

# **Northumberland County Council Pension Fund**

**Administered by Northumberland County Council**

## **Administering Authority Discretions**

**Approved under a delegation given at the Pension Fund  
Panel meeting held on 28 February 2020**

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**Discretionary policies applicable from 1 April 2014 in relation to post 31 March 2014 active members (excluding councillor members) and post 31 March 2014 leavers (excluding councillor members).**

<b><u>No.</u></b>	<b><u>Discretion</u></b>	<b><u>Regulation</u></b>	<b><u>Current Policy</u></b>
1	Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission.	4(2)(b) of the 2013 Regulations	The Administering Authority will enter into an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission.
2	Whether to agree to an admission agreement with a body applying to be an admission body.	3(1A) 3(5) and Sch 2, Part 3 Para 1 of the 2013 Regulations	Subject to compliance with the Scheme Regulations, the Administering Authority is willing to enter into an admission agreement.
3	Whether to agree that an admission agreement may take effect on a date before the date on which it is executed.	Sch 2, Part 3, para 14 of the 2013 Regulations	The Administering Authority is willing to exercise this discretion, but all such requests will be considered on a case-by-case basis.
4	Whether to terminate an admission agreement in the event of: <ul style="list-style-type: none"> <li>- Insolvency, winding up or liquidation of the admitted body;</li> <li>- Breach by the body of its obligations under the admission agreement; and / or</li> <li>- Failure by the body to pay over sums due to the Fund within a reasonable period of being requested to do so.</li> </ul>	Sch 2, Part 3, Para 9(d) of the 2013 Regulations	The Administering Authority will consider all such instances on a case-by-case basis.
5	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.	16(1) of the 2013 Regulations	The Administering Authority will consider all requests on a case-by-case basis.

6	Whether to require a satisfactory medical before agreeing to an application to pay an APC/SCAPC.	16(10) of the 2013 Regulations	Any member wishing to take out a contract to purchase additional pension by payment of regular contributions shall first undergo a medical at their own expense. No medical shall be required if the member is paying for the additional pension by means of a lump sum payment.
7	The Administering Authority must determine whether to turn down an application to pay an APC/SCAPC if not satisfied that the member is in reasonably good health.	16(10) of the 2013 Regulations	The Administering Authority will not refuse applications to pay an APC/SCAPC where payment is by means of a lump sum payment. All other applications will be assessed on a case-by-case basis.
8	The Administering Authority must decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on the death of a member.	17(12) of the 2013 Regulations	The Administering Authority shall exercise absolute discretion in determining the recipient of any AVC/SCAVC monies paid upon the death of the member. The Administering Authority may have regard to a nomination form provided in respect of a death grant payable.
9	A pension account may be kept in such form as the Administering Authority considers appropriate.	22(3)(c) of the 2013 Regulations	The Administering Authority will decide the form in which pension accounts are kept based upon any published advice or best practice and in the most efficient manner that can be devised.
10	Where there are multiple ongoing employments, in the absence of an election from the member within 12 months of ceasing a concurrent employment, the administering authority is to decide to which record the benefits from the ceased concurrent employment should be aggregated.	10(9) of the Transitional Regulations 2014	The ongoing employment most closely aligned to, or with the longest likely lifespan will be selected.
11	When a Scheme employer has exited the Fund, the Administering Authority may agree to waive, in whole or in part, the actuarial	30(8) of the 2013 Regulations	Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the

	reduction on benefits paid on flexible retirement.		<p>policy and practice of the former employer.</p> <p>If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.</p>
12	When a Scheme employer has exited the Fund, the Administering Authority may agree to waive, in whole or in part, the actuarial reduction on benefits payable under Regulation 30(5) of the 2013 Regulations.	30(8) of the 2013 Regulations	<p>Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.</p> <p>If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.</p>
13	The Administering Authority may require any strain on the Fund costs to be paid “up front” by an employer following payment of benefits under Regulations 30(6) (flexible retirement), 30(7) (redundancy/business efficiency), or the waiver (in whole or in part) under 30(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.	68(2) of the 2013 Regulations	<p>Where an employer has allowed a member to retire early through flexible retirement or due to redundancy or efficiency, the employer must meet the additional charge on the Fund resulting from that decision. Where an employer has exercised their discretion to waive a reduction that would otherwise apply to a member’s benefits, the employer must meet the additional charge on the fund resulting from that decision. Payment of the additional change is required within one month of the member’s retirement. In exceptional circumstances, the Administering Authority will consider extending the recovery period. The Administering Authority will not ordinarily exercise this discretion, but may choose to do so in any case it considers appropriate. Any such case will be considered on its own individual merits.</p>
14	The Administering Authority may consent to activate the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60, in cases where the member has no current employing authority and the	Sch 2 of the Transitional Regulations 2014	<p>Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.</p>

