LGPS EMPLOYER DISCRETIONS POLICY

V2.0

Approval History

Approved By:	Date of Approval	Version Approved	Comments
Finance, Audit and Resources Committee	3rd October 22	V1.0	Display on Trust Website
Finance, Audit and Resources Committee	8th December 25	V2.0	Approved

Revision History

Revision Date	Previous Revision Date	Summary of Changes	Owner/Editor
8th December 2025	3rd October 2022	Policy and Discretions Reviewed for Statutory Discretions	Louise Staunton/David Grundy

CONTENTS

1. Overview 4
2. General Principles to be adopted in Exercising Discretion..... 4
3. The Discretions 5

The Local Government Pension Scheme Regulations 2013 ("the 2013 Regulations")
and
The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 ("the 2014 Regulations")

1.0 Overview

The Local Government Pension Scheme ("LGPS") in England and Wales was amended with effect from 1 April 2014. The provisions of the amended LGPS are now contained in the 2013 Regulations and the 2014 Regulations. This policy statement relates to the exercise of the employer discretions contained in the above Regulations.

2.0 General Principles to be Adopted in Exercising Discretions

The Greater Manchester Education Trust ("the Academy Trust"), in formulating the policy statements outlined below, has sought to ensure that its discretionary powers will be exercised reasonably. The discretionary powers;

- will be exercised in the public interest;
- will not be used for an ulterior motive;
- will be used with regard to all relevant factors (costs to the Academy Trust will be balanced against benefit for the Academy Trust);
- will only be used where there is a real and substantial benefit to the Academy Trust in return for incurring extra costs;
- will only be used having considered the views of the scheme Actuary; and
- will be duly recorded when used.

The Academy Trust will also consider the views of the pensions administering authority, Greater Manchester Pensions Fund.
In support of its deliberations regarding requests made on compassionate grounds, the Academy Trust will take into account all relevant factors and require whatever information, documentation and supporting evidence it considers appropriate.

The employer discretionary powers will be exercised having regard to the extent to which the exercise of any policy discretion would lead to a serious loss of confidence in the public service.

The policy statements do not limit or fetter how the Academy Trust exercises any of the discretions afforded by the pension scheme.

3.0 The Discretions

SECTION 1

Regulation	Policy
Regulations 16(2)(e) and 16(4)(d) of the 2013 Regulations Whether, how much, and in what circumstances to contribute to a shared cost APC scheme.	Greater Manchester Education Trust does not and does not intend to have a general policy of contributing to a shared cost APC scheme. Additional pension contribution would not normally be funded in whole or in part by Greater Manchester Education Trust, any such payments would only be granted in exceptional cases.
Regulation 30(6) of the 2013 Regulations & regulation 11(2) of the 2014 TP Regulations **Flexible Retirement** Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is subject to the employer agreeing to the member either reducing their hours or moving to a position on a lower grade.	When exercising its discretion in relation to flexible retirement, the Academy Trust will look at its operating requirements; have regard to pension fund members' individual circumstances and the impact on services of granting flexible retirement together with the cost to the Academy Trust. As a general rule the Academy Trust will only grant flexible retirement to members where there is, in the opinion of the Academy Trust, a financial or operational benefit to the Academy Trust in granting the member's request for flexible retirement. As a general rule the Academy Trust's policy is not to exercise this discretion but will consider individual cases on their merits

	having regard to the cost to the Academy Trust. Any application by a scheme member must be supported by a business case in writing.
Regulation 30(8) of the 2013 Regulations **Waiving actuarial reduction** Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	As a general rule the Academy Trust's policy is not to exercise this discretion but will consider individual cases on their merits having regard to the cost to the Academy Trust. Any application by a scheme member must be supported by a business case in writing. The Academy Trust will not as a general rule exercise its discretion to waive any actuarial reduction in benefits although each case will be considered on its merits.
Regulation 30(8) of the 2013 Regulations **Waiving actuarial reduction** Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership).	As a general rule the Academy Trust's policy is not to exercise these discretions but it will consider individual cases on their merits having regard to the compassionate grounds of individual members and having regard to the cost to the Academy Trust. Any application by a scheme member must be supported by a business case in writing. The Academy Trust will not as a general rule exercise its discretion to waive any actuarial reduction in benefits although each case will be considered on its merits.

