

Housing Plus Group discretionary policies under the Local Government Pension Scheme Regulations and other related Regulations

1. Discretions to be exercised:

- i) under the LGPS Regulations 2013 from 1 April 2014 in respect of members of the Career Average Revalued Earnings (CARE) scheme,
- ii) under earlier LGPS Regulations in respect of former employees who were members of the LGPS and who left prior to 1 April 2014,
- iii) under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and earlier compensation regulations,

This document will form Housing Plus Group's policies on pension and compensation discretions. It should be noted that:

- the policies will confer no contractual rights
- Housing Plus Group will retain the right to change the policies at any time without prior notice or consultation, and
- only the policy which is current at the time a relevant event occurs to an employee / scheme member will be the one applied to that employee / member.

Table A: Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations 2013 in relation to active scheme members and members who cease active membership after 31 March 2014.

<p>1. Whether, at full cost to Housing Plus Group, to grant extra annual pension of up to £8,903 (figure at 1 April 2025) to an active scheme member or, within 6 months of leaving, to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency.</p>	<p>Housing Plus Group will not make use of the discretion to grant extra annual pension of up to £8,903 (figure at 1 April 2025) to an active scheme member or, within 6 months of leaving, to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency except in exceptional circumstances where Housing Plus Group considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the Executive Management Team.</p>
<p>2. Whether, where an active scheme member wishes to purchase extra annual pension of up to £8,903 (figure at 1 April 2025) by making Additional Pension Contributions (APCs), Housing Plus Group will voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p>	<p>Housing Plus Group will only voluntarily contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution (SCAPC) in two situations. Firstly, where:</p> <ul style="list-style-type: none"> - an active scheme member returns from a period of authorised leave of absence, and - the member does not, within 30 days of returning from the leave of absence, make an election to buy-back the amount of pension 'lost' during that period of leave of absence, and - the member subsequently makes an election to do so whilst an active member and it can be demonstrated that the reason for the member missing the original 30 day deadline was because the member had not been made aware of that deadline, and - the election is made no more than 90 days after the member returns from the period of leave of absence or such longer period as Housing Plus Group may deem reasonable in any individual case. <p>A decision on whether the member meets the above criteria (and on whether the 90 day period referred to should be extended in any individual case) will be taken by the Executive Management Team and, where it is agreed that the conditions are met, Housing Plus Group will</p>

	<p>be required to contribute 2/3rds of the cost of buying back the 'lost' pension via a SCAPC.</p> <p>Secondly, where a member has a string of odd days of authorised unpaid leave of absence throughout the Scheme year (1 April to 31 March). In such a case Housing Plus Group will, instead of requiring elections to buy-back the amount of pension 'lost' during the periods of leave of absence to be made within 30 days of returning from each day of absence, allow the member (whilst an active member) to make a single election during the Scheme year to cover each one of the absences that occur during the Scheme year.</p>
<p>3. Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of Housing Plus Group, reduce their working hours or grade and, if so, as part of the agreement:</p> <ul style="list-style-type: none"> - whether, in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw if flexible retirement is agreed), to permit the member to choose to draw <ul style="list-style-type: none"> • 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, 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). 	<p>Housing Plus Group will carry forward its existing policy whereby all employees may request a reduction in their hours or a move to a less senior position. If they are over 55 and a member of the LGPS they may also draw their pension benefits whilst continuing to work if the request is granted.</p> <p>Where flexible retirement is agreed, the benefits payable will be subject to any actuarial reduction applicable under the Local Government Pension Scheme Regulations and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.</p> <p>As a general rule we will not look to waive any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA), though we will consider each case on the merits of the financial and/or operational business case put forward.</p> <p>Housing Plus Group will only waive any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of</p>

	<p>Executive Management Team including, where the reduction is only to be waived in part, approval for the amount of reduction to be waived.</p> <p>If flexible retirement is agreed for a scheme member aged 55 or over but under 60 who is subject to the 85 year rule and who, at the date of flexible retirement, has either met the 85 year rule or would have met the rule before age 60, there would be a strain on fund cost to be met by, and paid to the Pension Fund by, Housing Plus Group in respect of the pension benefits paid following retirement.</p> <p>In such cases, Housing Plus Group will confirm with the relevant LGPS fund whether a strain cost is payable. If there is not, then flexible retirement would proceed subject to the other terms set out here. If a strain cost is payable, the employee may be asked to reimburse some or all of this cost to Housing Plus Group.</p> <p>All financial implications will be considered as part of the determination whether to grant flexible retirement or not.</p>
<p>4. Whether, as the 85 year rule does not (other than on flexible retirement – see 3 above) <u>automatically</u> 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 apply the 85 year rule to such voluntary retirements.</p>	<p>Housing Plus Group will not agree to apply the 85 year rule where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where Housing Plus Group considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> - will be considered on the merits of the financial and / or operational business case put forward, and - will require the approval of the Executive Management Team.
<p>5. For:</p> <ul style="list-style-type: none"> i) active members voluntarily retiring on or after age 55 and before Normal Pension Age who elect under regulation 30(5) of the LGPS Regulations 2013 to immediately draw benefits, and ii) deferred members and suspended Tier 3 ill health pensioners who elect under regulation 30(5) of the LGPS Regulations 	<p>Where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age, Housing Plus Group will not agree to waive in whole or in part any actuarial reduction that would otherwise be applied to their benefits except in circumstances where Housing Plus Group considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so.</p> <p>Each case:</p>

