

## Annex 1

<b>Table A: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations (Northern Ireland) 2014 in relation to active scheme members and members who cease active membership after 31 March 2015.</b>	<b>EDUCATION AUTHORITY policy</b>
<p>1. Whether, at full cost to the Education Authority, to grant extra annual pension of up to £6,500 (figure at 1 April 2015) to an active scheme member or within 6 months of leaving to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency.</p>	<p><b>Option 3.</b> The Education Authority will not make use of the discretion to grant extra annual pension of up to £6,500 (figure at 1 April 2015) to an active scheme member or within 6 months of leaving to a member who is dismissed by reason of redundancy or business efficiency or whose employment is terminated by mutual consent on the grounds of business efficiency except in exceptional circumstances where the Education Authority considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward by the relevant Director, agreed by SMT and approved by the appropriate Education Authority Committee.</p>
<p>2. Whether, where an active scheme member wishes to purchase extra annual pension of up to £6,500 (figure at 1 April 2015) by making Additional Pension Contributions (APCs), the Education Authority will voluntarily contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p>	<p><b>Option 1</b> The Education Authority will not make use of the discretion to voluntarily contribute towards the cost of purchasing extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p> <p>In January of each year the Education Authority will identify and write to the affected staff members giving the option to purchase Additional Pension Contributions (APC) relating to authorised unpaid leave in respect of each post. Members must elect to buy the lost pension within 30 days</p>

<p>3. Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of the Education Authority reduce their working hours or grade and, if so, as part of the agreement:</p> <ul style="list-style-type: none"> <li>- whether, in addition to the benefits the member has accrued prior to 1 April 2009 (which the member must draw if flexible retirement is agreed), to permit the member to choose to draw <ul style="list-style-type: none"> <li>• all, part or none of the pension benefits they accrued after 31 March 2009 and before 1 April 2015, and / or</li> <li>• all, part or none of the pension benefits they accrued after 31 March 2015, and</li> </ul> </li> <li>- whether to waive, in whole or in part , any actuarial reduction which would otherwise be applied to the benefits taken on flexible retirement before Normal Pension Age (NPA) <sup>1</sup>.</li> </ul>	<p>of the date of the letter.</p> <p><b>Option 3</b>  <u>Flexible retirement</u>  The Education Authority will not agree to flexible retirement except in circumstances where the Education Authority considers it is in its financial or operational interests to do so. Each case</p> <ul style="list-style-type: none"> <li>- will be considered on the merits of the financial and / or operational business case put forward,</li> <li>- will set out whether, in addition to any pre 1 April 2009 benefits, the member will be permitted, as part of the flexible retirement agreement, to take <ul style="list-style-type: none"> <li>a) all, some or none of their 1 April 2009 to 31 March 2015 benefits, and /or</li> <li>b) all, some or none of their post 31 March 2015 benefits, and</li> </ul> </li> <li>- will require the approval of the SMT.</li> </ul> <p>Flexible retirement will only be considered, where there is a reduction of at least one grade or, in the case of a flexible retirement due to a reduction in working hours, there is a minimum reduction in hours of 50%. Employees who have flexibly retired may not subsequently apply for positions that would result in an increase in hours or being paid at a higher grade.</p>
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<sup>1</sup> Normal pension age (NPA) means the member's normal pension age under the 2015 Scheme which is linked to the member's State Pension Age (SPA) but with a minimum of age 65. State Pension Age is currently age 65 for men. State Pension Age for women is currently being increased to be equalised with that for men and will reach 65 by November 2018. The State Pension Age will then increase to 66 for both men and women from December 2018 to October 2020. Under current legislation the State Pension Age is due to rise to 67 between 2026 and 2028 and to 68 between 2044 and 2046. However, the government has announced plans to link rises in the State Pension Age above age 67 to increases in life expectancy.

