

Administering Authority Discretions

Under the LGPS Regulations, the Administering Authority has a number of discretions. These have been set out below with references to supporting documents where applicable.

R – LGPS Regulations 2013/ TP –Transitional Provisions 2014/ A – Administration Regulations 2007 / B – Benefit Regulations 2007 / T – Transitional Regulations 2008/ L – LGPS Regulations 1997/ -LGPS Regulations 1995

The pension discretions within this policy were approved by the Pensions Panel on 23rd July 2014.

All pension discretions will be reviewed at least on a 4 yearly basis, or as and when circumstances change.

Regulation No- Description of discretion	WSCC practice/discretion
R5(5) & Schedule 2 Part 3, para 1 Whether to agree to an admission agreement with a body applying to be an admission body	Agreement to Admission for an admission body is the delegated responsibility of the Chief Finance Officer. The Scheme of Delegation can be found in the WSCC Constitution.
R Schedule 2, Part 3, paragraph 12(a) Define what is meant by "employed in connection with"	The fund defines 'Employed in connection with' as meaning "employed solely or mainly (i.e. more than 50% of their time) in the management or delivery of such services as are set out in the Contract".
R4(2)(b) Whether to agree to an admission agreement with a Care Trust or NHS Scheme employing Authority	NHS staff (Public Health) retain right to participate in the NHS Pension Scheme, so it is unlikely the Administering Authority will need to exercise this discretion. Admission, if required, will be subject to agreement by the Director of Finance, Performance and Procurement. The Scheme of Delegation can be found in the WSCC Constitution.
R Schedule 2, Part 3 para 9(d) Whether to terminate an admission agreement in the event of <ul style="list-style-type: none"> • insolvency, winding up or liquidation of the body • breach by that body of its obligations under the admission agreement • failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so 	The Fund reserves the right to terminate any admission agreement (Community or Transferee) if the Admission Body is in breach of its obligations. This includes insolvency and failure to pay contributions. This right is explicitly included in all admission agreements.
R54(1) Whether to set up a separate admission agreement fund.	The Administering Authority does not currently operate any separate admission agreement funds. Any proposal to create an admission agreement fund will be subject to discussion between officers and the Fund actuary.
R64(4) Whether to obtain a revision of a employer's contribution rate if there are circumstances	The Fund requires that a revised rates and adjustment certificate is obtained in anticipation of the termination of an admission agreement (community or transferee) or where a

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which make it likely a Scheme employer will become an exiting employer.	scheduled body is likely to cease.
R65 Decide whether to obtain a new rates and adjustment certificate if the Secretary of State amends the Benefits Regulations as part of the 'cost sharing' under R63	The Fund may require that a reassessment is carried out when a change to the underlying benefits occurs in the inter-valuation period. The Fund reserves the right to obtain a new rates and adjustment certificate subject to discussion with officers and the Fund actuary.
R68(2) Whether to require any strain on Fund costs to be paid "up front" by employing authority following payment of benefits under R30(6) (flexible retirement). R30(7) (redundancy/business efficiency), or the waiver (in whole or in part) under R30(8) of any actuarial reduction that would otherwise have been applied to benefits which a member voluntarily draws before normal pension age or to benefits drawn on flexible retirement. TP Schedule 2, para 2(3) Whether to require any strain on Fund costs to be paid 'up front' by employing authority following flexible retirement under R30(6) or waiver of actuarial reduction under TP schedule 2, para 2(1) or release of benefits before age 60 under B30 of B30A R80(5) Whether to require any strain on Fund costs to be paid 'up front' by employing authority following early voluntary retirement of a councillor, or early payment of a deferred benefit on health grounds or from age 50 with employer consent (pre 1.4.08 leavers)	The Administering Authority's policy is to recharge the full strain costs as a single lump sum or spread over a period of up to three years. Chief Finance Officer to agree exceptions to the current practice.
R69(1) Decide frequency of payments to be made over to Fund by employers and whether to make an administration charge	Employer contribution rates include an element to cover administration expenses. This is referred to in the Fund's Actuarial Valuation report.
R69(4) Decide the form and frequency of information to accompany payments to the Fund	Employer (or their payroll bureau) must provide monthly remittance to Financial Services along with their payment and complete a quarterly confirmation. All employers have been notified of this requirement.
R70 & TP22(2) Whether to issue employers with a notice to recover additional costs incurred as a result of the employer's level of performance	The Administering Authority does not currently issue employers with a notice to recover additional costs incurred as a result of an employer's level of performance but reserves the right to raise a charge as agreed by the Chief Finance Officer on a case by case basis.
R71(1) Whether to charge interest on payments by employers overdue by more than 1 month	The Administering Authority will charge interest as defined in regulation 71 on late payments, except in exceptional circumstances.
R36(3) Approve medical advisors used by employers (for ill health benefits) A56(2) Approve medical advisors used by employers (for early payment, on grounds of ill health, of a deferred benefit or suspended Tier 3 ill health pension)	Each employer appoints their own medical advisor based on required qualifications and the certificate wording confirms the doctor has the required qualifications.

