

Local Government Pension Scheme Regulations 2013 Delegations for Administering Authority Discretions

The Local Government Pension Scheme Regulations include some provisions where the Administering Authority has to make a decision. For operational reasons, these decisions have been delegated to Officers responsible for the management of the Fund.

Following the introduction of LGPS 2014, a review of these delegations has been made and is set out in the following table.

Whilst most of the changes deal with the changes to regulation references and officer designations there are some delegations no longer required and another where the regulation has been changed and so the responsibility is now different. These are highlighted in the shaded areas.

There are also a couple of provisions that still remain under previous legislation and these are included for completeness.

The recommendation is for the Committee to approve the delegations in the table below.

Local Government Pension Scheme Regulations 1997 Administering Authority Discretions

Regulation	Discretion / Decision	Delegated Officer(s)
Regulation 23: Certificates of Protection of Benefits	<p>A Certificate of Protection of Pension Benefits allows a member to elect for a final pay period of one of the last 5 years of membership or an average of any 3 consecutive years in the last 13 years.</p> <p><i>Where a member has died without making such an election, the Divisional Director: Business Support is authorised to determine the final pay period that should be used to calculate benefits payable in respect of a deceased member (whether or not the election period has expired). Regulation 23(9).</i></p>	Pensions Manager
Regulation 83 (5): Extension of Time Limit for Capitalisation of Added Years Contract	<p>The Council may extend the 3 month period within which a member retiring on redundancy / efficiency grounds may opt to capitalise a whole cost added years contract.</p> <p><i>The Divisional Director: Business Support- be authorised to extend the 3 month period within which a member retiring by reason of redundancy or in the interests of efficiency, may elect to make a lump sum payment where notification of retirement benefits occurs after retirement date. (In such a case the three-month period would normally commence from the date of notification)</i></p>	Pensions Manager

Local Government Pension Scheme Regulations 2013

Delegations for Administering Authority Discretions

Regulation	Discretion / Decision	Delegated Officer(s)
<p>Schedule 2 Part 3</p> <p>Admission Agreements for Employees of non-Scheme employers:</p> <p><i>[Supersedes Regulations 5 and 6 of 2008 Admin Regulations]</i></p> <p><i>Change in Procedure as approved in Appendix 1 to this report</i></p>	<p>The regulations set out conditions to allow entrance to the Fund under an Admission Agreement</p> <p>At the present time, as the pension liabilities of a body eligible under Schedule 2 Part 3(1) (d) or (e), known as a “transferee admission body” has to be guaranteed by the outsourcing employer, Committee approval is not required. In these cases the Committee receives a periodic report detailing those which have joined the Fund over the relevant period. There is no change under the new regulations in that the automatic guarantee remains</p> <p>For a body eligible under Schedule 2 Part 3(1)(a) (b) or (c), known as a “community admission body”, the new regulations require that, if a bond is not provided, a guarantee be provided by a “person who funds the admission body or who owns, or controls the exercise of the functions of, the admission body”. In most cases, it is not feasible for a community admission body to provide a bond and, in any event, a guarantee is preferable to a bond from the Fund’s standpoint.</p> <p><i>The Divisional Director: Business Support be authorised to enter into an admission agreement with</i></p> <p><i>(a) a community admission body only if an application for admitted body status is accompanied by a guarantee or indemnity from a Scheme employer, otherwise Committee approval will be required; the Pension Committee be informed retrospectively of any action taken by the Divisional Director under this delegation.</i></p> <p><i>(b) private contractors under the provisions of the Local Government Pension Scheme Regulations 2013 (as amended); the Pension Committee be informed retrospectively of any action taken by the Divisional Director under this delegation; and the Divisional Director: Business Support be authorised to recover directly from transferor Scheme employers all outsourcing-related costs, whether external (e.g. actuarial) or in-house.</i></p>	<p>Head of Business Finance and Pensions or Investments Manager</p>

