

**Complete listing of the LGPS Discretions that may be exercised by an employer. Policies to be in place and, where indicated, adopted by 8th April 2025**

Discretions have been colour coded -

**Compulsory** - you must formulate, publish and keep under review a policy on these discretions

**Recommended** - there is no requirement for you to publish a written policy on these discretions, however as these matters arise fairly frequently it would perhaps be appropriate for you to do so in order that members can be clear on your policy on these matters

**Less Common** - there is no requirement for you to publish a written policy on these discretions

**Discretions from 1.4.14. in relation to post 31.3.14. active members (excluding councillor members) and post 31.3.14. leavers (excluding councillor members),**

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Granting additional pension	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 p.a.)	R31	Employer	Sawston Parish Council would not grant additional pension.	
Shared cost APCs	Whether, where an active Scheme member wishes to purchase extra annual pension of up to £6,500 (figure at 1 April 2014 ) 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)	R16(2)(e) & R16(4)(d)	Employer	Sawston Parish Council would consider contributing to a SCAPC only in circumstances where there is a financial or practical reason for them to do so	
Flexible retirement	Whether all or some benefits can be paid if an active member aged 55 or over and with at least 2 years qualifying service reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	Employer	Sawston Parish Council policy concerning flexible retirement is that this discretion will be used if the member meets all of the following criteria: Attained the age of 60 and reduces their hours of the grade in which they are employed, with this reduction being a minimum of 20% of their hours or their gross pay and a role being available at reduced hours of a lower grade.	
	Whether to waive, in whole or in part, actuarial reduction to benefits paid on flexible retirement	R30(8)	Employer (or Admin. Authority where Employer has become defunct)		
85 Year Rule	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits at or after age 55 and before age 60.	TPSch 2, paras 1(1)(c), 1(2) and 2(2)	Employer (or Admin. Authority where Employer has become defunct)	Sawston Parish Council would not grant the 85 Year Rule	
Waive Reduction	Whether to waive, on compassionate grounds, any actuarial reduction on pre and/or post April 2014 benefits	TP3(1), TPsSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)	Employer (or Admin. Authority where Employer has become defunct)	Would discuss with Chair	
	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	Employer (or Admin. Authority where Employer has become defunct)		

Shared cost AVCs	Whether, how much, and in what circumstances to contribute to shared cost AVC arrangements entered into on or after 1/4/14	R17(1) & definition of SCAVC in RSch 1	Employer	Sawston Parish Council would not contribute to AVC's on or after 08/04/25	
	Whether, how much, and in what circumstances to continue to contribute to a shared cost AVC arrangement entered into before 1/4/14	TP15(1)(d) & A25(3)	Employer	Sawston Parish Council would not contribute to AVC's before 08/04/25	
Transferring in non LGPS pension rights	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(6)	Employer and Admin. Authority	Sawston Parish Council would not grant an extension of normal time limit	
Joining LGPS membership	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment	R22(8)(b)	Employer	Sawston Parish Council would not grant this	
	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment	R22(7)(b)	Employer	Sawston Parish Council would not grant this	
Employee contribution rate	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 course of a Scheme year (1 April to 31 March)	R9(1) & R9(3)	Employer		

	Whether, in respect of an admission body providing a service in respect of outsourced work, to set off against payments due to that body any sums due from that body to the Fund	RSch 2, Part 3, para 12(c)	Transferor employer		
	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13/11/01)	TP15(1)(b) & L66(8) & former L66(9)(b)	Employer		
	No right to return of contributions if member left due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	R19(2)	Employer		
	Specify in an employee's contract what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	R20(1)(b)	Employer		
	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	Employer		

	Whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme.	<b>TP12(6)</b>	Employer (or Admin. Authority where Employer has become defunct)		
	Determine whether person in receipt of Tier 3 ill health pension has started gainful employment	<b>R37(3) &amp; (4)</b>	Employer		
	Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	<b>R37(3)</b>	Employer		
	Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner.	<b>R38(3)</b>	Employer (or Admin. Authority where Employer has become defunct)		
	Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	<b>R38(6)</b>	Employer (or Admin. Authority where Employer has become defunct)		
	Whether to extend six month period to lodge a stage one IDRPs appeal	<b>R74(4)</b>	Adjudicator making stage one IDRPs decision		
	Decide procedure to be followed by adjudicator when exercising stage one IDRPs functions and decide the manner in which those functions are to be exercised	<b>R74(6)</b>	Adjudicator making stage one IDRPs decision		
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	<b>R91(1) &amp; (8)</b>	Employer		
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see <b>R95</b> below)	<b>R91(4)</b>	Employer		
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	<b>R92(1) &amp; (2)</b>	Employer		

	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits from transferred in pension rights or APCs or AVCs or, subject to R95 below, in respect of any GMP) where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	R93(2)	Employer		
	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under R91 or recovery of a monetary obligation under R93 should deprive the member or the member's surviving spouse or civil partner of any GMP entitlement	R95	Employer		
	Agree to bulk transfer payment	R98(1)(b)	Employer / Admin. Authority / trustees of new scheme		
	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending 31st March in the 10 years prior to leaving	TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & B11(2)	Employer		
	To whom to offer membership of the LGPS (designation bodies)	R3(1)(b) & R Sc 2, Part 2	Employer		
	Which employees to designate for membership (Admission bodies)	R3(1)(c) & R4(2)(b)	Employer		

**Discretions in relation to scheme members (excluding councillor members) who ceased active membership on or after 1.4.08. and before 1.4.14**

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Employer consent retirement	Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	B30(2)	Employer (or Admin. Authority where Employer has become defunct)	Sawston parish Council would not grant this application	
Waive reduction	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5)	Employer (or Admin. Authority where Employer has become defunct)	?	
Granting additional membership	Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31 <sup>st</sup> March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this discretion is spent entirely after 30 <sup>th</sup> September 2014.	B12	Employer	Sawston parish Council would not grant this application	
Employer consent retirement following Tier 3 Ill health award	Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60	B30A(3)	Employer (or Admin. Authority where Employer has become defunct)	Sawston parish Council would not grant this application	
Waive reduction	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5)	Employer (or Admin. Authority where Employer has become defunct)	Would discuss with Chair	
	Whether to extend the 12 month option period for aggregation of deferred benefits	A16(4)(b)(ii)			
	Whether to extend the normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	A83(8)			

	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership	<b>T</b> Sch1 & <b>L</b> 66(8) & former <b>L</b> 66(9)(b)	Employer		
	Whether to allow a late application by member to pay optional contributions for a period of unpaid child related leave, strike, or unpaid leave of absence beyond 30 days	<b>A</b> 22(2)	Employer		
	No right to return of contributions due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	<b>A</b> 47(2)	Employer		
	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund	<b>A</b> 49(1) & (2)	Employer		
	Whether to extend six month period to lodge a stage one IDRPs appeal	<b>A</b> 58(7)(b)	Person making stage one IDRPs decision		
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	<b>A</b> 72(1) & (6)	Employer		
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	<b>A</b> 72(3)	Employer		
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	<b>A</b> 73(1) & (2)	Employer		
	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment	<b>A</b> 74(2)	Employer		
	Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or amount of refund if less	<b>A</b> 76(2) & (3)	Employer		



	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving	<b>B11(2)</b>	Employer		
	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	<b>B31(4)</b>	Employer (or Admin. Authority where Employer has become defunct)		
	Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment	<b>B31(7)</b>	Employer (or Admin. Authority where Employer has become defunct)		

Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to:

- a) active councillor members, and
- b) councillor members who ceased active membership on or after 1.4.98., and
- c) any other scheme members who ceased active membership on or after 1.4.98. and before 1.4.08.

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Employer consent retirement	Grant application from a post 31.3.98. / pre 1.4.08. leaver or from a councillor for early payment of benefits on or after age 50/55 and before age 60	31(2)	Employer	Sawston parish Council would not grant this application	
Waive reduction	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31.3.98. / pre 1.4.08. leaver or a councillor leaver	31(5)	Employer	Would discuss with Chair	
Employer consent at NRD for optant	pre 1.4.08. employee optants out ( <b>Not</b> Councillors) who are still in the same employment only to get benefits paid from NRD if employer agrees	31(7A)	Employer	Sawston parish Council would not grant this application	

	Allow a councillor who has opted out more than once to rejoin	7(9)(a)	Employer		
	Allow a late application by a councillor member to pay optional contributions for a period of absence	18(6) & (7)	Employer		
	Allow post 31.3.98. / pre 1.4.08. non-councillor leaver to select final pay period for fees to be a period of not less than 3 or more than 5 years back from date of leaving	22(1)(b)	Employer		
	Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (pay cuts / restrictions occurring pre 1.4.08.)	23(4)	Employer		
	Whether to extend 12 month period for aggregation of deferred benefits (where deferred councillor member wishes to aggregate with current councillor membership in the same Fund)	32(8A)	Employer		
	Decide, in the absence from a post 31.3.98. / pre 1.4.08. leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	34(1)(b)	Employer		
	Consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy (pre 1.4.08. non-councillor leavers)	71(7)(a)	Employer		
	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (councillors and pre 1/4/08 leavers)	88(2)	Employer		
	Employer may deduct contributions from an councillor's pay or reserve forces pay	89(1) & (2)	Employer		
	Contribution Equivalent Premium (CEP) in excess of the Certified Amount (CA) recovered from a refund of contributions can be recovered from the Pension Fund (councillor leavers and pre 1.4.08. leavers)	92	Employer		
	Forfeiture of pension rights on issue of Secretary of State's certificate (councillors and pre 1.4.08. leavers)	111(2) & (5)	Employer		
	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (councillors and pre 1.4.08. leavers)	112(1)	Employer		
	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (councillors and pre 1.4.08. leavers)	113(2)	Employer		

