



# Employer's Policy Statement LGPS 2015

**Employer:** University of Strathclyde

**Lead officer (for any questions):** Fiona Saunders

**Contact details of lead officer:** [f.saunders@strath.ac.uk](mailto:f.saunders@strath.ac.uk)

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We are aware of our obligations under:

- regulation 58 of SSI 2014 No.164, the LGPS (Scotland) Regulations 2014
- paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions and Savings) (Scotland) Regulations 2014
- regulation 61 of the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 (in respect of leavers between 1 April 2009 and 31 March 2015)
- regulation 105 of the Local Government Pension Scheme (Scotland) Regulations 1998 (in respect of leavers between 1 April 1998 and 31 March 2009)

In developing our policy statement, we are aware that the LGPC has produced a guidance document called "Discretions Policies" that can be found at:

<http://www.lgpsregs.org/index.php/scotland/admin-guides>

**Note:** \* in the following tables beside a regulation denotes the discretions where we are required to have a policy statement under the regulations

Table 1 details our discretions from 01 04 15 in relation to post 31 03 15 active members and post 31 03 15 leavers.

Table 2 details our discretions in relation to scheme members who ceased active membership on or after 01 04 09 and before 01 04 15.

Table 3 details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) in relation to pre 01 04 09 scheme leavers.

Table 4 details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1987 (as amended) in relation to pre 01 04 98 scheme leavers.

Table 5 details our discretions under the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 (as amended).

The following table details our discretions from 01 04 15 in relation to post 31 03 15 active members and post 31 03 15 leavers, being discretions under:

- the Local Government Pension Scheme (Scotland) Regulations 2014 [prefix **R**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 [prefix **A**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (as amended) [prefix **B**]
- the Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 [prefix **T**]
- the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) [prefix **L**]

<b>Regulation</b>	<b>Discretion</b>	<b>Employer's policy on the exercise of this discretion</b>
<b>R3(1)(b)</b>	Decide which employees to nominate for membership (admission bodies)	In accordance with the University's admission agreement with SPFO.
<b>R9(1) to R9(4)</b>	Determine the rate of employee's contributions	The employee's rate of contributions will be determined in accordance with these regulations. Details of current contribution rates can be found at <a href="http://www.spfo.org.uk/index.aspx?articleid=14879">http://www.spfo.org.uk/index.aspx?articleid=14879</a>
<b>R16(2)(e)* &amp; R16(4)(d)*</b>	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	In exceptional circumstances the University of Strathclyde may decide to make a contribution to a shared cost APC. Any case will be considered on an individual basis.
<b>R16(16)</b>	Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, child-related leave or reserve force service leave)	The University will not generally agree to extend the time limit of 30 days. Exceptionally, where an employee provides evidence of extenuating circumstances which have affected their ability to elect to pay the contributions the time limit may be extended.
<b>R17(1) &amp; definition of SCAVC in RSch 1</b>	Whether, and in what circumstances to contribute to a shared cost AVC scheme.	The University has discretion to exercise a shared cost AVC arrangement for active members. The University will not exercise this discretion.
<b>TP15(1)(b) &amp; L65(8) &amp; former L65(9)(b)</b>	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 30/6/05)	The University of Strathclyde -will not have a general policy to allow late application to convert scheme AVCs into membership credit but may do so if exceptional circumstances can be proved such as the member being unaware of this right. Any case will be considered on its individual merits.

<b>R19(2)</b>	No right to a return of contributions due to an offence of a fraudulent character or grave misconduct unless the employer directs a total or partial refund is to be made	The University of Strathclyde will not normally direct a return of contributions in the event of an offence of a fraudulent character or grave misconduct
<b>R21(5)</b>	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum".	The University of Strathclyde will not include a lump sum payment made in the previous 12 months as a 'regular lump sum' when determining Assumed Pensionable Pay.
<b>R29(5) &amp; (13)</b>	Whether to grant application for early payment of benefits on or after age 55 and before age 60	The University of Strathclyde may consent to this request based on cost and the current and future needs of the service. Where there is a strain cost to the University early retirement will normally only be approved in exceptional circumstances. Each request will be considered on its merits.
<b>R29(6)* &amp; TP11(2)</b>	Whether all or some benefits can be paid if an employee reduces their hours or grade prior to age 60 (flexible retirement)	The University of Strathclyde may exercise this discretion where a sound business case can be made for granting flexible retirement with immediate access to all or part of the member's benefits and this is within the rules of LGPS. Each request will be considered on its merits.
<b>R29(8)* and TPSch 2, para 2(1)</b>	Whether to waive, in whole or in part, any actuarial reduction on benefits paid on flexible retirement. <b>Note: any resultant strain cost from the exercise of this discretion will be charged to the employer regardless of the member's age at date of retirement.</b>	The University of Strathclyde will not normally waive, actuarial reductions on the benefits paid on flexible retirement.  In exceptional circumstances the actuarial reduction on the benefits paid on flexible retirement may be waived in whole or in part, where there is a sound business case for granting payment of benefits on flexible retirement in R29(6)* & TP11(2) above includes such a recommendation.
<b>R29(8)*</b>	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 31/3/15 membership) <b>Note: any resultant strain costs due to the exercise of this discretion will be charged to the employer regardless of the employee's age.</b>	The University of Strathclyde will not normally waive the actuarial reduction applied to benefits paid early under regulation R29(5) & (13) above. The University of Strathclyde may consider waiving the actuarial reduction where exercising that discretion can be justified in terms of the sound business case made for initially paying those benefits or where other exceptional circumstances arise that make payment of those benefits justifiable. Each case will be considered on its individual merits.
<b>TPSch 2, paras 1(2)</b>	Whether to apply the 85 year rule for a member voluntarily	The University of Strathclyde will not normally consider exercising this discretion to apply the 85