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<p>Regulation 16 (10): Medical report for the payment of additional pension</p> <p><i>Replacing Regulation 23 (3) of 2008 Admin Regulations]</i></p>	<p>An administering authority may require an active member to produce a report by a registered medical practitioner of the results of a medical examination, undertaken at the member's own expense. If the authority is not satisfied that the member is in reasonably good health, it may refuse the request to buy additional pension.</p> <p><i>The Divisional Director: Business Support be authorised to require the member to provide a statement confirming that he/she is in reasonable good health.</i></p>	<p>Pensions Manager</p>
<p>Regulation 34: Commutation: small pensions</p> <p><i>[Replacing Regulation 39) of 2007 Benefits Regulations]</i></p>	<p>Regulation 34 allows the administering authority to commute an annual pension to a lump sum providing the lump sum is:</p> <ol style="list-style-type: none"> 1. a trivial commutation lump sum within the meaning of section 166 of the Finance Act 2004, or 2. a trivial commutation lump sum death benefit within the meaning of section 168 of the Finance Act 2004, and 3. 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 (b). <p><i>The Divisional Director: Business Support be authorised to commute a small pension for a one off lump sum within the guidelines issued by the Government Actuary where there is a request to do so from a member / surviving spouse / nominated cohabiting partner or civil partner.</i></p>	<p>Pensions Manager</p>
<p>Regulation 36 (3): Approval of Medical Advisors</p> <p><i>Replacing Regulation 56(2) of 2008 Admin Regulations]</i></p>	<p>If the Scheme employer is not the member's appropriate administering authority, it must first obtain that authority's approval to its choice of IRMP.</p> <p><i>The Divisional Director: Business Support be authorised to approve an employer's choice of a registered medical practitioner providing that practitioner is qualified in accordance with Regulation 20 of the Benefit Regulations</i></p>	<p>Pensions Manager</p>

<p>Regulation 40: Death grants: active members</p> <p><i>[Replacing Regulation 23(2) of 2007 Benefits Regulations]</i></p> <p>Regulation 43: Death grants: deferred members, pension credit members and deferred pensioner members</p> <p><i>[Replacing Regulation 32(2) of 2007 Benefits Regulations]</i></p> <p>Regulation 46: Death grants: pensioner member</p> <p><i>[Replacing Regulation 35(2)) of 2007 Benefits Regulations]</i></p>	<p>If an active or deferred member dies or a pensioner member dies before the age of 75, the administering authority at their absolute discretion may make payments in respect of the death grant to or for the benefit of the member's nominee or personal representative or any person appearing to the authority to have been his relative or dependant at any time.</p> <p><i>The Divisional Director: Business Support be authorised to make payments by way of death grant, subject to individual cases being referred to the Committee in the event that an interested party declines to accept the decision of the Director.</i></p>	<p>Two of three officers to approve from Divisional Director: Business Support or Head of Business Finance and Pensions or Pensions Manager</p>
<p>Regulation 68 (2): Employer's further payments</p> <p><i>[Replacing Regulation 41 of 2008 Admin Regulations]</i></p>	<p>The administering authority may require an employer to make additional payments to the Fund in respect of any extra charge on the Fund resulting from retirement benefits becoming immediately payable to a member under Regulation 30 (6) (flexible retirement) or (7) (early leavers on the grounds of redundancy or business efficiency) including the cost, as calculated by the Fund's actuary, of an employer's decision in the case of voluntary retirement Regulation 30(5) or flexible retirement regulation 30(6) to waive the reduction under Regulation 30 (8).</p> <p><i>The Divisional Director: Business Support be authorised to recover the cost of all early retirements as a lump sum or over a maximum period of three years.</i></p>	<p>Head of Business Finance and Pensions or Pensions Manager</p>

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<p>Regulation 64 (4): Revision of Employer’s Contribution Rate</p> <p><i>[Replacing Regulation 38(3) of 2008 Admin Regulations]</i></p>	<p>64(4) Where in the opinion of an administering authority there are circumstances which make it likely that a Scheme Employer (including an admission body) will become an exiting employer, the administering authority may obtain from an actuary a certificate specifying the amount by which the contribution rate should be adjusted, with a view to ensuring that assets equivalent to the exit payment are provided to the Fund by the likely exit date or, where the employer is unable to meet the liability by that date, over such period of time thereafter as the administering authority considers reasonable.</p> <p><i>The Divisional Director: Business Support be authorised to obtain a revision of an employer’s contribution rate if, having considered all relevant factors, this is considered appropriate. In some circumstances this may involve collecting contributions from bodies which have or are about to exit the Fund and consideration will be given in these circumstances to materiality as to whether the matter should be reported to Committee. However, this Regulation is also intended to allow administering authorities to eliminate or reduce a surplus prior to exit, given that there is no power for administering authorities to refund a surplus to exiting employers.</i></p>	<p>Head of Business Finance and Pensions or Investments Manager</p>
<p>Regulation 69 (1): Payment by employing authorities</p> <p><i>[Replacing Regulation 42 of 2008 Admin Regulations]</i></p>	<p>Every employing authority must pay to the appropriate administering authority on or before such dates falling at intervals of not more than 12 months as the appropriate administering authority may determine—</p> <ul style="list-style-type: none"> a) all amounts from time to time deducted from the pay of its employees under these Regulations; b) any amount payable under Regulation 68 (employer’s further payments) of which it has been notified by the administering authority during the interval; and c) any amount payable as a result of an award made under Regulation 31 (award of additional pension) during the interval. <p><i>The Divisional Director: Business Support be authorised to require employing bodies in the Avon Pension Fund to pay to the Fund all contributions specified in Regulation 69(1) no later than the date specified in Section 49(8) Pensions Act 1995 (currently 19th day of the month following the deduction of contributions from pay) and to pay over contributions under Regulations 68 and 31 within a month of being notified of the sum due by the Administering Authority.</i></p>	<p>Head of Business Finance and Pensions or Investments Manager</p>

