Staff Pension and Retirement Policy (including LGPS Discretionary Policy)

(TPO/STA/24)

Associated Policies

- TPO/EO/01 Equality Policy
- TPO/STA/28 Flexible Working Policy

Review Periods

Last reviewed:	August 2025
Next review:	August 2028

Contents

Policy Statement

Brooke Weston Trust's policy is that employees may continue working until they give notice that they wish to retire. The Trust has no contractual retirement age. The Trust acknowledges that retirement should be a matter of choice for individuals and will not pressurise employees into resigning because they have reached or are approaching a certain age.

The Trust is proud to employ people of all ages; it considers that age diversity is beneficial to the Trust and is committed to not discriminating against employees because of age and adhere to the principles set out in our Equality Policy.

This policy also aims to set out the responsibility of the Trust to provide a pension saving scheme to all staff.

Trust staff are not permitted or able to provide independent pension advice; this must be sought from qualified third-party experts. The Trust payroll team may be able to signpost staff on occasions such advice is required.

The Brooke Weston Trust is committed to equality, and this policy has been created in accordance with anti-discrimination laws, the Equality Act 2010 and with regard to age regulations.

LGPS Discretionary Policy Statement

Under the Local Government Pension Scheme (LGPS) (Benefits, Membership and Contributions Regulations 2008), the Brooke Weston Trust is required to compose, publish and keep under review a policy statement in relation to the exercising of a number of discretions under the LGPS.

To ensure value for money and financial stability, the Brooke Weston Trust has adopted an approach that befits the size, finances and current staffing levels across the Trust. In addition, the decisions regarding the discretionary powers have been taken to ensure the affordability of the scheme to all members.

In addition to the above, the Trust is required to adhere to a number of provisions and to create and implement effective procedures for the administration of the LGPS scheme.

These duties and procedures are established in detail in the LGPS Discretionary Policy.

Scope

This policy is based on the two pension providers used within the Trust; Teachers Pension (TPS) which is used for those in predominantly teaching positions across the Trust and Local Government Pension Scheme (LGPS) which is used for support staff across the Trust.

This policy applies to those individuals employed by Brooke Weston Trust.

Definitions

Teachers' Pension

Teachers' Pensions is a defined benefit pension scheme. This means the pension benefits are calculated based on a formula that considers factors like salary and length of service (final salary arrangement) or annual pensionable earnings, revalued each year (career average arrangement), rather than investments.

Unlike defined contribution schemes where the final pension pot depends on investment returns, the TPS guarantees a specific level of pension income based on your salary and service

Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a defined benefit pension scheme, specifically a career average revalued earnings (CARE) scheme. This means your pension benefits are calculated based on your salary for each year of membership, and these benefits are revalued annually to keep pace with inflation.

Because it's a defined benefit scheme, the performance of the investments does not directly affect the pension you receive. The scheme is responsible for managing the investments to ensure they can meet their obligations to pay pensions.

The administering authority for the Northamptonshire Schools is West Northamptonshire Council. The administering authority for the Cambridgeshire Schools is Cambridgeshire County Council.

Roles and Responsibilities

The Board of Directors has overall responsibility for the implementation and monitoring of the Pension Policy for The Brooke Weston Trust.

The CFO and Head of People has responsibility for the day-to-day responsibility for this policy, and you should refer any questions about this policy to them in the first instance.

In each school, the Principal is accountable for ensuring compliance with this policy. In central teams, the Executive team are responsible for ensuring compliance with this policy.

Leaders and Managers have a specific responsibility to ensure the fair application of this policy and are responsible for supporting employees and ensuring its success.

Individual staff members enrolled into the relevant schemes will be responsible for following the Pension Policy.

Teachers' Pension

The scheme operates "contractual enrolment" where employees who are eligible for membership of the scheme are enrolled immediately on starting work.

If a person is involved in a role that is predominantly a teaching role, is 16 or over and is not over 75 then they should be enrolled into the scheme.

This applies to people working full time or part time. If a member of staff had previously opted out and has a change in role they will then be automatically re-enrolled into the scheme.

The first pension deduction will be taken from the first wage paid to the employee. The amount taken is dependent on the annual salary. Please see a link to current rates.

Teachers' Pension Contribution Rates

Local Government Pension Scheme

The LGPS covers employees working in local government and for other organisations that have chosen to participate in it. To be able to join the LGPS the employee needs to be under 75. When the employee starts a job in which they are eligible for membership they will have the first deduction taken from their first wage. This will be percentage of their monthly wage. The employer will also make a contribution.

LGPS Employee Contribution Rates

The LGPS also offers you the flexibility to pay half your normal contribution rate and build up half your normal pension. This is called the 50/50 section of the LGPS. You keep full life and ill-health cover if you join the 50/50 section.

LGPS 50/50 Scheme

Opting out of the Pension

If a staff member opts out within 3 months of opting in they will receive a full refund for the pension contributions made, the employer will also receive this reimbursement.

If the staff member opts out after 3 months they will not receive reimbursement for the prior 3 months but their contributions will stop, this will also stop for the employer.

In the case of the Teachers' Pension –The reimbursement will be made in the month the opt out confirmation letter from Teacher Pension is received only if the letter has been sent by the payroll cut-off date, if the date passes before the confirmation letter is received then the reimbursement will take place the following month.

The teacher is required to log onto the employees section of the Teachers' Pension portal and opt out. The Trust will receive confirmation of the opt-out by email, the appointed person will then complete the 'employer section' of the opt-out.

Once this has been completed a confirmation letter will be sent to both employer and employee. Once received, the employer's copy of the letter is forwarded to the Payroll Provider to process the opt-out.

In the case of the LGPS – The employee is advised to download and complete the LGPS opt out form taken from the LGPS website.

Once completed it is given to the payroll department to send to the payroll provider to process. If the completed opt-out form is given before the variance cut-off date then it's processed with that month, if it's received after the cut-off date then it's processed the following month.

Re-enrolment

Every 3 years the government wants to put employees who have ceased active membership back into a pension scheme. It's a process called re-enrolment and involves some input from employers.

Re-enrolment can also take place if the employee takes on a new role within the Trust.

Retirement

General Principles

Employees who wish to retire from their employment are required to resign and give notice of their intended date of retirement to their Principal or Line Manager. The length of notice must not be less than their contractual notice period.

Employees are encouraged to give an early indication of their planned retirement date as this will assist the Trust in ensuring appropriate succession plans are in place. There is no obligation for the Trust or the employee to hold workplace discussions about their future plans, but it may be mutually beneficial to do so on an informal basis.

Employment or promotion prospects will not be prejudiced because an employee expresses an interest in retiring or changing work patterns.

If an employee expresses an interest in moving to a more flexible working pattern or changing role, the Trust will confirm that this is what they want before any action is taken which could affect their employment, such as a change to their role or responsibilities. Alternatively, the employee may wish to make a request to change their working arrangements under the Trust's Flexible Working Policy.

Where an employee is required by the relevant pension scheme to break their service in order to access their pension, the Trust will require a contractual break of 1 week in order to also break their continuous service with the Trust.

LGPS Discretionary Policy

The Local Government Pension Scheme (LGPS) in England and Wales was amended from 1 April 2014 so that benefits accruing for service after 31 March 2014 accrue on a Career Average Revalued Earnings (CARE) basis, rather than on a final salary basis.

The provisions of the CARE scheme, together with the protections for members accrued pre 1 April 2014 final salary rights, are contained in the Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014. As a result of the changes, scheme employers participating in the LGPS in England or Wales have to formulate, publish and keep under review a statement of policy on certain discretions which they have the power to exercise in relation to members of the CARE scheme.

Discretions

The Trust, as an LGPS Employer, is legally required to provide employees and LGPS scheme members with information regarding their decision to include or omit the following discretions in their LGPS scheme

Discretion	Employer's Policy on the exercise of this discretion
Whether to augment membership of an active member (by up to 10 years).	The Trust may agree, at its own cost, to award a member additional membership up to a maximum of ten years. The Trust will only consider doing so in cases where there is a clear financial or administrative advantage to the Trust.
Whether to grant additional pension to a member (by up to £5,000 p.a.).	The Trust may agree, at its own cost, to award a member an additional pension up to a maximum of £5,000 p.a. The Trust will only consider doing so in cases where there is a clear financial or administrative advantage to the Trust.
Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).	The Trust may agree, at its own cost (if there is any) for a member aged 55 or over, who reduces their grade, hours of work, or both, to receive all or part of their LGPS benefits immediately, even though they have not left the Trust's employment. The Trust will only consider doing so in cases where there is a clear financial or administrative advantage to the Trust.
Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	If the benefits on flexible retirement would normally be reduced for early payment, the Trust may agree, at its own cost, to waive all or part of the reduction. The Trust will only consider doing so in cases where there is a clear financial or administrative advantage to the Trust.

Whether to grant application for early payment of benefits on or after age 55 and before age 60 (for both active and deferred members).	The Trust may agree, at its own cost, for a member aged 55 or over, who leaves its employment without an automatic entitlement to immediate LGPS benefits, to receive their benefits immediately. The Trust will only consider doing so in cases where there is a clear financial or administrative advantage to the Trust.
Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early.	If the benefits payable in such cases would normally be reduced for early payment, the Trust may agree, at its own cost, to waive all or part of the reduction if there were compassionate grounds for doing so. The Trust will consider any cases arising on their individual merits. Decisions regarding the waiving of actuarial reductions are delegated to the CFO and CEO.
Whether to grant an application for the reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60.	**For current employees** – where there is no financial or operational disadvantage to the Trust, or where unforeseen circumstances might result in the employee suffering personal hardship, a request for early payment of benefits will normally be accepted. It will require the prior recommendation of the CFO and CEO. **For former employees** – where there is no financial or operational disadvantage to the Trust, a request for early payment of deferred benefits will normally be accepted (other than on the grounds of permanent ill-health or compassion). It will require the prior recommendation of the CFO and CEO.
Whether to waive, on compassionate grounds, the actuarial reduction applied to the reinstatement of a suspended tier 3 ill health pension paid early (i.e. on or after age 55 and before age 60).	Only in cases where unforeseen circumstances will result in severe and lasting personal hardship will a request for early unreduced payment of benefits on compassionate grounds from a retiring employee be considered. It will require the prior recommendation of the CFO and CEO.
Whether the School will adopt a discretionary injury benefit scheme.	The Trust has adopted a discretionary injury benefit scheme. This allows the payment of a lump sum or allowances to an employee that they would not otherwise be eligible for, following an injury sustained, or disease contracted, whilst carrying out their normal duties. An award may be granted where an employee suffers a reduction in remuneration as a direct result of an injury sustained, or disease contracted, whilst carrying out their normal duties. An award may be granted where an employee loses employment due to permanent incapacity as a direct result of an injury sustained, or disease contracted, whilst carrying out their normal duties. A certificate from an independent registered medical practitioner (IRMP) must be obtained prior to any award. The amount of any award will be determined by the Trust, having due regard to all the circumstances of the case. The cost of any award will not be met out of any pension fund.

Whether the School will permit late inward transfer of pension rights.	The Trust will consider extending the time limit of 12 months for employees to transfer the value of a previous pension scheme if there is clear evidence that they had not been informed of, or could not reasonably have known, the time limit. The Trust will also consider extending the time limit for late inward transfers where there is evidence of significant administrative delays. Decisions regarding the acceptance of late inward transfers are delegated to the CFO.

Record Keeping

The HR and Payroll Teams are responsible for maintaining a clear and up-to-date record of all school staff enrolled in the Pension schemes.
The record will record details of each members:

- Full name
- National Insurance number
- Current full-time equivalent (FTE) salary
- Hours and weeks worked
- Contact details for payroll and HR use

Monitoring arrangements

This policy will be reviewed every two years but may be revised as needed in consultation with the recognised trade unions.

This policy will be approved by the Trust's Strategic Delivery Group.

Document control

Date of last review:	August 2025	**Author:**	CFO / Head of People
Date of next review:	August 2028	**Version:**	3.0
Approved by:	Strategic Delivery Group	**Status:**	Non-statutory

Summary of Changes V3:

- Additional information added with regards to TPS and LGPS – expanding on the LGPS Discretionary Policy.
- Additional information added with regards to Retirement, confirming a break in continuous service is required in order to access pension.