

**POWYS PENSION FUND**

**LGPS DISCRETIONARY POWERS  
ADMINISTERING AUTHORITY**

**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 and Savings) 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]

No.	Regulation	Recommended Decision Maker	Policy Recommendation

R4(2)(b)	Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission.	Pensions & Investment Committee	To consider each application from the relevant body on its own merits.
R5(5) & RSch2, Part 3 para 1	Whether to agree to an admission agreement with a body applying to be an admission body	Pensions & Investment Committee	To consider each application on its own individual merits.
RSch2, Part 3 para 9(d)	Whether to terminate a transferee admission agreement in the event of - insolvency, winding up or liquidation of the body - breach by that body of its obligations under the admission agreement - failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so	Pensions & Investment Committee	To be exercised as the merits of each case dictate.
RSch2, Part 3 para 12(a)	Define what is meant by “employed in connection with”	Pensions Manager in consultation with Head of Business Services	To be agreed between all of the parties to the admission agreement and to be specifically set out within the agreement.
R16(1)	Whether to turn down a request to pay an APC/SCAPC over a period of time where it would be impractical to allow such a request (e.g. where the sum being paid is very small and could be paid as a single payment)	Head of Business Services	Subject to review following sight of GAD Guidance on this matter, it is proposed that the de minimus be fixed at periodic payments of no less than £10 per month.

R16(10)	Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC	Pensions & Investment Committee	Medicals are to be required. Medical reports must be paid for and obtained by the Scheme member and in order for APCs to begin, the member must be certified as being of average health for their age.
R16(10)	Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health.	Pensions Manager in consultation with Head of Business Services	Each case to be determined on its individual merits
TP15(1)(d) & A28(2)	Whether to charge member for provision of estimate of additional pension that would be provided by the Scheme in return for transfer of in house AVC/SCAVC funds (where AVC/SCAVC arrangement was entered into before 1/4/14)	Pensions & Investment Committee	Charges to be levied where a Scheme member requests more than one estimate be calculated in any Scheme year.
R17(12)	Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member	Pensions Manager to apply national decision matrix. Any other cases to be determined by the Strategic Director of Resources in consultation with the Pensions Manager	As per the agreed national decision matrix. Where this cannot be used, then to be determined on the individual merits of the case.
R22(3)(c)	Pension account may be kept in such form as is considered appropriate	Pensions & Investment Committee	As determined by the CLASS Group.
TP10(9)	Decide, in the absence of an election from the member within 12 months of ceasing a concurrent employment, which ongoing employment benefits from the concurrent employment which has	Pensions Manager in consultation with Head of Business Services	To consider each case on its individual merits with the principle that the decision should be for the benefit of the Scheme member.

	ceased should be aggregated (where there is more than one ongoing employment)		
R30(8)	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	Strategic Director of Resources in consultation with the Pensions Manager	To consider each case on its individual merits. Consideration should be given in particular where the retirement has occurred because of the care needs of a dependant or relative of the Scheme member, where those care needs required the Scheme member to take early retirement. Only applies as an Admin Authority discretion where the member's former employer has ceased to exist.
R68(2)	Whether to require any strain on Fund costs to be paid "up front" by employing authority following payment of benefits under R30(6) (flexible retirement), R30(7) (redundancy / business efficiency), or the waiver (in 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 whole or in part) under R30(8) of any actuarial reduction that would otherwise have been applied to benefits which a member voluntarily draws before normal pension age or to benefits drawn on flexible retirement	Strategic Director of Resources	Payments to cover full strain on fund costs arising from flexible retirements, voluntary early retirements, business efficiency or redundancy retirements will be required to be paid in full and upfront, within 3 months of the relevant retirement date.

TPSch2 para 2(2)	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	Strategic Director of Resources in consultation with the Pensions Manager	To consider each case on its individual merits. Consideration should be given in particular where the retirement has occurred because of the care needs of a dependant or relative of the Scheme member, where those care needs required the Scheme member to take early retirement. Only applies as an Admin Authority discretion where the member’s former employer has ceased to exist.
TPSch2 para 2(3)	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits from pre 1/4/14 membership where the employer has “switched-on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	Strategic Director of Resources in consultation with the Pensions Manager	To consider each case on its individual merits. Consideration should be given in particular where the retirement has occurred because of the care needs of a dependant or relative of the Scheme member, where those care needs required the Scheme member to take early retirement. Only applies as an Admin Authority discretion where the member’s former employer has ceased to exist.