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<p>Regulation 69 (3) & (4): Statements to be provided by Employers in respect of employee and employer contributions</p> <p><i>[Replacing Regulation 42(3) & (4) of 2008 Admin Regulations]</i></p>	<p>(3) Every payment under paragraph (1)(a) (payment of employees contributions) of Regulation 69 must be accompanied by a statement showing—</p> <ul style="list-style-type: none"> a) the total pensionable pay received by members during the period covered by the statement (including “assumed pensionable pay” where applicable), distinguishing between those members who were paying full contributions and those who were paying 50%, b) the total employee contributions deducted from pensionable pay, again distinguishing between those members who were paying full contributions and those who were paying 50%, c) the total employer contributions in respect of pensionable pay, d) the total “additional pension” contributions paid by members during the period covered by the statement, and e) the total “additional pension” contributions paid by employers during the period of the statement. <p>(4) An administering authority may direct that the information mentioned in paragraph (3) shall be given to the authority in such form and at such intervals (not exceeding 12 months) as it specifies in the direction.</p> <p><i>The Divisional Director: Business Support be authorised to determine the form of the pension returns which must be sent to the Fund and the intervals at which they should be sent</i></p> <p>.</p>	<p>Head of Business Finance and Pensions or Investments Manager</p>
<p>Regulation 71(1): Interest on late payments</p> <p><i>[Replacing Regulation 44(1) of 2008 Admin Regulations]</i></p>	<p>An administering authority may require an authority from which any payment due under regulations 67 to 70 (employer’s contributions or payments) is overdue to pay interest on that amount.</p> <p><i>The Divisional Director: Business Support be authorised to require employing bodies to pay interest in accordance with Regulation 71 where they make late payments to the Avon Pension Fund in respect of their pension liabilities.</i></p>	<p>Investments Manager</p>

<p>Regulation 98: Bulk Transfers</p> <p><i>[Replacing Regulation 81 of 2008 Admin Regulations]</i></p>	<p>(1) The bulk transfer provision applies where two or more members' active membership ends on their joining a registered non-local government scheme and it is agreed by:</p> <ul style="list-style-type: none"> (i) the members' appropriate administering authority, (ii) the members' employing body (if different), and (iii) the trustees or managers of the new scheme, <p>that a payment should be made under this regulation and the members—</p> <ul style="list-style-type: none"> (a) agree in writing that that payment should be made instead of any payment which they otherwise might require to be made under Chapter 4 or 5 of Part 4 of the Pension Schemes Act 1993, and (b) waive any rights they might have under those Chapters by virtue of the cessation of their active membership. <p>(2) The administering authority must not give its agreement unless it is satisfied that the rights that each of the members will acquire under the new scheme are at least equivalent to those which the member would have obtained if an individual transfer value had been paid to the same scheme under Chapter 4 o5 5 of Part 4 of the Pension Schemes Act 1993.</p> <p>(3) The administering authority must provide each member with sufficient information in writing to enable the member to check that he or she is not being disadvantaged, before the member’s agreement as signified in paragraph 1 is valid.</p> <p>Regulation 99(4) requires the employer to bear the costs of determining the appropriate part of the fund and apportioning the fund.</p> <p><i>The Divisional Director: Business Support be authorised to determine all requests for use of the bulk transfer facility and to grant the necessary consent provided that all the requirements of Regulation 98 have been satisfied.</i></p>	<p>Head of Business Finance and Pensions or Investments Manager</p>
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<p>Regulation 100 Inward transfers of pension rights</p> <p><i>[Replacing Regulation 83(1) &(9) of 2008 Admin Regulations]</i></p>	<p>If a person who becomes an active member has relevant pension rights, he may request his fund authority to accept a transfer value for some or all of those rights from the relevant transferor. Where a request is made the fund authority may accept the transfer value.</p> <p><i>The Divisional Director: Business Support be authorised to accept a transfer value subject to no adverse funding issues</i></p>	<p>Pensions Manager</p>
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The 2008 Admin Regulations had 2 provisions where a delegated discretion was in place previously but these are no longer required as explained below

<p>Regulation 28(2): Charging Member for Estimate of Membership Credit for AVC Transfer</p>	<p>New regulation removes this requirement as member must elect at time benefits payable</p>	
<p>Regulation 80(1)(b), (4) & (5): Retention of contracted out liability when a member transfers to a non -contracted out registered pension scheme</p>	<p><i>Provision no longer exists</i></p>	