

Scheme Employer and Administering Authority Discretions

Scheme Employer and Administering Authority decision making powers are delegated to the officers referred to by title within this discretions policy statement. The delegations apply to whoever holds that post title at any time and their deputies nominated by them for this purpose. The powers are automatically transferred to any successor officer, to whom the functions are allocated following any reorganisation of the Councils' management arrangements, irrespective of a change in the title/name of the officer post.

Scheme Employer Discretions – Number 1 to 13

Scheme Employer Discretions for active scheme members and those ceasing employment after 31 March 2014		
Number	Description of Discretion	Recommended Policy
1	Whether to grant extra annual pension of up to £7,579 (figure at 1 st April 2023) to an active scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency. [Regulation 31 of LGPS Regulations 2013]	The Councils will not grant extra annual pension under this discretion unless the financial and/or operational interests of the Councils indicate that an award is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance. An example of an operational interest could be where an employee is required to stay on in their role to see through an operational change or recruitment exercise.
2	Whether, where an active member wishes to purchase extra annual pension of up to £7,579 (figure at 1st April 2023) by making Additional Pension Contributions (APCs), to (voluntarily) contribute towards the cost of purchasing the extra pension via a Shared Cost Additional Pension Contribution (SCAPC). [Regulations 16(2)(e) and 16(4)(d) of the LGPS Regulations 2013]	The Councils will not contribute towards the cost of purchasing extra annual pension under this discretion other than in exceptional circumstances in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.

<p>3</p>	<p>Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of the Councils, reduce their working hours or grade and, if so, as part of the agreement whether to:</p> <ul style="list-style-type: none"> • in addition to the benefits the member has accrued prior to 1 April 2008 (which the member must draw if flexible retirement is agreed), permit the member to choose to draw <ul style="list-style-type: none"> ○ all, part or none of the pension benefits they accrued after 31 March 2008 and before 1 April 2014, and/or ○ all, part or none of the pension benefits they accrued after 31 March 2014, and • 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). [Regulation 30(6) of the LGPS Regulations 2013] 	<p>The Councils will permit flexible retirement where the Executive Director of Change and Innovation in consultation with the Executive Director of Finance agree that this is proven to be in the best financial and/or operational interests of the Councils.</p> <p>The Councils' approval will normally be for the release of all accrued pension benefits but, if requested by the member, the Councils may decide on whether, in addition to any pre 1 April 2008 benefits, the member will be permitted to take all, some or none of their post 31 March 2008 benefits subject to any state scheme guarantees being invoked that could cost the pension funds extra pension.</p> <p>Any actuarial reduction applicable to benefits will normally be applied unless the financial interests and/or operational interests of the Councils indicate that waiving part or all of that reduction is justified.</p>
<p>4</p>	<p>Whether, as the 85 year rule does not (other than on flexible retirement) automatically 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 the age of 60, to switch the 85 year rule back on for such members. [Paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]</p>	<p>The Councils will not switch the 85 year rule back on unless the financial and/or operational interests of the Councils indicate that the switch is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>

<p>5</p>	<p>Waiving of actuarial reductions [Various LGPS Regulations]</p>	<p>Any actuarial reduction applied to benefits will normally be applied unless the financial and/or operational interests of the Councils indicate that waiving part of or all of that reduction is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>
<p>6</p>	<p>Whether to waive on compassionate grounds, any actuarial reduction that would otherwise be applied to benefits. Depending on a member's age and membership reduction can be waived on compassionate grounds for membership up to 31 March 2020 (latest date) and on any grounds in whole or in part for membership from 1 April 2014 (earliest date) [regulations 3(1) and (5) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 and regulations 30(5) or 30(8) of the LGPS Regulations 2013]</p>	<p>The Councils will agree:</p> <ul style="list-style-type: none"> ○ to waive on compassionate grounds any reduction on pre 1 April 2014 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 any reduction on post 31 March 2014 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 ○ to waive in whole or in part any reduction on post 31 March 2014 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 <p>In order for the Councils to exercise discretion on compassionate grounds, the Executive Director of Change and Innovation and the Executive Director of Finance will consider all the circumstances of the case but will take particular account of the following circumstances</p> <ul style="list-style-type: none"> ○ that the applicant had to leave employment to care for a dependant who is suffering from long term illness/incapacity. For this purpose dependant includes a partner, child or parent ○ that the dependant's need is for constant supervision for both day and night ○ that the dependant has no recourse to alternative means of support from

