

**STATEMENT OF POLICY REGARDING THE EXERCISE OF DISCRETIONS WITHIN THE  
LOCAL GOVERNMENT PENSION SCHEME**

[Name of Authority/Organisation]

[Address]

Please complete this pro forma and return a copy to:

**Mouchel Pensions Unit**

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**TS1 2XP**











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Discretions from 1.4.14 in relation to post 31.3.14 active members (excluding councillor members) and post 31.3.14 leavers (excluding councillor members), being discretions under:

- The Local Government Pension Scheme Regulations 2013 [prefix R]
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [prefix TP]
- The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended) [prefix B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- The Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Importance	Discretion	Regulation	Employer Policy
 Mid	To whom to offer membership of the LGPS (designation bodies)	R3(1)(b) & RSch 2, part 2	Formerly A4(3) & ASch2(Pt2) & A8(1)
 Mid	Which employees to designate for membership (admission bodies)	R3(1)(c) & R4(2)(b)	
 Mid	Determine rate of employees' contributions	R9(1) & R9(3)	Formerly B3 & T9
 High	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R16(2)(e) & R16(4)(d)	New discretion
 Low	Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into on or after 1.4.14	R17(1) & definition of SCAVC in RSch 1	New discretion
 Low	Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into before 1.4.14	TP15(1)(d) & A25(3)	Formerly A25(3) & B15(3)
 Low	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13.11.01)	TP15(1)(b) & L66(8) & former L66(9)(b)	New discretion
 Mid	No right to return of contributions if member left due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	R19(2)	Formerly A47(2)







	Specify in an employee's contract what other payments or benefits, other than those specified in R20(1)(a) and not otherwise precluded by R20(2), are to be pensionable	R20(1)(b)	Formerly B4(1)(b)
	In determining Assumed Pensionable Pay, whether a lump sum payment made in the previous 12 months is a "regular lump sum"	R21(5)	New discretion
	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment	R22(8)(b)	New discretion
	Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment	R22(7)(b)	New discretion
	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	Formerly B18(1) (no change)
	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	Formerly B18(3)
	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	New discretion
	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, paras 2(1) and 2(2)	New discretion
	Whether to waive any actuarial reduction on pre and/or post April 2014 benefits	TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)	Extension of B30(5)
	Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500 pa)	R31	Extension of B13









	Whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme	TP12(6)	New discretion
	Determine whether a member is entitled to an ill health retirement pension, and what tier of benefit to be awarded.	R36	Old B20
	Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	R37(3)	Old B 20
	Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is the sooner	R38(3)	Extension of B31(4)
	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	R38(6)	Extension of B30A(3)
	Whether to extend six month period to lodge a stage one IDR appeal	R74(4)	Formerly A58(7)(b) This is the discretion of the Adjudicator at stage 1
	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	R91(1) & (8)	Formerly A72(1) & (6)
	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see R95 below	R91(4)	Formerly A72(3)
	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	R92(1) & (2)	Formerly A73(1) & (2)
	Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits	R93 (2)	Extension of A74(2)

	from transferred in pension rights or APCs or AVCs or subject to R95 below, in respect of any GMP) where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment		
	Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under R91 or recovery of a monetary obligation under R93 should deprive the member or member's surviving spouse or civil partner of any GMP entitlement.	R95	New discretion
	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(68)	Formerly A83(8)

Discretions in relation to scheme members (excluding councillor members) who ceased active membership on or after 1.4.08 and before 1.4.14, being discretions under:




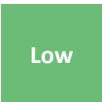




- The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [prefix B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 [prefix TP]
- The Local Government Pension Scheme Regulations 2013 [prefix R]
- The Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Importance	Discretion	Regulation	Employer Policy
 High	Whether, for a member leaving on the grounds of redundancy or business efficiency on or before 31 <sup>st</sup> March 2014, to augment membership (by up to 10 years). The resolution to do so would have to be made within 6 months of the date of leaving. Hence this discretion is spent entirely after 30 <sup>th</sup> September 2014.	B12	
 Mid	Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership	Tsch1 & L66(8) & former L66(9)(b)	
 Mid	No right to return of contributions due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	A47(2)	
 Mid	Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	A72(1) & (6)	
 Mid	Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited	A72(3)	
 Mid	Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	A73(1) & (2)	


