Pathway Trust

Pension Discretions Policy

Policy effective from	1 September 2026
Policy owner	Director of People
Policy applies to	Berrow Church Primary School Burnham-on-Sea Infant School Castle Batch Primary School Charfield Primary School Cherry Garden Primary School Downend School East Huntspill Primary School Lyde Green Primary School Mangotsfield School Marlwood School Pawlett Primary School Priory Community School Severn Beach Primary School St Andrew's Church Junior School St Anne's Church Primary School The Castle School The King Alfred School Tortworth Primary School West Huntspill Primary School Worle Community School Pathway Partnership Teams
Policy changes since last version	New policy

1. Introduction

1.1. Pathway Trust support staff, subject to eligibility, are automatically opted into the Local Government Pension Scheme (LGPS). Under the rules of the LGPS the employer has the right to authorise discretion on a number of matters regarding the administration of the scheme.

1.2. For several discretions there is a statutory requirement to publicise the approach the employer will take, and this policy is our response to this requirement. The approach to exercising discretion in this policy is to allow the employer to make a reasonable decision in individual cases but also to be clear as to the factors it will consider in making that decision.

2. Scope and purpose of this policy

2.1. In formulating or reviewing this policy, the trust must have regard to the extent to which the exercise of any of the functions, in accordance with this policy, could lead to a serious loss of confidence in the public service and, be satisfied that this policy is workable, affordable and reasonable having regard to foreseeable costs.

2.2. This policy will ensure that the trust is not exposed to unnecessary pension costs and confers no contractual rights. This policy does not form part of any employee's contract of employment and may be amended at any time.

2.3. The trust retains the right to change this policy at any time. The policy which is current at the time a relevant event occurs to the scheme member will be the one applied.

2.4. Any complaints relating to decisions in these matters would need initially to be raised under the pension scheme's Internal Disputes Resolution Procedure, details of which are available from the pension scheme administrator.

2.5. This policy has been agreed following engagement with recognised trade unions.

3. Legal Framework

3.1. This policy deals with the Employing Authority's Discretions Under the following legislation:

- The Local Government Pension Scheme (Administration) Regulations 2008 (as amended) (Prefix A below).
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2009 (as amended) (Prefix B below).
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (Prefix C below).
- The Local Government Pension Scheme Regulations 2013 (Prefix D below).

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) (Prefix E below).

- The Local Government Pension Scheme Regulations 1995 (Prefix F below).

4. Discretionary decisions

4.1. The following table applies to discretions which may be exercised on and after 1 April 2014 in relation to scheme members who left the scheme between 1 April 2008 and 21 March 2014:

Regulation	Discretion	Employer's Policy on the exercise of this discretion
B12	Whether to augment membership of an active member (by up to 10 years)	Augmentation of the membership of an active member by up to 10 years, will only be granted in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.
B13	Whether to grant additional pension to a member (by up to £5,000 p.a.)	Additional pension will be granted to a member (by up to £5,000 p.a.) only in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.
B18(1)	Whether all or some benefits can be paid if an employee reduces their hours or grade after reaching age 55 (flexible retirement)	Flexible retirement will be permitted only in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.
B18(3)	Whether to waive, in whole or in part, any actuarial reduction on benefits paid on flexible retirement.	Actuarial reductions to benefits paid on flexible retirement will be waived only in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.
B30(2)	Whether to grant application for early payment of benefits on or after age 50/55 and before age 60.	Early payment of benefits on or after age 50/55 and before age 60 will be granted only in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.
B30(5)	Whether to waive, on compassionate grounds, the actuarial reduction on benefits paid early.	The actuarial reduction applied to benefits paid early under regulation B30 (2) will be waived only in exceptional circumstances and only where an individual can show

Regulation	Discretion	Employer's Policy on the exercise of this discretion
		that there are significant compassionate grounds.
B30 A	Whether to grant early release of pension benefits for former employees who are deemed to be "pensioner members with deferred benefits" under ill health retirement provisions of the LGPS.	The early release of pension benefits for former employees who are deemed to be "pensioner members with deferred benefits" under ill health retirement provisions of the LGPS will be only granted on exceptional compassionate grounds or in situations where no costs will be charged to the trust.
A22(2)	Whether to extend the period for a member to elect to pay contributions to cover unpaid leave of absence, maternity, paternity, or adoption leave beyond 30 days after returning to work or leaving.	The trust will allow the extension of the period in cases where the member was not notified of the right to pay contributions.
A83(8)	If a scheme member wishes to transfer pension rights into the LGPS he/she must opt to do so within 12 months of joining the LGPS "or such longer period as the employer may allow".	The trust will only extend the 12 months' time limit in exceptional circumstances.