	member's former employing authority has ceased to be a Scheme employer.		If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.
15	<p>When a Scheme employer has exited the Fund, an Administering Authority may agree to waive any actuarial reduction for a member voluntarily drawing benefits before normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership) on:</p> <p>a) compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p>	30(5) and 30A(5) of the Benefits Regulations 2007 and Regulation 3(1) and Schedule 2, para 2(a) of the Transitional Regulations 2014	<p>Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.</p> <p>If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.</p>

	d) compassionate grounds (pre 1 April 2020 membership) and in whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016 and 31 March 2020 inclusive.		
16	The Administering Authority must decide whether to require Strain on Fund costs to be paid by an employer following the waiver of an actuarial reduction.	Schedule 2, para 2(3) of the Transitional Regulations 2014	Where an employer has exercised their discretion to waive a reduction that would otherwise apply to a member's benefits, the employer must meet the additional charge on the fund resulting from that decision. In all cases payment is required within one month of the member's retirement.
17	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.	32(7) of the 2013 Regulations	The Administering Authority will not ordinarily exercise this discretion, but may choose to do so in any case it considers appropriate. Any such case will be considered on its own individual merits.
18	The Administering Authority may commute a small pension into a single lump sum.	34(1) of the 2013 Regulations	The Administering Authority will consider applications received for commutation.
19	The Administering Authority shall approve the appointment of medical advisors used by employers (for ill health benefits).	36(3) of the 2013 Regulations	An appropriately qualified medical practitioner who confirms in writing to the employer that he is appropriately qualified and who has been approved for that purpose by the Employer to make any decision made regarding ill health will be deemed to be approved by the Administering Authority.
20	The Administering Authority shall decide whether a deferred beneficiary meets the criteria of being permanently incapable of carrying out their former job because of ill health and are also unlikely to be capable of	38(3) of the 2013 Regulations	Applications for early payment of pension from deferred beneficiaries who believe they now meet the criteria for payment of their deferred benefits on ill health grounds will be considered individually and a decision made based upon the medical evidence provided by an Independent Registered Medical Practitioner and on the merits of each

	undertaking gainful employment before normal pensionable age or for at least three years, whichever is sooner, where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.		case.
21	The Administering Authority shall decide whether a suspended ill health Tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health, where the member's former employing authority has ceased to be a Scheme employer.	38(6) of the 2013 Regulations	Applications for early payment of pension from suspended ill health Tier 3 members who believe they now meet the criteria for payment of their ill health benefits on Tier 2 ill health grounds will be considered individually and a decision made based upon the medical evidence provided by an Independent Registered Medical Practitioner and on the merits of each case.
22	The Administering Authority shall determine the recipient(s) of any death grant payable from the Scheme.	17 of the Transitional Provisions Regulations 2014 & 40,43 & 46 of the 2013 Regulations	As required, the Administering Authority shall exercise absolute discretion in determining the recipient(s) of any death grant payable from the Fund in accordance with the Regulations. In exercising discretion, the Administering Authority shall have due regard to any nomination made by the deceased.
23	Where a member is entitled to a benefit under two or more regulations in respect of the same period of Scheme membership the member may elect which benefit shall apply. In the absence of an election by the member, the administering authority shall decide which benefit is to be paid.	49 of the 2013 Regulations	The benefits entitlement that yields the highest overall level of benefits for the member will be selected.
24	The Administering Authority may establish a further pension fund (an "admission agreement	54 of the 2013 Regulations	The Administering Authority has decided not to establish an "admission agreement" fund.



	fund”) in addition to the main fund.		
25	<p>An Administering Authority must prepare a governance policy stating whether the administering authority delegates their function, or part of their function, in relation to maintaining the Pension Fund to a committee, a sub-committee or an officer of the administering authority and, if they do so delegate, state</p> <ul style="list-style-type: none"> <li>• the frequency of any committee or sub-committee meetings;</li> <li>• the terms, structure and operational procedures appertaining to the delegation;</li> <li>• whether representatives of employing authorities or members are included and, if so, whether they have voting rights.</li> </ul> <p>The policy must also state</p> <ul style="list-style-type: none"> <li>• the extent to which a delegation, or the absence of a delegation, complies with any Secretary of State guidance and, to the extent it does not comply, state the reasons for not complying, and</li> <li>• the terms, structure and operational procedures appertaining to the local Pensions Board.</li> </ul>	55 of the 2013 Regulations	The governance policy will be prepared, maintained and published in accordance with the Regulations and having regard to appropriate advice.
26	The Administering Authority must, after consultation with such persons as it considers appropriate, prepare, maintain and publish its funding strategy.	58 of the 2013 Regulations	The funding strategy statement will be prepared, maintained and published in accordance with the Regulations and having regard to advice received from the Fund’s advisors.

