

Administering Authority Discretions Policy – Key Policy Areas

Regulation Number and Subject Matter	Description of Discretion
Stage One Internal Dispute Resolution Procedure (IDRP)	We must appoint a person for dealing with applications under stage one of the dispute resolution procedures in relation to any disputes relating to our role as administering authority.
Stage two of Internal Dispute Resolution Period (IDRP)	We must put in place procedures for dealing with applications under stage two of the dispute resolution procedures.
Appeal against an employer	We may lodge an appeal to the Secretary of State against an employer where we disagree with a pension decision they have made or where they have failed to make a decision.
Admission bodies (revised rates and adjustment certificate)	We may request a revision of the rates and adjustment certificate (i.e. specifying the employer contribution rates) where we believe an admission body will be ceasing.
Approving employers' medical advisors	We are required to approve the IRMP used by employers for ill health pension purposes.
Admission bodies (separate pension fund)	We may set up a separate pension fund in respect of any admission bodies.
Payment for strain cost	We may require an employer to pay additional payments ("strain costs") relating to the early payment of pension benefits for early retirement cases.
Provision of information by employers	We may decide what information must be provided by employers to us so we may carry out our pension duties.
Intervals for payment and notification of contributions	We may determine the intervals for employers to pay their pension contributions and the intervals for providing information relating to those contributions and the form of that information.
Interest on late payment of contributions, etc	We may require any employer to pay interest on any payments outstanding to the Pension Fund that are not made by the due date.
Recovery of additional costs from employer	We may recover from an employer additional costs incurred as a result of the employer not meeting its pension scheme administrative obligations (e.g. failing to provide timely and accurate information relating to new scheme members).
Definition of "employed in connection with"	Employees are only entitled to remain in the LGPS whilst employed by a contractor whilst they continue to be employed in connection with the original services that were transferred. We may define what this means.
Recipients of death grants	We can pay a death grant to any of the scheme member's nominee(s), personal representative(s) or any person(s) appearing to have been a relative or dependant.
Recipients of AVC/SCAVCs on death	We can also pay any AVC/SCAVCs including life assurance monies on the death of a scheme member to any of the scheme member's nominee(s), personal representative(s) or any person(s) appearing to have been a relative or dependant.
Payment of death grant of less than £5,000	Where the total death grant due to personal representatives is less than £5,000 (level subject to statutory increases), we can choose to make the payment to the personal representatives, or any persons appearing to be entitled to the estate, without sight of a probate or letters of administration.
"cohabiting partner" Determining dependency or interdependency for cohabiting partner	We must determine whether financial dependency or interdependency exists so an individual may be treated as a cohabiting partner.
Children's pensions – disregarding breaks in education/training	We may disregard a break in education or training so children's pensions can resume payment after the break has ended. This will only apply in relation to children under age 23.
Payment of child(ren)s pensions - applies to pre 1/4/14 leavers	We may pay the whole or part of a child(ren)'s pension to a person other than the eligible child providing it is for the benefit of that child(ren).

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Apportionment of children's pensions – applies to pre 1/4/08 leavers	Where a children's pension is payable to more than one child, we may apportion the payment amongst the children as we think fit.
Suspension of pre 1/4/98 spouses' pension during marriage/ cohabitation – applies to pre 1/4/98 deaths	We may suspend a spouses' pension if he or she remarries or cohabits.
Final Pay: Reductions	We may give notice on the member's behalf to have their Final Pay calculated in accordance with LGPS:Ben07 regulation 10(4) where the member died prior to giving notice.
Certificates of Protection issued with regards to reductions or restriction in Pay - applies to pre 1/4/08 leavers	We may give notice on the member's behalf to have their Final Pay calculated in accordance with regulation 23(9) where the member died prior to giving notice.
Selecting appropriate final pay period for a deceased member - applies to pre 1/4/2008 leavers	Where a member has died, on their behalf we may select a different period for calculating their final pay (e.g. where fees are paid or there has been an unpaid period of leave).
Extension of time limit to elect to transfer in benefits from another pension scheme	We (with the agreement of the employer) may extend the 12 month time limit for a scheme member to elect to transfer in benefits from a non local government pension scheme or personal pension plan.
Aggregating concurrent employments	Where a deferred member also has ongoing multiple concurrent employments, the member may be able to choose which employment the deferred benefits are aggregated with. We can decide this where the member does not elect within 12 months.
Payment of trivial commutation lump sums	We may pay a lump sum to a scheme member to discharge it from paying future pension payments where that pension is very low in value (known as trivial commutation).
Commutation on Serious Ill-Health - applies to pre 1/4/08 leavers	We can apply this discretion where a scheme member has been diagnosed as having life expectancy of less than one year due to serious ill-health. In these circumstances, we may choose to pay a lump sum of 5 x pension plus retirement grant, instead of ongoing pension benefits.
Revised rates and adjustment certificate due to cost-sharing	Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Benefits Regulations as a result of "cost sharing"
Payments for persons incapable of managing their affairs	Where LGPS pensioners and other beneficiaries of the scheme (except children) are no longer capable of handling their own affairs due to incapability or mental disorder, we may pay the benefits (or part of the benefits) to a third party who is likely to be a person caring for the person who is entitled to receive those benefits or otherwise apply them for the benefit of the member. All monies paid to a third party should be used for the benefit of the member.
Extension of time limit for capitalisation of additional contributions	A scheme member who is made redundant or retired on efficiency grounds may elect to pay off their additional contributions by way of a capital payment within three months of being made redundant or retiring on efficiency grounds. We may extend this three month period.
Pension Credits	We may discharge our liability in respect of a pension credit in accordance with Schedule 5 of the 1999 Act (Sharing of Pension Rights)
The form of a pension account	We can determine the form a pension account may be kept in.
Entitlement to more than one type of benefit	If a scheme member could be entitled to two or more different benefits in relation to the same period of scheme membership, and they do not choose which benefit they want to receive, we may notify the scheme member which benefit is to be paid.
Extending time limits for drawing benefits	A scheme member wishing to receive benefits other than at normal pension age, or on flexible retirement, must elect to do so within certain time limits. We may extend these time limits.

