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## **Employer Discretions under the Local Government Pension Scheme (LGPS) Regulations 2007**

### **Introduction**

Filton College has to publish the discretions it is required to formulate under the Local Government Pensions Regulations 2007.

The College has adopted the following in response to the discretions required:

### **Regulation 12 - Power of employing authority to increase total membership of active members**

Increasing (i.e. augmenting) total membership is a power which employers may use, for example, to attract scarce people with key skills from outside Further Education. Filton College has no intention of making a general use of this power but may wish to consider its use in exceptional cases in the future.

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

The College may resolve to award a member additional pension of not more than £5,000 a year. With the exception of early retirements, which are explained below, the College has no intention of making use of this power in the foreseeable future, unless it is in the College's interests to do so.

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

An employee who is aged 55 or over (50 until 31 March 2010, age 55 from 1 April 2010, and new joiners from 1 April 2008), can request the College to allow him/her to access pension benefits whilst still remaining employed by the College.

This would only be in situations where the employee wishes to reduce hours and/or move to a lower graded post, and must be agreed by the College.

Flexible Retirement is aiming to assist a more gradual move into retirement over a period of years, by allowing an employee to work fewer hours and/or in a less demanding job, whilst at the same time drawing

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their pension. This may be of benefit to the employee, and also the College, in terms of retaining the services of the employee.

The key factors in this scheme are:

- The acceptability to the employee of the level of pension he/she would receive.
- The willingness of the College to agree to the specific flexible retirement requested.

The College's policy on Flexible Retirement is that an application will only be approved where:

- There are little or no pension costs to the College arising from the employee's flexible retirement. (Pension estimates for Flexible Retirement from Avon Pension Fund will reflect this policy.)
- The College will consider waiving some or all of the actuarial reduction on exceptional compassionate grounds or where it is in the business interests of the College to do so.
- The Flexible Retirement will provide benefits to the College, for example financial savings or the facilitation of organisational or staffing changes, and will not result in any detriment to the level of service.
- If the request is to work reduced hours, the College's assessment must be that there would be no operational problems caused, or recruitment difficulty anticipated, in making up the reduced hours.
- If the request is for a move to a lower graded post, this would be subject to an appropriate vacancy arising and the operation of the College's normal recruitment procedures in filling the post.

### **Regulation 22 - Extending the time limit for members to pay contributions following a period of absence**

The College will allow scheme members 30 days of return to work/cessation of employment to make an election to pay optional contributions under this regulation.

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

The College will consider release of pension benefits for staff or ex-staff before the age of 60. This will only be considered if there is little or no cost to the College. The College will consider waiving some or all of any actuarial on exceptional compassionate grounds or where it is the business interests of the College to do so.

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### **Regulation 47 - Exclusion of rights to a return of contributions**

A scheme member who meets the normal criteria for a refund will not be entitled to receive such a refund if employment was left because of an offence of a fraudulent character or grave misconduct.

### **Regulations 72, 73, 74 & 76 - Forfeiture of pension rights after conviction of employment-related offences**

There are provisions whereby If a scheme member is convicted of, and ceases employment as a result of, an offence in connection with his/her employment which was gravely injurious to the State or liable to lead to a serious loss of confidence in the public service, the employer can apply to the Secretary of State for the issue of a forfeiture certificate. If a certificate is issued the employer may direct that any of the person's rights be forfeited. The College reserves the right to exercise this discretion in wholly exceptional circumstances.

### **Regulation 83(8) - Inward transfer of pension rights**

The College will only allow transfer of previous pension rights if the member opts to do so within 12 months of joining the Local Government Pension Scheme.

### **Granting of any discretion**

The granting of any discretion that can be made under the discretions above will be taken by the College Principal/Chief Executive and notified to the College Governing Body.

### **Changes to the policy statement**

This policy statement will be reviewed from time to time to ensure that it does not become outdated, unreasonable or over-restrictive. If the statement is revised, it will be published at least one month before any changes introduced come into effect.

<i>Useful contacts</i>	
<i>Avon Pension Fund</i>	<i>01225 477000</i>
<i>Filton College HR</i>	<i>0117 9092 205</i>
<i>Filton College Payroll</i>	<i>0117 9092 211</i>