ATLAS FM LIMITED
PENSIONS DISCRETIONS POLICY

Statement of policy on pension discretions for local government pension schemes

1. General principles

1.1 Atlas FM Payroll Limited is an Admitted Body participating in the Local Government Pension Scheme (LGPS) and is required to formulate, publish and keep under review a Statement of Policy on certain discretions which they have the power to exercise in relation to members of the LGPS.

1.2 The approach to exercising discretion is to allow the company to make a reasonable decision in individual cases, but also to be clear as to the factors it will take into account in making the decision.

1.3 In formulating and reviewing its policy statement the company is required to be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable cost.

1.4 This document includes the policy on the mandatory discretions the company is required to have in place under the LGPS Regulations and optional discretions, on which the company is recommended to have a policy. Each discretion in this policy is shown as either mandatory or optional.

1.5 Where reference is made in this policy to the decision maker or specific officer roles, the authority to make these decisions will be for them and their successor roles should there be a change in the future.

1.6 Any complaints relating to the company's decisions in these matters would need to initially to be raised under the Internal Dispute Resolution Procedure where the first step will be for the Group Pensions Advisor to consider the matter. If the matter remains unresolved after the first step then the dispute can be pursued with the Head of Human Resources.

2. Discretions to be exercised on and after 1 April 2014 in relation to active members and members who cease active membership after 31 March 2014

2.1 Mandatory discretion:

Whether, at full cost to the company, to grant extra annual pension of up to the maximum value of additional pension that can be awarded to an active Scheme member within six months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency [regulation 31 of the LGPS Regulations 2013]

Company policy statement:

Atlas FM Payroll Limited, as an Admitted Body, will not consider awarding an additional pension.

2.2 Mandatory discretion:

Whether, where an active Scheme member wishes to purchase extra annual pension of up to the maximum value of additional pension that can be awarded by making Additional Pension Contributions (APCs), to voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC) [regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013]

Company policy statement:

Atlas FM Payroll Limited, as an Admitted Body, will not consider awarding an additional pension.

2.3 Mandatory discretion:

Whether to permit flexible retirement for staff aged 55 or over who, with agreement of the employer, reduce their working hours or grade [regulation 30(6) of the LGPS Regulations 2013] and, if so, as part of the agreement to permit flexible retirement

2.3.1 Whether, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw

- All, part or none of the pension benefits they accrued after 31 March 2008 and before 1 April 2014, and/or
- All, part or none of the pension benefits they accrued after 31 March 2014 [regulations 11(2) and 11(3) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014], and
- Whether to waive, in whole or in part, any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA) [regulation 3(5) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 18)3) of the LGPS (Benefits,

Membership and Contributions) Regulations 2007 and regulations 30(6) and 30(8) of the LGPS Regulations 2013]

Company policy statement:

Where there is no cost to Atlas Cleaning Limited all applications for early retirement will be considered with additional benefits in consultation with the scheme employer.

2.4 Mandatory discretion:

Whether, as the 85 year rule does not (other than on flexible retirement) automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Company policy statement:

Atlas FM Payroll Limited will not consider "switching on" the 85 year rule.

2.5 Mandatory discretion:

Whether to waive any actuarial reduction on pre and/or post April 2014 benefits *[regulations 3(1), Schedule 2(1) and 2(2) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 and regulations 30(5) or 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007]*

Company policy statement:

Atlas FM Payroll Limited will not consider waiving the actuarial reduction.

2.6 Optional discretion:

Whether, how much, and in what circumstances to contribute to a shared cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2014 [regulation 17 of the LGPS Regulations 2013] and whether, how much, and in what circumstances to continue to contribute to any shared cost Additional Voluntary Contribution (SCAVC) arrangement that the employer had entered into before 1 April 2014 [regulation 15(1)(d) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014, regulation 25(3) of the LGPS (Administration) Regulations 2008 and regulation 15(3) of the LGPS (Benefits, Membership and Contributions) Regulations 2007]

Company policy statement:

Atlas FM Payroll Limited will not contribute to a shared cost Additional Voluntary Contribution (SCAVC) arrangement.

