

Discretions Policies

Employer: Miquill Catering Limited

Local Government Pension Scheme, (LGPS), Regulations Policy statement on all eligible employees

Under Regulation 60 of the LGPS Regulations 2013, (as amended), each scheme employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pensions Regulations.

This statement is applicable to all employees of **Miquill Catering Limited** who are eligible to be members of the LGPS

There is a requirement to publish the following five policies.

1. LGPS Regulations - Regulation 31: Power of employer to award additional pension

Explanation	Employer's Policy
An employer may resolve to award a member additional pension of not more than £8,344 (figure as at 1 April 2024) a year within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	Miquill Catering Limited will only exercise this discretion in exceptional circumstances. This discretion will only be exercised with the expressed position of the Board Members after consideration of the costs that would apply.

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2. LGPS Regulations 2013 - Regulation 16(2)(e) and 16(4)(d) : Funding of additional pension contributions (shared cost):

Explanation	Employer's Policy
An active member in the main section of the scheme who is paying contributions may enter into arrangements to pay additional pension contributions (APCs) by regular contributions or a lump sum. Such costs may be funded in whole or in part by the member's Scheme employer. The employer will need to determine a policy on whether it will make a contribution towards the purchase of extra pension. This does not relate to cases where a member has a period of authorised unpaid leave of absence and elects within 30 days of return to work to pay a shared cost APC to cover the amount of pension "lost" during that period of absence. In these cases the employer <u>MUST</u> contribute 2/3rds of the cost (Regulation 15(5) of the LGPS Regulations 2013.	Miquill Catering Limited will not generally make use of this discretion.

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3. LGPS Regulations 2013 - R30(6) & TP11(2) – Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)

Explanation	Employer's Policy
An active member who has attained the age of 55 or over who reduces working hours or grade of an employment may, with the Scheme employer's consent, elect to receive immediate payment of all or part of the retirement pension to which that member would be entitled in respect of that employment if that member were not an employee in local government service on the date of the reduction in hours or grade, adjusted by the amount shown as appropriate in actuarial guidance issued by the Secretary of State. As an employer you need to determine the conditions under which you would approve a flexible retirement taking place and thereafter: R30(8) – Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement. R30(8) – 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).	Miquill Catering Limited will not normally make use of this discretion, unless there is a business case to support this as an alternative to a redundancy situation

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4. LGPS Regulations 2013 - Regulation TPSch 2, para 1(2) & 1(1)(c) Switching on rule of 85

Explanation	Employer's Policy
A member who has not attained normal pension age but who has attained the age of 55 or over, may elect to receive immediate payment of a retirement pension in relation to an employment if that member is not an employee in local government service in that employment, reduced by the amount shown as appropriate in actuarial guidance issued by the Secretary of State. In these circumstances (other than flexible retirement) the 85 year rule does not automatically apply to members who would otherwise be subject to it who choose to voluntarily draw their benefits on or after age 55 and before 60. The employer has the discretion to “switch on” the 85 year rule for such member (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014. If the employer does agree to switch back on the rule of 85, the cost of any strain on the fund resulting from the payment of benefits before age 60 would have to be met by the employer.	Miquill Catering Limited will not generally make use of this discretion, unless there are exceptional circumstances. The Board Members will consider any cases and will decide whether the actuarial reductions should be waived. In all cases the financial position of Miquill Catering Limited must be considered

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5. LGPS Regulations 2013 -TP3(1), TPSch 2, para 2(1), B30(5) & B30A(5): Waiving of actuarial reduction

Explanation	Employer's Policy
An employer has the discretion, under a number of retirement scenarios, to waive actuarial reductions on compassionate grounds. The cost of which would fall upon the employer. n.b. "Compassionate grounds" is not defined in the regulations	Miquill Catering Limited will not generally make use of this discretion, unless there are exceptional circumstances The Board Members will consider any cases and will decide whether the actuarial reductions should be waived. In all cases the financial position of Miquill Catering Limited would be considered. In addition, these regulations also allow you to waive reductions or otherwise and / or, in whole or in part on any grounds to compassion.

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There are a number of other discretions which Scheme employers may exercise under the LGPS Regulations 2013, whilst there is no requirement to have a written policy in respect of these there are another five in respect of which it would perhaps be appropriate for Scheme employers to have a written policy in order that members can be clear on these matters

1. LGPS Regulations 2013 – Regulation 17 - Shared Cost Additional Voluntary Contribution Facility

Explanation	Employer's Policy
This discretion allows the Employer to maintain and contribute to an employee's Additional Voluntary Contribution Scheme.	Miquill Catering Limited will not generally make use of this discretion. This will not have any effect on the existing AVC facility available where the employee only is able to make such contributions.

2. LGPS Regulations 2013 - Regulation 100 (6) – election to transfer within 12 months

Explanation	Employer's Policy
This discretion allows the Employer to extend the 12 month limit a member has in which to elect to transfer other pension rights into the LGPS. This has to be with the agreement of the Administering Authority	Miquill Catering Limited will not normally allow an extension of the 12 month limit, but will consult the Administering Authority in making a decision.

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3. LGPS Regulations 2013 - Regulation 22 (7) and (8) – election to aggregate within 12 months of commencement

Explanation	Employer's Policy
This discretion allows the Employer to extend the 12 month time limit a member has within which they must elect not to have deferred benefits aggregated with their new LGPS employment	Miquill Catering Limited will not normally extend this 12 month time limit

4. LGPS Regulations 2013 - Regulation 9 – allocation of contribution band

Explanation	Employer's Policy
This discretion allows the Employer to determine which contribution band is allocated on joining the scheme and at each April. It also determines the circumstances when an employee's band may be reviewed.	Miquill Catering Limited would determine the contribution band based on basic pay every April and at the time of joining the scheme, as appropriate.

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5. LGPS Regulations 2013 - Regulation 21 – assumed pensionable pay

Explanation	Employer's Policy
This discretion allows the Employer to determine whether to include in the calculation of assumed pensionable pay the amount of any “regular lump sum payment”. This is in cases where an employee's pay needs to be calculated where their pay has been reduced due to certain absences in order that they are not unduly advantaged or disadvantaged.	Miquill Catering Limited would determine in individual cases where necessary to establish in a fair, equitable and justifiable way what the members likely pay would have been but for the absence, and in cases where this pay is to be used for future enhancements, whether that level of pay would have been received every year to normal retirement age.

I confirm that should any of the decisions change in the future the Pensions Section will be notified immediately.

I have read the attached statements and certify that they are correct on behalf of:

Employer's Name: Miquill Catering Limited

Print Name: Ayub Mamoojee

Position: Pensions Officer



Signed:

Review Date: 23 July 2025