	<p><u>Waiver of any actuarial reduction on flexible retirement</u>  Where flexible retirement is agreed, the benefits payable will be subject to any actuarial reduction applicable under the Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014. The Education Authority will only waive any such reduction, in whole or in part, where it considers it is in its financial or operational interests to do so. Each case will be considered on the merits of the financial and / or operational business case put forward and will require the approval of the SMT.</p>
<p>4. Whether, as the 85 year rule does not (other than on flexible retirement – see 3 above) automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their benefits on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members.</p>	<p><b>Option 2</b>  The Education Authority will not agree to switch the 85 year rule on in full where members choose to voluntarily draw their benefits on or after age 55 and before age 60 except in circumstances where the Education Authority considers it is in its financial or operational interests to do so or as exceptional circumstances for compassionate grounds.</p> <p>Each case</p> <ul style="list-style-type: none"> <li>- will be considered on the merits of the financial and / or operational business case put forward by the relevant Director,</li> <li>- will require the agreement of the SMT,</li> <li>- will require the approval of the appropriate Education Authority Committee.</li> </ul> <p>Each request on compassionate grounds will be considered on its own merits regardless of cost.</p> <p>The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to</p>

	<p>care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.</p> <p>Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.</p> <p>Before exercising this discretion the Education Authority will require evidence including:</p> <ul style="list-style-type: none"> <li>• Full details of the exceptional circumstances of severe financial hardship;</li> <li>• Details of all employments held since leaving the Education Authority's employment;</li> <li>• Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;</li> <li>• Details of savings accounts or savings-type insurance policies;</li> <li>• Copies of bank statements;</li> <li>• Detailed list of expenditure;</li> <li>• Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;</li> <li>• Evidence that the member is the sole or main carer.</li> </ul>
<p>5. For active members voluntarily retiring on or after age 55 and before Normal Pension Age who elect under regulation 31(5) of the LGPS Regulations (Northern Ireland) 2014 to immediately draw benefits, and for deferred members who elect under regulation 31(5) of the LGPS</p>	<p><b>Option 2</b> The Education Authority will not agree</p> <ul style="list-style-type: none"> <li>- to waive on compassionate grounds any reduction</li> </ul>

Regulations (Northern Ireland) 2014 to draw benefits (other than on ill health grounds) on or after age 55 and before Normal Pension Age, and who:

- were not members of the LGPS before 1 October 2006 [Group 4 members], whether to:
  - o waive on compassionate grounds<sup>2</sup>, any actuarial reduction that would otherwise be applied to benefits, if any, accrued before 1 April 2015, and / or
  - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March 2015
- were members of the LGPS before 1 October 2006 and will be 60 or more on 31 March 2016 [Group 1 members], whether to:
  - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April 2016, and / or
  - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March 2016
- were members of the LGPS before 1 October 2006 and will not be 60 or more on 31 March 2016 and will not attain age 60 between 1 April 2016 and 31 March 2020 [Group 3 members], whether to:
  - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April 2015, and / or
  - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued

on pre 1 April 2015 benefits for Group 3 or 4 members, on pre 1 April 2016 benefits for Group 1 members, or on pre 1 April 2020 benefits for Group 2 members, and / or

- to waive in whole or in part on any grounds (including compassionate grounds) any reduction on post 31 March 2015 benefits for Group 3 or 4 members, on post 31 March 2016 benefits for Group 1 members, or on post 31 March 2020 benefits for Group 2 members

***but*** where members choose to voluntarily draw their benefits on or after age 55 and before Normal Pension Age except in circumstances where the Education Authority considers it is in its financial or operational interests to do so or there are compelling compassionate reasons for doing so.

Each case

- will be considered on the merits of the financial and /or operational business case or exceptional compassionate grounds put forward by the relevant Director and
- will require the approval of the SMT including, where the reduction is only to be waved in part, approval for the amount of reduction to be waived.

In cases where benefits are actuarially reduced the Education Authority will apply the actuarial reduction. Only in exceptional circumstances on compassionate grounds will discretion be applied in this regard.

<sup>2</sup> There is no definition in the Regulations of “compassionate grounds”.

after 31 March 2015

- were members of the LGPS before 1 October 2006 and will not be 60 or more on 31 March 2016 but will attain age 60 between 1 April 2016 and 31 March 2020 [Group 2 members], whether to:
  - o waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits accrued before 1 April 2020, and / or
  - o waive, in whole or in part (on any grounds), any actuarial reduction that would otherwise be applied to benefits accrued after 31 March 2020

Each request on compassionate grounds will be considered on its own merits regardless of cost.

The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.

Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.

