

# Aquaterra Leisure

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## **Local Government Pension Scheme Regulations**

### *Policy on Employer Discretions*

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Aquaterra Leisure contributes to the Avon Pension Fund. Employees are entitled to join the pension fund upon appointment.

Aquaterra Leisure, as an employing body, is required to formulate a Statement of Policy in respect of certain discretionary provisions within the new Pensions Regulations (2008).

Aquaterra Leisure resolves to exercise the following discretions on an individual basis as circumstances dictate:

#### **Regulation 12 Power of employer to increase total membership of an active member**

This allows an employer to increase total membership of a member who is currently paying contributions to the Scheme. The member's increase in membership under this regulation (including additional membership in respect of different employments) must not exceed 10 years.

*Policy:* Aquaterra notes this new discretion to increase an employee's total membership but has no intention to make general use of this discretionary power. It may wish to consider its use in exceptional cases in the future.

#### **Regulation 13 Power of employing authority to award additional pension**

This allows an employer to award a member additional pension of not more than £5,000 per year payable from the same date as his/her pension payable under any other provisions of the same Benefit Regulations.

Additional pension may be awarded in addition to any increase of total membership resolved under Benefits Regulation 12.

*Policy:* Aquaterra notes the new discretion to award additional pension benefits. It has no intention to make general use of this discretionary power but may wish to consider its use in exceptional cases in the future.

#### **Regulation 18 Flexible Retirement**

A member, who has reached the age of 55<sup>1</sup> and with the employer's consent, reduces the hours he/she works, or the grade in which he/she is employed may make a request in writing to the Avon Pension Fund to receive all or part of his/her benefits under the Benefits Regulations. The Avon Pension Fund may pay these benefits to the employee notwithstanding that they have not retired from that employment. Payment of the benefits cannot be made without the employer's consent.

<sup>1</sup> *In the case of a person who is a member on 31<sup>st</sup> March 2008, and who makes a request before 31<sup>st</sup> March 2010, the age at which a request can be made reduces from 55 to 50.*

If the payment of benefits referred to above takes effect before the member's 65<sup>th</sup> birthday, the benefits payable are reduced in accordance with guidance issued by the Government Actuary. The employer may agree to waive, in whole or in part, any such reduction as is referred to above.

Where a member is receiving benefits under this regulation, the period of membership used to calculate those benefits is not taken into account in any subsequent calculation of such benefits to which he/she is entitled under these regulations.

*Policy:* Aquaterra notes that this discretion to allow an employee to take “Flexible Retirement” pension benefits. Aquaterra when exercising its right to agree to an employee’s “Flexible Retirement” will consider each application on its merit.

Aquaterra has no intention to make general use of the discretionary power to waive any actuarial reduction as a result of the employee’s early retirement but may wish to consider its use in exceptional cases.

### **Regulation 30 Choice of early payment of pension**

When a member leaves an employer before he/she is entitled to the immediate payment of retirement benefits, once he/she has attained the age of 55<sup>1</sup>, he/she may choose to receive payment of them immediately.

A choice made by a member aged less than 60 is ineffective without the consent of the employer or former employing authority.

If the member so chooses, he/she is entitled to a pension payable immediately calculated in accordance with regulation 29.

This pension must be reduced by the amounts shown as appropriate in guidance issues by the Government Actuary.

The employer may determine on compassionate grounds that the employee’s retirement pension should not be reduced under the above.

*<sup>1</sup> In the case of a person who is a member on 31<sup>st</sup> March 2008, and who makes a request before 31<sup>st</sup> March 2010, the age at which a request can be made reduces from 55 to 50.*

*Policy:* Aquaterra notes the discretion to allow an employee to retire before their normal retirement date or before aged 60. Aquaterra has no intention to make general use of this discretionary power but may wish to consider its use in exceptional cases (e.g. compassionate grounds) in the future.

### **Additional Discretions**

#### **Regulation 22 Absence control time limit**

A member who has been away from work as a result of maternity, paternity or adoption leave, industrial action (mainly strikes) or unpaid leave of absence has the right to pay voluntary pension contributions to prevent any gap in membership. Their request to do so normally has to be made within 30 days of returning to work (or within 30 days of their last day of service if they don’t return). The employer has discretion to extend this 30 days limit.

*Policy:* Aquaterra requires members to make a request to pay voluntary pension contributions for any unpaid leave of absence within 30 days of returning to work (or within 30 days of their last day of service).