Regulation TP3(1), TPSch 2, para 2(1), B30(5) & B30A(5) **Waiving actuarial reduction** Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership): a) on compassionate grounds or otherwise (pre 1 April 2014 membership) and / or, in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006, b) on compassionate grounds or otherwise (pre 1 April 2014 membership) and / or, in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive, c) on compassionate grounds or otherwise (pre 1 April 2016 membership) and / or, in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016, d) on compassionate grounds or otherwise (pre 1 April 2020 membership) and / or, in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will	As a general rule the Academy Trust's policy is not to exercise these discretions but it will consider individual cases on their merits having regard to the compassionate grounds of individual members and having regard to the cost to the Academy Trust. Any application by a scheme member must be supported by a business case in writing.

not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.	
TP Schedule 2, para 1(2) & 1(1)(c) of the 2014 Regulations **Power of employing authority to 'switch on' the 85-year rule** Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	The Academy Trust's policy is not to switch on the 85-year rule, as a general rule, but the Academy Trust will consider individual cases on their merits and having regard to the cost to the Academy Trust. Any application by a scheme member must be supported by a business case in writing.
Regulation 31 of the 2013 Regulations **Power of employing authority to grant additional pension** An employer can choose to grant additional pension to an active member or to a member within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6500* per annum). (*the figure of £6500 will be increased each April under Pensions Increase Orders)	As a general rule the Academy Trust's policy is not to exercise this discretion, but it will consider individual cases on their merits and having regard to the cost to the Academy Trust. An application for additional pension must be supported by a business case in writing.

Section 2

Regulation	**Policy**
TPSch 2, para 1(2)& 1(1)(c) Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	Greater Manchester Education Trust will not generally exercise this discretion but will consider each application in this regard on a case by case basis.

B30(5), TPSch 2, para 2(1) Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member).	Greater Manchester Education Trust will not generally exercise this discretion but will consider each application in this regard on a case by case basis.
TPSch 2, para 1(2) & 1(1)(c) Whether to "switch on" the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	Greater Manchester Education Trust will not generally exercise this discretion but will consider each application in this regard on a case by case basis
B30A(5), TPSch 2, para 2(1) Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits).	Greater Manchester Education Trust will not generally exercise this discretion but will consider each application in this regard on a case by case basis

Section 6

21(4) How to apportion any surviving spouses or civil partner's annual compensatory added years' payment where the deceased person is survived by more than one spouse or civil partner.	Greater Manchester Education Trust, will defer to the administering authority's policy.
25(2) How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children.	Greater Manchester Education Trust, will defer to the administering authority's policy.
21(7) Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid.	Greater Manchester Education Trust, will defer to the administering authority's policy**.**

21(5) If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation	Greater Manchester Education Trust, will defer to the administering authority's policy.
21(7) Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or cohabitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them.	Greater Manchester Education Trust, will defer to the administering authority's policy.
17 To what extent to reduce or suspend the member's annual compensatory added year's payment during any period of re-employment in local government	Greater Manchester Education Trust, will defer to the administering authority's policy.
19 How to reduce the member's annual compensatory added year's payment following the cessation of a period of re-employment in local government.	Greater Manchester Education Trust, will defer to the administering authority's policy.

A copy of this document is being published on the Academy Trust's website and is being sent to the Greater Manchester Pension Funds as the appropriate pensions administering authority. In preparing this policy statement we have had regard to the extent to which the exercise of the functions mentioned in this policy could lead to a serious loss of confidence in the public service. We are satisfied that our adopted policies would not lead to any such loss of

confidence and that the policy individually and generally is workable, affordable and reasonable having regard to foreseeable costs.

All personal data collected, processed and stored under the provisions of this policy will be in accordance with our data protection policy, our [Workforce Privacy Notice], our [Retention and Destruction Policy] and in line with the requirements of the Data Protection Legislation (being (i) the General Data Protection Regulation ((EU) 2016/679) (unless and until the GDPR is no longer directly applicable in the UK) and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then (ii) any successor legislation to the GDPR or the Data Protection Act 1998, including the Data Protection Act 2018).

This policy will be kept under review. It will be reviewed at least every 2 years, or earlier where the relevant regulations are amended. Any subsequent change in this policy statement will be notified to affected employees and to Greater Manchester Pension Fund and will be published on the Academy Trust's website before the end of the month that any such revisions are made in.