TPSch 2 para 2(5)	Whether to require any strain on Fund costs to be paid “up front” by employing authority following waiver of actuarial reduction under <b>TPSch 2, para 2(3)</b>	Strategic Director of Resources	Payments to cover full strain on fund costs arising from flexible retirements, voluntary early retirements, business efficiency or redundancy retirements will be required to be paid in full and upfront, within 3 months of the relevant retirement date.
R32(7)	Whether to extend the time limits within which a member must give notice of their wish to draw benefits before normal pension age or upon flexible retirement [three months and one month, respectively]	Pensions Manager	The Fund will allow such elections to be made at any time before the date from which benefits are to be paid.
R34(1)	Decide whether to commute small pensions	Pensions Manager	The Fund will commute all small pensions to the limits available and in the prescribed circumstances as set out in the following sections of the Finance Act 2004: s.166 (trivial commutation lump sums); s.168 (trivial commutation lump sum death benefit); or, the following regulations of the Registered Pension Schemes (Authorised Payments) Regulations 2009: regulation 6 (payment after relevant accretion); regulation

			11 (de minimus rule); or, regulation 12 (payments by larger pension schemes).
R36(3)	Approve medical advisors used by employers (for ill health benefits)	Pensions Manager	The Pension Fund will maintain a list of approved and suitably qualified independent registered medical practitioners (IRMPs) who are be used by Fund Employers when seeking to determine a scheme member's entitlement to ill health retirement benefits.
TP12(6)	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.	Pensions Manager	Not required. IRMP has already been provided with 2014 certificates and instructed to use them and cease using 2008 certificates unless specifically instructed to do so (in respect of a decision to be made under the Saved Provisions). Only applies as an Admin Authority discretion where the relevant Employing Authority is defunct.
R38(3)	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	Head of Business Services in consultation with the Pensions Manager	Each case is to be considered on its individual merits. Only applies as an Admin Authority

	normal pension age or for at least three years, whichever is the sooner.		discretion where the relevant Employing Authority is defunct
R38(6)	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	Head of Business Services in consultation with the Pensions Manager	To consider each case on its individual merits. Only applies as an Admin Authority discretion where the relevant Employing Authority is defunct
TP17(5) to (8) & R40(2), R43(2) & R46(2)	Decide to whom death grant is paid	Pensions Manager to apply national decision matrix where possible. All other cases to be determined by the Strategic Director of Resources in consultation with the Pensions Manager	Currently determined by Pensions Manager with reference to a national 'decision matrix'. Cases that are unable to be determined via the matrix, were previously referred to the former Head of Finance.
R49(1)(c)	Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under 2 or more regulations in respect of the same period of Scheme membership	Pensions Manager	To award whichever benefits are the better for the Scheme member concerned.
R54(1)	Whether to set up a separate admission agreement fund	Pensions & Investment Committee and Strategic Director of Resources	To consider in the light of advice from the Pension Fund actuary. This may be worth considering should the membership of admission bodies increase significantly



			as a consequence of Powys County Council outsourcing and where, because of the funding needs associated with admitted bodies, a different investment allocation to that of the main Fund is considered appropriate.
R55	<p>Governance policy must state whether the admin authority delegates their function or part of their function in relation to maintaining a pension fund to a committee, a sub-committee or an officer of the admin 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 Secretary of State guidance and, to the extent it does not so comply, state the reasons for not complying, and</li> </ul>	Pensions & Investment Committee and Strategic Director of Resouces.	Note that written policy is required for this matter. For the present, it is suggested that this issue be deferred pending introduction of the new LGPS governance arrangements (local pension boards) due from 1 <sup>st</sup> April 2015.

	- the terms, structure and operational procedures appertaining to the local Pensions Board		
R58	Decide on Funding Strategy for inclusion in funding strategy statement	Pensions & Investment Committee and Strategic Director of Resources	Note that written policy is required. To be determined in conjunction with advice from the Pension Fund actuary.
R59(1) & (2)	Whether to have a written pensions administration strategy and, if so, the matters it should include	Decision pending	To be determined in consultation with Society of Welsh Treasurers – policy awaiting further information
R61	Communication policy must set out the policy on provision of information and publicity to, and communicating 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.	Pensions Manager in consultation with the Head of Business Services	Written policy required. See existing document and update as required.
R64(4)	Whether to obtain revision of employer's contribution rate if there are circumstances which make it likely a Scheme employer will become an exiting employer	Strategic Director of Resources in consultation with the Pensions Manager	To consider each case on its individual merits and having received appropriate advice from the Pension Fund actuary.
R65	Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Scheme benefits as part of the "cost sharing" under R63	Strategic Director of Resources in consultation with the Pensions Manager	To consider each case on its individual merits and having received appropriate advice

			from the Pension Fund actuary.
R69(1)	Decide frequency of payments to be made over to Fund by employers and whether to make an admin charge.	Head of Business Services in consultation with the Pensions Manager	<p>Pension Fund employers are required to pay over to the Pension Fund the following payments, at the frequency indicated below:</p> <p>a) contributions – to be paid at intervals that meet the requirements of the Pensions Act 1995, ie with 19 days of the end of the pay period in which the deductions from pay were made;</p> <p>b) pension strain – to be paid within three months of the relevant date of retirement in full, or by mutual agreement, spread over a period not exceeding three years (at an actuarially increased rate) with the first payment being due within three months of the relevant date of retirement and annually thereafter;</p> <p>c) administration costs – no direct charge will be levied against Fund employers, the</p>

