

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.
R3(1A), R3(5) & RSch 2, 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 14	Whether to agree that an admission agreement may take effect on a date before the date on which it is executed.	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”	Pension Fund Manager in consultation with Section 151 Officer	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 (Additional Pension Contributions / Shared Cost Additional Pension Contributions) 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)	Pension Fund Manager in consultation with section 151 Officer	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 (Additional Pension Contributions / Shared Cost Additional Pension Contributions)	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 (Additional Pension Contributions / Shared Cost Additional Pension Contributions) if not satisfied that the member is in reasonably good health.	Pension Fund Manager in consultation with Section 151 Officer	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 (Additional Voluntary Contributions/Shared Cost Additional Voluntary Contributions) 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 (Additional Voluntary Contributions/Shared Cost Additional Voluntary Contributions monies (including life assurance monies) are to be paid on death of the member	Pensions Administration Manager to apply national decision matrix. Any other cases to be determined by the Section 151 Officer in consultation with the Pension Fund Manager. Referral to the Pensions and Investment Committee in extraordinary circumstances	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)	Where there are multiple ongoing employments, in the absence of an election from the member within 12 months of ceasing a concurrent employment, decide to which record the benefits from the ceased concurrent employment should be aggregated.	Pensions Administration Manager in consultation with Head of Finance	To consider each case on its individual merits with the principle that the decision should be for the benefit of the Scheme member.
R30(8)	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement. Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014	Section 151 Officer 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

	membership).		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 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.	Section 151 Officer	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.
TPSch 2, para 1(2) & 1(1)©	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	Section 151 Officer in consultation with the Pensions Administration Manager, with referral to Committee in extraordinary circumstances	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.

<p>TPSch2 para 2(2)</p>	<p>Whether 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): a) on 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, b) on 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, c) on 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, d) on 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.</p>	<p>Section 151 in consultation with the Pensions Administration Manager, with referral to Committee in extraordinary circumstances</p>	<p>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.</p>
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TPSch2 para 2(3)	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	Section 151 Officer in consultation with the Pensions Administration Manager, with referral to Committee in extraordinary circumstances	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 TPSch 2, para 2(3)	Section 151 Officer	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]	Pension Fund Manager	The Fund will allow such elections to be made at any time before the date from which benefits are to be paid.

<p>R34(1) (a) (b) (c)</p>	<p>Decide whether to trivially commute a member's pension under section 166 of the Finance Act 2004 (includes pension credit members where the effective date of the Pension Sharing Order is after 31 March 2014 and the debited member had some post 31 March 2014 membership of the 2014 Scheme).</p> <p>Decide whether to trivially commute a lump sum death benefit under section 168 of the Finance Act 2004.</p> <p>Decide whether to pay a commutation payment under regulations 6 (payment after relevant accretion), 11 (de minimis rule for pension schemes) or 12 (payments by larger pension schemes) of the Registered Pension Schemes (Authorised Payments) Regulations 2009 (excludes survivor pensions and includes pension credit members where the effective date of the Pension Sharing Order is after 31 March 2014 and the debited member had some post 31 March 2014 membership of the 2014 Scheme).</p>	<p>Pension Fund Manager</p>	<p>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).</p>
<p>R36(3)</p>	<p>Approve medical advisors used by employers (for ill health benefits)</p>	<p>Pension Fund Manager</p>	<p>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</p>

			scheme member's entitlement to ill health retirement benefits.
TP12(6)	Whether to use a certificate produced by an IRMP (Independent Registered Medical Practitioner) under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme.	Pension Fund 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 normal pension age or for at least three years, whichever is the sooner.	Pension Fund Manager in consultation with the Pensions Administration Manager	Each case is to be considered on its individual merits. Only applies as an Admin Authority 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	Pension Fund Manager in consultation with the Pensions Administration Manager	To consider each case on its individual merits. Only applies as an Admin Authority discretion where the relevant Employing Authority is defunct

