# Employer Pension Discretions Policy

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| Version | 3 |
| Author | Executive Director of OD & People |
| Policy Owned By | Finance |
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| EIA date | N/A as only reflects legislative requirements |
| Publication | Website, Staff Intranet |

This policy has been reviewed in line with the Equality Act 2010 which recognises the following categories of individual as Protected Characteristics: Age, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion and Belief, Sex (gender), Sexual orientation and Disability. We will continue to monitor this policy and to ensure that it has equal access and does not discriminate against anyone, especially any person/s listed under any protected characteristic.

## 1. INTRODUCTION

The Local Government Pension Scheme (LGPS) rules, effective from 1 April 2014, require each scheme employer within the LGPS to publish a statement concerning how the employer will respond to discretionary aspects of the scheme rules and regulations.

This statement will be published on The Bedford College Group's (TBCG) website and will also be made freely available in other ways such as intranet sites, staff groups, trade unions and the People team.

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| The date of this publication is: | 22 June 2026 |
| The effective date of this policy is: | 1 April 2014 |
| This is the formal employer's policy in respect of the employer that is currently Registered as: | Bedford College |
| This policy applies to: | Prospective members, current contributory members and pensioner members of the Local Government Pension Scheme (LGPS), and their dependants. |
| Where quoted regulations* refer to: | The Local Government Pension Scheme Regulations 2013, The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014, or The Local Government Scheme (Benefits, Membership and Contributions) 2007. |

You are advised to read this statement in conjunction with the information provided when you commenced employment, in respect of the benefits provided by the LGPS – the occupational pension scheme provided by TBCG to those eligible employees within Bedford College, Tresham College or Central Bedfordshire College contracts.

This policy does not convey any form of contractual rights for LGPS/staff members. The policy will be reviewed and may be subject to change, only the version of the policy that is 'current' at the time at which an event occurs will be the one applied for the purposes of LGPS benefits or membership.

In publishing this policy, the scheme employer is required to pay due regard to the requirement that the formulated policy and its application and the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service.

TBCG will not use this policy for any ulterior motive, it will ensure that such discretions will be exercised reasonably and where a cost is incurred, it will only be used when there is a future benefit to the employer for incurring the extra costs that may arise or be associated with the discretion. It will ensure that where exercised any discretion that incur additional costs, will be applied and recorded as appropriate.

## 2. Purpose of Policy

This policy aims to provide fairness and consistency in situations where the Group is considering cases of flexible retirement and increasing pension benefits.

The LGPS is not available to employees of the subsidiary companies of TBCG and is only available to those employees within Bedford College, Tresham College or Central Bedfordshire College contracts.

## 3. Discretionary regulations

TBCG's decisions on the Discretionary regulations are shown in appendix A.

## 4. Monitoring of the application of the Policy

TBCG will carry out equality monitoring of the employees who apply for flexible retirement to be aware if a disproportionate number of employees from any individual equality strand are affected. Should that be the case, it will consider the reasons why and, if necessary, amend this policy to ensure that any inequalities in the policy that are subsequently identified are removed.

## 5. Review of Policy

The Chief Finance Officer (CFO) and the Executive Director of Organisation Development & People (EDOD&P) will review this Policy annually in June and report to Resources Committee where any Discretions have been applied within that year.

The CFO and the EDOD&P may make minor amendments to this policy, for example to reflect changes to legal requirements, changes of role titles etc.

Substantial changes to the policy will be taken to the Resources Committee of Corporation.

## Appendix A – Discretionary Policies

| Regulation | Description | Policy decision |
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| **LGPS 2013 Regulation 16 (2)(e) & Regulation 16 (4)(d)** | Whether, how much, and in what circumstances TBCG will contribute to a shared cost Additional Pension Contribution (APC) scheme. | TBCG will not fund any additional pension contributions except when required to do so by the regulations. |
| **LGPS 2013 Regulation 30(6)**<br><br>**LGPS 2014 Transition Provision 11(2)** | Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement) | TBCG will consider all requests for flexible retirement in response to a statutory written request for flexible working from eligible employees. It will approve requests where it is in TBCG's interests to do so, where there will be no adverse impact on the service and service costs. TBCG in these circumstances will approve a reduction to fraction or to grade and will permit the member to draw accrued pension benefits subject to any actuarial reduction provided that there is no additional pension cost to the employer. This approval will be effected as a variation to contract with the employee's continuous service preserved.<br><br>The employee may draw their accrued pension benefits, subject to any actuarial reduction, and continue to pay into the Pension Scheme with a new fund until the age of 75.<br><br>Employees can choose to draw all of their pension benefits or defer payment of all or part of their fund, which has accrued since April 2008. |

| Regulation | Description | Policy decision |
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| **LGPS 2013**<br>**Regulation 30(8)** | Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.<br><br>Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age.<br><br>Due consideration must be given to the financial implications of agreeing to waive in whole or in part any actuarial reduction. | TBCG will not consider waiving any part of any actuarial reduction resulting from flexible retirement. |
| **LGPS 2014 Transition Provision**<br>**TP Schedule 2 para 2 (2)** | Whether to "switch on" the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60. | TBCG will not exercise discretion to fund additional cost applicable to the 85-year rule for 55 to 60 year olds. |
| **LGPS 2014 Transition Provision**<br>**TP Schedule 2 para 2 (3)** | Whether to waive on compassionate grounds the actuarial reduction applied to benefits from pre 1/4/14 membership where the employer has switched on the 85-year rule for a member voluntarily drawing benefits on or after age 55 and before age 60. | TBCG will not make use of the provision to waive the actuarial reduction applied to benefits from pre 01/04/14 membership as it will not switch on the 85-year rule. |
| **LGPS 2013**<br>**Regulation 31** | 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.) | TBCG will not make use of the provision to award additional pension. |

| Regulation | Description | Policy decision |
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| **LGPS 2007**<br>**Regulation 12** | The regulations allow an employer to increase the total membership of an active member who is currently paying contributions to the Scheme. The members increase in membership under this regulation (including additional membership in respect to different employments) must not exceed years. | TBCG will not use this discretionary power. |
| **LGPS 2007**<br>**Regulation 30(2)** | An employee aged 55 or over who is considering retiring can request that TBCG allows them early access of pension benefits. | TBCG will not use this discretionary power. |
| **LGPS 2007**<br>**Regulation 30(5)** | Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under regulation 30. | TBCG will not use this discretionary power. |
| **LGPS 2007**<br>**Regulation 30A(3)** | 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. | TBCG will not use this discretionary power. |
| **LGPS 2007**<br>**Regulation 30A(5)** | Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A | TBCG will not use this discretionary power. |

| Regulation | Description | Policy decision |
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| **LGPS 1997**<br>**Regulation L31(**2) | Determine whether to allow the early release of benefits in relation to members who have left the scheme after 31 March 1998 but prior to 1 April 2008 with deferred benefits. | TBCG will not use this discretionary power. |
| **LGPS 1997**<br>**Regulation L31(5)** | If an election for early payment of retirement benefits is granted under Regulation L31(2) any actuarial reductions that would normally apply can be waived on compassionate grounds. | TBCG will not use this discretionary power. |