employer's consent reduces their hours and/or grade, can then, but only with the agreement of the employer, make an election to the administering authority to receive all or part payment of their accrued benefits without having retired from that employment. In your policy you must decide:

- if you will consider granting flexible retirement,
- the circumstances in which flexible retirement will be awarded, and
- whether to waive any reduction that will be applied to the members benefits. There will be a direct cost to the employer.

Please state your policy in the box below:

The Fallibroome Trust will consider granting flexible retirement where a reduction in hours is beneficial but will not waive the reduction in relation to member's benefits.

REGULATION 30 (8)

Ability to waive some or all of early retirement reduction on benefits if a member retires before Normal Pension Age (NPA) – For both active and deferred members

EXPLANATION Employers can elect to waive some or all of the reduction on benefits if a member chooses to retire and take their benefits before their Normal Pension Age (NPA).

In your policy you must decide:

- if you will consider waiving any reductions,
- the circumstances in which you would consider waiving any reductions, and
- whether to waive any reduction that will be applied to the members benefits. There will be a direct cost to the employer.

Please state your policy in the box below:

The Fallibroome Trust will consider waiving some or all of early retirement reduction on benefits ONLY where it has determined that there is a financial advantage to the organisation of doing so.

Approval for early retirement with reduction in benefits waived must be given by the CEO following recommendation by the COO and HR Director.

TRANSITIONAL PROTECTIONS – Regulation 1 (1)(c) SCHEDULE 2

Power of employing authority to ‘switch on’ the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60

EXPLANATION A member who meets the 85 year rule and elects to draw their pension benefits from age 55 will no longer require their employer’s consent if they retire after 31st March 2014. However certain members will lose some 85 year rule protections if they wish to draw their pension between age 55 and 59.

An employer may decide to ‘switch on’ protection to the 85 year rule for a member who voluntarily retires from age 55 but before age 60 and meet any additional cost of the retirement.

In your policy you must decide:

- if you will consider switching the 85 year rule on for this group of members which may result in a direct cost for the employer.

Please state your policy in the box below:

The Fallibroome Trust will never ‘switch on’ the 85 year rule.

REGULATION 31 Award of Additional Pension

Ability to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency

EXPLANATION An employer may decide to award a member additional pension up to a limit of £6755 per year* payable from the same date as their pension is payable.

You must resolve to award additional pension while the member is active. If the member has been made redundant or retired on efficiency grounds you must make this resolution within 6 months of them leaving.

***IMPORTANT NOTE: The amount of additional pension that can be awarded will increase each April.**

In your policy you must decide:

- if you will consider awarding additional pension to a member, and
- the circumstances in which you will consider awarding additional pension

Please state your policy in the box below:

The Fallibroome Trust will never resolve to make any award of additional pension under Regulation 31.

REGULATION 100 (6) Inward Transfers of Pension Rights

Ability of active member with relevant pension rights to request the administering authority to accept a transfer value for some or all of those rights from the relevant transferor.

EXPLANATION A request from an active member to transfer former pension rights from a previous arrangement into the LGPS as a result of their employment with a Scheme employer must be made in writing to the administering authority and us before the expiry of the period of 12 months beginning with the date on which the employee first became an active member in an employment (or such longer period as the Trust and administering authority may allow).

Please state your policy in the box below:

The Fallibroome Trust has determined that it will not accept transfers in beyond the 12-month deadline.

REGULATION 17(1) — Shared Cost Additional Voluntary Contributions

EXPLANATION

An active member may enter into arrangements to pay additional voluntary contributions ("AVCs") or to contribute to shared cost additional voluntary contribution arrangements ("SCAVCs") in respect of an employment.

Please state your policy in the box below:

The Fallibroome Trust has determined not to make contributions to any SCAVA arrangement.

REGULATION 22 (7) and (28) — Merging of Deferred Member Pension with Active Member Pension Accounts

EXPLANATION

A deferred member's pension account is automatically aggregated with their active member's pension account unless the member elects within the first 12 months of the new active member's pension account being opened to retain their deferred member's pension account

Please state your policy in the box below:

The Fallibroome Trust will agree to any request by an active member provided that there is no financial risk to the organisation.

REGULATION 21(5) — Assumed Pensionable Pay

A "regular lump sum" is a payment for which the member's employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.

EXPLANATION

The Fallibroome Trust needs to determine whether or not to include in the calculation of assumed pensionable pay, any 'regular lump sum payment' received by a Scheme member in the 12 months preceding the date that gave rise to the need for an assumed pensionable pay figure to be calculated.

Assumed pensionable pay is calculated when a member:

- enters a period of reduced contractual pay or no pay due to sickness or injury;
- is absent during a period of child related leave;
- is absent in reserve forces service leave;
- retires with an entitlement to a Tier 1 or Tier 2 ill health retirement;
- dies in service.

Please state your policy in the box below:

The Fallibroome Trust Policy is that each case will be examined at the appropriate time subject to affordability.

REGULATION 19(2) — Exclusion of Rights of Return of Contributions

Under certain circumstances Scheme members are entitled to a refund of contributions.

EXPLANATION

When a person leaves an employment because of an offence of a fraudulent character or because of a grave misconduct in connection with that employment, the Fallibroome Trust may direct payment out of the Pension Fund of a sum equal to all or part of the members contributions to the member, the member's spouse, civil partner, cohabiting partner or any of the member's dependents.