27	An Administering Authority may prepare and publish a Pensions Administration Strategy in relation to procedures for liaison and communication with employers, administrative procedures, the publication of the annual report, levels of performance in carrying out Scheme functions and penalties for failure to meet those levels of performance, and other matters.	59 of the 2013 Regulations	The Administering Authority will publish a Pensions Administration Strategy to improve existing arrangements with employers and to assist in the efficient and effective administration of the Fund.
28	An Administering Authority must prepare, maintain and publish a written statement setting out its policy concerning communications with members, representatives of members, prospective members and Scheme employers; the format, frequency and method of communications; and the promotion of the Scheme to prospective members and their employers.	61 of the 2013 Regulations	The communications policy statement will be prepared, maintained and published in accordance with the Regulations.
29	An Administering Authority may agree with an exiting employer the time period of payment of an Exit Credit by the Administering Authority beyond 3 months of the exit date.	64(2ZA) of the 2013 Regulations	The Administering Authority will be willing to extend the time period of the payment of an Exit Credit beyond 3 months where it is not reasonably practicable for the Administering Authority to make payment within this timescale.
30	An Administering Authority may by written notice suspend, for up to three years, an employer's obligation to pay an exit payment where the employer is again likely to have active members within the specified period of suspension.	64(2A) of the 2013 Regulations	The Administering Authority will consider all such instances on a case-by-case basis.

31	Whether to obtain revision of a Scheme employer's contribution rate if there are circumstances which make it likely a Scheme employer will become an exiting employer.	64(4) of the 2013 Regulations	A certificate specifying the percentage or amount by which the employer's contribution rate should be adjusted, or any individual adjustment should be increased or reduced, shall be obtained where it appears to the Administering Authority to be justified, taking account of:- <ul style="list-style-type: none"> <li>• actuarial advice</li> <li>• all the relevant circumstances relating to that Employer, and any conditions contained in the rates and adjustments certificate issued at the last valuation of the Fund.</li> </ul>
32	The Administering Authority shall determine the dates on which contributions are to be paid by the employer. The Administering Authority shall determine the form and intervals when the employer shall supply them with information concerning contributions payments.	69 of the 2013 Regulations	Employers are required to pay contributions to the Fund on or before the 14 <sup>th</sup> of the month following the month in which deduction of the contributions fell due. If the 14 <sup>th</sup> of a particular month is a non-banking day then payment should be made by the last banking day preceding the 14 <sup>th</sup> . Employers are required to supply a Monthly Remittance of Pensions Contributions Form each month and a Contributions Posting Return at the end of each financial year.
33	The Administering Authority may, where it is of the opinion that it has incurred additional costs because of an employer's level of performance in carrying out its LGPS functions, recover those additional costs from that employer.	70 of the 2013 Regulations and 22 of the Transitional Provisions Regulations 2014	Where additional costs have been incurred and where it appears to the Administering Authority to be justified, taking account of all the relevant circumstances relating to that Employer, the additional costs incurred shall be recovered.
34	The Administering Authority may levy interest on any overdue payments from an employer.	71 of the 2013 Regulations	Unless, in the Administering Authority's opinion, the circumstances of a particular overdue payment are such that it would not be appropriate to levy interest, interest will be levied in all cases where payment is made one month or more after the due date, or, in the case of contributions income, after the 14 <sup>th</sup> of the month following the month in which deduction of the contributions fell due. Interest will be calculated at one per cent above base rate on a day for day basis, from

			the date due to the date of payment and compounded with three-monthly rests.
35	The Administering Authority will decide how it will exercise its Stage Two Independent Disputes Resolution Procedure function and the procedures to be followed.	76 of the 2013 Regulations	The Administering Authority has appointed a Panel of appropriately skilled persons to deal with disputes referred to it under Stage Two of the Independent Disputes Resolution Procedure. The Administering Authority will ensure that suitable procedures are in place.
36	Where a Scheme employer, other than the Administering Authority, has decided or failed to decide any question under regulation 72 of the 2013 Regulations otherwise than in the exercise of a discretion, the Administering Authority may appeal to the Secretary of State against the employer's decision or the failure to make a decision.	79 of the 2013 Regulations	The Administering Authority will consider all such instances on a case-by-case basis. A decision will be made by the Administering Authority having regard to the impact on the affected member(s) and any such other matters which the Administering Authority considers relevant.
37	The Administering Authority shall specify the information to be supplied by employers to enable the administering authority to discharge its functions.	80(1)(b) of the 2013 Regulations	The Administering Authority will specify the information that is to be supplied by employers, having regard to the regulatory requirements, best practice and administrative efficiency.
38	The Administering Authority may pay the whole or part of the total amount due from the Fund in respect of a deceased member to their personal representatives, to either their personal representatives or any person or persons appearing to the Administering Authority to be beneficially entitled to their estate, without the production of probate or letters of administration where payment is less than the amount specified in section 6 of the Administration of Estates (Small Payments) Act	82(2) of the 2013 Regulations	Where, in the Administering Authority's opinion, circumstances are such that the production of probate or letters of administration are not required, this discretion will be exercised.

