



# **Administering Authority Discretions**

## Avon Pension Fund

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## Section 1 - Post 31 March 2014 active members and post 31 March 2014 leavers (excluding councillor members).

**Discretionary policies in relation to post 31 March 2014 active members and post 31 March 2014 leavers (excluding councillor members) which are discretions made under the following regulations:**

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

Ref No	Regulation	Description	Avon Pension Fund Policy
1	R4(2)(b)	Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or Care Quality Commission.	Head of Pensions has discretion to approve admission agreements with a Care Trust, NHS Scheme employing authority or Care Quality Commission provided there is an acceptable guarantee provided to the pension fund.

2	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.	<p>Head of Pensions has discretion to approve admission agreements with Admission Bodies (ABs) where:</p> <ul style="list-style-type: none"> <li>• they arise from transfers of existing LGPS scheme members; and</li> <li>• the original scheme employer (or a scheme employer with a “community of interest”) provides a satisfactory guarantee to the APF.</li> </ul> <p>A bond may be accepted if a suitable guarantor cannot be found. Only in exceptional cases would applications for admitted body status be referred to the Avon Pension Fund Committee.</p>
3	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.	The Fund exercises the discretion to backdate admissions to prevent LGPS members from being disadvantaged. The Pensions Committee agrees the use of this discretion.

4	RSch 2, Part 3, para 9(d)	<p>Whether to terminate an admission agreement in the event of:</p> <ul style="list-style-type: none"> <li>• insolvency, winding up or liquidation of the body.</li> <li>• breach by that body of its obligations under the admission agreement.</li> <li>• failure by that body to pay over sums due to the Fund within a reasonable period of being requested to do so.</li> </ul>	The exercise of the right to terminate an admission agreement rests with the Head of Pensions with reference to the Regulations and the terms of admission agreement.
5	RSch 2, Part 3, para 12(a)	Define what is meant by “employed in connection with”.	The Pensions Committee confirms the Funds definition of ‘Employed in connection with’ as meaning employed solely or mainly (i.e. at least 50% of their time) in the management or delivery of such services as are set out in the Contract.
6	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).	APF will turn down a request to pay an APC/SCAPC over a period of time where the monthly contribution is less than £10.

7	R16(10)	Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC.	APF will require a member to obtain a medical certificate completed by their doctor, at their own cost, confirming they are in reasonably good health before allowing them to take out a contract to purchase any amount of additional pension by either lump sum or regular monthly deduction.
8	R16(10)	Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health.	APF will assess each case on an individual basis.
9	R17(12)	Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member.	Where it is clear, having taken account of all the circumstances, APF will make payment in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner, civil partner or next of kin. Where there is any doubt, the decision to whom payment is made is delegated to the Head of Business Finance and Pensions or Probate is obtained.

10	R22(3)(c)	Pension account may be kept in such form as is considered appropriate.	Pension accounts are maintained electronically on APFs pension administration system. Appropriate measures are in place to ensure the administration system meets the requirements of the regulations.
11	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.	APF will combine benefits, in respect of previous membership, to the largest ongoing active pension account where more than one active pension account exists.
12	R30(8)	Mandatory written policy Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement (only where the employer has become defunct).	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.
13	R30(8)	Mandatory written policy 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 membership and only where the employer has become defunct).	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.

14	R68(2)	<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>APF will require any strain on fund costs relating to redundancy/efficiency and flexible retirement to be paid “upfront” in all cases. This also includes any stain on fund costs as a result of the employer choosing to waive any actuarial reduction on benefits following flexible retirement or where the member voluntarily draws benefits before their normal retirement age under the scheme.</p> <p>The employer will normally be invoiced in the month following the payment of benefits, for such costs. The Fund will require payment to be made within 21 days or interest of 1% above base rate will be added to the amount payable for the late payment.</p>
15	TPSch 2, para 1(2) & 1(1)(c)	<p>Mandatory written policy</p> <p>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 and only where the employer has become defunct).</p>	<p>APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.</p>