Please state your policy in the box below:

The Fallibroome Trust will consider any such situation on its merits.

REGULATION 201(b) — Meaning of Pensionable Pay

EXPLANATION

Please state your policy in the box below:

Only payments explicitly referred to in a Scheme member's contract of employment count as pensionable emoluments.

REGULATION 37(3) & (4) — Tier 3 Ill Health Retirement

When a Scheme member becomes permanently incapable of undertaking the duties of their employment and the Independent Registered Medical Practitioner (IRMP) certifies a Tier 3 ill health retirement, the member's accrued benefits come into payment immediately, without enhancement, for up to a maximum period of three years, with a review taking place after 18 months.

EXPLANATION

The Scheme member is required to inform us upon starting any employment whilst those benefits are in payment and to answer any reasonable questions about the employment status including details of pay and hours worked.

If we determine that the Scheme member has entered into gainful employment or the Scheme member fails to answer the questions raised by the Scheme employer, we may determine to cease payment of the Tier 3 benefit and to recover any payment made in respect of any period it determines that the member has been in gainful employment.

Gainful employment means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

Please state your policy in the box below:

The Fallibroome Trust policy will be to cease such payments and to recover any payments made for gainful employment.

REGULATION 38 (3) & (6) — Early payment of retirement pension on ill health grounds: deferred and deferred pensioner members

A deferred member (or deferred pensioner member) who, because of ill health or infirmity of mind or body, becomes permanently incapable of discharging efficiently the duties of the employment they were engaged in at the date they became a deferred member and who is unlikely to be capable of undertaking gainful employment before normal pension age, or for at least three years, whichever is sooner, may ask to receive immediate payment of their deferred benefits regardless of their age.

EXPLANATION

Under these circumstances the deferred member must make a request in writing to us as their former Scheme employer who, having obtained a certificate from their Independent Registered Medical Practitioner (IRMP) setting out their opinion as to whether or not the former employer meets the qualifying conditions for 'ill health retirement', may or may not agree to the release of the deferred benefits.

Please state your policy in the box below:

The Fallibroome Trust policy is to consider each request on its merits, which includes affordability.

REGULATION 91. 92. 93 & 95 — Forfeiture of pension rights after conviction for employment-related offences etc

If a person who is a member of the Scheme is convicted of a relevant offence committed in connection with an employment because of which the person has left that employment, we may apply to the Secretary of State for the issue of a forfeiture certificate and it is our policy that we will do so.

EXPLANATION

Where such a forfeiture certificate is issued, we may direct that any of the member's rights under the Regulations are forfeited and will do so. We must serve a notice of our decision to make a direction on the member.

We can also decide whether to direct interim payments of the Pension Fund to anyone that they consider to be entitled to receive payment of a benefit from the Scheme as if no forfeiture direction was given.

We can also consider whether or not to recover from the Pension Fund any monetary obligation or, if less, the value of the members benefits, where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment.

Please state your policy in the box below:

The Fallibroome Trust policy is to consider each issue on its merits, which include affordability.

REGULATION Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014
Schedule 2 — paragraphs 2 and 3

EXPLANATION

Where a scheme member retires or leaves employment and elects to draw their benefits at or after the age of 55 and before the age of 60 those benefits will be actuarially reduced unless we agree to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous LGPS Regulations.

So as to avoid the member suffering the full reduction to their benefits we could 'switch on' the 85 year rule protections thereby allowing the member to receive fully or partly unreduced benefits but subject to us paying a strain (capital) cost to the Pension Fund.

Please state your policy in the box below:

The Fallibroome Trust will never agree to 'switch on' the 85 year rule.

REGULATION 4(5) Discretionary Allowance for Permanent incapacity.

Local Government (Discretionary Payments) Injury Allowance Regulations
2011

EXPLANATION

Please state your policy in the box below:

In the event that an employee to whom an allowance for permanent incapacity is paid secures gainful employment we will suspend or discontinue the allowance.

REGULATION 6(1)) Allowance for pensioners

EXPLANATION

Please state your policy in the box below:

The Fallibroome Trust will not pay an allowance on cessation of employment.

REGULATION 7(2) Death Benefits

EXPLANATION

Please state your policy in the box below:

The Fallibroome Trust will not make an allowance or payment of death benefits.

REGULATION Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006

Regulation 5 Statutory Redundancy Payments.

EXPLANATION

Please state your policy in the box below:

We will not increase the amount of a statutory redundancy payment to persons eligible to join the LGPS so that the limit of a week's pay used in the calculation of the redundancy payment is retained.

REGULATION 6 Discretionary Compensation.

Where an employee eligible to join the LGPS is made redundant and does not receive additional payments under the 2013 Regulations or additional membership under the Regulations we have the discretion to offer up to 104 weeks' compensation

EXPLANATION

Please state your policy in the box below:

The Fallibroome Trust will never use this discretion.

REGULATION 74— Applications for Adjudication of Disagreements

We are required to appoint a person ("the adjudicator") to consider applications from any person whose rights or liabilities under the LGPS are affected by:

- a decision under regulation 72 (first instance decisions); or
- any other act or omission by a Scheme employer or Administering Authority, and to decide on such applications.

Responsibility for determinations under this first stage of the Internal Disputes Resolution Procedure (IDRP) rests with "the adjudicator" as named below.

EXPLANATION

Please state your policy in the box below:

The Fallibroome Trust appoints its HR Director as Adjudicator under Regulation 72 of the LGPS Regulations 2013.