

Review of Administration Authority Discretions

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1. Summary

1.1 This report requires Committee to review and approve the various discretions that the Administering Authority (Somerset Council Pension Fund) has.

2. Recommendation

2.1 That the Committee reviews and approves the various discretions set out in **Appendix A** and **Appendix B**.

3. Background

3.1 The Local Government Pension Scheme regulations give some responsibilities and discretions to Somerset Council as the fund Administering Authority in the administration of the scheme.

3.2 The complete list of discretions, including the current policy or procedure and recommendations for any changes/new discretions, is at **Appendix A**. **Appendix B** contains the list of discretions where the Administering Authority is required to make a decision because the member's employer no longer participates in the Scheme.

3.3 Administering authority discretions were last reviewed at the time of the creation of Peninsula Pensions in 2014. The policy on abatement was reviewed alone in 2020.

4. Main changes

4.1 Abatement – where a member's pension is reduced if they are re-employed in Local Government and their pension plus new earnings exceed pay when they retired. SC's current policy is to not abate pensions, but this was a "temporary change taken in June 2020 to reflect the possible need to recruit staff to COVID pandemic related roles and not wishing to restrict the possible pool of people that could apply. The recommendation is to maintain the current policy of not applying abatement. Having a policy where abatement is applied would lead to a small decrease in pensions being paid that would be the case, but there is a saving in the administration time for calculating the abatement and recovering any overpaid amounts.

4.2 For a number of discretions the recommended policy has been updated to reflect changes in job titles or other circumstances but this does not change the fundamental nature of the policy.

5. Financial implications

5.1 Many of the discretions have possible financial implications but as a whole they are unlikely to be material in any given financial year.

6. Legal implications

6.1 There are no specific legal implications associated with this report.

7. Background papers

7.1 None

Note: For sight of individual background papers please contact the report author.

**Somerset Pension Fund – Administering Authority Discretions
March 2025**

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 [prefix B]
- the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Discretion	Regulation	Existing Policy	Recommendations
Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission	R4(2)(b)	The Administering Authority will agree to an admission agreement with one of these bodies, subject to the body showing long term financial security by either a guarantee from a scheduled employer or with the provision of a bond with Committee approval.	No change
Whether to agree to an admission agreement with a body applying to be an admission body	R5(5) & RSch 2, Part 3, para 1	The Administering Authority will agree to an admission agreement with a body, subject to the body showing long term financial security by either a guarantee from a scheduled employer or with the provision of a bond with Committee approval.	No change

<p>Whether to terminate a transferee admission agreement in the event of</p> <ul style="list-style-type: none"> - 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 	<p>RSch 2, Part 3, para 9(d)</p>	<p>The Administering Authority reserves the right to terminate a transferee admission agreement in any of those events.</p>	<p>No change</p>
<p>Define what is meant by “employed in connection with”</p>	<p>RSch 2, Part 3, para 12(a)</p>	<p>This applies where an admission agreement states that only those employed in connection with the service have access to the LGPS. A scheme member should spend at least 50% of their time on the relevant contract to remain eligible for the LGPS.</p>	<p>No change</p>
<p>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)</p>	<p>R16(1)</p>	<p>Where the APC/SCAPC is to replace a period of unpaid leave the AA will leave this to the employer’s discretion based on their administrative procedures and their knowledge of the person’s circumstances.</p>	<p>No change</p>
<p>Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC</p>	<p>R16(10)</p>	<p>A medical certificate is only required when an employee is buying £2000 pa additional pension or more and is paying via regular contributions (a medical will not be required when additional pension is purchased via lump sum). It is impractical to require a medical in all cases when some APC contracts will be very small and/or paid via lump sum.</p>	<p>No change</p>

Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health.	R16(10)	Where a medical is required the Head of Peninsula Pensions will decide if it is satisfactory.	No change
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)	TP15(1)(d) & A28(2)	Questions about charging for work done will be addressed as part of the Administration Strategy.	No change
Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member	R17(12)	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
Pension account may be kept in such form as is considered appropriate	R22(3)(c)	The pension accounts will be kept according to the provisions of the software system	No change
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 ceased should be aggregated (where there is more than one ongoing employment)	TP10(9)	The concurrent benefits will be added to the employment which appears to the AA to be the main ongoing employment. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change

