

FORVUS

DATA ▶ KNOWLEDGE ▶ ACTION

Employer Discretions: Local Government Pension Scheme Regulations 2007

This statement sets out the policies of Forvus for application of the Employers' Discretions contained within the Local Government Pension Scheme Regulations 2007. The policies are in line with the Bath University and are as follows:

Regulation 12 (awarding an employee augmented membership)

Increasing (i.e. augmenting) total membership is a power which employers may use, for example, to attract scarce people with key skills from outside the education sector. Forvus 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 (awarding an employee additional pension)

Forvus may resolve to award a member additional pension, however the company has no intention of making use of this power in the foreseeable future.

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 Forvus to allow him/her to access pension benefits whilst still remaining employed by the company.

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 company.

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 their pension. This may be of benefit to the employee, and also to Forvus 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 Forvus to agree to the specific flexible retirement requested.

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

There are no pension costs to the company arising from the employee's flexible retirement. (Pension estimates for Flexible Retirement from Avon Pension Fund will reflect this policy)

The Flexible Retirement will provide benefits to Forvus, 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, Forvus'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 Forvus's normal recruitment procedures in filling the post.

Regulation 30 (allowing an employee early payment of pension)

Former employees of Forvus who have Deferred Benefits which are preserved benefits in the Avon Pension Fund, may apply to the university for the early release of their benefits by reason of permanent ill-health or on compassionate grounds. Such applications are dealt with on the same basis as for current employees.

Changes to the Policy Statement

This policy statement will be reviewed from time to time to ensure that does not become outdated, unreasonable or over-restrictive.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