Before exercising this discretion the Education Authority will require evidence including:

- Full details of the exceptional circumstances of severe financial hardship;
- Details of all employments held since leaving the Education Authority's employment;
- Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;
- Details of savings accounts or savings-type insurance policies;
- Copies of bank statements;
- Detailed list of expenditure;
- Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;

	<ul style="list-style-type: none"> <li>Evidence that the member is the sole or main carer.</li> </ul>
<p>6. Whether, how much, and in what circumstances to contribute to a shared-cost Additional Voluntary Contribution (SCAVC) arrangement entered into on or after 1 April 2015 and whether, how much, and in what circumstances to continue to contribute to any shared cost Additional Voluntary Contribution (SCAVC) arrangement entered into before 1 April 2015.</p>	<p><b>Option 1</b> The Education Authority does not propose to introduce SCAVC but reserves the right to consider the introduction of the scheme in the future.</p>
<p>7. Whether to extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of employment (or cessation of a concurrent employment) may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment) if the member has not made an election to retain separate benefits within 12 months of commencing membership of the LGPS in the new employment (or within 12 months of ceasing the concurrent membership).</p>	<p><b>Option 2</b> The Education Authority will only extend the 12 month time limit within which a scheme member who has a deferred LGPS benefit in Northern Ireland following the cessation of employment (or cessation of a concurrent employment) may elect not to have the deferred benefits aggregated with their new LGPS employment (or ongoing concurrent LGPS employment):</p> <ul style="list-style-type: none"> <li>a) Where the Education Authority agrees that the available evidence indicates the member had not been informed of the 12 month time limit due to maladministration;</li> <li>b) Where the Education Authority agrees that the available evidence indicates the member had made an election, to the Education Authority, within 12 months of joining the LGPS but the election was not received by the Northern Ireland Local Government Officers' Superannuation Committee (e.g. the election form was lost in the post).</li> </ul>
<p>8. How the pension contribution band/rate to which an employee is to be</p>	<p>The Education Authority has a Banding Policy that</p>

allocated on joining the Scheme, and at each subsequent April, will be determined and the circumstances in which, following a material change to the terms and conditions of a member's employment which affects the member's pensionable pay in the course of a Scheme year (1 April to 31 March), the pension contribution band/rate to which an employee has been allocated will be reviewed.

addresses these discretions and other related 'banding' issues. Set out below is how the contribution band/rate for employees will be allocated.

**a) Allocating a member to a contribution rate on 1 April 2015.**

Banding will be reviewed for the first pay period in April 2015 with the band for that year being set by the actual pensionable pay received in the previous year, calculated by the current salary and a full year's pay history of variable pensionable pay. Members will be notified on their payslip of the actual percentage being applied.

**b) Allocating a member to a contribution rate on joining the Scheme (after 1 April 2015).**

For a new start or opt ins throughout the year, where a full year's history does not exist, the calculation will be the hourly contractual rate multiplied by the number of hours and then annualised. Members will be notified on their payslip of the actual percentage being applied.

**c) Reallocating a member to a new contribution rate during a Scheme year (1 April to 31 March) following a material change to the terms and conditions of a member's employment which affects the member's pensionable pay (e.g. on promotion, demotion, re-grading, variation to a member's contractual hours, a change of job, or a move from a casual to a post with contractual hours).**

Where there is a change in employment which reflects the member's pensionable pay in the course of a financial year, the Education Authority

	<p>will determine that a contribution rate reflecting the different pay range should be applied. The Education Authority shall inform the member of the contribution rate applicable by updating the percentage on the payslip.</p> <p><b>d) Reallocating a member to a new contribution rate each 1 April.</b> The Education Authority will re-assess bandings for all members in March of each year with the band for the next year being set by the actual pensionable pay received in the previous year, calculated by the current salary and a full year's pay history of variable pensionable pay.</p>
<p>9. Whether or not, when calculating assumed pensionable pay when a member is:</p> <ul style="list-style-type: none"> <li>- on reduced contractual pay or no pay on due to sickness or injury, or</li> <li>- absent during ordinary maternity, paternity or adoption leave or during paid additional maternity, paternity or adoption leave, or</li> <li>- absent on reserve forces service leave, or</li> <li>- retires with a Tier 1 or Tier 2 ill health pension, or</li> <li>- dies in service</li> </ul> <p>to include in the calculation the amount of any 'regular lump sum payment' received by the member in the 12 months preceding the date the absence began or the ill health retirement or death occurred.</p>	<p><b>Option 1</b> In assessing Assumed Pensionable Pay (APP) the Education Authority will not include in the calculation any regular lump sum payments. Pensionable pay will be based on assumed pensionable pay as set out in the Education Authority Banding Policy.</p>