16	TP3(1), TPSch 2, para 2(1), B30(5) & B30A(5)	<p>Mandatory written policy</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):</p> <p>a) on compassionate grounds (pre 1 April 2014 membership) and/or 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,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and/or 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,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and/or 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,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and/or 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>(Only where the employer has become defunct).</p>	<p>APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it where there are sufficient compassionate grounds, which might include but not be limited to where the member is needed to look after and care for a dependant relative full time, on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.</p>
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17	TPSch 2, para 2(3)	Whether to require any strain on Fund costs to be paid “up front” by employing authority if the employing authority “switches on” the 85 year rule for a member voluntarily retiring (other than flexible retirement) prior to age 60, or waives an actuarial reduction on compassionate grounds under TPSch 2, para 2(1).	<p>APF will require costs relating to the employer “switching on” the 85 year rule or waiving an actuarial reduction on compassionate grounds to be paid “up front” in all cases.</p> <p>The employer will normally be invoiced in the month following the payment of benefits, for such costs. The Fund will require payment to be made within 21 days or interest of 1% above base rate will be added to the amount payable for the late payment.</p>
18	R32(7)	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.	APF will extend the time limit that a member must advise the fund of their intention to receive their benefits.
19	R34(1)(a)	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).	APF will allow commutation of a member’s pension on receipt of a signed declaration confirming details of all pension rights held in a HMRC tax-approved pension arrangement and providing the capital value of all benefits do not exceed HMRC limits and subject to all other rules.

20	R34(1)(b)	Decide whether to trivially commute a lump sum death benefit under section 168 of the Finance Act 2004.	APF will allow commutation of a survivor's pension where the total value of the trivial commutation death benefit due under the Local Government Pension Scheme does not exceed HMRC limits and subject to all other rules.
21	R34(1)(c)	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).	APF will allow commutation of a member's pension where the total value of the commutation payment from trivialising all benefits held in the Local Government Pension Scheme does not exceed HMRC limits and subject to all other rules.

22	R36(3)	Approve medical advisors used by employers (for ill health benefits).	<p>Avon Pension Fund (APF) requires each employer to provide details of the Independent Registered Medical Practitioner (IRMP) they wish to use for ill health purposes and will provide APF with evidence of the medical qualifications held. If satisfied, APF will approve the IRMP and maintain a list on APF's website of the name and contact details of the approved IRMP.</p> <p>Note: APF are currently reviewing the ill Health retirement process and provisions. Once the new process is adopted, we will need to review this discretion and propose to change to the following discretion:</p> <p>Avon Pension Fund shall approve the choice of the medical practitioner used by the employer for ill-health retirement. A medical practitioner who is registered with the General Medical Council and who has the appropriate qualifications specified in the regulations will be approved.</p>
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24	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 (only where the employer has become defunct).	Where a request is received, APF, acting as employer, will consider each case individually and a decision will be made based on the medical evidence available and the opinion provided by the Independent Registered Medical Practitioner.
25	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 (only where the employer has become defunct).	Where a request is received, APF, acting as employer, will consider each case individually and a decision will be made based on the medical evidence available and the opinion provided by the Independent Registered Medical Practitioner.
26	TP17(5) to (8), R40(2), R43(2) & R46(2)	Decide to whom death grant is paid.	Where it is clear, having taken account of all the circumstances, APF will make payment in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner, civil partner or next of kin. Where there is any doubt, the decision to whom payment is made is delegated to the Head of Business Finance and Pensions or Probate is obtained.

27	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.	APF will proceed with what is considered to be the most advantageous decision to the member.
28	R54(1)	Whether to set up a separate admission agreement fund.	The Fund has not taken up this option.