The following table applies to the discretions which may be exercised on and after 1 April 2014 in relation to active scheme members and members who cease active membership after 31 March 2014:

Regulation	Discretion	Employer's Policy on the exercise of this discretion
D16(2)(e) and D16(4)(d)	This regulation allows the trust to fund employees' additional pension contributions up to a maximum of £6500 (as of 1 April 2014) either in whole or in part.	Additional pension contributions will be funded in whole or in part by the trust only in exceptional circumstances and only where there is a clear financial or operational advantage to be gained.

Regulation	Discretion	Employer's Policy on the exercise of this discretion
D30(6)	Qualifying scheme members who are over age 55 can, with the consent of trust, continue to work for the trust on different terms and conditions and request to draw their pension entitlements (flexible retirement).	The trust will only grant flexible retirement with immediate access to all or part of the member's benefits where there is a clear financial or operational advantage.
D30(8)	Benefits payable pursuant to D30 (6) and D30 (5) will be adjusted in accordance with guidance issued by the Government Actuary.	The trust will consider waiving, in whole or in part, the actuarial reduction on any benefits paid, only in exceptional circumstances and only where there is a clear financial or operational advantage.
Rule of 85 protection	It should be noted that some people may ask for the "rule of 85 protections" to be applied when their pension benefits are being paid, rather than phrasing the question as asking for the "waiving of actuarial reduction".	The trust will consider application of the "rule of 85 protections" only in exceptional circumstances or where there is a clear financial or operational advantage or compassionate grounds.
D31	Whether to grant an extra annual pension of up to £6500 (as of 1 April 2014) to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.	The grant of extra annual pension of up to £6500 (as at 1 April 2014) to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency will only be made in exceptional circumstances and only where there is a clear operational or financial advantage.
D9 & 10	Active members are required to make contributions based on pensionable pay bands. This policy is made to aid the administration of the scheme – in particular in setting the contribution rates to be applied to each individual. However, nothing in this policy can override the statutory provisions of the LGPS.	The trust will apply the appropriate contribution rate according to pay band at 1 April each year and where there is a change in employment, or a material change which affects the member's pensionable pay in the course of a financial year, the trust will apply the appropriate

Regulation	Discretion	Employer's Policy on the exercise of this discretion
		band contribution rate to the adjusted pensionable pay and will inform the member of the contribution rate applicable and the date from which it is to be applied.
D100 (6)	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.	The trust will only extend the 12 months' time limit in exceptional circumstances.
D17 & C15(1) (d) & A25(3) & B15(3)	Whether, how much, and in what circumstances to contribute to a Shared-Cost Additional Voluntary Contribution (SCAVC) arrangement entered 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 that the employer had entered into before 1 April 2014.	The trust will only exercise this discretion in exceptional circumstances and will not establish a SCAPC scheme for any of its employees unless there is a clear financial or operational advantage to be gained.
D22(7) & (8)	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 employment (or cessation of a concurrent employment) 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).	The trust will only extend the 12 months' time limit in exceptional circumstances.

Regulation	Discretion	Employer's Policy on the exercise of this discretion
D21(4)(a)(iv) , 21(4)(b)(iv) and 21(5)	Whether or not, when calculating assumed pensionable pay when a member is on reduced contractual pay or no pay on due to sickness or injury, or absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity or adoption leave, or absent on reserve forces service leave, or retires with a Tier 1 or Tier 2 ill health pension, or dies in service 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. A 'regular lump sum payment' is a payment for which the member's employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.	The trust will only consider including these in exceptional circumstances or where there is a clear financial or operational advantage.
E5 (1)	Power to increase statutory redundancy payments above statutory weekly pay limit	The trust will be mindful of any obligations under any Redundancy Policy in force at the relevant time.
E6	Decision to award up to 104 weeks compensation instead of compensatory added years	The trust will not generally award up to 104 weeks compensation instead of compensatory added years.

The following table applies in relation to discretions to be exercised on and after 1 April 2014 in relation to scheme members who ceased active membership before 1 April 1998:

Regulation	Discretion	Employer's Policy on the exercise of this discretion
F11(2)(c)	Whether to grant applications for the early payment of deferred pension benefits on or after age 50	Applications will only be approved in exceptional circumstances where individuals can show that

	and before age 65 on compassionate grounds.	there are significant compassionate grounds.

5. Review of policy

5.1. This policy is reviewed annually by the trust. We will monitor the application and outcomes of this policy to ensure it is working effectively.