

Greater Manchester Pension Fund Discretions Policy

This policy is effective from 1/4/22 and will be reviewed periodically.

The Local Government Pension Scheme (LGPS) regulations require employers participating in the scheme to prepare and publish a discretions policy. Greater Manchester Pension Fund (GMPF) is a regional LGPS and therefore subject to these regulations.

This policy document sets out the areas of mandatory discretions in the following seven areas, provides the relevant legislation and the approved policy for Aspire.

Section 1: Discretions applicable from 1 April 2014 relating to active members and leavers after 31 March 2014

Section 2: Discretions relating to leavers on or after 1 April 2008 and before 1 April 2014 *

Section 3: Discretions relating to leavers on or after 1 April 1998 and before 1 April 2008 *

Section 4: Discretions relating to leavers before 1 April 1998 *

Section 5: Discretions relating to redundancy and compensatory payments on the early termination of employment

Section 6: Discretions relating to Compensation *

Section 7: Discretions relating to Injury Allowances

* Note that whilst the regulations require a discretions policy to be published in the above areas, as Aspire's admitted body status is only effective from June 2015, sections 2, 3 and 4, and section 6 in part are not applicable.

Section 1

- LGPS Regulations 2013 [SI 2013/2356] [R]
- LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 [SI 2014/525] [TP]
- LGPS (Administration) Regulations 2008 [SI 2008/239] [A]
- LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended) [SI 2007/1166] [B]
- LGPS (Transitional Provisions) Regulations 2008 [SI 2008/238] [T]
- LGPS Regulations 1997 (as amended) [SI 1997/1612] [L]

Regulation	Discretion	Policy Summary
R16(2)(e) & R16(4)(d)	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme.	Aspire will not generally make use of this discretion.
R30(6) & TP11(2)	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).	Aspire will not give blanket consent for staff in the LGPS aged 55 or over to take flexible retirement and immediately access their pension benefits. All requests will be considered and assessed individually, taking account of the economic and operational interests of the company.
R30(8)	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	Aspire will retain the right to exercise this discretion on compassionate grounds. Cases will be dealt with on an individual basis and will take account of the economic impact on the council at the time.
R30(8)	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 March 2014 membership).	Aspire will retain the right to exercise this discretion on compassionate grounds. Cases will be dealt with on an individual basis and will take account of the economic impact on the council at the time.
TPSch 2, para 1(2)	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	Aspire will retain the right to exercise this discretion only in specific circumstances, such as service redesign/restructures and will be considered on a case by case basis and will take account of the economic impact and the operational interest on the council at the time.

Regulation	Discretion	Policy Summary
<p>TP3(1), TPSch 2, para 2(1), B30(5) & B30A(5)</p>	<p>Whether to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership):</p> <p>a) on compassionate grounds (pre 1 April 2014 membership) and / or, in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and / or, in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and / or, in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and / or, in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.</p>	<p>Aspire will retain the right to exercise this discretion on compassionate grounds.</p> <p>Cases will be dealt with on an individual basis and will take account of the economic impact on the company at the time.</p>

Regulation	Discretion	Policy Summary
R31	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. on 1 April 2014 – this figure is inflation proofed annually).	Aspire will not exercise this discretion.
Section 2 • LGPS (Administration) Regulations 2008 [SI 2008/239] [A] • LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended) [SI 2007/1166] [B] • LGPS (Transitional Provisions) Regulations 2008 [SI 2008/238] [T] • LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 [SI 2014/525] [TP] • LGPS Regulations 2013 [SI 2013/2356] [R] • LGPS 1997 (as amended) [1997/1612] [L]		
Regulation	Discretion	Policy Summary
TPSch 2, para 1(2)& 1(1)(c)	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	Not applicable
B30(5), TPSch 2, para 2(1)	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member).	Not applicable
TPSch 2, para 1(2) & 1(1)(c)	Whether to “switch on” the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60.	Not applicable
B30A(5), TPSch 2, para 2(1)	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits).	Not applicable
Section 3 • LGPS Regulations 1997 [SI 1997/1612] • The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [SI 2008/238] [prefix T] • The Local Government Pension Scheme (Administration) Regulations 2008 [SI 2008/239] [prefix A] • LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 [SI 2014/525] [TP] • The Local Government Pension Scheme Regulations 2013 [SI 2013/2356] [prefix R]		Discretionary policies in relation to: • active Welsh councillor members, and • councillor members who ceased active membership on or after 1 April 1998, and • any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008
Regulation	Discretion	Policy Summary
31(2)	Grant application for early payment of deferred benefits on or after age 50 and before age 55.	Not applicable