29	R55	<p>Mandatory written policy</p> <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"> <li>• the frequency of any committee or sub-committee meetings,</li> <li>• the terms, structure and operational procedures appertaining to the delegation, and</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 Sec of State guidance and, to the extent it does not so comply, state the reasons for not complying, and</li> <li>• the terms, structure and operational procedures appertaining to the local Pensions Board.</li> </ul>	<p>APFs Governance Compliance Statement is reviewed and published annually following approval by APF Pension Committee. A copy of the current Governance Compliance Statement is available on our website.</p>
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30	R58	<p>Mandatory written policy</p> <p>Decide on Funding Strategy for inclusion in funding strategy statement.</p>	APFs Funding Strategy Statement is prepared, maintained and published annually and is agreed in co-operation with the Fund's actuary and in consultation with employers. A copy of the current Funding Strategy is available on our website.
31	R59(1) & (2)	Whether to have a written pensions administration strategy and, if so, the matters it should include.	APFs Pensions Administration Strategy is reviewed periodically and published after consultation with Fund Stakeholders and following approval from Pensions Committee on our website.
32	R61	<p>Mandatory written policy</p> <p>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.</p>	APFs Communications Policy Statement is available on our website.
33	R64(2ZAB)	With agreement of the Employer, whether to extend the period beyond 6 months from the date an Employer ceases to be a Scheme Employer, by which to pay an exit credit.	The Head of Pensions has the discretion to extend the period within which an exit credit will be paid beyond 6 months from the exit date, by agreement with the exiting employer.



34	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.	The Head of Pensions has the discretion to issue a suspension notice for up to 3 years when the conditions set out in the Regulations are met.
35	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.	Head of Pensions has discretion to agree the revision of contribution rates for an employer in circumstances where a Scheme Employer is likely to become an exiting employer, on a case by case basis, having taken the advice of the Actuary into consideration. Any contribution rate revision would be at the request of the outsourcing Scheme Employer who would meet the actuarial costs.
36	R69(1)	Decide frequency of payments to be made over to Fund by employers and whether to make an admin charge.	The frequency of employer payments will be at least monthly. Monthly payments fall due on the 19th following the month to which they relate. APF reserves the right to recharge any abnormal administration costs that it incurs as a result of the under-performance of employing bodies or their agents.

37	R69(4)	Decide form and frequency of information to accompany payments to the Fund.	The scheme employer should complete an online LGPS 50 form to accompany payments in accordance with the frequency stated above.
38	R70 & TP22(2)	Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance.	The Avon Pension Fund have set out measures within its Pensions Administration Strategy with regards to specific areas for when underperforming employers will be issued with a penalty charge or fine. The Fund reserves the right to issue penalty charges or fines for additional administration incurred as a result of disproportionate work or an employer's level of performance in areas not included in the Strategy. This will be reviewed on a case by case basis.
39	R71(1)	Whether to charge interest on payments by employers which are overdue.	Emailed Claire
40	R74(4)	Whether to extend six month period to lodge a stage one IDR appeal.	APF resolves to consider each case for an extension on its individual circumstances
41	R74(6)	Decide procedure to be followed by adjudicator when exercising stage one IDR functions and decide the manner in which those functions are to be exercised.	Stage One appeals against APF will be determined by the Technical & Compliance Advisor.

42	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.	<p>Stage Two appeals against APF will be determined by the Administering Authority following a review of the case being undertaken by Osborne Clarke.</p> <p>Stage Two appeals against the employer will be determined by the Technical &amp; Compliance Advisor.</p>
43	R79(2)	Whether administering authority should appeal against employer decision (or lack of a decision).	APF will appeal to the Secretary of State if we believe an employer has made (or failed to make) a decision that is both wrong in law and material and where we have been unable to persuade the employer to alter its actions or inactions.
44	R80(1)(b) & TP22(1)	Specify information to be supplied by employers to enable administering authority to discharge its functions.	Employers are required to provide information to the Avon Pensions Fund so that they may discharge their duties with respect to administration of the scheme in accordance with the Pensions Administration Strategy.