<p>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</p>	<p>R68(2)</p>	<p>Somerset Pension Fund has had this in place for about 15. Payments can be made in one lump sum or spread over 3 years. In exceptional cases, with Director of Finance & Performance approval, payments may be spread over a longer period.</p>	<p>Payments can be made in one lump sum or spread over 3 years. In exceptional cases, with SC section 151 officer approval, payments may be spread over a longer period.</p>
<p>Whether to require any strain on Fund costs to be paid “up front” by employing authority following flexible retirement under R30(6) or waiver of actuarial reduction under TPSch 2, para 2(1) or release of benefits before age 60 under B30 of B30A</p>	<p>TPSch 2, para 2(3)</p>	<p>See above</p>	<p>See above</p>
<p>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</p>	<p>R32(7)</p>	<p>The regulations state that the member must give 3 months’ notice of their wishes and the AA does not wish to extend this.</p>	<p>No change</p>
<p>Decide whether to commute small pension</p>	<p>R34(1)</p>	<p>The member is always given the option to commute their benefits where the regulations and overriding legislation permit.</p>	<p>No change</p>

Approve medical advisors used by employers (for ill health benefits)	R36(3)	Peninsula Pensions will put a procedure in place to approve all doctors used by employers and once this has been done a certificate will not be accepted unless doctor has already been approved.	No change
Decide to whom death grant is paid	TP17(5) to (8) & R40(2), R43(2) & R46(2)	Death Grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
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	R49(1)(c)	In the absence of an election from the member, the highest benefits will be paid.	No change
Whether to set up a separate admission agreement fund	R54(1)	No separate fund is set up for admitted bodies. To do so would incur additional expense and workload with no apparent benefit.	No change
Whether to have a written pensions administration strategy and, if so, the matters it should include	R59(1) & (2)	Administering Authority aims to put an administration strategy in place.	The Administration Authority has an Administration Authority in place.

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	R64(4)	The Administering Authority reserves the right to obtain a revised rate in these circumstances	No change
Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Benefits Regulations as part of the "cost sharing" under R63	R65	A revised employer's rates and adjustment certificate will be obtained, at a cost to the employer. To be actioned by the Pensions Committee if required.	No change
Decide frequency of payments to be made over to Fund by employers and whether to make an admin charge.	R69(1)	Pensions Act 1995 requires employers to pay across employee contributions by 19 th of the following month. Employers are expected to pay over contributions as soon as possible after deduction.	No change
Decide form and frequency of information to accompany payments to the Fund	R69(4)	Employing authorities are required to submit individual employee information each month. A remittance advice is required to accompany pension contributions payments.	No change
Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance	R70 & TP22(2)	This matter will be addressed as part of the Administration Strategy.	No change
Whether to charge interest on payments by employers which are overdue	R71(1)	An employer making payments of contributions later than one month after the due date will be charged interest on the outstanding amounts from that date.	No change

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	R76(4)	Currently Stage 2 appeals are dealt with by the Director of Finance and Performance and the County Solicitor.	Stage 2 appeals are dealt with by the Funds & Investments Manager in consultation with other senior officers.
Whether admin. authority should appeal against employer decision (or lack of a decision)	R79(2)	The Administering Authority will appeal against an employer decision (or lack thereof) where necessary.	No change
Specify information to be supplied by employers to enable admin. authority to discharge its functions	R80(1)(b) & TP22(1)	Peninsula Pensions and the Investments Team will regularly review procedures and request the information that is necessary.	No change
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	R82(2)	Current limit under the Act is £5000. Payment will be made to personal representatives or entitled beneficiary without the need for probate or letters of administration.	No change
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.	R83	Peninsula Pensions will instruct Southwest One to do this when the appropriate supporting paperwork (e.g. Court of Protection or Power of Attorney) is supplied.	Peninsula Pensions will do this when the appropriate supporting paperwork (e.g. Court of Protection or Power of Attorney) is supplied.