2.7 Optional discretion:

Whether, with the agreement of the Pension Fund administering authority, to permit a Scheme member to elect to transfer other pension rights into the LGPS if he/she has not made such an election within 12 months of joining the LGPS *[regulation 100(6) of the LGPS Regulations 2013]*

Company policy statement:

Atlas FM Payroll Limited will not extend the time limit of a scheme member to transfer other pension rights.

2.8 Optional discretion:

Whether to extend the 12 month time limit within which a member who has a deferred LGPS benefit in England or Wales following the cessation of employment (or cessation of a concurrent employment) after 31 March 2014 may elect not to have their deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election to retain separate benefits within 12 months of commencing membership of the LGPS in that new employment (or within 12 months of ceasing the concurrent membership) [regulations 22(7) and (8) of the LGPS Regulations 2013].

Company policy statement:

Atlas FM Payroll Limited will not extend the time limit for a scheme member to have their benefits aggregated.

2.9 Optional discretion:

Whether to extend the 12 month time limit within which a member (who has not elected to be treated as a member who, in the same employment, was contributing to the Scheme on both 31 March 2014 and 1 April 2014) who has a deferred LGPS benefit in England or Wales following the cessation of employment before 1 April 2014, to elect to aggregate their deferred benefits with their new LGPS employment that commenced on or after 14 May 2018, to purchase earned pension [regulation 10(6) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 as amended by regulation 27 of the LGPS (Amendment) Regulations 2018].

Company policy statement:

Atlas FM Payroll Limited will not extend the time limit for a scheme member to have their benefits aggregated.

2.10 Optional discretion:

How the pension contribution band to which an employee is to be allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band to which an employee has been allocated following a material change which affects the member's pensionable pay in the Scheme year (1 April to 31 March) [regulations 9 and 10 of the LGPS Regulations 2013].

Company policy statement:

Atlas FM Payroll Limited will allocate an employee the pension contribution band on commencement and will review the band following a material change in the employee's pay.

3. Discretions to be exercised on and after 1 April 2014 (as at 14 May 2018) in relation to members who ceased active membership between 1 April 2008 and 31 March 2014

3.1 Mandatory discretion

Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Company policy statement:

Atlas FM Payroll Limited will not consider "switching on" the 85 year rule.

3.2 Mandatory discretion

Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their suspended tier 3 ill health pension (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Company policy statement

Atlas FM Payroll Limited will not consider "switching on" the 85 year rule.

3.3 Mandatory discretion:

Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65 *[regulation 30(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007]*

Company policy statement:

Atlas FM Payroll Limited will not consider waiving the actuarial reduction.

3.4 Mandatory discretion:

Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to any suspended tier 3 ill health pension benefits which are brought back into payment before age 65 [regulation 30A(5) of the LGPS (Benefits, Membership and Contributions) Regulations 2007 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional

Provisions, Savings and Amendment) Regulations 2014].

Company policy statement:

Atlas FM Payroll Limited will not consider waiving the actuarial reduction.

4. Discretions to be exercised on and after 1 April 2014 (as at 14 May 2018) in relation to active and deferred members who ceased active membership between 1 April 1998 and 31 March 2008

4.1 Mandatory discretion:

Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(f) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Company policy statement:

Atlas FM Payroll Limited will not consider "switching on" the 85 year rule.

4.2 Mandatory discretion:

Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55 [regulation 31(2) of the LGPS Regulations 1997].

Company policy statement:

Where there is no cost to Atlas FM Payroll Limited all applications for early retirement will be considered with additional benefits in consultation with the scheme employer.

4.3 Mandatory discretion:

Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits which are paid before age 65 [regulation 31(5) of the LGPS Regulations 1997 and paragraph 2(1) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].

Company policy statement:

Atlas FM Payroll Limited will not consider waiving the actuarial reduction.

5. Discretions to be exercised on and after 1 April 2014 (as at 14 May 2018) in relation to members who ceased active membership before 1 April 1998

5.1 Mandatory discretion:

Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before NRD on compassionate grounds [regulation D11(2)(c) of the LGPS Regulations 1995].

Company policy statement:

Where there is no cost to Atlas FM Payroll Limited all applications for early retirement will be considered with additional benefits in consultation with the scheme employer.