<b>and 2(1)*</b>	drawing benefits, with employer consent, on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	year rule but may exercise it in exceptional circumstances where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
<b>TP3(1), TPSch 2, para 2(1) *</b>	Whether to waive, in whole or in part, any actuarial reduction on pre and post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership and is subject to the 85 year rule).	The University of Strathclyde will not normally waive the actuarial reduction applied to benefits paid early. The University of Strathclyde may consider in exceptional circumstances waiving the actuarial reduction where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
<b>TP3(1), TPSch 2, para 2(1) and B30(5)*</b>	Whether to waive on compassionate grounds any actuarial reduction on pre April 2015 benefits and to waive, in whole or in part, any actuarial reduction on post April 2015 benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1/4/15 and post 31/3/15 membership and is <b>not</b> subject to the 85 year rule)	The University of Strathclyde will not normally waive the actuarial reduction applied to benefits paid early. The University of Strathclyde may in exceptional circumstances consider waiving the actuarial reduction on compassionate grounds where a sound case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
<b>R30*</b>	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 £5,000 p.a.)	The University of Strathclyde will not have a general policy to grant additional pension to a member (by up to £5,000p.a.) but may consider doing so where a sound business case can be made for exercising this discretion. Each case will be considered on its individual merits
<b>R89(1) &amp; (8) R89(4)</b>	Whether to apply to Scottish Ministers for a forfeiture certificate (where a member is convicted of a relevant offence) and subsequently whether to direct that benefits are to be forfeited (other than rights to GMP – but see R92 below)	Where appropriate the University will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.
<b>R90(2)</b>	Whether to recover from the fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension	The University of Strathclyde will reserve the right to recover from Strathclyde Pension Fund the amount of loss in cases of criminal, negligence or fraudulent acts by a member.

	rights or AVCs / SCAVCs) where the obligation was 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 the employment.	
<b>R92</b>	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 R89 or recovery of a monetary obligation under R90 should deprive the member or the member's surviving spouse or civil partner of any GMP entitlement.	Where appropriate the University will apply this discretion.
<b>R98(6)</b>	Extend normal time limit for acceptance of a transfer value beyond the 12 month time limit from joining the LGPS.	The University of Strathclyde will not normally extend the standard time limit for acceptance of a transfer value beyond 12 months from joining the scheme but may do so where exceptional circumstances can be proved and there is no financial impact to the University and the Pension Fund. In any event the maximum extension will be a period of two years from the member's date of joining the scheme. Each case will be considered on its individual merits.
<b>TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) &amp; B11(2)</b>	Whether to allow a member to select final pay period for fees to be any 3 consecutive years ending in the 10 years prior to leaving and ending on the anniversary of the date of leaving.	The University will normally allow a member to select final pay for fees to be any three consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving.
<b>TP3(1)(a), A43(5)</b>	Issue a certificate of protection of pension benefits where eligible non-councillor member fails to apply for one (pay cuts / restrictions occurring pre 01 04 15)	The University of Strathclyde will issue a certificate of protection of pension benefits if requested by the employee within twelve months of the date of reduction. A certificate may be issued on application from the member outwith the 12 month period specified in the regulations if exceptional circumstances can be proved.

**TABLE 2**

**The following table details our discretions in relation to scheme members who ceased active membership on or after 01 04 09 and before 01 04 15, being discretions under:**

- the Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 [prefix **A**]
- the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 (as amended) [prefix **B**]
- the Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 [prefix **T**]
- the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 [prefix **TP**]
- the Local Government Pension Scheme (Scotland) Regulations 2014 [prefix **R**]
- the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) [prefix **L**]

<b>Regulation</b>	<b>Discretion</b>	<b>Employer's Policy on the exercise of this discretion</b>
<b>B12*</b>	Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31 <sup>st</sup> March 2015, 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 2015	The University of Strathclyde will not have a general policy to augment membership of an active member but may in exceptional circumstances decide to do so where a sound business case can be made for exercising this discretion. Each case will be considered on its individual merits.
<b>A42(2)</b>	No right to a return of contributions due to an offence of a fraudulent character or grave misconduct unless the employer directs a total or partial refund is to be made	The University of Strathclyde will not normally direct a return of contributions in the event of an offence of a fraudulent character or grave misconduct.
<b>A43(5)</b>	Employer may issue a certificate of protection where an employee fails to apply for one.	The University of Strathclyde will issue a certificate of protection of pension benefits if requested by the employee within twelve months of the date of reduction. A certificate may be issued on application from the member outwith the 12 month period specified in the regulations if exceptional circumstances can be proved.
<b>A66 (2) &amp; (6) A67 (1) &amp; (2)</b>	Whether to apply for a forfeiture certificate (where a member is convicted of a relevant offence) and subsequently whether to direct that benefits are to be forfeited.	Where appropriate the University will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited.

