**The Local Government Pension Scheme (Scotland) Regulations 2018**

**Policy Statement**

Under Regulation 58 of the Local Government Pension Scheme (Scotland) Regulations 2018, each employer participating in the scheme is required to formulate a policy concerning the exercise of certain discretions contained within the regulations.

Edinburgh Napier University after careful consideration and having regard to the extent to which the exercise of the functions could lead to a serious loss of confidence in the public service, has decided to exercise its discretions in the following way

The statement is applicable to all employees of Edinburgh Napier University who are eligible to be members of the Local Government Pension Scheme.

**1. Regulation 16(2)(e) & 16(4)(d) of the Local Government Pension Scheme (Scotland) Regulations 2018: Additional Pension Contributions**

The University will not have a general policy of entering into an APC contract with a scheme member but will consider individual cases on their merits.

**2. Regulation 29(7) of the Local Government Pension Scheme (Scotland) Regulations 20188: Flexible Retirement**

The University will not have a general policy of agreeing to requests for early payment of retirement benefits from a member who has attained age 55 and who with his employer’s consent, has also reduced his hours and/or grade. However, where the University consider it can be demonstrated as being to their advantage or in their operational interests, it will consider such requests.

Should the University agree to the early payment of benefits under this regulation in any case, they will not have a general policy of waiving any reduction which would normally be applied to the benefits.

**3. Regulation 29(9) of the Local Government Pension Scheme (Scotland) Regulations 2018: Waiving Actuarial Reduction on Early retirement between 55 and 60.**

Any active scheme member who has not attained NPA but has attained age 55 may elect to receive immediate payment of their benefits, providing they have left employment, but these benefits may be reduced for early payment.

The University will not have a general policy of agreeing to waive any reduction which would normally be applied to the member’s benefits.

**4. Schedule 2 – paragraphs 2 & 3 of the Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014**

The University will not have a general policy of agreeing to requests to apply the rule of 85 from a member who has attained age 55 and has elected for early payment. However, where the University considers it can be demonstrated as being to their advantage or in their operational interests to apply the rule of 85, it will consider such requests.

**5. Regulation 30 of the Local Government Pension Scheme (Scotland) Regulations 2018: Award of Additional Pension**

The University will not have a general policy of awarding additional pension in this way but will consider individual cases on their merits. The University may exercise this discretion in an individual case by written resolution where financial or operational advantages can be demonstrated.

**6. Regulation 30 of the Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008: (Voluntary Early Retirement between the ages of 55 and 60)**

Any former scheme member who left prior to 1 April 2015 and is aged 55 or over, providing they are no longer in local government employment, may request unreduced payment of their deferred benefits on compassionate grounds.

The University will only exercise their discretion to waive the actuarial reduction in exceptional cases of hardship.

**7. Regulation 17(1) of the Local Government Pension Scheme (Scotland) Regulations 2018: Shared Cost AVC’s**

This regulation allows the University to set up an additional voluntary contributions (AVC) scheme requiring a contribution from the University. Scheme members already have access to AVC arrangements which accept member-only contributions.

The University will pay Shared Cost AVC contributions where an employee has elected to pay AVCs by salary sacrifice.  The amount of these employer SCAVC contributions will not exceed the amount of salary sacrificed by the employee. This is a university discretion which is subject to the employee meeting the University’s conditions for acceptance into the salary sacrifice shared cost AVC scheme and may be withdrawn or changed at any time.

**8. Regulation 86 of the Local Government Pension Scheme (Scotland) Regulations 2018: Forfeiture of pension rights after conviction for employment-related offences**

Under this regulation, the University may apply to the Scottish Ministers to forfeit all or part of a scheme member’s pension benefits. This would apply in a case of conviction for a serious offence which were either ‘gravely injurious to the State or ‘liable to lead to a serious loss of confidence in the public service’. In the interests of maintaining confidence in the public service, the University reserves the right to exercise this discretion should the need arise.

**9. Regulation 87 of the Local Government Pension Scheme ((Scotland) Regulations 2018: Recovery or retention where former member has misconduct obligation**

Under this regulation, the University may recover from his pension benefits any loss arising from a criminal, negligent or fraudulent act by a former employee. Providing that all other efforts to recover monetary obligations have been exhausted, in the interest of maintaining confidence in the public service, the University reserves the right to exercise this discretion should the need arise.

**10. Regulation 95 of the Local Government Pension Scheme (Scotland) Regulations 2018: Inward Transfer of Pension Rights**

The University will not have a general policy of allowing a late transfer to proceed. Instead it will consider individual applications on their merits and may, in agreement with Lothian Pension Fund exercise discretion to allow a late transfer to proceed where there is no financial impact on the University and Lothian Pension Fund.

**11. Regulation 9(4) of the Local Government Pension Scheme (Scotland) Regulations 2018: Member Contributions**

Under this regulation, the University may adjust a member’s contribution rate should a change in pay move them into a different band during the financial year. Providing that a consistent approach is taken, in the interest of maintaining confidence in the public service, the University reserves the right to exercise this discretion should the need arise.

**12. Regulation 16(16) of the Local Government Pension Scheme (Scotland) Regulations 2018: Additional Pension Contributions**

Under this regulation, where a member enters into an additional pension contract to which employer contributions may be made (Shared Cost Additional Pension Contract), an application to enter into the contract must be made within 30 days of returning to work. The [University will not generally agree to extend this time limit, but will do so exceptionally, where an employee provides evidence of extenuating circumstances.

**13. The Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 and the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Amendment Regulations 2008**

The Discretionary Payments and Injury Benefits Regulations provide for discretionary payments by Schedule Body employers. These include:

* Injury Allowances

The University will not have a general policy of awarding injury allowances, but will consider individual cases on its merits. It may exercise this discretion in an individual case by written resolution where financial or operational advantages can be demonstrated.

* Compensation for redundancy payments

The University has redundancy policy which outlines the compensation payments for redundancy. It may exercise this discretion in an individual case by written resolution where financial or operational advantages can be demonstrated.

* Awards of compensatory added years

The University will not have a general policy of awarding compensatory added years, but will consider individual cases on its merits. It may exercise this discretion in an individual case by written resolution where financial or operational advantages can be demonstrated.

* Gratuities for non-pensionable service

The University will not have a general policy of awarding gratuities for non-pensionable service, but will consider individual cases on its merits. It may exercise this discretion in an individual case by written resolution where financial or operational advantages can be demonstrated.

*Under regulation 51A,* ***Scheduled Bodies must formulate and publish a policy*** *in relation to:*

*Regulation 4: basing redundancy payments on actual weeks pay where this exceeds the statutory weeks pay limit.*

*Regulation 35: awarding compensation for redundancy payment of up to 104 weeks pay.*

*Regulation 8: awarding compensatory added years.*

*Regulation 49B:ill-health gratuities*

*In formulating or reviewing its policy a Scheduled Body must have regard to the extent to which the exercise of their discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service; and be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.*

*An Admitted Body employer would require to formally adopt the provisions of the regulations by resolution of their executive body.*

**Policy Review**

In making this policy, the University has referred to the statutory provisions and to advice from the City of Edinburgh Council as the Pension Scheme administering authority.

This policy statement will be kept under review and will be revised as and when necessary to reflect any changes in regulation or policy. Any changes to this policy will be advised to the administering authority and scheme members in writing within one month of the change taking effect.

Authorised Signature: Text

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Designation: Head of Reward Date:10/11/2021