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Time period of which an APC/SCAPC must be paid	We are able to turn down a request to pay an APC/SCAPC by regular contributions over a period of time where we believe it would be impractical to allow such a request, for example, due to the pension being bought resulting in very small payments
Medical requirements prior to allowing payment of APCs/SCAPCs	We may require a satisfactory medical report to be provided prior to letting an employee pay APCs/SCAPCs. This does not apply for APCs/SCAPCs in relation to a period of authorised absence.
Recovery of administration costs for AVC transfers in	On retirement, a member may elect to convert an in-house AVC fund into additional pension in the Pension Fund. We may recover the costs of calculations undertaken for scheme members considering doing this, if they decide not to proceed.
Recovery of outstanding employee contributions - applies to pre 1/4/14 leavers	We may recover pension contributions due from an employee (where they cannot be deducted from their pay) from their benefits or via a court action.
Relevant date for annual benefit statements	The relevant date for the illustration of benefits in annual benefit statements is usually 31 March, although we may determine a later date to be used.
Reduction or suspension of pensions on re-employment ("abatement")– applies to pre 1/4/14 leavers	We are required to determine whether retirement pensions should be reduced, or suspended, if the pensioner commences further employment with an LGPS employer (regardless of whether they again join the LGPS). This does not apply in flexible retirement cases.
Retention of CEP where member transfers out – applies to pre 1/4/08 leavers	Where a member transfers their benefits to a contracted in pension scheme, we may retain an amount (called the CEP) to meet the liability in respect of the contracted out rights
Flexible retirement (where an employer no longer exists)	An employer can choose to waive, in whole or in part, any reduction that might otherwise apply to that scheme member's benefits on flexible retirement. We may decide this if that employer no longer exists.
Waiving of actuarial reduction on voluntary retirement (where an employer no longer exists)	An employer can choose to waive, in whole or in part, any early retirement reduction that might otherwise apply to a scheme member's benefits on voluntary retirement. These provisions only apply to scheme members who have reached age 55. We may decide this if that employer no longer exists.
Applying "Rule of 85" protections (where an employer no longer exists)	An employer can choose to allow rule of 85 protections to apply to a scheme member's benefits on voluntary retirement. In doing this some or all of the early retirement reduction would not apply. This provision can only apply to scheme members who have reached age 55. We may decide this if that employer no longer exists.
Waiving of any further actuarial reduction on compassionate grounds for "Rule of 85" protected benefits	An employer can choose to waive on compassionate grounds any reduction to benefits that might otherwise not be reduced or have less reduction due to rule of 85 protections. . We may decide this if that employer no longer exists. Note this does not relate to ill-health retirement.
Early Payment of Pension: Ill Health (Deferred and Former Tier 3) (where an employer no longer exists)	A former employer must decide whether a deferred member meets the criteria for permanent ill health. This also applies to a scheme member who was formerly in receipt of Tier 3 ill-health benefits. We may decide this if that employer no longer exists.
Early payment of pension benefits for existing deferred members or for former Tier 3 Ill-Health Members – applies to pre 1/4/14 leavers (where an employer no longer exists)	An employer may consent to the early payment of reduced retirement benefits for scheme members between age 55 and 60, who are deferred members or former Tier 3 Ill-Health members. For a small group of employees this could be paid from age 50. If the employer uses this discretion some employees may have protections that mean we will pay their benefits unreduced. This discretion does not apply to these scheme members once they reach age 60 as they then have an automatic right to immediate payment of pension benefits. We may decide this if that employer no longer exists. Note this does not relate to ill-health retirement.

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<p>Waiving of actuarial reduction on compassionate grounds including for former Tier 3 Ill-Health members – applies to pre 1/4/14 leavers (where an employer no longer exists)</p>	<p>An employer may consent on compassionate grounds to waive any actuarial reduction for scheme members between age 55 and 65, who are deferred members or former Tier 3 Ill-Health members. They can only waive the whole reduction. We may decide this if that employer no longer exists.</p> <p>Note this does not relate to ill-health retirement.</p>