Date to which benefits shown on annual benefit statement are calculated	R89(5)	Benefit statements for active members are calculated as at 31 st March in each year. Benefit statements for deferred and pension credit members are calculated as at the Pensions Increase date each year (6 th – 12 th April).	No change
Agree to bulk transfer payment	R98(1)(b)	Administering Authority will agree to a bulk transfer payment where appropriate and will liaise with Actuary.	No change
Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS	R100(68)	The Administering Authority will follow the decision of the appropriate employer.	No change
Allow transfer of pension rights into the Fund	R100(7)	Somerset accepts all transfers-in from a registered pension scheme.	No change
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	TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & B10(2)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits	No change
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.)	TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & TSch 1 & L23(9)	As above	As above

Decide to treat child as being in continuous education or vocational training despite a break	RSch 1 & TP17(9)	The Group Manager-Technical will decide based on the circumstances of each case.	The Funds & Investments Manager will decide based on the circumstances of each case.
Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member	RSch 1 & TP17(9)(b)	Proof of cohabiting for at least 2 years prior to the date of death together with any relevant certificates to prove the couple were free to marry will be required. The evidence needed to determine financial dependency or interdependency will be decided on a case by case basis by a member of the Peninsula Pensions team of grade H or above.	No change
Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment	TP3(13) & A70(1)* & A71(4)(c)	Abatement will not be applied	No change
Extend time period for capitalisation of added years contract	TP15(1)(c) & TSch1 & L83(5)	Members are given 3 months after retirement to make this decision. Extension of the time period will only be granted in exceptional circumstances and the decision is delegated to the Head of Peninsula Pensions	No change

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 (as amended) [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]

Discretion	Regulation	Current Policy	Recommendation
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	A28(2)	Questions about charging for work done will be addressed as part of the Administration Strategy.	No Change
Extend time period for capitalisation of added years contract	TSch1 & L83(5)	Members are given 3 months after retirement to make this decision. Extension of the time period will only be granted in exceptional circumstances and the decision is delegated to the Head of Peninsula Pensions.	No Change
Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	A45(3)	Outstanding employee contributions will not be recovered as a simple debt or by deduction from benefits, unless there are exceptional circumstances. The decision is delegated to the Head of Peninsula Pensions.	No Change

Can 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	A52(2)	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No Change
Approve medical advisors used by employers (for early payment, on grounds of ill health, of a deferred benefit or a suspended Tier 3 ill health pension)	A56(2)	Peninsula Pensions will put a procedure in place to approve all doctors used by employers and once this has been done a certificate will not be accepted unless doctor has already been approved.	No Change
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	A60(8)	Currently Stage 2 appeals are dealt with by the Director of Finance and Performance and the County Solicitor	Stage 2 appeals are dealt with by the Funds & Investments Manager in consultation with other senior officers.
Whether admin. authority should appeal against employer decision (or lack of a decision)	A63(2)	The Administering Authority will appeal against an employer decision (or lack thereof) where necessary	No change
Specify information to be supplied by employers to enable admin. authority to discharge its functions	A64(1)(b)	Peninsula Pensions and the Investments Team will regularly review procedures and request the information that is necessary.	No change
Decide policy on abatement of pensions following re-employment	TP3(13) & A70(1)* & A71(4)(c) & T12	Abatement will not be applied.	No change

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	B10(2)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits	No change
Whether to pay the whole or part of a child's pension to another person for the benefit of that child	B27(5)	Current practice is to pay pension to parent or guardian where child is under 18, with instruction that money is paid for the use of the child	No change
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.	A52A	Peninsula Pensions will instruct Southwest One to do this when the appropriate supporting paperwork (e.g. Court of Protection or Power of Attorney) is supplied.	Peninsula Pensions will do this when the appropriate supporting paperwork (e.g. Court of Protection or Power of Attorney) is supplied.
Decide to whom death grant is paid	B23(2) & B32(2) & B35(2) & TSch1 & L155(4)	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
Decide evidence required to determine financial dependence of co-habitee on scheme member or financial interdependence of co-habitee and scheme member	B25	Proof of cohabiting for at least 2 years prior to the date of death together with any relevant certificates to prove the couple were free to marry will be required. The evidence needed to determine financial dependency or interdependency will be decided on a case by case basis by a member of the Peninsula Pensions team of grade H or above.	No change

Decide to treat child as being in continuous education or vocational training despite a break	RSch 1 & TP 17(9)	The Group Manager-Technical will decide based on the circumstances of each case.	The Funds & Investments Manager will decide based on the circumstances of each case.
Decide whether to commute small pension	B39 & T14(3)	The member is always given the option to commute their benefits where the regulations and overriding legislation permit	No change
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	B42(1)(c)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits.	No change
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.)	TSch 1 & L23(9)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits.	No change

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

a) active councilor members, and

b) councilor 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.