		<p>his/her immediate family nor the financial resources to provide for independent care support. For this purpose a certified statement of income and expenditure will be required</p> <ul style="list-style-type: none">○ that the applicant's opportunities for employment are severely limited by the nature of the care duties they are undertaking. This assessment will take account of the applicant's qualifications, skills and experience. <p>The Executive Director of Change and Innovation in consultation with the Executive Director of Finance would consider any applications under this discretion.</p>
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<p>7</p>	<p>Whether to extend 30 day deadline for member to elect for a shared cost APC upon return from a period of absence from work with permission with no pensionable pay (otherwise than because of illness or injury, relevant child-related leave or reserve forces service leave) [Regulation 16(16) of the LGPS Regulations 2013]</p>	<p>The Councils will only extend the 30 day deadline where:</p> <ul style="list-style-type: none">a) the member does not, within 30 days of returning from the leave of absence, make an election to buy-back the amount of pension 'lost' during that period of leave of absence;b) the member subsequently makes an election to do so and it can be demonstrated that the reason for the member missing the original 30 day deadline was because the member had not been made aware of that deadline; andc) the election is made no more than 6 months after the member returns from the period of leave of absence or such longer period as the Councils may deem reasonable in any individual case. <p>A decision on whether the member meets the above criteria (and on whether the 6 month period referred to should be extended in any individual case) will be taken by the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>
<p>8</p>	<p>Extensions of time limits for scheme members. [Various LGPS Regulations]</p>	<p>Assistant Director of Pensions Shared Service has delegated authority to generally extend only for reasons of ill-health or incapacity, or where there is inadequate evidence of timely information being given.</p>

Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 2008 and 31 March 2014.

<p>9</p>	<p>Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].</p>	<p>The Councils will not switch the 85 year rule back on unless the financial and/or operational interests of the Councils indicate that the switch is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>
<p>10</p>	<p>Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their suspended tier 3 ill health pension (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(c) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].</p>	<p>The Councils will not switch the 85 year rule back on unless the financial and/or operational interests of the Councils indicate that the switch is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>

<p>11</p>	<p>Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to deferred benefits which are paid before age 65. [Regulation 30 (5) of the Benefit Regulations]</p>	<p>In order to exercise discretion on compassionate grounds, the Councils will consider all the circumstances of the case but will take particular account of the following circumstances –</p> <ul style="list-style-type: none">○ that the applicant had to leave employment to care for a dependant who is suffering from long term illness/incapacity. For this purpose dependant includes a partner, child or parent○ that the dependant’s need is for constant supervision for both day and night that the dependant has no recourse to alternative means of support from his/her immediate family nor the financial resources to provide for independent care support. For this purpose a certified statement of income and expenditure will be required○ that the applicant’s opportunities for employment are severely limited by the nature of the care duties they are undertaking. This assessment will take account of the applicant’s qualifications, skills and experience. <p>The Executive Director of Change and Innovation in consultation with the Executive Director of Finance would consider any applications under this discretion.</p>
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Discretions to be exercised on and after 1 April 2014 under the LGPS Regulations in relation to scheme members who ceased active membership between 1 April 1998 and 31 March 2008

<p>12</p>	<p>Whether, as the 85 year rule does not automatically fully apply to members who would otherwise be subject to it and who choose to voluntarily draw their deferred benefits (on or after 14 May 2018) on or after age 55 and before age 60, to switch the 85 year rule back on in full for such members [paragraph 1(1)(f) & 1(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].</p>	<p>The Councils will not switch the 85 year rule back on unless the financial and/or operational interests of the Councils indicate that the switch is justified in which case the decision will be subject to the approval of the Executive Director of Change and Innovation in consultation with the Executive Director of Finance.</p>
<p>13</p>	<p>Whether, on compassionate grounds, to waive any actuarial reduction that would normally be applied to benefits which are paid before age 65 [Regulation 31(5) of the LGPS Regulations 1997]</p>	<p>In order to exercise discretion on compassionate grounds, the Councils will consider all the circumstances of the case but will take particular account of the following circumstances –</p> <ul style="list-style-type: none"> ○ that the applicant had to leave employment to care for a dependant who is suffering from long term illness/incapacity. For this purpose dependant includes a partner, child or parent ○ that the dependant’s need is for constant supervision for both day and night that the dependant has no recourse to alternative means of support from his/her immediate family nor the financial resources to provide for independent care support. For this purpose a certified statement of income and expenditure will be required ○ that the applicant’s opportunities for employment are severely limited by the nature of the care duties they are undertaking. This assessment will take account of the applicant’s qualifications, skills and experience. <p>The Executive Director of Change and Innovation in consultation with the Executive Director of Finance would</p>

		<p>consider any applications under this discretion.</p>
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Administering Authority Discretions – Number 14 to 30

<p align="center">Administering Authority Discretions</p>		
<p>Number</p>	<p>Description of Discretion</p>	<p>Recommended Policy</p>
<p align="center">14</p>	<p>Whether to abate pensions upon re-employment. [Regulation 3(13) Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and regulations 70(1)* and 71(4)(c) of the Local Government Pension Scheme (Administration) Regulations 2008]</p>	<p>The Councils will not abate pensions upon reemployment and any pensions that have previously been abated following re-employment will cease to be abated with effect from 1 October 2016.</p>