	1965.		
39	Where a person is entitled to receive benefits from the Fund but is incapable of managing their own affairs then the Administering Authority may pay the benefits, or any part of them, to a person having the care of the person who is entitled to the benefits, or such other person as the authority may determine, to be applied for the benefit of the person entitled as the authority may direct; and in so far as the authority does not pay the benefits in that manner, the authority may apply them in such manner as the authority may determine, for the benefit of the person entitled or his or her beneficiaries.	83 of the 2013 Regulations	Where, in the Administering Authority's opinion, a member is unable to manage their own affairs then it will decide, based on the circumstances of the individual case, who should receive payment of the member's benefits, having full regard for the fact that they must be applied for the benefit of the member or their beneficiaries.
40	The Administering Authority must agree any bulk transfer payment.	98 of the 2013 Regulations	The terms of the bulk transfer will be discussed with the Fund's actuary and with the employer, as it will impact the employer's funding position. If both the Administering Authority and the employer are comfortable with the terms and methodology then the payment will be agreed.
41	The Administering Authority has discretion to accept requests for transfers into the Fund after a period of 12 months from when a member joined the LGPS.	100(6) of the 2013 Regulations	The Administering Authority will consider all such requests on a case-by-case basis.
42	The Administering Authority has discretion to accept transfer values into the Fund.	100(7) of the 2013 Regulations	Subject only to all legislative requirements being met and there being no actuarial advice cautioning against the acceptance, then transfer values in respect of a current member shall be accepted.

43	Where a member to whom Regulation 10 of the Benefits Regulations 2007 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.	10(2) of the Benefits Regulations 2007, Regulations 3(6), 4(6)(c), 8(4), 10(2)(a) & 17(2)(b) of the Transitional Regulations 2014	The Administering Authority will assess all such instances on a case-by-case basis.
44	The Administering Authority may make an election on behalf of a deceased member with a certificate of protection of pension benefits i.e. determine best pay figure to use in the benefits calculations (pay cuts / restrictions occurring pre 1 April 2008).	23(9) of the 1997 Regulations, Regulations 3(6), 4(6)(c), 8(4), 10(2)(a), 17(2)(b) an Schedule 1 of the Transitional Regulations 2014	The Administering Authority will assess all such instances on a case-by-case basis.
45	The Administering Authority may, for the purpose of determining eligibility for a child's pension, treat education or training as continuous despite a break.	Schedule 1 of the 2013 Regulations and 17(9)(a) of the Transitional Regulations 2014	Education or training shall be treated as continuous for the purpose of determining eligibility to receive a child's pension so long as the Administering Authority has have been advised that there is prior intention to return to education or training following the break. In cases where there is uncertainty about whether or not the child intended to return to education or training following the break, each case shall be decided upon its merits.
46	The Administering Authority will decide upon the evidence that will be required to determine the financial dependence, on the scheme member, of a cohabiting partner, or the	Schedule 1 of the 2013 Regulations and 17(9)(b) of the Transitional	The Administering Authority will decide upon the evidence required, taking into account any guidance provided and having regard to judgments in relevant cases by the courts or the Pensions Ombudsman.

	financial interdependence of the cohabiting partner and the scheme member.	Regulations 2014	
47	The Administering Authority shall determine whether, and how, the re-employment of a scheme pensioner by a local government employer will affect the pre 1 April 2014 element of the scheme pension in payment.	3(13) of the Transitional Regulations 2014, and Regulations 70(1) and 71(4)(c) of the Administration Regulations 2008	In the event of a scheme pensioner obtaining further employment with a scheme employer the pension will not be abated.
48	An Administering Authority may extend the time period for capitalisation of an added years contract.	83(5) of the 1997 Regulations and Regulation 15(1) and Schedule 1 of the Transitional Regulations 2014	All such requests will be considered on a case-by-case basis.
49	The Administering Authority may recover any contributions or sum due from a member as a simple contract debt in any court of competent jurisdiction or by way of deducting it from any payment by way of benefits to or in respect of the person.	85(3) of the 2013 Regulations	<p>Unless, in the opinion of the Administering Authority, the circumstances are such that it would not be appropriate to recover any contributions or sums due to the Fund by a member, recovery will be by way of deductions from benefits.</p> <p>Where deductions from benefits are not appropriate, in the opinion of the Administering Authority, the debt will be pursued as a simple contract debt in any court of competent jurisdiction.</p>

**Discretionary policies in relation to scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014.**

<u>No.</u>	<u>Discretion</u>	<u>Regulation</u>	<u>Current Policy</u>
1	An Administering Authority may extend the time period for capitalisation of an added years contract where the member leaves his employment by way of redundancy.	83(5) of the 1997 Regulations and Regulation 15(1) and Schedule 1 of the Transitional Regulations 2008	All such requests will be considered on a case-by-case basis.
2	The Administering Authority may recover any contributions or sum due from a member as a simple contract debt in any court of competent jurisdiction or by way of deducting it from any payment by way of benefits to or in respect of the person.	45(3) of the Administration Regulations 2008	<p>Unless, in the opinion of the Administering Authority, the circumstances are such that it would not be appropriate to recover any contributions or sums due to the Fund by a member, recovery will be by way of deductions from benefits.</p> <p>Where deductions from benefits are not appropriate, in the opinion of the Administering Authority, the debt will be pursued as a simple contract debt in any court of competent jurisdiction.</p>
3	The Administering Authority may pay the whole or part of the total amount due from the Pension Fund in respect of a deceased member to their personal representatives, to either their personal representatives or any person or persons appearing to the Administering Authority to be beneficially entitled to their estate, without the production of probate or letters of administration where payment is less than the amount specified in section 6 of the Administration of Estates (Small Payments) Act	52(2) of the Administration Regulations 2008	Where, in the Administering Authority's opinion, circumstances are such that the production of probate or letters of administration are not required, this discretion will be exercised.



	1965.		
4	The Administering Authority shall approve the appointment of medical advisors used by employers (for ill health benefits).	56(2) of the Administration Regulations	An appropriately qualified medical practitioner who confirms in writing to the employer that he is appropriately qualified and who has been approved for that purpose by the Employer to make any decision made regarding ill health will be deemed to be approved by the Administering Authority.
5	The Administering Authority will decide how it will exercise its Stage Two Independent Disputes Resolution Procedure function and the procedures to be followed.	76(4) of the 2013 Regulations and 23 of the Transitional Regulations 2014	The Administering Authority has appointed a Panel of appropriately skilled persons to deal with disputes referred to it under Stage Two of the Independent Disputes Resolution Procedure. The Administering Authority will ensure that suitable procedures are in place.
6	Where a Scheme employer, other than the Administering Authority, has decided or failed to decide any question under regulation 72 of the 2013 Regulations otherwise than in the exercise of a discretion, the Administering Authority may appeal to the Secretary of State against the employer's decision or the failure to make a decision.	79(2) of the 2013 Regulations and 23 of the Transitional Regulations 2014	The Administering Authority will consider all such instances on a case-by-case basis. A decision will be made by the Administering Authority having regard to the impact on the affected member(s) and any such other matters which the Administering Authority considers relevant.
7	The Administering Authority shall specify the information to be supplied by employers to enable the administering authority to discharge its functions.	80(1)(b) of the 2013 Regulations and 22(1) and 23 of the Transitional Regulations 2014	The Administering Authority will specify the information that is to be supplied by employers, having regard to the regulatory requirements, best practice and administrative efficiency.
8	An Administering Authority shall decide its policy on abatement of pensions following re-employment.	3(13) of the Transitional Regulations and	In the event of a scheme pensioner obtaining further employment with a scheme employer the pension will not be abated.

		Regulations 70(1) and 71(4)(c) of the Administration Regulations 2008	
9	Where a member to whom Regulation 10 of the Benefits Regulations 2007 applies (use of average of 3 years pay within the period of 13 years ending with the last day of active membership for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member.	10(2) of the Benefits Regulations 2007	The Administering Authority will assess all such instances on a case-by-case basis.
10	An Administering Authority may pay the whole or part of a child's pension to another person for the benefit of that child.	27(5) of the Benefits Regulations 2007	The Administering Authority may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure the money is to be used for the child's benefit.
11	Where a person is entitled to receive benefits from the Fund but is incapable of managing their own affairs then the Administering Authority may pay the benefits, or any part of them, to a person having the care of the person who is entitled to the benefits, or such other person as the authority may determine, to be applied for the benefit of the person entitled as the authority may direct; and in so far as the authority does not pay the benefits in that manner, the authority may apply them in such manner as the authority may determine, for the benefit of the person entitled or his or her beneficiaries.	52A of the Administration Regulations 2008	Where, in the Administering Authority's opinion, a member is unable to manage their own affairs then it will decide, based on the circumstances of the individual case, who should receive payment of the member's benefits, having full regard for the fact that they must be applied for the benefit of the member or their beneficiaries.

12	The Administering Authority may consent to activate the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60, in cases where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.	Sch 2 of the Transitional Regulations 2014	<p>Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.</p> <p>If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.</p>
13	The Administering Authority may consent to waive, in whole or in part, the actuarial reduction on benefits paid on compassionate grounds where a member voluntarily draws their pension before normal pension age and in cases where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.	30(5) and 30A(5) of the Benefits Regulations 2007	<p>Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.</p> <p>If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.</p>
14	The Administering Authority must decide whether to require Strain on Fund costs to be paid by an employer following the waiver of an actuarial reduction.	Schedule 2, para 2(3) of the Transitional Regulations 2014	Where an employer has exercised its discretion to waive a reduction that would otherwise apply to a member's benefits, the employer must meet the additional charge on the Fund resulting from that decision. In all cases payment is required within one month of the member's retirement.
15	The Administering Authority shall decide whether a deferred beneficiary meets the criteria of being permanently incapable of carrying out their former job because of ill health and are also unlikely to be capable of undertaking gainful employment before normal	31(4) of the Benefits Regulations 2007	Applications for early payment of pension from deferred beneficiaries who believe they now meet the criteria for payment of their deferred benefits on ill health grounds will be considered individually and a decision made based upon the medical evidence provided by an Independent Registered Medical Practitioner and on the merits of each case.

	pensionable age or for at least three years, whichever is sooner, where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.		
16	The Administering Authority shall decide whether a suspended ill health Tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health, where the member's former employing authority has ceased to be a Scheme employer.	31(7) of the Benefits Regulations 2007	Applications for early payment of pension from suspended ill health Tier 3 members who believe they now meet the criteria for payment of their ill health benefits on Tier 2 ill health grounds will be considered individually and a decision made based upon the medical evidence provided by an Independent Registered Medical Practitioner and on the merits of each case.
17	The Administering Authority shall decide the recipient(s) of any death grant payable from the Scheme.	23(2), 32(2), 35(2) of the Benefits Regulations 2007, Schedule 1 of the Transitional Regulations 2008 & Regulation 155 of the 1997 Regulations	As required, the Administering Authority shall exercise absolute discretion in determining the recipient(s) of any death grant payable from the Fund, though due regard shall be paid to any nomination made by the deceased.
18	The Administering Authority will decide upon the evidence that will be required to determine the financial dependence, on the scheme member, of a cohabiting partner, or the financial interdependence of the cohabiting partner and the scheme member.	Schedule 1 of the 2013 Regulations and 17(9)(b) of the Transitional Regulations 2014	The Administering Authority will decide upon the evidence required, taking into account any guidance provided and having regard to judgments in relevant cases by the courts or the Pensions Ombudsman.

19	The Administering Authority may, for the purpose of determining eligibility for a child's pension, treat education or training as continuous despite a break.	Schedule 1 of the 2013 Regulations and 17(9)(a) of the Transitional Regulations 2014	Education or training shall be treated as continuous for the purpose of determining eligibility to receive a child's pension so long as the Administering Authority has been advised that there is prior intention to return to education or training following the break. In cases where there is uncertainty about whether or not the child intended to return to education or training following the break, each case shall be decided upon its merits.
20	The Administering Authority may commute a small pension or other benefits into a single lump sum.	39(1) of the Benefits Regulations 2007 and Regulation 14(3) of the Transitional Regulations 2008	The Administering Authority will consider applications received for commutation.
21	Where a member is entitled to a benefit under two or more regulations in respect of the same period of Scheme membership the member may elect which benefit shall apply. In the absence of an election by the member, the administering authority shall decide which benefit is to be paid.	42(1)(c) of the Benefits Regulations	The benefits entitlement that yields the highest overall level of benefits for the member will be selected.
22	The Administering Authority may make an election on behalf of a deceased member with a certificate of protection of pension benefits i.e. determine best pay figure to use in the benefits calculations (pay cuts / restrictions occurring pre 1 April 2008).	Schedule 1 of the Transitional Regulations 2008 and Regulation 23 of the 1997 Regulations	The Administering Authority will assess all such instances on a case-by-case basis.

**Discretionary policies in relation to councillor members who ceased active membership on or after 1 April 1998, and any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008.**

<u>No.</u>	<u>Discretion</u>	<u>Regulation</u>	<u>Current Policy</u>
1	The Administering Authority may consent to activate the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60, in cases where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.	Sch 2 of the Transitional Regulations 2014	Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.  If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.
2	The Administering Authority may consent to waive, in whole or in part, the actuarial reduction on deferred benefits paid on compassionate grounds where a member voluntarily draws their pension before normal pension age and in cases where the member has no current employing authority and the member's former employing authority has ceased to be a Scheme employer.	31(5) of the 1997 Regulations, Schedule 2 para 1(2) of the Transitional Regulations 2014	Where the Administering Authority is in possession of the appropriate policy of the former Scheme employer, the Administering Authority will exercise its discretion in accordance with, and to the extent of, the policy and practice of the former employer.  If the Administering Authority is not in possession of the appropriate policy of the former employer, the policy of South Tyneside Council will instead be applied.
3	The Administering Authority shall decide the recipient(s) of any death grant payable from the Scheme.	38(1) and 155(4) of the 1997 Regulations	As required, the Administering Authority shall exercise absolute discretion in determining the recipient(s) of any death grant payable from the Fund, though due regard shall be paid to any nomination made by the deceased.

4	The Administering Authority may, for the purpose of determining eligibility for a child's pension, treat education or training as continuous despite a break.	Schedule 1 of the 2013 Regulations and Regulation 17(9)(a) of the Transitional Regulations 2014	Education or training shall be treated as continuous for the purpose of determining eligibility to receive a child's pension so long as the Administering Authority has been advised that there is prior intention to return to education or training following the break. In cases where there is uncertainty about whether or not the child intended to return to education or training following the break, each case shall be decided upon its merits.
5	An Administering Authority may apportion a children's pension amongst eligible children.	47(1) of the 1997 Regulations	The Administering Authority shall consider each case on its own individual merits and shall apportion a children's pension as the Administering Authority considers appropriate.
6	An Administering Authority may pay the whole or part of a child's pension to another person for the benefit of that child or children.	47(2) of the 1997 Regulations	The Administering Authority may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure the money is to be used for the child's / children's benefit.
7	The Administering Authority may commute a small pension into a single lump sum.	49(1) of the 1997 Regulations and 14(3) of the Transitional Regulations 2014	The Administering Authority will consider applications received for commutation.
8	An Administering Authority may require any strain on the Fund costs to be paid "up front" by an employing authority following early voluntary retirement of a councillor or early payment of a deferred benefit on health grounds or from age 50 and prior to age 55 with employer consent.	80(5) of the 1997 Regulations	Where an employer has exercised their discretion to waive a reduction that would otherwise apply to a member's benefits, the employer must meet the additional charge on the fund resulting from that decision. In all cases, payment is required within one month of the member's retirement.