Discretion	Regulation	Current Policy	Recommendation
Frequency of payment of councilors' contributions	12(5)	Pensions Act 1995 requires employers to pay across employee contributions by 19 th of the following month. Employers are expected to pay over contributions as soon as possible after deduction.	No change
Extend normal 12 month period following end of relevant reserve forces leave for "Cancelling notice" to be submitted by a councilor member requesting that the service should not be treated as relevant reserve forces service	17(4),(7),(8), & 89(4) & Sch 1	The time limit will only be extended in exceptional circumstances and the decision is delegated to the Head of Peninsula Pensions.	No change
Select appropriate final pay period for deceased non-councilor member (leavers post 31.3.98. / pre 1.4.08.)	22(7)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits.	No change
Make election on behalf of deceased non-councilor 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.)	23(9)	A Peninsula Pensions team member of grade H or above will make the decision in such a way as to provide the highest level of benefits.	No change

Decide to whom death grant is paid in respect of councilor members and post 31.3.98. / pre 1.4.08. leavers	38(1) & 155(4)	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
Decide to treat child as being in continuous education or vocational training despite a break (children of councilor members and children of post 31.3.98. / pre 1.4.08. leavers)	Reg 17(9) of the LGPS (Transitional Provisions and Savings) Regs 2014 and definition in Sch 1 of the LGPS Regulations 2013	The Group Manager-Technical will decide based on the circumstances of each case.	The Funds & Investments Manager will decide based on the circumstances of each case.
Apportionment of children's pension amongst eligible children (children of councilor members and children of post 31.3.98. / pre 1.4.08. leavers)	47(1)	Pension is divided equally between eligible children and the pension for the remaining children is recalculated when each child is no longer eligible.	No change
Pay child's pension to another person for the benefit of the child (children of councilor members and children of post 31.3.98. / pre 1.4.08. leavers)	47(2)	Current practice is to pay pension to parent or guardian where child is under 18, with instruction that money is paid for the use of the child.	No change
Agree to commutation of small pension (pre 1.4.08. leavers or pre 1.4.08. Pension Credit members)	49 & 156	The member is always given the option to commute their benefits where the regulations and overriding legislation permit.	No change

Commute benefits due to exceptional ill-health (councilor members, pre 1.4.08. leavers and pre 1.4.08. Pension Credit members).	50 and 157	The Head of Peninsula Pensions will determine if this is appropriate based on the medical evidence received.	No change
Whether acceptance of AVC election is subject to a minimum payment (councilors only)	60(5)	No minimum has been set.	No change
Whether to require any strain on Fund costs to be paid "up front" by employing authority following early voluntary retirement of a councilor (i.e. after age 50/55 and before age 60), or early payment of a deferred benefit on health grounds or from age 50 with employer consent (pre 1.4.08. leavers) – (see Note below)	80(5)	Somerset County Council has had this in place for around 15 years. Payments can be made in one lump sum or spread over 3 years. In exceptional cases, with Director of Finance & Performance approval, payments may be spread over a longer period.	Payments can be made in one lump sum or spread over 3 years. In exceptional cases, with SC Section 151 officer approval, payments may be spread over a longer period.
Frequency of employer's payments to the fund (in respect of councilor members).	81(1)	Pensions Act 1995 requires employers to pay across employee contributions by 19 th of the following month. Employers are expected to pay over contributions as soon as possible after deduction.	No change
Form and frequency of information to accompany payments to the Fund (in respect of councilor members)	81(5)	Employers are required to submit individual employee information only at year end. A remittance advice must accompany contribution payments.	No change
Interest on payments by employers overdue by more than 1 month (in respect of councilor members)	82(1)	Interest will be charged where the employer makes a payment more than 1 month after the due date.	No change

Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits (councillors and pre 1.4.08. leavers)	89(3)	Outstanding employee contributions will not be recovered as a simple debt or by deduction from benefits, unless there are exceptional circumstances. The decision is delegated to the Head of Peninsula Pensions.	No change
Timing of pension increase payments by employers to fund (pre 1.4.08. leavers)	91(6)	This only applies to Pensions Increase paid under the 1971 Act relating to the closed Water Authorities Fund (now Environment Agency). A lump sum has been paid to 'buy out' this liability.	No change
Pay death grant due to personal representatives without need for grant of probate / letters of administration (death of councillor or pre 1.4.08. leaver)	95	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
Approve medical advisors used by employers (re ill health benefits for councillors and re pre 1.4.08. preserved benefits payable on health grounds)	97(10)	Peninsula Pensions will put a procedure in place to approve all doctors used by employers and once this has been done a certificate will not be accepted unless doctor has already been approved.	No change
Decide procedure to be followed by admin authority when exercising its IDRPs functions and decide the manner in which those functions are to be exercised (councillors and pre 1.4.08. leavers)	99	Currently Stage 2 appeals are dealt with by the Director of Finance and Performance and the County Solicitor.	Stage 2 appeals are dealt with by the Funds & Investments Manager in consultation with other senior officers.
Appeal against employer decision, or lack of a decision (councillors and pre 1.4.08. leavers)	105(1)	The Administering Authority will appeal against an employer decision (or lack thereof) where necessary	No change

Date to which benefits shown on annual deferred benefit statement are calculated	106A(5)	Benefit statements for deferred members are calculated as at the Pensions Increase date (6 th -12 th April)	No change
Abatement of pensions following re-employment (councilors and pre 1.4.08. leavers)	109* & 110(4)(b)	Abatement will not be applied.	No change
Retention of CEP where member transfers out (councilors and pre 1.4.08. leavers)	118	This only applies where the contracted-out liability is retained in the Fund. Where this happens, an appropriate sum will be deducted from the transfer value.	No change

Discharge Pension Credit liability (in respect of Pension Sharing Orders for councilors and pre 1.4.08. Pension Sharing Orders for non-councilor members)	147	The discharge of pension credit liability is dealt with according to the regulations and guidance in force. A transfer of pension credit liability will be allowed.	No change
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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 scheme members who ceased active membership before 1.4.98.

Discretion	Regulation	Current Policy	Recommendations
Decide to whom death grant is paid in respect of pre 1.4.98. retirees / pre 1.4.98. deferreds	E8	Death grant will be paid by reference to member's will, expression of wish form and/or intestacy rules. The decision is delegated to a Peninsula Pensions team member grade H or above.	No change
Whether to pay spouse's pensions for life for pre 1.4.98 retirees / pe 1.4.98 deferreds who die on or after 1.4.98. (rather than ceasing during any period of remarriage or co-habitation)	F7	Somerset pays all spouse's pensions for life irrespective of the member's leaving date	No change
Decide to treat child as being in continuous education or vocational training despite a break (children of pre 1.4.98. retirees / pre 1.4.98. deferreds)	Reg 17(9) of the LGPS (Transitional Provisions and Savings) Regs 2014 and definition in Sch 1 of the LGPS Regulations 2013	The Group Manager-Technical will decide based on the circumstances of each case.	The Funds & Investments Manager will decide based on the circumstances of each case.
Apportionment of children's pension amongst eligible children (children of pre 1.4.98. retirees / pre 1.4.98. deferreds)	G11(1)	Pension is divided equally between eligible children and the pension for the remaining children is recalculated when each child is no longer eligible.	No change

Pay child's pension to another person for the benefit of the child (children of pre 1.4.98. retirees / pre 1.4.98. deferreds)	G11(2)	Current practice is to pay pension to parent or guardian where child is under 18, with instruction that money is paid for the use of the child.	No change
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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. However, as the benefits had accrued prior to 6 April 2006, they would not generate a scheme sanction charge.

Appendix B

Discretions where the Administering Authority acts in lieu of an employer which is no longer a Scheme employer

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 [prefix B]
- the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- the Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

Discretion	Regulation	Current Policy	Recommendations
Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
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 1(2) and 2(2)*	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.

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)*	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
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)	Only a current certificate will be accepted	No change
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)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
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)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.

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 (as amended) [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]

Discretion	Regulation	Current Policy	Recommendation
Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60	B30(2)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30	B30(5)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
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	B30A(3)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.

Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A	B30A(5)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria	B31(4)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.
Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment	B31(7)	This decision is delegated to the Group Manager-Technical	This decision is delegated to the Funds & Investments Manager.