DND Learning Trust

Durham and Newcastle Diocesan Learning Trust (DNDLT)
Company Number 10847279

LGPS Employer Discretions Policy

“Every child matters and no child is ever left behind..."

"Let the little children come to me, and do not stop them;
for it is to such as these that the kingdom of God belongs."
Luke 18:15-17

Policy Reviewed and Adopted by Board of Directors: 4 February 2026
Version: 4
Date of Next Review: Annual
Responsible Officer: COO

Vision Statement:

"Every child matters and no child is ever left behind"

Let the children come to me, and do not stop them; for it is to such as these that the kingdom of God belongs.

Luke +

At the DNDLT we believe everyone in our Trust is a child of God, adults and children alike. Every individual and every school matters, all are valued and celebrated, and no one should be left behind.

As a Diocesan Trust of the Dioceses of Newcastle and Durham we are here to serve children, and schools of all faiths and none. We welcome both Church of England and Community Schools to join us to serve our communities in the North East of England as part of our Trust family whilst remaining unique and distinct within their local context.

The Durham and Newcastle Diocesan Learning Trust is a place where we strive for the best outcomes for our children and staff. We work hard to achieve equity and flourishing for everyone. We want our staff and children to feel valued and celebrated given the opportunity to innovate and reach their full potential. We want our schools to be at the heart of their communities serving them in the way they know best, knowing they will be supported, encouraged and affirmed by a dedicated and specialist team

Purpose

The purpose of this policy is to set out how the trust will exercise its discretions as an employer within the regulations of the Local Government Pension Scheme (LGPS).

Scope

This policy applies to active members of the LGPS and employees who become deferred members of the scheme.

Roles and responsibilities

The DNDLT Trust Board of Directors will monitor the application of this policy, particularly to ensure that practices comply with it and are not discriminatory. Responsibility for decisions made under this policy are delegated in accordance with the Scheme of Delegation agreed by the Board.

Legal considerations

LGPS regulations require each employing authority to prepare a written statement of its policy in relation to the exercise of the following discretions:

- whether to grant extra additional pension;
- whether to share the cost of purchasing additional pension (SCAPS);

- whether to permit flexible retirement;
- whether to “switch on” the 85 year rule (excluding flexible retirement) upon the voluntary early payment of deferred benefits; and
- whether to waive upon the voluntary early payment of benefits, any actuarial reduction on compassionate grounds or otherwise (excluding flexible retirement).

Any other discretions in this policy from time to time are not mandatory and will be exercised at the absolute discretion of the Trust. They are included within this policy to provide transparency and ensure consistency of decision-making. The employer cannot advise an employee on the pension, tax and other financial implications of the employer exercising (or not exercising) any of the discretions set out below and employees are strongly advised to obtain independent financial advice before making any application for exercise of the relevant discretions below. Any decision made by an employee in relation to this policy is made at the employee's own risk, and the Trust accepts no responsibility or liability for any financial loss or adverse consequences arising from such decisions.

Policy statement

Regulation	Policy Decision
Regulation R16 (2)(e) and R16 (4)(d) Shared Cost Additional Pension Scheme An employer can choose to pay for or contribute towards a member’s Additional Pension Contract via a Shared Cost Additional Pension Contract (SCAPC)	The employer will not contribute to a shared cost contribution scheme.
Regulation R17(1) & TP15(1)(d) & A25(3) Shared Cost Additional Voluntary Contribution(SCAVC) Arrangement An employer can choose to pay for or contribute towards a member’s AVC arrangement entered into before, on or after 1st April 2014 via a shared cost AVC	The employer will pay SCAVC 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 an employer discretion which is subject to the employee meeting the employer's conditions for acceptance into the salary sacrifice shared cost AVC scheme and may be withdrawn or changed at any time.

Regulation R30(6) & TP11(2) **Flexible Retirement** Employers may allow a member from age 55 onwards to draw all or part of the pension benefits they have already built up while still continuing in employment. This is provided the employer agrees to the member either reducing their hours or moving to a position on a lower grade. In such cases pension benefits will be reduced in accordance with actuarial tables unless the employer waives reduction on compassionate grounds or a member has protected rights.	Each application will be considered individually and a decision on a case-by-case basis will be made on the merits (at the absolute discretion of the Trust). Applications must be made in writing to the Head Teacher of the school. Any application will be considered in line with this policy, at the Trust's discretion, which may include seeking support from and consulting with the central team, and meeting with the applicant to discuss the request. Applications will only be approved where, in the view of the Trust, there is a suitable post that the employee can "step down"* into and it can be demonstrated that this in the interests of the trust and/or there is no extra financial cost. * The employee must reduce their salary by at least 40% by either reducing their contractual hours and/or their pay grade.
Regulation R30(8) **Waiving of actuarial reduction** Employers have the power to waive, on compassionate grounds, the actuarial reduction (in whole or part) applied to member's benefits paid on the grounds of flexible retirement. Employers may also waive, on the compassionate grounds, the actuarial reduction (in whole or in part) applied to member's benefits for deferred members and suspended tier 3 ill health pensioners who elect to draw benefits on or after age 60 and before normal pension age. Employers also have the power to waive, in whole or in part, the actuarial reduction applied to the active members of benefits when a member chooses to voluntarily draw benefits on or after age 55 and before age 60.	Applications will only be considered on compassionate grounds in cases of severe financial hardship. Applications must be made in writing to the Head Teacher of the school. Any application will be considered in line with this policy, at the Trust's discretion, which may include seeking support from and consulting with the central team, and meeting with the applicant to discuss the request Each application will be considered individually and a decision on a case-by-case basis will be made on the merits (at the absolute discretion of the Trust). The following factors will be taken into account: • the merits of the applicant's case and whether the applicant has clearly demonstrated and evidenced a) the compassionate grounds and b) severe financial hardship; • the financial cost to the trust; and • the impact of approving the application taking into account in the interests of the trust.
Regulation TPSch 2, para 2(2) & 2(3) **Power of employing authority to 'Switch on' the 85 Year Rule**	This discretion may only be exercised if, in the view of the Trust, exceptional circumstances apply and where it is

An employer can choose whether to "switch on" 85 year rule for members who voluntarily retire on or after the age of 55 and before age 60. Qualifying members are those whose age and service adds up to 85 or more.	clearly evidenced in a business case that it is in the interests of the trust and the costs associated with the early release of pension benefits are affordable.
Regulation R31 **Power of employing authority to grant additional pension** An employer can choose 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* per annum). (* the figure of £6,500 is increased each April under Pensions Increase orders).	The employer will not grant additional pension.
Regulation 22 Policy Decision R22(8)(b) Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment.	Employees must transfer in pension rights from other pension schemes within 12 months of being employed by the Trust, except where: • the employee applies to transfer the pension scheme to the LGPS within the 12 month period but there are delays with the administrative process which are not the fault of the employee e.g. determining the transfer value; OR • the employee was initially employed on a fixed-term contract or regular casual basis and the employee is able to demonstrate to the Trust's satisfaction, that they were unsure that employment would continue and therefore did not make the request within the 12 month period, but did make the request as soon as practicable after this period

General

This policy is at the absolute discretion of the employer and can be varied at any time. Decisions will be based on the version of the policy in force at the time an event takes place. In the event of any conflict with primary legislation or statutory regulations, the legal provisions will have precedence over this policy in all cases.