<p>15</p>	<p>Decisions that are administrative in nature. [Various LGPS Regulations]</p>	<p>Delegated to the Head of Pensions Shared Service.</p>
<p>16</p>	<p>Extensions of time limits for scheme members. [Various LGPS Regulations]</p>	<p>Assistant Director of Pensions Shared Service has delegated authority to generally extend only for reasons of ill-health or incapacity, or where there is inadequate evidence of timely information being given.</p>
<p>17</p>	<p>Whether to require any strain on Fund costs to be paid “up front” by employing authority following payment of benefits under [Regulation 30(6) of the LGPS Regulations 2013] (flexible retirement), [Regulation 30(7) of the LGPS Regulations 2013] (redundancy / business efficiency), or the waiver (in whole or in part) under [Regulation 30(8) of the LGPS Regulations 2013] 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.</p>	<p>Employer to reimburse any strain on Fund and costs to be paid “up front” or in three annual instalments with the first instalment due on the member’s retirement date. Where payment by instalments is selected an interest element will be added to each payment.</p>

<p>18</p>	<p>Whether to require any strain on Fund costs to be paid “up front” by employing authority if the employing authority “switches on” the 85 year rule for a member voluntarily retiring (other than flexible retirement) prior to age 60, or waives an actuarial reduction on compassionate grounds under Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014] para 2(1).</p>	<p>Employer to reimburse any strain on Fund and costs to be paid “up front” or in three annual instalments with the first instalment due on the member’s retirement date. Where payment by instalments is selected an interest element will be added to each payment.</p>
<p>19</p>	<p>Decide to whom death grant is paid or AVC fund payable on death [Various LGPS Regulations]</p>	<p>Delegated powers to decide who is to receive payment of death grants have been given to –</p> <ul style="list-style-type: none"> • Executive Director of Finance; and • Executive Director of Change and Innovation <p>A quorum of both officers is required for a decision to be made.</p>
<p>20</p>	<p>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 Estates (Small Payments) Act 1965, currently £5000.</p>	<p>The Councils will normally pay the death grant without production of grant of probate / letters of administration in such cases, subject to the agreement of the Executive Director of Finance.</p>

<p>21</p>	<p>Decide to treat a child as being in continuous full-time education or vocational training despite a break. [Reg 17(9) of the LGPS (Transitional Provisions, Savings and Amendment) Regs 2014 and definition in Sch 1 of the LGPS Regulations 2013]</p>	<p>Delegated to the Executive Director of Finance. The Councils consider that a child's education ought not to be regarded as complete where a single period not exceeding the end of one academic year and the beginning of the next but one is taken off from formal education. The Councils will restart a suspended child's pension at the end of such a break or gap, providing confirmation from the relevant educational/training body is received that education/training has resumed. This recognises that many students opt to take a "year out" of further education to gain experiences that they feel will prepare them for work.</p>
<p>22</p>	<p>Whether to require a satisfactory medical report before agreeing to an application to pay an APC / SCAPC. [Regulation 16(1) of the LGPS Regulations 2013]</p>	<p>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.</p>

23	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).	Delegated to the Assistant Director of Pensions Shared Service.
	Decide whether to commute small pension. [Regulation 34(1) of the LGPS Regulations 2013]	The Councils will normally commute a small pension, as calculated under the regulations and within HMRC limits
24	Approve medical advisors used by employers (for ill health benefits). [Regulation 36(3) of the LGPS Regulations 2013]	Delegated to the Executive Director of Change and Innovation.
25	Decide frequency of payments to be made over to Fund by employers and whether to make an admin charge. [Regulation 69(1) of the LGPS Regulations 2013]	Delegated to the Executive Director of Finance.
26	Whether to charge interest on payments by employers which are overdue. [Regulation 71(1) of the LGPS Regulations 2013]	Delegated to the Executive Director of Finance.
27	Decide form and frequency of information to accompany payments to the Fund. [Regulation 69(4) of the LGPS Regulations 2013]	Delegated to the Executive Director of Finance.
28	Allow transfer of pension rights into the Fund. [Regulation 70 of the LGPS Regulations 2013 and Regulation 22(2) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014]	Delegated to the Executive Director of Finance with authority to refuse transfers where liabilities are not sufficiently covered.

29	Whether to agree to an admission agreement with a body applying to be an admission body. [Regulation 3(5) & Sch 2, Part 3, para 1 of the LGPS Regulations 2013]	Delegated to the Executive Director of Finance.
30	Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance.	Delegated to the Assistant Director of Pensions Shared Service.

Version of LGPS Discretions dated October 2024