Regulation	Discretion	Policy Summary
TPSch 2, para 1(2) & 1(1)(f) & R60	Whether to “switch on” the 85-year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60. Note: TPSch 2, para 2(2) does not reference para 1(1)(f) so strictly speaking there is no requirement to publish a policy under this regulation or R60. However, we understand that this is simply a regulatory omission and the appropriate party should publish a policy accordingly.	Not applicable
31(5) & TPSch 2, para 2(1)	Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	Not applicable
Section 4 <ul style="list-style-type: none"> • LGPS Regulation 1995 [SI 1995/1019] • The Local Government Pension Scheme (Transitional Provisions) Regulations 1997 [SI 1997/1613] [prefix TL] • The Local Government Pension Scheme Regulations 1997 {SI 1997/1612} (as amended) [prefix L] • The Local Government Pension Scheme (Administration) Regulations 2008 [SI 2008/239] [prefix A] • LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 [SI 2014/525] [TP] • The Local Government Pension Scheme Regulations 2013 [SI 2013/2356] [prefix R] 		Discretionary policies in relation to: <ul style="list-style-type: none"> • active Welsh councillor members, and • councillor members who ceased active membership on or after 1 April 1998, and • any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008
Regulation	Discretion	Policy Summary
TP3(5A)(vi), TL4, L106(1) & D11(2)(c)	Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds. Although the common provisions of the 1997 Transitional provisions regulations do not specify regulation D11(2)(c), there intention was that it should apply to this regulation.	Not applicable

Regulation	Discretion	Policy Summary
Section 5 • The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) [SI 2006/2914]		Discretionary policies in relation to employees of an employing authority that is defined under regulation 2 of The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)
Regulation	Discretion	Policy Summary
5	To base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.	Aspire will base redundancy payments on actual weeks pay where it exceeds the statutory limit.
6	To award lump sum compensation of up to 104 week's pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	Aspire will award lump sum compensation in line with the company policy.
Section 6 • The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended) [SI 2000/1410]		Discretionary policies in relation to employees of an employing authority that is defined under regulation 2 of The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended)
Regulation	Discretion	Policy Summary
21(4)	How to apportion any surviving spouses or civil partner's annual compensatory added years' payment where the deceased person is survived by more than one spouse or civil partner.	Aspire will defer to the administering authority's policy
25(2)	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.	Aspire will defer to the administering authority's policy

Regulation	Discretion	Policy Summary
21(7)	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.	Not applicable
21(5)	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.	Not applicable
21(7)	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 cohabitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them.	Not applicable
17	To what extent to reduce or suspend the member's annual compensatory added year's payment during any period of re-employment in local government.	Not applicable

Regulation	Discretion	Policy Summary
19	How to reduce the member's annual compensatory added year's payment following the cessation of a period of re-employment in local government.	Not applicable
Section 7 • The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011 [SI 2011/2954]		Discretionary policies each employing authority may apply in the exercise of its discretionary powers to make any award in respect of leavers, deaths and reductions in pay that occurred post 15 January 2012
Regulation	Discretion	Policy Summary
3(1)	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.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
3(4) & 8	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.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
3(2)	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1) (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
4(1)	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.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
4(3) & 8	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.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.

Regulation	Discretion	Policy Summary
4(2)	Determine whether person continues to be entitled to an injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
4(5)	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) (loss of employment through permanent incapacity) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
6(1)	Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a regulation 3 payment (reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job) was being made at date of cessation of employment but regulation 4 (loss of employment through permanent incapacity) does not apply.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
6(1)	Determine amount of any injury allowance to be paid under regulation 6(1) (payment of injury allowance following the cessation of employment).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
6(2)	Determine whether and when to cease payment of an injury allowance payable under regulation 6(1) (payment of injury allowance following the cessation of employment).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.

Regulation	Discretion	Policy Summary
7(1)	Whether to grant an injury allowance to the spouse, civil partner, cohabiting partner (the requirement to nominate a co-habiting partner has ceased entirely under these regulations due to the outcome of the Elmes v Essex high court judgement) 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.	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
7(2) & 8	Determine amount of any injury allowance to be paid to the spouse, civil partner, nominated co-habiting partner (for awards made on or after 1 April 2008 the requirement to nominate a co-habiting partner has ceased due to the outcome of the Elmes v Essex high court judgement) or dependent of an employee under regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.
7(3)	Determine whether and when to cease payment of an injury allowance payable under regulation 7(1) (employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job).	Aspire reserves the right to exercise this discretion, however cases will be dealt with on a case by case basis, taking account of the individual merits of the case. Aspire will not apply a blanket policy on this regulation.