			<p>actuary will apportion costs on the basis of membership at each valuation and subsume within employer contribution rates;</p> <p>d) employer performance charges – to be paid over to the Fund within three months of the date of formal written notification.</p>
R69(4)	Decide form and frequency of information to accompany payments to the Fund	Head of Business Services in consultation with the Pensions Manager	Employers are directed to provide the information set out in Regulation 69(3) to the Pension Fund on a monthly basis and in an appropriate electronic format. (An appropriate format is to be agreed by the Fund and each individual employer).
R70 & TP22(2)	Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance	Head of Business Services in consultation with the Pensions Manager	To consider each case on its individual merits and taking into account the level of cost incurred by the Fund, in each case.
R71(1)	Whether to charge interest on payments by employers which are overdue	Head of Business Services in consultation with the Pensions Manager	Interest will be charged on overdue payments, at the rate of 1% above base rate compounded quarterly.

R74(1)	Administering authority must appoint an adjudicator to decide on disputes arising from decisions made by the Fund under the Scheme	Strategic Director of Resources in consultation with the Head of Business Services	The adjudicator for the Fund, is to be the Pensions Manager
R74(4)	Whether to extend six month period to lodge a stage one IDRPs appeal	Discretion of the adjudicator appointed by the admin authority under R74(1)	To consider each case on its individual merits.
R74(6)	Decide procedure to be followed by adjudicator when exercising stage one IDRPs functions and decide the manner in which those functions are to be exercised	Discretion of the adjudicator appointed by the admin authority under R74(1)	To consider each case on its individual merits and to take account of each cases specific needs, depending on the nature of the appeal.
R76(4)	Decide procedure to be followed by admin authority when exercising its stage two IDRPs functions and decide the manner in which those functions are to be exercised	Discretion of the adjudicator appointed by the admin authority under R74(1)	To consider each case on its individual merits and to take account of each cases specific needs, depending on the nature of the appeal.
R79(2)	Whether admin. authority should appeal against employer decision (or lack of a decision)	Fund adjudicator	To consider each case on its individual merits and to take account of each cases specific needs, depending on the nature of the employer decision or lack of a decision.
R80(1)(b) & TP22(1)	Specify information to be supplied by employers to enable admin. authority to discharge its functions	Pensions Manager	To be set out in an SLA prepared by the Fund and to be signed up to by all participating employers. The document will set out what data is required, when and in

			what format; and, what happens if requirements are not met by employers.
R82(2)	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	Strategic Director of Resources in consultation with the Pensions Manager	To exercise this discretion in all cases that meet the requirements of the 1965 Act [currently applies to all death payments under £5,000].
R83	Whether, where a person (other than an eligible child) is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	Pensions Manager	To consider each case on its individual merits whilst having due regard to any arrangements in relation to Enuring Powers of Attorney.
R89(5)	Date to which benefits shown on annual benefit statement are calculated	Pensions Manager in consultation with the Head of Business Services	This is to be the 31 <sup>st</sup> March of the relevant year for all active statements. However, for deferred statements it may be either 31 <sup>st</sup> March or the relevant pensions increase date – as determined from time to time.
R98(1)(b)	Agree to bulk transfer payment (arising from TUPE transfers)	Pensions Manager in consultation with the Strategic Director of Resources	To consider each case on its individual merits whilst giving priority to the financial consequences of all such

			transfers on the Pension Fund.
R100(6)	Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	Pensions Manager	To consider each case on its individual merits and the view of the relevant Scheme employer, with the overriding requirement being that the failure to make the request within the 12 months period was for exceptional reasons, or simply could not reasonably have been made by the member.
R100(7)	Allow transfer of pension rights into the Fund	Pensions Manager	To consider each case on its individual merits with an overriding requirement that transfer values will only be accepted from pension arrangements that enjoy full UK tax approval.
TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & B10(2)	Where member to whom <b>B10</b> 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	Pensions Manager	To consider each case on its individual merits.

TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & TSch1 & L23(9)	Make election on behalf of deceased member with a certificate of protection of pension benefits i.e. determine best pay figure to use in the benefit calculations (pay cuts / restrictions occurring pre 1.4.08.)	Pensions Manager	To consider each case on its individual merits.
RSch1 & TP17(9)	Decide to treat child as being in continuous education or vocational training despite a break	Pensions Manager in consultation with the Head of Business Services	To consider each case on its individual merits including the principle that it is customary to allow for a gap year between school and higher education.
RSch1 & TP17(9)(b)	Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member	Pensions Manager in consultation with the Head of Business Services	To consider each case on its individual merits, ensuring that appropriate weight is given to witnesses eg Councillors.