	<p>Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than transferred in pension rights or AVCs/SCAVCs) where the obligation was incurred as a result of a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment</p>	<p>A74(2)</p>	
	<p>Whether to recover from Fund any financial loss caused by fraudulent offence or grave misconduct of employee (who has left because of that), or amount of refund if less</p>	<p>A76(2) &amp; (3)</p>	
	<p>Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60</p>	<p>B30(2)</p>	
	<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30</p>	<p>B30(5)</p>	
	<p>Whether to grant an application for early payment of a suspended tier 3 ill health pension on or after age 55 and before age 60</p>	<p>B30A(3)</p>	
	<p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A</p>	<p>B30A(5)</p>	
	<p>Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria</p>	<p>B31(4)</p>	
	<p>Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment</p>	<p>B31(7)</p>	

**Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to:**

- a) active councillor members, and**
- b) councillor members who ceased active membership on or after 1.4.98, and**
- c) any other scheme members who ceased active membership on or after 1.4.98 and before 1.4.08**



<b>Importance</b>	<b>Discretion</b>	<b>Regulation</b>	<b>Employer Policy</b>
	Grant application from a post 31.3.98 / pre 1.4.08 leaver for early payment of benefits on or after age 50/55 and before age 60 (see Note below)	31(2)	
	Waive, on compassionate grounds, the actuarial reduction applied to benefits paid early to a post 31.3.98 / pre 1.4.08 leaver.	31(5)	
	Pre 1.4.08 optants out only to get benefits paid from NRD if employer agrees	31(7A)	
	Decide, in the absence from a post 31.3.98 / pre 1.4.08 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	34(1)(b)	
	No right to return of contributions due to offence of a fraudulent character unless employer directs a total or partial refund is to be made (pre 1.4.08 leavers)	88(2)	
	Forfeiture of pension rights on issue of Secretary of State's certificate ( pre 1.4.08 leavers)	111(2) & (5)	
	Where forfeiture certificate is issued, direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits (pre 1.4.08 leavers)	112(1)	
	Recovery from Fund of monetary obligation owed by former employee or, if less, the value of the member's benefits (other than transferred in pension rights) (pre 1.4.08 leavers)	113(2)	



 Mid	Recovery from Fund of financial loss caused by employee, or amount of refund if less (pre 1.4.08 leavers)	115(2) & (3)	
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**Note:** benefits paid on or after age 50 and before age 55 are subject to an unauthorised payments charge and, where applicable, an unauthorised payments surcharge under the Finance Act 2006. Also, any part of the benefits which had accrued after 5 April 2006 would generate a scheme sanction charge.

**Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1.4.98 scheme leavers**

Importance	Discretion	Regulation	Employer Policy
 Mid	Grant application from a pre 1.4.98 leaver for early payment of deferred benefits on or after age 50 on compassionate grounds (see Note below)	D11(2)(c)	
 Low	Decide, in the absence from a pre 1.4.98 leaver of an election from the member within 3 months of being able to elect, which benefit is to be paid where the member would be entitled to a pension or retirement grant under 2 or more regulations in respect of the same period of Scheme membership	D10	

**Note:** benefits paid on or after age 50 and before age 55 are subject to an unauthorised payments charge and, where applicable, an unauthorised payments surcharge under the Finance Act 2006. However, as the benefits had accrued prior to 6 April 2006, they would not generate a scheme sanction charge.

I warrant that the above policies reflect the policy intention of [Authority/Organisation] as at [date].

Signed:.....

Position:.....

Official Seal/Company stamp: