

Local Government Pension Scheme (LGPS) Discretions for the London Borough of Barnet (LBB)

OVERVIEW

Updated 2026 policy replacing the 2021 statement. Incorporates LGPS 2013, Transitional 2014, and later amendments.

INTRODUCTION

Policy made under Regulation 60 of the LGPS 2013 Regulations and Schedule 2 of the Transitional Regulations 2014.

WHO MAKES THE DECISIONS?

All discretions are exercised by the Senior LGPS Officer or Director of Finance (Section 151 Officer) unless otherwise stated.

Shared Cost Additional Pension Contribution (Reg 16)

Shared Cost Additional Pension Contribution (SPAPC) (Reg 16)	Where an active member wishes to purchase extra annual pension by making additional pension contributions (APCs), the employer can choose to voluntarily contribute towards the cost of purchasing that extra pension through a Shared Cost Additional Pension Contribution.	Policy Decision Case-by-case consideration.
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Power to Grant Additional Pension (Reg 31)

Power to Grant Additional Pension (Reg 31)	The employer can choose to grant extra annual pension (at full cost to themselves) to: • an active member; or • to a member, within 6 months of leaving, whose employment was terminated on the grounds of redundancy or business efficiency	Policy Decision Case-by-case consideration.
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Switch on the 85-Year Rule

Switch on the 85-Year Rule	The 85-year rule does not automatically apply to members who do not have protection under the old regulations. If they choose to voluntarily draw their benefits on or after age 55 and before age 60, the member's benefits will be actuarially reduced. However, the employer can exercise discretion to waive any actuarial reductions.	Policy Decision Case-by-case consideration.
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Flexible Retirement (Reg 30)

Flexible Retirement (Reg 30)	The employer can decide whether to permit flexible retirement for staff aged 55 or over who reduce their working hours and wish to take their pension.	Policy Decision Allowed if hours reduce $\geq 40\%$ and resourcing issues are satisfied. No waiver of actuarial reductions.
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Waive Actuarial Reductions

Waive Actuarial Reductions	The employer can decide whether to waive in whole or in part any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement. This applies to: • active members voluntarily retiring on or after age 55 who elect to immediately draw benefits, and • deferred members and suspended tier 3 ill health pensioners who elect to draw benefits or after age 55.	Policy Decision Case-by-case consideration.
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Pre-2014 Early Payment for Deferreds

Pre-2014 Early Payment for Deferreds	The employer can allow members who left the Fund before 1 April 2014 and who are over age 55 to take their benefits early. The employer can also waive any reduction to benefits on compassionate grounds. or elect to 'switch on' the 85-year rule.	Policy Decision Not allowed
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Tier 3 Ill Health Pre-2014

Tier 3 Ill Health Pre-2014	The employer can permit members who have ceased to be entitled to a tier 3 ill health benefit and who are over the age of 55 to take their benefits early. The employer can also waive any reduction to benefits on compassionate grounds, or elect to 'switch on' the 85-year rule.	Policy Decision Case-by-case consideration.
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Extend 12-Month Aggregation Deadline

Extend 12-Month Aggregation Deadline	The employer can agree to extend the 12-month option period for a member to elect to join deferred benefits to their current membership	Policy Decision Case-by-case consideration. (DISCRETION EXERCISED BY THE LBB PENSIONS MANAGER)
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Extend Transfer-In Deadline

Extend Transfer-In Deadline	The employer can agree to extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS.	Policy Decision Case-by-case consideration. (DISCRETION EXERCISED BY THE LBB PENSIONS MANAGER)
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SCAPC Deadline on Return from Absence

SCAPC Deadline on Return from Absence	The employer can decide whether to extend the 30 day deadline for members to elect for a SCAPC upon return from a period of absence from work with permission with no pensionable pay.	Policy Decision Case-by-case consideration.
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Contribution Banding

Contribution Banding	The employer can decide how the pension contribution band to which a member is to be allocated on joining the Scheme, and at each subsequent April, will be determined. in addition, the employer can review each April, the pension contribution band to which a member has been allocated following a material change which affects the member's pensionable pay during a Scheme year (1 April to 31 March).	Policy Decision Member's contribution band will be determined on the pay received at date of joining the Fund and the actual pay they receive each month.
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Assumed Pensionable Pay (APP): Regular Lump Sums

APP: Regular Lump Sums	The employer can decide whether, when calculating assumed pensionable pay when a member is: • on reduced contractual pay or no pay on due to sickness or injury, or • absent during ordinary maternity, paternity or adoption leave, or paid shared parental leave, or during paid additional maternity or adoption leave, or • absent on reserve forces service leave, or • retires with a Tier 1 or Tier 2 ill health pension, or • dies in service 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. A 'regular lump sum payment' is a payment for which the employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.	Policy Decision Case-by-case consideration.
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Assumed Pensionable Pay (APP):: Substitute Higher Pay

APP: Substitute Higher Pay	The employer can decide when a member is: • on reduced contractual pay or no pay due to sickness or injury, or • absent during ordinary maternity, paternity or adoption leave, or paid shared • parental leave, or during paid additional maternity or adoption leave, or • absent on reserve forces service leave, or • retires with a Tier 1 or Tier 2 ill health pension, or • dies in service if, in the employer's opinion, the pensionable pay received in relation to an employment in the 3 months preceding the commencement of APP is materially lower than the level of pensionable pay the member would have normally received, decide whether to substitute a higher level of pensionable pay when calculating APP, having had regard to the level of pensionable pay received by the member in the previous 12 months. This discretion is backdated to 1 April 2014.	Policy Decision Case-by-case consideration.
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Refunds for Misconduct

Refunds for Misconduct	The employer can decide to pay a total, partial or no return of contributions to a member who left after committing an offence of a fraudulent character or grave misconduct.	Policy Decision No refund to be paid.
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Pensionable Pay Specification

Pensionable Pay Specification	The employer can specify in a member's contract what other payments or benefits are to be pensionable.	Policy Decision The HR Department will decide when appointing an employee for a role with the Council, after considering the Regulations.
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Tier 3 Gainful Employment (Reg 37)

Tier 3 Gainful Employment	The employer can decide what is regarded as "gainful employment" for a Tier 3 ill health pensioner and whether to reclaim any overpaid pension should a member enter such employment.	Policy Decision Case-by-case consideration with overpayments being recovered.
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Deferred Ill Health (Reg 38)

Deferred Ill Health	The employer can decide whether a deferred member is unlikely to be able to undertake gainful employment due to ill health.	Policy Decision Case-by-case consideration, based on an IRMP decision.
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Forfeiture Certificate (Reg 91)

Forfeiture Certificate (Reg 91)	If a member is convicted of a relevant offence, the employer may apply to the Secretary of State for Housing, Communities & Local Government to issue a forfeiture certificate. A relevant offence is an offence committed in connection with an employment in which the person convicted is a member, and because of which the member left the employment.	Policy Decision Case-by-case consideration, based on a decision by the disciplinary panel under advice from HR.	Policy Decision
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Apply Forfeiture (Reg 91)

Apply Forfeiture	Where a forfeiture certificate is issued, the member's former employer may direct that any of the member's rights under these Regulations are forfeited.	Policy Decision Case-by-case consideration, based on a decision by the disciplinary panel under advice from HR.
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Interim Payments under Forfeiture

Interim Payments under Forfeiture	If: (a) a member of the Fund leaves employment because of an offence in connection with that employment; and (b) a forfeiture certificate has been issued under Regulation 91(1) in respect of that offence, the employer may give interim payments direction to the appropriate administering authority. However, the employer may not give such directions if it has- (a) notified the person of a decision under Regulation 72 (on any question as to entitlement to benefit; or (b) given any direction under Regulation 91(4)	Policy Decision Case-by-case consideration, based on a decision by the disciplinary panel under advice from HR.
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Recovery of Monetary Obligation (Reg 93)

Recovery of Monetary Obligation (Reg 93)	The employer may recover from the Fund the lesser of- (a) the amount of the monetary obligation; or (b) the value at the time of recovery of all benefits in respect of the former employee with respect to that person's previous membership (as determined by an actuary, except where the benefit is a refund of contributions).	Policy Decision Discretion has been adopted but will be determined on a case-by-case basis in consultation with the Assistant Director – Human Resources & Organisational Development.
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GMP Restrictions (Reg 95)

GMP Restrictions (Reg 95)	The power to direct forfeiture of benefits under Regulation 91 or to recover or retain amounts under Regulation 93 may not be exercised so as to deprive a person of the Guaranteed Minimum Pension (GMP) or any widow's, widower's or surviving civil partner's (GMP). But the employer may exercise such power if the person is convicted: (a) of the offence of treason; or (b) of one or more offences under the Official Secrets Acts 1911 to 1989 for which the person has been sentenced on the same occasion: (i) to a term of imprisonment of at least 10 years, or (ii) to two or more consecutive	Policy Decision Discretion has been adopted but will be determined on a case-by-case basis in consultation with the Assistant Director – Human Resources & Organisational Development.
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Final Pay Averaging

Final Pay Averaging	Final Pay (for benefits earned before 1 April 2014) is usually the pay in respect of the members' final year of scheme membership on which they pay contributions, or one of the previous two years if this is higher. The employer can decide whether to allow a member to choose for their final pay to be the average of any three consecutive years ending in the 31st March in the 10 years prior to leaving.	Policy Decision Case-by-case consideration.
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Abatement

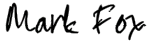
Abatement	Abatement is a technical term regarding the reduction or suspension of an LGPS pension where a pension recipient entered further local government employment. If the annual salary in a further local government employment plus the pension in payment exceeds the value of the annual salary at the initial retirement, the pension can be reduced or potentially suspended for the duration of the further local government employment. The employer can decide whether to abate members pensions that came into payment prior to 1 April 2014, if applicable.	Policy Decision Abatement will only apply for any compensatory added years element included in a pension in payment.
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Voluntary Scheme Pays

Voluntary Scheme Pays	Where a member incurs an Annual Allowance (AA) tax charge, they may ask LBB to pay some or all of the charge on their behalf. This is known as "Scheme Pays". Mandatory Scheme Pays applies only where the statutory criteria are met. This discretion covers Voluntary Scheme Pays requests.	Policy Decision This will be allowed, provided the member submits their request within HMRC deadlines and any reduction to the member's pension benefits arising from the Scheme Pays debit will be applied in line with HMRC rules.
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Signed for and on behalf of the London Borough of Barnet

Signed by:

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Pensions Manager - LBB

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