<b>A68(2)</b>	Whether to recover from the 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 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 the employment.	The University of Strathclyde will reserve the right to recover from Strathclyde Pension Fund the amount of loss in cases of criminal, negligence or fraudulent acts by a member.
<b>A70(2) &amp; (3)</b>	Whether to recover from the fund any financial loss caused by fraudulent offence or grave misconduct of an employee (who has left because of that) or amount of refund if less	Where appropriate, the University of Strathclyde will recover from Strathclyde Pension Fund the amount of loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or the amount of refund if less.
<b>B11(2)</b>	Whether to allow a member to select a final pay period for fees to be any three consecutive years ending with 31 <sup>st</sup> March in the 10 years prior to leaving.	The University may on a case by case basis allow a member to select final pay for fees to be any three consecutive years ending 31 <sup>st</sup> March in the 10 years prior to leaving.
<b>B30(2)*</b>	Whether to grant application for early payment of benefits on or after age 50/55 and before age 60	The University of Strathclyde will normally grant early payment of benefits in these circumstances, to an individual no longer employed by the University, providing there is no cost to the University. Current University employees who have opted out of the pension scheme may be granted this discretion in exceptional circumstances where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.

**TABLE 3**

**The following table details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1998 (as amended) in relation to pre 01 04 09 scheme leavers.**

<b>Regulation</b>	<b>Discretion</b>	<b>Employer's policy on the exercise of this discretion</b>
<b>30(2)*</b>	Grant application from a post 31 03 98 / pre 01 04 09 leaver for early payment of benefits on or after age 50 and before age 60	The University of Strathclyde will normally grant early payment of benefits in these circumstances, to an individual

		no longer employed by the University, providing there is no cost to the University. Current University employees who have opted out of the pension scheme may be granted this discretion in exceptional circumstances where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
<b>30 (5)*</b>	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early for a post 31 03 98 / pre 01 04 09 leaver <b>Note: any resultant strain cost from the exercise of this discretion will be charged to the employer regardless of the member's age at date of retirement</b>	The University of Strathclyde will not use this discretion for individuals no longer employed by the University. Current University employees who have opted out of the pension scheme may in exceptional circumstances be granted this discretion where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
<b>30 (7A)*</b>	Pre 01 04 09 optants out only to get benefits paid from NRD if employer agrees	The University may grant this discretion where a sound business case can be justified for paying benefits in this way and where there is no cost to the University. Each case will be considered on its individual merits.
<b>70(7)(a)</b>	Consent to a member's former employer assigning to the new employer rights under any SCAVC life assurance policy	The University will not normally consent to this.
<b>87 (2)</b>	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 (pre 01 04 09 leavers)	The University will not normally direct a return of contributions in the event of an offence of a fraudulent character or grave misconduct.
<b>111(2) &amp;(5) 112(1)</b>	Forfeiture of pension rights on issue of Secretary of State's certificate (pre 01 04 09 leavers)  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 (pre 01 04 09 leavers)	Where appropriate the University will apply for a forfeiture certificate where a member is convicted of a relevant offence and, following the issue of the certificate, direct that benefits are to be forfeited
<b>113(2)</b>	Recovery from Fund of monetary obligation owed by former employee or, if less, the	Where appropriate the University may exercise this



	value of the member's benefits (other than transferred in pension rights) (pre 01 04 09 leavers)	discretion.
<b>115(2) &amp; (3)</b>	Recovery from Fund of financial loss caused by employee, or amount of refund if less (pre 01 04 09 leavers)	Where appropriate the University may exercise this discretion.

**TABLE 4**

The following table details our discretions under the Local Government Pension Scheme (Scotland) Regulations 1987 (as amended) in relation to pre 01 04 98 scheme leavers.

<b>Regulation</b>	<b>Discretion</b>	<b>Employer's policy on the exercise of this discretion</b>
<b>E2(6)(b)</b>	Grant application from a pre 01 04 98 leaver for early payment of benefits on or after age 50 and before age 60.	The University of Strathclyde will normally grant early payment of benefits in these circumstances, to an individual no longer employed by the University, providing there is no cost to the University. University employees who have opted out of the pension scheme may be granted this discretion where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.

**TABLE 5**

The following table details our discretions under the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 (as amended)

<b>D 8(1)</b>	Decision on whether to award compensatory added years to an individual on retirement on efficiency / redundancy Grounds	The University of Strathclyde will not normally consider exercising this discretion to award compensatory added years but may exercise it in exceptional circumstances where a sound business case can be justified for paying benefits in this way. Each case will be considered on its individual merits.
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