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L97(10) Approve medical advisors used by employers (re: ill health benefits for councillors and pre 1.4.08 preserved benefits payable on health grounds)	
R79(2) & A63(2) & L105(1) Whether the administering authority should appeal against employer decision (or lack of a decision)	This is considered on a case by case basis.
R58 Decide on Funding Strategy for inclusion in Funding Strategy statement	The Funding Strategy is prepared, maintained and published in accordance with the Regulations. The Funding Strategy is consulted on by employers and approved by the Fund's Pensions Panel The Funding Strategy Statement is published on the Funds web pages.
R61 Communication policy must set out the policy on provision of information and publicity to, and communicating with, members, representatives of members, prospective member and Scheme employers; the format, frequency and method of communications; and the promotion of the Scheme to prospective members and their employers.	The Communication policy is prepared, maintained and published in accordance with the Regulations and circulated to employers. The communication policy is published on the Funds web pages.
R59(1) & (2) Whether to have a written pensions administration strategy and, if so, the matters it should include	Capita, on behalf of the Administering Authority has produced and will maintain a pension's administration strategy .
R76(4) and A60(8) & L99 Decide procedure to be followed by Administering Authority when exercising its stage two Internal Dispute Resolution Procedure (IDRP) functions and decide the manner in which those functions are to be exercised.	Any stage two IDRP applications will be referred to the nominated person, Head of Law & Governance, to provide a report on the appropriateness of the stage one decision. This report will be considered by the administering authority when making a determination under stage two. A copy of the IDRP and application form is published on the Funds web pages.
TP3(13), A70(1), A71(4)(c) & T12 & L109, L110(4)(b) Decide policy on abatement of pensions following re-employment	The Administering Authority abates pension on re-employment with the Council or any other local authorities. A copy of the abatement policy is published on the Fund's website.
R80(1)(b) & TP 22(1) & A64(1)(b) Specify information to be supplied by employers to enable the Administering Authority to discharge its functions	The Administering Authority will specify the standard information and actions required by employers, their format, frequency and level of accuracy in our Employer's Guide and Administration Strategy.
R89(5) & 106A(5) Date to which benefits shown on annual benefit statement are calculated	Benefits in the Annual Benefit Statement will be as at 31 March each year.
R98(1)(b) Agreement to bulk transfer payments	Bulk transfer terms will be negotiated and agreed on a case by case basis in consultation with the Fund Actuary and the Scheme employer.
R22(3)(c) Pension account may be kept in such form as is considered appropriate	Capita, on behalf of the Administering Authority maintain pension accounts on their Hartlink administration system.

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	Appropriate contractual measures are in place to ensure the administration system meets the requirements of the regulations.
31(2) Agree to pay annual compensation on behalf of employer and recharge payments to employer	Capita, on behalf of the Administering Authority will pay annual compensation and recharge the payments on a monthly basis. Appropriate quarterly reconciliation measures are in place to ensure that the recharge takes place.
R100(7) Allow the transfer of pension rights into the Fund R100(68) Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	The Pension Fund will usually allow transfers from Club and Non Club Schemes ¹ provided that the application is made within 12 months of joining the Scheme. The 12 month time limit may be extended in agreement with the HR Consultant (Pensions) and the employer if it is clear that you were unable to meet the normal time period due to circumstances beyond your control.
TP10(9) Decide, in the absence of an election from the member within 12 months of ceasing a concurrent employment, which ongoing employment benefits from the concurrent employment which has ceased should be aggregated (where there is more than one ongoing employment)	The most advantageous to the member will be chosen.
R16(10) Whether to require a satisfactory medical before agreeing to an application to pay an Additional Pension Contribution (APC) or Share Cost Additional Pension Contribution (SCAPC) Whether to turn down an application to pay an APC/SCAPC if not satisfied that the member is in reasonably good health.	A satisfactory medical report by a registered medical practitioner is required. The report should detail whether in their opinion the member is in reasonably good health to undertake APC/SCAPC's. If this is not satisfied then the application to pay an APC/SCAPC will be turned down. All costs incurred to establish that a member is in reasonably good health to undertake APC/SCAPC's are at the member's expense. Members are advised of this requirement on the Fund's website.
R16(1) Whether to turn down a request to pay an APC/SCAPC over a period of time where it would be impractical to allow such a request (e.g. where the sum being paid is very small and could be paid as a single payment)	The Fund requires that any payments proposed that are less than £10 per month, would require agreement from the HR Consultant (Pensions).
TP15(1)(d) & A25(3) Whether to charge member for the provision of an estimate of additional pension that would be provided by the Scheme in return for the transfer of in house Additional Voluntary Contribution / Shared Cost Additional Voluntary Contribution (AVC/SCAVC) funds (where AVC/SCAVC arrangement was entered into before 1/4/14)	The Administering Authority's current policy is not to charge. However the Administering Authority reserves the right to introduce a charge in the future. Members are advised of this on the Fund's website.
TP15(1)(c) & T schedule 1 & L83(5)	A member may make an election to make a lump sum payment, if they stop paying added

¹ Transfer Club is a network of public sector pension schemes generally providing membership credits of equivalent lengths when a member transfers between them. Personal pension plans not provided by companies in the Transfer Club are rarely of an equivalent length and can vary greatly from scheme to scheme.