9	An Administering Authority may require any strain on the Fund costs to be paid “up front” by an employing authority if the employing authority “switches on” the 85 year rule for a member voluntarily retiring on or after age 55 and prior to age 60, or waives an actuarial reduction on compassionate grounds under Schedule 2, Paragraph 2(1) of the Transitional Provisions Regulations 2014.	Schedule 2, Paragraph 2(3) of the Transitional Regulations 2014	Where an employer has exercised their discretion to “switch on” the 85 year rule for a member voluntarily retiring, the employer must meet the additional charge on the fund resulting from that decision. In all cases, payment is required within one month of the member’s retirement.
10	The Administering Authority may recover any contributions or sum due from a member as a simple contract debt in any court of competent jurisdiction or by way of deducting it from any payment by way of benefits to or in respect of the person.	89(3) of the 1997 Regulations	<p>Unless, in the opinion of the Administering Authority, the circumstances are such that it would not be appropriate to recover any contributions or sums due to the Fund by a member, recovery will be by way of deductions from benefits.</p> <p>Where deductions from benefits are not appropriate, in the opinion of the Administering Authority, the debt will be pursued as a simple contract debt in any court of competent jurisdiction.</p>
11	An Administering Authority may determine the timing of pension increase payments by employers to the Fund.	91(6) of the 1997 Regulations	The Administering Authority will require payment by employers on a monthly basis.
12	The Administering Authority may pay the whole or part of the total amount due from the Pension Fund in respect of a deceased member to their personal representatives, to either their personal representatives or any person or persons appearing to the Administering Authority to be beneficially entitled to their estate, without the production of probate or	95 of the 1997 Regulations	Where, in the Administering Authority’s opinion, circumstances are such that the production of probate or letters of administration are not required, this discretion will be exercised.



	letters of administration where payment is less than the amount specified in section 6 of the Administration of Estates (Small Payments) Act 1965.		
13	The Administering Authority shall approve the appointment of medical advisors used by employers (for ill health benefits).	95 of the 1997 Regulations	An appropriately qualified medical practitioner who confirms in writing to the employer that he is appropriately qualified and who has been approved for that purpose by the Employer to make any decision made regarding ill health will be deemed to be approved by the Administering Authority.
14	The Administering Authority will decide how it will exercise its Stage Two Independent Disputes Resolution Procedure function and the procedures to be followed.	76(4) of the 2013 Regulations and Regulation 23 of the Transitional Provisions Regulations 2014	The Administering Authority has appointed a Panel of appropriately skilled persons to deal with disputes referred to it under Stage Two of the Independent Disputes Resolution Procedure. The Administering Authority will ensure that suitable procedures are in place.
15	Where a Scheme employer, other than the Administering Authority, has decided or failed to decide any question under regulation 72 of the 2013 Regulations otherwise than in the exercise of a discretion, the Administering Authority may appeal to the Secretary of State against the employer's decision or the failure to make a decision.	79 of the 2013 Regulations and Regulation 23 of the Transitional Provisions Regulations 2014	The Administering Authority will consider all such instances on a case-by-case basis. A decision will be made by the Administering Authority having regard to the impact on the affected member(s) and any such other matters which the Administering Authority considers relevant.
16	The Administering Authority shall specify the information to be supplied by employers to enable the administering authority to discharge its functions.	80(1)(b) of the 2013 Regulations and Regulations 22(1) and 23 of the Transitional Provisions	The Administering Authority will specify the information that is to be supplied by employers, having regard to the regulatory requirements, best practice and administrative efficiency.

		Regulations 2014	
17	An Administering Authority may determine a date later than 31 March as the date for which benefits shown on Annual Deferred Benefit Statement are calculated.	106A(5) of the 1997 Regulations	The Administering Authority will work, as far as possible, to the date of 31 March.
18	An Administering Authority shall decide its policy on abatement of pensions following re-employment.	3(13) of the Transitional Regulations and Regulations 70(1) and 71(4)(c) of the Administration Regulations 2008	In the event of a scheme pensioner obtaining further employment with a scheme employer the pension will not be abated.
19	An Administering Authority may retain the contribution equivalent premium where a member transfers out to preserve liability for the member's contracted out rights.	118 of the 1997 Regulations	The Administering Authority may retain the contribution equivalent premium. All such instances will be assessed on a case-by-case basis.

**Discretionary policies in relation to scheme members who ceased active membership before 1 April 1998.**

<b><u>No.</u></b>	<b><u>Discretion</u></b>	<b><u>Regulation</u></b>	<b><u>Current Policy</u></b>
1	The Administering Authority shall determine the recipient(s) of any death grant payable from the Scheme.	E8 of the 1995 Regulations	As required, the Administering Authority shall exercise absolute discretion in determining the recipient(s) of any death grant payable from the Fund in accordance with the Regulations. In exercising discretion the Administering Authority shall have due regard to any nomination made by the deceased.
2	An Administering Authority may decide to pay a spouse's pension for life rather than it ceasing during any period of remarriage or co-habitation.	F7 of the 1995 Regulations	The Administering Authority will not suspend a spouse's pension for life following remarriage or a period of co-habitation.
3	The Administering Authority may, for the purpose of determining eligibility for a child's pension, treat education or training as continuous despite a break.	Schedule 1 of the 2013 Regulations and 17(9)(a) of the Transitional Regulations 2014	Education or training shall be treated as continuous for the purpose of determining eligibility to receive a child's pension so long as the Administering Authority has been advised that there is prior intention to return to education or training following the break. In cases where there is uncertainty about whether or not the child intended to return to education or training following the break, each case shall be decided upon its merits.
4	An Administering Authority may apportion a children's pension amongst eligible children.	G11(1) of the 1995 Regulations	The Administering Authority shall consider each case on its own individual merits and shall apportion a children's pension as the Administering Authority considers appropriate.
5	An Administering Authority may pay the whole or part of a child's pension to another person for the benefit of that child.	G11(2) of the 1995 Regulations	The Administering Authority may be willing to exercise this discretion, but shall take whatever steps it considers reasonable and appropriate to ensure the money is to be used for the child's benefit.

6	An Administering Authority shall decide its policy on abatement of pensions following re-employment.	3(13) of the Transitional Regulations and Regulations 70(1) and 71(4)(c) of the Administration Regulations 2008	In the event of a scheme pensioner obtaining further employment with a scheme employer the pension will not be abated.
7	The Administering Authority will decide how it will exercise its Stage Two Independent Disputes Resolution Procedure function and the procedures to be followed.	76(4) of the 2013 Regulations and 23 of the Transitional Regulations 2014	The Administering Authority has appointed a Panel of appropriately skilled persons to deal with disputes referred to it under Stage Two of the Independent Disputes Resolution Procedure. The Administering Authority will ensure that suitable procedures are in place.
8	Where a Scheme employer, other than the Administering Authority, has decided or failed to decide any question under regulation 72 of the 2013 Regulations otherwise than in the exercise of a discretion, the Administering Authority may appeal to the Secretary of State against the employer's decision or the failure to make a decision.	79 of the 2013 Regulations and Regulation 23 of the Transitional Provisions Regulations 2014	The Administering Authority will consider all such instances on a case-by-case basis. A decision will be made by the Administering Authority having regard to the impact on the affected member(s) and any such other matters which the Administering Authority considers relevant.
9	The Administering Authority shall specify the information to be supplied by employers to enable the administering authority to discharge its functions.	80(1)(b) of the 2013 Regulations and Regulations 22(1) and 23 of the Transitional Provisions Regulations 2014	The Administering Authority will specify the information that is to be supplied by employers, having regard to the regulatory requirements, best practice and administrative efficiency.

**Discretionary policy under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended).**

<u>No.</u>	<u>Discretion</u>	<u>Regulation</u>	<u>Current Policy</u>
1	An Administering Authority may agree to pay annual compensation on behalf of an employer and recharge payments to the employer.	31(2)	The Administering Authority will consider such instances on a case-by-case basis.

**Discretionary policy under the Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011.**

<b><u>No.</u></b>	<b><u>Discretion</u></b>	<b><u>Regulation</u></b>	<b><u>Current Policy</u></b>
1	An Administering Authority may agree to a 'voluntary scheme pays' request in respect of an annual allowance charge.	2 of the 2013 Regulations	The Administering Authority will consider such instances on a case-by-case basis.

## Glossary

Throughout this document, abridged terms are used for the following legislation. All references to legislation means that legislation as may be amended from time-to-time.

<b><u>TERM USED</u></b>	<b><u>MEANING</u></b>
<b>1995 Regulations</b>	The Local Government Pension Scheme Regulations 1995;
<b>1997 Regulations</b>	The Local Government Pension Scheme Regulations 1997;
<b>Benefits Regulations 2007</b>	The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007;
<b>Administration Regulations 2008</b>	The Local Government Pension Scheme (Administration) Regulations 2008;
<b>Transitional Regulations 2008</b>	The Local Government Pension Scheme (Transitional Provisions Regulations 2008;
<b>2013 Regulations</b>	The Local Government Pension Scheme Regulations 2013;
<b>Transitional Regulations 2014</b>	The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;