<p>TP17(5) to (8) & R40(2), R43(2) & R46(2)</p>	<p>Decide to whom death grant is paid</p>	<p>Pensions Administration Manager to apply national decision matrix where possible. All other cases to be determined by the Section 151 Officer in consultation with the Pension Fund Manager. Referral to Pensions and Investment Committee in extraordinary circumstances</p>	<p>Currently determined by Pensions Administration Manager with reference to a national 'decision matrix'. Cases that are unable to be determined via the matrix, were previously referred to the Head of Service.</p>
<p>R49(1)(c)</p>	<p>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</p>	<p>Pensions Administration Manager</p>	<p>To award whichever benefits are the better for the Scheme member concerned.</p>
<p>R54(1)</p>	<p>Whether to set up a separate admission agreement fund</p>	<p>Pensions & Investment Committee and Section 151 Officer</p>	<p>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</p>

			the main Fund is considered appropriate.
R55	<p>Governance Compliance Statement 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"> - the frequency of any committee or sub-committee meetings, - the terms, structure and operational procedures appertaining to the delegation, and - whether representatives of employing authorities or members are included and, if so, whether they have voting rights. The policy must also state: - the extent to which a delegation, or the absence of a delegation, complies with Sec of State guidance and, to the extent it does not so comply, state the reasons for not complying, and - the terms, structure and operational procedures appertaining to the local Pensions Board 	Pensions & Investment Committee and Section 151 Officer	Goverance and Compliance Statement Published on Fund Website
R58	Decide on Funding Strategy for inclusion in funding strategy statement	Pensions & Investment Committee and Section 151 Officer	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	Pensions & Investment Committee and Section 151 Officer	Administration Strategy Statement approved published on Fund website. Review periodically.
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.	Pension Fund Manager in consultation with the Head of Finance	Written policy required. See existing document and update as required.
R64(2ZA)	Whether to extend the period beyond 3 months from the date an Employer ceases to be a Scheme Employer, by which to pay an exit credit.	Pensions and Investment Committee	To be exercised as the merits of each case dictate.
R64(2A)	Whether to suspend (by way of issuing a suspension notice), for up to 3 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.	Pensions and Investment Committee	To be exercised as the merits of each case dictate.
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	Section 151 Officer in consultation with the Pension Fund 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.	Section 151 Officer in consultation with the Pension Fund 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 actuary will apportion costs on the basis of membership at</p>
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			<p>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	Section 151 Officer in consultation with the Pension Fund 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	Section 151 Officer in consultation with the Pension Fund 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	Section 151 Officer in consultation with the Pension Fund 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	Section 151 Officer	The adjudicator for the Fund, is to be the Pensions Administration Manager in the first instance
R74(4)	Whether to extend six month period to lodge a stage one IDR (Internal Dispute Resolution Procedure) 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 IDR (Internal Dispute Resolution Procedure) 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 IDR (Internal Dispute Resolution Procedure) 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	Pension Fund 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	Section 151 Officer in consultation with the Pensions Administration 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 Administration Manager	To consider each case on its individual merits whilst having due regard to any arrangements in relation to Enuring Powers of Attorney.
R98(1)(b)	Agree to bulk transfer payment (arising from TUPE transfers)	Pension Fund Manager in consultation with the Section 151 Officer	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 Administration 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 have been made by the member.
R100(7)	Allow transfer of pension rights into the Fund	Pensions Administration 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 B10 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 Administration 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 Administration Manager	To consider each case on its individual merits.

RSch1 & TP17(9)(a)	Decide to treat child (who has not reached the age of 23) as being in continuous full-time education or vocational training despite a break.	Pensions Administration Manager in consultation with the Section 151 Officer	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 Administration Manager in consultation with the Section 151 Officer	To consider each case on its individual merits, ensuring that appropriate weight is given to witnesses eg Councillors.
TP3(13) & A70(1) & A71(4)(c)	Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment.	Section 151 Officer in consultation with the Pension Fund Manager	Policy is not to abate on re-employment
TP15(1)(c) & TSch1 & L83(5)	Extend time period for capitalisation of added years contract.	Section 151 Officer in consultation with the Pension Fund Manager	To consider each case on its individual merits
R105(2)	Decide whether to delegate any administering authority functions under the Regulations.	Pensions & Investment Committee and Section 151 Officer	Scheme of Delegation included in Governance Compliance Statement
R106(3)	Decide whether to establish a joint local pension board (if approval has been granted by the Secretary of State).	Pensions & Investment Committee and Section 151 Officer	Pension Board set up in accordance with legislation. Included in Governance Compliance Statement
R106(6)	Decide procedures applicable to the local pension board	Chair of Pensions Board in consultation with the Board Secretary and Section 151 Officer	Included in Governance Compliance Statement
R197(1)	Decide appointment procedures, terms of appointment and membership of local pension board.	Section 151 Officer	Appointments made following national guidance