	Recovery from Fund of financial loss caused by employee, or amount of refund if less (councillors and pre 1.4.08. leavers)	115(2) & (3)	Employer		
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**Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to scheme members who ceased active membership before 1.4.98.**

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Employer consent retirement	Grant application from a pre 1.4.98. leaver for early payment of deferred benefits on or after age 50 on compassionate grounds	D11(2)(c)	Employer		
	Decide, in the absence from a pre 1.4.98. leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	D10	Employer		

**Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)**

Under Regulation 7 of the Discretionary Compensation Regulations, each authority (other than an Admitted Body) is required to formulate and keep under review a policy which applies in respect of exercising their discretion in relation to:

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Redundancy Pay on actual weeks pay	To base redundancy payments on an actual weeks pay where this exceeds the statutory weeks pay limit.	5	Employer	Sawston parish Council would not grant this application	
Lump sum compensation	To award lump sum compensation of up to 104 weeks pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	6	Employer	Sawston parish Council would not grant this application	
	To award compensatory added years to a person aged 50 or over with 5 or more years membership (or notional membership) of the LGPS in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment which occurred after 30 <sup>th</sup> September 2006 and before 1 <sup>st</sup> April 2007 (but only if employment had commenced pre 1 <sup>st</sup> October 2006)	11(2)	Employer		

**Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)**

These Regulations still apply to any Compensatory Added Years previously awarded by a Scheme Employer before 1 April 2007. Scheme employers (other than admission bodies) who made awards of Compensatory Added Years are required to have a policy on the following::

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Abatement during re-employment	Whether and to what extent to reduce or suspend the member's annual compensatory added years payment during any period of re-employment in local government	17	Employer	Sawston parish Council would not grant this application	
Reduction following cessation of re-employment	How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government	19	Employer	Sawston parish Council would not grant this application	
Apportionment of survivor benefit	How to apportion any surviving spouse's or civil partner's annual compensatory added years payment where the deceased person is survived by more than one spouse or civil partner	21(4)	Employer	Sawston parish Council would not grant this application	
Effects of remarriage, new civil partnership or co-habitation on survivor's compensation payments	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid	21(7)	Employer	Sawston parish Council would not grant this application	
	If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be reinstated after the end of the remarriage, new civil partnership or cohabitation	21(5)	Employer	Sawston parish Council would not grant this application	

	<p>How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children</p>	25(2)	Employer		
	<p>Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or co-habitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them</p>	21(7)	Employer		



**Discretions under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011**

Scheme employers (other than admission bodies) must have a policy on:

	<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>	<u>Policy</u>	<u>Date applicable (if reviewed post 08/04/25)</u>
Injury Allowances	Whether to grant an injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	3(1)	Employer	Sawston parish Council would not grant this application	
	Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	3(4) and 8	Employer	Sawston parish Council would not grant this application	
	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1).	3(2)	Employer	Sawston parish Council would not grant this application	
	Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	4(1)	Employer	Sawston parish Council would not grant this application	
	Amount of injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	4(3) and 8	Employer	Sawston parish Council would not grant this application	
	Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1).	4(2)	Employer	Sawston parish Council would not grant this application	
	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	4(5)	Employer	Sawston parish Council would not grant this application	

Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a reg 3 payment was being made at date of cessation of employment but reg 4 does not apply.	6(1)	Employer	Sawston parish Council would not grant this application	
Determine amount of any injury allowance to be paid under regulation 6(1)	6(1)	Employer	Sawston parish Council would not grant this application	
Determine whether and when to cease payment of an injury allowance payable under regulation 6(1)	6(2)	Employer	Sawston parish Council would not grant this application	
Whether to grant an injury allowance to the spouse, civil partner, nominated co-habiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	7(1)	Employer	Sawston parish Council would not grant this application	
Determine amount of any injury allowance to be paid under regulation 7(1)	7(2) and 8	Employer	Sawston parish Council would not grant this application	
Determine whether and when to cease payment of an injury allowance payable under regulation 7(1)	7(3)	Employer	Sawston parish Council would not grant this application	

**Key to Regulation References (in Bold):**

- the **Local Government Pension Scheme Regulations 2013** [prefix R]
- the **Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014** [prefix TP]
- the **Local Government Pension Scheme (Administration) Regulations 2008** [prefix A]
- the **Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended)** [prefix B]
- the **Local Government Pension Scheme (Transitional Provisions) Regulations 2008** [prefix T]
- the **Local Government Pension Scheme Regulations 1997 (as amended)** [prefix L]