**Annex 2**

**Table B: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 2009 and 31 March 2015**

<p>1. Whether to grant applications for the early payment of deferred pension benefits on or after age 55 and before age 60 (on grounds other than ill health).</p>	<p><b>Option 4</b></p> <p>Where a former scheme member who left the scheme between 1 April 2009 and 31 March 2015 requests early release of deferred benefits on or after age 55 and before age 60 (on grounds other than ill health), approval will only be on compassionate grounds in exceptional circumstances.</p> <p>Each request on compassionate grounds will be considered on its own merits regardless of cost and will be subject to the approval of the SMT.</p> <p>The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.</p> <p>Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.</p> <p>Before exercising this discretion the Education Authority will require evidence including:</p> <ul style="list-style-type: none"><li>• Full details of the exceptional circumstances of severe financial hardship;</li><li>• Details of all employments held since leaving the Education Authority's employment;</li><li>• Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;</li></ul>
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	<ul style="list-style-type: none"> <li>• Details of savings accounts or savings-type insurance policies;</li> <li>• Copies of bank statements;</li> <li>• Detailed list of expenditure;</li> <li>• Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;</li> <li>• Evidence that the member is the sole or main carer.</li> </ul> <p>Subject to 2 below, the benefits payable in such circumstances will be subject to any actuarial reduction applicable under the relevant LGPS Regulations.</p>
<p>2. Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p>	<p><b>Option 3</b></p> <p>The Education Authority will consider an application to waive, on compassionate grounds, any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each request on compassionate grounds will be considered on its own merits regardless of cost and will be subject to the approval of the SMT.</p> <p>The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.</p> <p>Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.</p> <p>Before exercising this discretion the Education Authority will require evidence including:</p>

	<ul style="list-style-type: none"> <li>• Full details of the exceptional circumstances of severe financial hardship;</li> <li>• Details of all employments held since leaving the Education Authority's employment;</li> <li>• Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;</li> <li>• Details of savings accounts or savings-type insurance policies;</li> <li>• Copies of bank statements;</li> <li>• Detailed list of expenditure;</li> <li>• Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;</li> <li>• Evidence that the member is the sole or main carer.</li> </ul>
<p>3. Whether, within 6 months of the date of termination, to grant up to a maximum of 10 years extra membership in the pension scheme to a scheme member whose employment was terminated before 1 April 2015 on the grounds of redundancy or business efficiency.</p>	<p><b>Option 2</b> The Education Authority will not grant extra pension scheme membership to a scheme member whose employment was terminated before 1 April 2015 on the grounds of redundancy or business efficiency.</p>
<p><b>Table C: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 February 2003 and 31 March 2009</b></p>	
<p>1. Whether to grant applications for the early payment of pension benefits on or after age 50 and before age 60 (on grounds other than ill health).</p>	<p><b>Option 4</b> Where a former scheme member who left the scheme between 1 February 2003 and 31 March 2009 requests early release of deferred benefits on or after age 50 and before age 60 (on grounds</p>

other than ill health), approval will only be given on compassionate grounds. Each request on compassionate grounds will be considered on its own merits regardless of cost and will be subject to the approval of the SMT.

The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.

Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.

Before exercising this discretion the Education Authority will require evidence including:

- Full details of the exceptional circumstances of severe financial hardship;
- Details of all employments held since leaving the Education Authority's employment;
- Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;
- Details of savings accounts or savings-type insurance policies;
- Copies of bank statements;
- Detailed list of expenditure;
- Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;
- Evidence that the member is the sole or main carer.

	<p>Subject to 2 below, the benefits payable in such circumstances will be subject to any actuarial reduction applicable under the relevant LGPS Regulations.</p>
<p>2. Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65.</p>	<p><b>Option 3</b></p> <p>The Education Authority will consider an application to waive, on compassionate grounds any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. Each request on compassionate grounds will be considered on its own merits regardless of cost and will be subject to the approval of the SMT.</p> <p>The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.</p> <p>Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.</p> <p>Before exercising this discretion the Education Authority will require evidence including:</p> <ul style="list-style-type: none"> <li>• Full details of the exceptional circumstances of severe financial hardship;</li> <li>• Details of all employments held since leaving the Education Authority's employment;</li> <li>• Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;</li> </ul>

- Details of savings accounts or savings-type insurance policies;
- Copies of bank statements;
- Detailed list of expenditure;
- Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;
- Evidence that the member is the sole or main carer.

**Table D: Discretions to be exercised on and after 1 April 2015 under the LGPS Regulations in relation to scheme members who ceased active membership before 1 February 2003**

1. Whether, with the agreement of the Northern Ireland Local Government Officers' Superannuation Committee, to grant applications for the early payment of deferred pension benefits on or after age 50 and before age 65 on compassionate grounds.

**Option 3**  
 Where a former scheme member who left the scheme before 1 February 2003 requests early release of deferred benefits on or after age 50 and before age 65 on compassionate grounds, each request will be considered on its own merits regardless of cost and will be subject to the approval of the SMT.

The main criteria which the Education Authority will consider as exceptional circumstances for compassionate grounds are to allow employees or former employees to care for a sick spouse, civil partner, co-habiting partner, parent, child, sibling or other dependant, or on grounds of long-term severe hardship.

Proven long-term severe financial hardship is considered to apply where long-term expenditure on basic living requirements [eg food, heat, electricity, rent or mortgage, clothing] exceeds income from all sources and the individual has either no or minimal savings. It is expected that long-term is greater than 12 months.

Before exercising this discretion the Education Authority will require evidence including:

	<ul style="list-style-type: none"> <li>• Full details of the exceptional circumstances of severe financial hardship;</li> <li>• Details of all employments held since leaving the Education Authority's employment;</li> <li>• Details of all income, pensions deferred or in payment and any other benefits receivable including state benefits and crisis loans;</li> <li>• Details of savings accounts or savings-type insurance policies;</li> <li>• Copies of bank statements;</li> <li>• Detailed list of expenditure;</li> <li>• Medical reports, if appropriate, to support a case of retirement to look after an elderly or infirm spouse, civil partner, co-habiting partner, child, parent, sibling or other dependant;</li> <li>• Evidence that the member is the sole or main carer.</li> </ul>
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<b>Table E: Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2007</b>	
<p>1. Whether to base a redundancy payment on an employee's actual weeks' pay where this exceeds the statutory week's pay limit of, currently, £470 per week (as at 6 April 2014).</p>	<p><b>Option 4</b>  Any redundancy payment will be calculated on an employee's actual week's pay and not limited to the statutory weeks' pay limit where pay exceeds that limit. Carry forward existing policy from the Education and Library Boards under [Transfer of Undertakings (Protection of Employment) Regulations 2006]. Reference agreement between the Employers and Trade Unions at a meeting of the JNC on 12 June 2009.</p> <p>Continuous local government service, as defined under the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order (Northern Ireland) 1999, will</p>

<p>2. Whether to make a termination payment (inclusive of any redundancy payment) of up to a maximum of 104 weeks' pay to employees whose employment is terminated on the grounds of redundancy or efficiency of the service.</p>	<p>be taken into account in the calculation of redundancy payments.</p> <p><b>Option 1</b> Carry forward the existing policy from the Education and Library Boards under [Transfer of Undertakings (Protection of Employment) Regulations 2006] to the Education Authority. Reference agreement between the Employers and Trade Unions at a meeting of the JNC on 12 June 2009.</p> <p>Redundant staff will receive an enhanced redundancy payment above the statutory maxima to eligible employees. This redundancy payment will be based on one month's salary/pay for each year of continuous service up to a maximum of 2 years [104 weeks] inclusive of a statutory redundancy payment and will be calculated on the basis of actual pay.</p> <p>A severance payment will not be paid to employees whose employment is terminated on the grounds of efficiency of the service.</p>
<p><b>Table F: Discretions to be exercised under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations (Northern Ireland) 2003</b></p>	
<p>1. How a person's annual compensatory added years pension is to be abated during, and following the cessation of, any period of re-employment by an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body, in which case abatement only applies if the person is in, or eligible to be in, the LGPS in the new employment).</p>	<p>The Education Authority will, during any period of re-employment in local government (see note below), abate a person's annual compensatory added years' payment by the 'excess' if the aggregate of:</p> <ul style="list-style-type: none"> <li>- the annual compensation, and</li> <li>- the annual pension from the LGPS, and</li> <li>- the annual rate of pay from the new employment</li> </ul> <p>exceeds the pay the person would have received from the employment in respect of which the compensatory added years were granted, based on the annual rate of pay at the date of</p>

ceasing the former employment as increased by the relevant cost of living increases (i.e. as increased by the rate at which an 'official pension' is increased under the Pensions (Increase) Act 1971). Index.