2013 to draw benefits (other than on ill health grounds) on or after age 55 and before Normal Pension Age

who:

- were not members of the LGPS before 1 October 2006 [Group 4 members], whether to:
 - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits, if any, accrued before 1 April 2014, and / or
 - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March 2014
- were members of the LGPS before 1 October 2006 and will be 60 or more on 31 March 2016 [Group 1 members], whether to:
 - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April 2016, and / or
 - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March 2016
- were members of the LGPS before 1 October 2006 and will not be 60 or more on 31 March 2016 and will not attain age 60 between 1 April 2016 and 31 March 2020 [Group 3 members], whether to:
 - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April 2014, and / or

- will be considered on the merits of the financial and / or operational business case put forward, or
- will be considered on the merits of the compassionate case put forward, and
- will require the approval of the Executive Management Team including, where the reduction is only to be waved in part, approval for the amount of reduction to be waived

<ul style="list-style-type: none"> ○ waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2014</u> - <u>were</u> members of the LGPS before 1 October 2006 and will <u>not</u> be 60 or more on 31 March 2016 but <u>will</u> attain age 60 between 1 April 2016 and 31 March 2020 [Group 2 members], whether to: <ul style="list-style-type: none"> ○ waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April <u>2020</u>, and / or ○ waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March <u>2020</u> 	
<p>6. 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 and whether, how much, and in what circumstances to continue to contribute to any shared cost Additional Voluntary Contribution (SCAVC) arrangement entered into before 1 April 2014.</p>	<p>Housing Plus Group will not generally exercise this discretion and would not enter into a shared costs AVC arrangement other than in exceptional circumstances, in which case the decision to contribute, and the amount of contribution, will be subject to the approval of the Executive Management Team.</p>
<p>7. Whether to extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in England or Wales following the cessation of an employment (or cessation of a concurrent employment) after 31 March 2014 may elect not to have the 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 the new employment (or within 12 months of ceasing the concurrent membership).</p>	<p>Housing Plus Group will only extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in England or Wales following the cessation of an employment (or cessation of a concurrent employment) after 31 March 2014 may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment):</p> <ul style="list-style-type: none"> a) where Housing Plus Group agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration; b) where Housing Plus Group agrees that the available evidence indicates the member had made an election within 12 months of joining the LGPS but the election was not received by the

	<p>Pension Fund administering authority (e.g. the election form was lost in the post); or</p> <p>c) where the member has pre 1 April 2014 membership and Housing Plus Group agrees the available evidence indicates that, due to maladministration, the member had not been informed of the implications of having benefits aggregated and would, in consequence, suffer a detriment to their pension benefits (for example, where member's whole-time equivalent pensionable pay on commencing with Housing Plus Group is, in real terms after allowing for inflation, significantly less than the whole-time equivalent pensionable pay upon which the deferred benefits were calculated).</p>
<p>8. 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.</p>	<p>Housing Plus Group will only extend the 12 month time limit within which a scheme member must make an election to transfer other pension rights into the LGPS after joining the LGPS:</p> <ul style="list-style-type: none"> - where the member asked for transfer investigations to be commenced within 12 months of joining the LGPS but a quotation of what the transfer value will purchase in the LGPS has not been provided to the member within 11 months of joining the LGPS. The time limit for such a member to make a formal election to transfer pension rights into the LGPS will be extended to one month beyond the date of the letter issued by the Pension Fund administering authority notifying the Scheme member of the benefits the transfer will buy in the LGPS; - where the available evidence indicates the member made an election within 12 months of joining the LGPS, but the election was not received by the Pension Fund administering authority (e.g. the election form was lost in the post); - where the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration.

