



THE PATHWAY ACADEMY TRUST

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Registered Company N° 9782388

LOCAL GOVERNMENT PENSION SCHEME POLICY DOCUMENT

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Schedule of THE PATHWAY ACADEMY TRUST's Employer Policy Statement

The Local Government Pension Scheme (Administration) Regulations

This policy statement clarifies the Trust's position on the discretions it can exercise in accordance with the LGPS 2014 regulations and guidance on how they apply to different retirement options.

The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations i.e. employees with a contract of employment of over three month's duration and who are under 75 years of age and are contractually enrolled at the start of employment. Those with contracts of less than three months, including casuals, can join but need to elect to do so.

Employees who are members of the pension scheme are only entitled to receive pension benefits if they have two years or more service. Under LGPS 2014 Regulation 18, if an employee leaves within two years of the start of their employment their contributions can be repaid or transferred to another scheme, unless there is some fraudulent offence or misconduct in connection with the employment.

Principles

The Trust will treat any individual retirement case and decisions on its merits.

Decisions relating to retirement will be made taking into account the business case and business implications, the financial implications, employment law consideration, the regulations and the legality of each case. It may also take into account long term savings, affordability, skills and skills retention and impact on service delivery.

The definition of business efficiency shall include, but not be limited to financial savings and/or quality improvements judged on a case by case basis.

Each decision will be made free from discrimination on the grounds of any protected characterising – age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race, religion and belief, sex, sexual orientation or any other personal criteria.

The Trust's decisions relating to retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the Trust will default to the regulations if the policy is not explicit on any current or future regulation.

Decisions relating to the release of deferred benefits to former employees will refer to the relevant pension policies applicable at the time of their employment. In such cases, the decision as to the release of deferred benefits will be on a case by case basis and will take into account the criteria detailed in these principles. Guidance may be sought from the pension administrators as required.

Compassionate grounds are defined as: circumstances must be exceptional and would not reasonably be expected to prevail i.e. the occurrence of a disaster or accident etc. Financial hardship alone would not normally be deemed sufficient.

Discretions

Within the regulations there are a number of discretionary statements that require the Trust to explicitly state their position. The discretions detailed below relate to the current LGPS 2014 regulations and guidance. They also reflect discretions approved by the Trust for the previous pension scheme policies.

Regulation 9 (1) & (3) - Contributions

THE PATHWAY ACADEMY TRUST will apply the nationally determined employee contribution rates and bands. These are subject to change and may be varied.

THE PATHWAY ACADEMY TRUST will determine the appropriate contribution band for an employee by using the pensionable pay received on 1 April each year and every month thereafter.

Variable time employees will have their initial contribution rate at 1 April 2014 set at 5.5% with a reassessment every month thereafter.

THE PATHWAY ACADEMY TRUST will notify employees of their individual contribution rates each year.

Regulation 16 (2)e and (4)d – Shared Cost Additional Pension Contributions (SCAPC)

THE PATHWAY ACADEMY TRUST will not operate a SCAPC where an employee wishes to purchase extra annual pension (up to the limit defined in the regulations).

The above does not apply where a scheme member has had a period of child related leave or authorised unpaid leave and elects, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence, THE PATHWAY ACADEMY TRUST will contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the employee.

Where it is not possible to provide the employee with the information they need to make their election within the 30 day deadline, THE PATHWAY ACADEMY TRUST will extend the limit. However, the scheme member must contact THE PATHWAY ACADEMY TRUST to request this information within 30 days of returning to work and respond within 30 days of the information being provided.

TP Regulations 1(1)(c) of Schedule 2 – whether to allow the rule of 85 to be 'switched on' for members age 55-59.

It is not THE PATHWAY ACADEMY TRUST's general policy to make use of the discretion to 'switch back on' the 85 year rule protections unless there are clear financial or operational advantages to THE PATHWAY ACADEMY TRUST.

Each case will be considered on its merits by the Board of Directors.

Regulation 17 (1) – Shared Cost Additional Voluntary Contributions (SCAVC)

THE PATHWAY ACADEMY TRUST will not operate a SCAVC for employees.

Regulation 21(5) – in determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a ‘regular lump sum’

The payroll providers of THE PATHWAY ACADEMY TRUST will maintain a list which details what THE PATHWAY ACADEMY TRUST considers being a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay.

Regulation 22 (7)(b) & (8)(b) - Aggregation of Benefits

Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment unless they elect within 12 months of commencing membership of the LGPS in the new employment to retain separate benefits. THE PATHWAY ACADEMY TRUST has the discretion to extend this period beyond 12 months and each case will be considered on its own merits.

Regulation 30(6) & 30(8) – Flexible Retirement

It is THE PATHWAY ACADEMY TRUST’s policy to provide consent to consider flexible retirement requests only where there are clear financial or operational advantages to THE PATHWAY ACADEMY TRUST.

If consent has been given under Regulation 30(6) it is not THE PATHWAY ACADEMY TRUST’s general policy to waive any actuarial reduction unless there are exceptional circumstances.

Each case will be considered on its merits by the Board of Directors.

Regulation 30(8) – Waiving of Actuarial Reductions

It is not THE PATHWAY ACADEMY TRUST’s general policy to waive any actuarial reductions applied to benefits paid early or where a scheme member has previously been awarded a deferred benefit. Each case will be considered on its merits by the Board of Directors.

Regulation 31 – Award of Additional Pension

THE PATHWAY ACADEMY TRUST has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or within 6 months of leaving the scheme to a scheme member who was dismissed on grounds of redundancy or business efficiency.

THE PATHWAY ACADEMY TRUST will only exercise this discretion in exceptional circumstances and only at the discretion of the Board of Directors.

Regulation 100(6)

If an employee wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, the election to do so must be made within 12 months of starting a new period of membership. This time limit may be extended if the employee can demonstrate exceptional circumstances so as to justify this.

NB: Under Regulation 60(1) of the Local Government Pension Scheme Regulations 2013, it is compulsory for all employers to make a policy decision under Regulation 16, 30(8) and 31 and Paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014.

Under Regulation 60(2) a copy of the policies must be sent to the Pensions Section be publishable to their scheme members on request.

Under Regulation 60(3) employers must keep the policies under review and make any appropriate changes.

Under Regulation 60(4) any amendments to these policies must be made available to the Pensions Section and to scheme members within a month of the date of change.