Where compensatory added years were awarded on or after 24 March 2003, the Education Authority will reduce a person's annual compensatory added years' payment following the cessation of a period of re-employment in local government (see note below) to the extent necessary to secure that if:

- the period of compensatory added years granted in respect of the former employment,

plus

- the period of membership the person has accrued in the LGPS (or would have accrued had he / she joined the scheme when first eligible to do so) during the period of re-employment in local government, counted at its part-time length, if the person was part-time,

exceeds

- the period of membership the person would have accrued during the period from the cessation of the former employment until age 65 on the assumption that he / she had continued in that former employment to age 65 (again counted at its part-time length if the person was part-time at the date of cessation of the former employment),

then

- the annual pension and lump sum from the first job combined with the annual pension and lump sum from the second job

(based on the assumption that the employee joined the LGPS when first eligible to do so), plus the annual compensation and lump sum compensation, shall not in aggregate exceed the pension and lump sum the person would have achieved if he / she had remained in the first job through to age 65.

Where there is an excess, the annual compensation will be reduced by the excess pension and, if the annual compensation is not reduced to nil, the amount of the remaining (reduced) basic annual compensation will then be suspended until the excess lump sum (if any) is recovered.

In calculating whether or not, in aggregate, the annual pension and lump sum from the first job, plus the annual pension and lump sum (if any) from the second job (based on the assumption that the employee joined the LGPS at the first opportunity), plus the annual compensation and lump sum compensation, exceeds the pension and lump sum the person would have achieved if he/she had remained in the first job through to age 65 it will be necessary to compare:

- a) the actual LGPS pre 1 April 2009 1/80th pension and 3/80ths lump sum, plus the actual LGPS post 31 March 2009 1/60th pension (ignoring any commutation for a lump sum), plus the actual 1/80th annual compensation and 3/80ths lump sum compensation, with
- b) the 1/80th LGPS pension and 3/80ths lump sum the member would have achieved in their first job to 31 March 2009, plus the 1/60th LGPS pension the member would have achieved in their first job (ignoring any potential commutation for a lump sum), if the member had stayed in the first job through to age 65.

In determining the benefits the employee could have achieved had he / she remained in the first employment through to age 65 it will

be necessary to determine the pensionable pay to be used in the calculation. For this purpose, the pensionable pay figure used in the calculation of the pension benefits in the first job will be used as brought up to date by increasing it in line with the Pensions Increase (Review) Orders.

If a person has been awarded more than one previous period of compensatory added years, e.g. as a result of being made redundant more than once, the abatement / claw back provisions are modified. In such a case, the rules under the former Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001 will be applied where a person ceases a period of re-employment in local government and has previously been granted more than one period of compensatory added years, but using the pay in the first job as increased in line with inflation (i.e. ignoring regulations 17(5)(a)(ii), 17(6) and 17(7) of the Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001.

Where compensatory added years were awarded before 24 March 2003, the Education Authority will reduce a person's annual compensatory added years' payment following the cessation of a period of re-employment in local government (see note below) in accordance with the Local Government (Discretionary Payments) Regulations (Northern Ireland) 2001.

**Note:** *'local government' means employment with an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body). Technically, an employee of an Admitted Body (i.e. a body that has applied to the administering authority to allow its employees to join the LGPS and has entered into a formal admission agreement) is only employed in 'local government' if he / she is a member of the LGPS.*

Option 1

<p>2. How any surviving spouse's or civil partner's annual compensatory added years pension is to be apportioned where the deceased person is survived by more than one spouse or civil partner.</p>	<p>The Education Authority will apportion any surviving spouse's or civil partner's annual compensatory added years pension where the deceased person is survived by more than one spouse or civil partner in such proportions as, at its sole discretion, it sees fit (based on the merits of the individual cases).</p>
<p>3. Whether, if the spouse or civil partner of a person who ceased employment before 1 February 2003 remarries, enters into a civil partnership or cohabits after 1 February 2003, the normal annual compensation suspension rules will be dis-applied i.e. the spouse's or civil partner's annual compensatory added years pension will continue to be paid.</p>	<p><b>Option 1</b>  If the spouse or civil partner of a person who ceased employment before 1 February 2003 remarries, enters into a new civil partnership or cohabits after 1 February 2003, the normal annual compensation suspension rules will be dis-applied i.e. the spouse's or civil partner's annual compensatory added years pension will continue to be paid.</p>

**1 July 2015**