<p>9. How the pension contribution band/rate to which an employee is to be allocated will be determined on joining the Scheme and at each subsequent April, and the circumstances in which the employer will, in addition to the review each April, review the pension contribution band/rate to which an employee has been allocated consequent upon a material change which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March).</p>	<p>Housing Plus Group's policies in respect of the following circumstances are:</p> <p>a) allocating a member to a contribution rate on joining the Scheme (after 1 April 2014)</p> <p>The contribution rate on joining the scheme will be based on the annual rate of contractual pay</p> <p>b) reallocating a member to a new contribution rate during a Scheme year (1 April to 31 March) following a material change which affects the member's pensionable pay</p> <p>If, during the scheme year (1st April to 31st March), there is a material change which affects the member's pensionable pay (e.g. on promotion, demotion, re-grading, a pay award, an increment, a variation to the member's contractual hours, a change of job or a move from a casual post to a post with contractual hours), this will result in a reassessment to an appropriate contribution rate from the next available payroll date when the material change is actioned on the payroll.</p> <p>c) reallocating a member to a new contribution rate each 1 April</p> <p>All employees' actual pensionable pay for the previous 12 month period will be reviewed at the end of March each year and employees will be allocated to an appropriate contribution rate for the next 12 months based on the actual pensionable pay during that period.</p>
<p>10. Whether or not, when calculating assumed pensionable pay when a member (other than a returning officer) is:</p> <ul style="list-style-type: none"> - on reduced contractual pay or no pay on due to sickness or injury, or 	<p>In assessing Assumed Pensionable Pay (APP) Housing Plus Group will not, other than in exceptional circumstances, include in the calculation any 'regular lump sum payments' in which case the decision to include the 'regular lump sum payment' will be subject to the approval of the Executive Management Team.</p>

<ul style="list-style-type: none">- absent during ordinary maternity, paternity or adoption leave or paid shared parental leave, or during paid additional maternity or adoption leave (other than any part of that leave where the pensionable pay received is greater than the assumed pensionable pay for that part of the leave period), or- absent on reserve forces service leave, or- retires with a Tier 1 or Tier 2 ill health pension, or- dies in service <p>to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred.</p>	
<p>11. Whether in the Employer's opinion, the pensionable pay received in relation to an employment (adjusted to reflect any lump sum payments) in the 3 months (or 12 weeks if not paid monthly) preceding the commencement of Assumed Pensionable Pay (APP), is materially lower than the level of pensionable pay the member would have normally received, decide whether to substitute a higher level of pensionable pay having had regard to the level of pensionable pay received by the member in the previous 12 months.</p>	<p>In assessing Assumed Pensionable Pay (APP) Housing Plus Group will not, other than in exceptional circumstances, substitute a higher level of pensionable pay in which case the decision to will be subject to the approval of the Executive Management Team.</p>

Table B: Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 2008 and 31 March 2014

<p>1. Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p>	<p>Housing Plus Group will consider an application to waive, on compassionate grounds, any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each case will be considered on its merits and will be subject to the approval of the Executive Management Team.</p>
<p>2. 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.</p>	<p>Housing Plus Group will consider an application to waive, on compassionate grounds, any actuarial reduction that would normally be applied to a suspended Tier 3 ill health pension which is brought back into payment before age 65. Each case will be considered on its merits and will be subject to the approval of the Executive Management Team.</p>

Table C: Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 1998 and 31 March 2008

<p>1. Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 55 (on grounds other than permanent ill health).</p>	<p>Where a former scheme member who left the scheme between 1 April 1998 and 31 March 2008 requests early release of deferred benefits on or after age 50 and before age 55 (on grounds other than permanent ill health), approval will only be given on compassionate grounds. Each case will be considered on its merits and will be subject to the approval of the Executive Management Team. Subject to entry 2 below, the benefits payable in such circumstances will be subject to any actuarial reduction applicable under the relevant LGPS Regulations.</p>
<p>2. Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p>	<p>Housing Plus Group will consider an application to waive, on compassionate grounds, any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each case will be considered on its merits and will be subject to the approval of the Executive Management Team.</p>

Table D: Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations in relation to scheme members who ceased active membership before 1 April 1998

<p>1. Whether to grant applications for the early payment of deferred pension benefits on or after age 50 and before age 65 on compassionate grounds.</p>	<p>Where a former scheme member who left the scheme before 1 April 1998 requests early release of deferred benefits on or after age 50 and before age 65 on compassionate grounds, the case will be considered on its merits and will be subject to the approval of the Executive Management Team.</p>
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Table E: Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

<p>1. Whether to base a redundancy payment on an employee's actual weeks' pay where this exceeds the statutory week's pay limit of, currently, £643 per week (as at 6 April 2023).</p>	<p>Any redundancy payment will be calculated on an employee's actual week's pay and not limited to the statutory weeks' pay limit where pay exceeds that limit.</p>
<p>2. Whether to make a termination payment (inclusive of any redundancy payment) of up to a maximum of 104 weeks' pay to employees whose employment is terminated on the grounds of redundancy or efficiency of the service.</p>	<p>Housing Plus Group will carry forward its existing redundancy and capability policies which outline the payment frameworks to be applied.</p>