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Extend time period for capitalisation of added years contract	years contributions before their Normal Retirement Date on leaving their employment by reason of redundancy, at least 12 months after electing to pay them. An election must be made within 3 months of them leaving and will only be extended in exceptional circumstances in agreement with the HR Consultant (Pensions).
A45(3) & L89(3) Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	Outstanding employee contributions will be recovered by deduction from benefits as agreed by the HR Consultant (Pensions).
R32(7) Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement	This is considered on a case by case basis, as agreed with the HR Consultant (Pensions).
R49)1(c) & B42(1)(c) Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership	Considered on a case by case basis, with generally the most advantageous option taken as this would be chosen by the member
R34(1) & B39 & T14(3) & L49 & L156 Decide whether to commute small pension	The Administering Authority would look to commute a small pension, as calculated under the regulations and within HMRC limits.
L50 & L157 Commute benefits due to exceptional ill-health (councillor members, pre 1.4.08 leavers and 1.4.08 Pension Credit members)	The Administering Authority would provide the member with the option to commute where appropriate.
TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & B10(2) & E8 Where member to whom B10 applies (use of average of 3 years pay for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member	The most advantageous figure is applied as this would be chosen by deceased member.
L22(7) Select appropriate final pay period for deceased non-councillor member (leavers post 31.3.98/pre 1.4.08)	The most advantageous figure would be used as this would be chosen by deceased member.
TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & T Schedule 1 & L23(9) Make an election on behalf of a deceased member with a certificate of protection of pension benefits (i.e. determine the best pay figure to use in the benefit calculations (pay cuts/restrictions occurring pre 1 April 2008))	Considered on a case by case basis, with generally the most advantageous option taken as this would be chosen by the member
TP17(5) to (8), R40(2), R43(2), R46(2) & B23(2), B32(2), B35(2) & T Schedule 1 & L155(4) Decide to whom a death grant is paid	Where it is clear, having taken account of all the circumstances, payment is taken in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner or civil partner following receipt of Grant of Probate or Form of Indemnity. Where there is any doubt this is delegated to the HR Consultant (Pensions).
R82(2) & A52(2) & L95 Whether to pay death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment is less than amount specified in s6 of the Administration of	In the first instance the Administering Authority will always refer to the member's expression of wish form. If this has not been completed it will pay the death grant to a members legal spouse,

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Estates (Small Payments) Act 1965	<p>cohabiting partner or civil partner.</p> <p>Where there is any doubt about the appropriate course of action, the decision is delegated to the HR Consultant (Pensions).</p>
<p>R17(12) Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member</p>	<p>Where it is clear, having taken account of all the circumstances, payment is made in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner or civil partner.</p> <p>Where there is any doubt this is delegated to the HR Consultant (Pensions) or Probate obtained.</p>
<p>R83 & A52A Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit</p>	<p>The Fund will pay benefits to the person having care of the pensioner, or such other person as they may determine where the pensioner is incapable of managing his or her affairs as agreed by the HR Consultant (Pensions).</p>
<p>B27(5) & L47(2) & G11(2) Whether to pay the whole or part of a child's pension to another person for the benefit of that child</p>	<p>The Fund will pay benefits to the child's legal guardian or such other person as they may determine where the child is under the age of 18 or where it can clearly be identified that it would be in the child's best interests when they are over the age of 18, as agreed by the HR Consultant (Pensions).</p>
<p>L47(1) & G11(1) Apportionment of Children's pension amongst eligible children (children of pre 1.4.98 retirees/pre 1.4.98 deferreds)</p>	<p>Eligible children's pensions will be paid on an equal share basis.</p>
<p>R Schedule 1 & TP17(9) Decide to treat child as being in continuous education or vocational training despite a break</p>	<p>The Fund will treat the child being in continuous education or training despite a break.</p>
<p>R Schedule 1 & TP17(9)(b) & B25 Decide evidence required to determine the financial dependence of a cohabiting partner on scheme member or financial interdependence of a cohabiting partner and scheme member</p>	<p>Considered on a case by case basis, taking consideration of LGPS Regulation requirements and advice from the Council's Legal Services team.</p>
<p>F7(1) Suspension of spouses' pensions during re-marriage or cohabitation</p>	<p>Spouse's pensions are not ceased on re-marriage or cohabitation but are payable for life. This was introduced to equalise benefits for those members leaving active service after 31 March 1998.</p>
<p>L147 How to discharge Pension Credit liability</p>	<p>This is considered on a case by case basis.</p>