45	R82(2)	<p>Whether to pay the whole or part of the amount that is due to the personnel representatives (including anything due to the deceased member at the date of death) to:</p> <ul style="list-style-type: none"> <li>• the personal representatives, or</li> <li>• anyone appearing to be beneficially entitled to the estate</li> </ul> <p>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.</p>	<p>APF will normally make payments due in respect of deceased persons without the production of probate or letters of administration of estates, where the amounts due are below the amount specified in any order under section 6 of the Administration of Estates (Small Payments) Act 1965.</p>
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46	R83	Whether, where a person is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	<p>APF will pay benefits to a person managing the affairs in accordance with an enduring Power of Attorney. Where there is no Power of Attorney the Fund reserves the right to accept a signed declaration confirming that the pension will be applied for the benefit of the member, in exceptional circumstances.</p> <p>Where the individual is a child who is under the age of 18, APF will normally pay their pension to the person who is responsible for the care of that child on receipt of a signed declaration that the pension be applied for the benefit of that child. Alternatively, this can be paid into a bank account in the name of the child if the carer of that child requests this.</p>
47	R98(1)(b)	Agree to bulk transfer payment along with the Employer and Trustees of new scheme.	Bulk transfer terms will be negotiated and agreed on a case by case basis in consultation with the Fund Actuary and the Scheme employer.
48	R100(6)	With agreement of the Employer, whether to extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS.	APF will accept a transfer value where the request is received beyond 12 months from joining the LGPS but only where the employer also agrees to extend the time limit.

49	R100(7)	Allow transfer of pension rights into the Fund.	APF reserves the right to obtain actuarial advice if the Fund feels that the acceptance of a transfer may create a substantial liability to the Fund and may also require a member to obtain a medical certificate completed by their doctor, at their own cost, confirming they are in reasonably good health.
50	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.	Where APF are aware that the member would have been eligible to make such an election, but the member did not have the opportunity to, the most advantageous figure will be automatically applied by the Fund.
51	TP3(6), TP4(6)(c), TP8(4), TP10(2)(a), TP17(2)(b) & TSch 1 & 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 April 2008).	Where APF are aware that the member would have been eligible to make such an election, but the member did not have the opportunity to, the most advantageous figure will be automatically applied by the Fund.

52	RSch 1 & 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.	APF will treat a child as being in continuous education or training in all cases where the child is under the age of 18. Where the child is aged between 18 and 23, we will ignore all short breaks, including term holidays, but will require annual declarations of a child continuing in education to be completed in all cases for a child's pension to continue being paid. A gap year will be treated as an interruption in education or training and as such will result in the suspension of a child's pension, however, this will be restarted if confirmation is received that education / training has resumed.
53	RSch 1 & 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.	<p>APF will provide the appropriate parties with details of the evidence required to determine financial dependence or interdependence, which will include, but not be restricted to, items such as joint bank account statements, shared utility bills, joint mortgage arrangements, insurance policies and joint loans.</p> <p>Financial dependence or interdependence will be assessed and agreed on a case by case basis and where required, the final decision will be made by the Head of Business Finance and Pensions.</p>

54	TP3(13) & A70(1) & A71(4)(c)	<p>Mandatory written policy</p> <p>Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment.</p>	The Administering Authority resolves to abate the pre 1 April 2014 element of pensions in payment following re-employment in accordance with the regulations.
56	R105(2)	Decide whether to delegate any administering authority functions under the Regulations.	APF has determined not to delegate any functions under the Regulations but reserves the right to consider doing so on a case by case basis.
58	R106(6)	Decide procedures applicable to the local pension board.	B&NES Council, as administering authority, determines the procedures applicable to the local pension board.
59	R107(1)	Decide appointment procedures, terms of appointment and membership of local pension board.	B&NES Council, as administering authority, determines the procedures applicable to the local pension board.



## Section 2 - Scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014.

Discretionary policies in relation to scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014 which are discretions made under the following regulations:

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

Ref No	Regulation	Description	Avon Pension Fund Policy
2	A45(3)	Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits.	APF resolves to treat such amounts as simple debts recovered via Invoice for active members. However, for members entitled to the immediate payment of benefits, arrears will be recovered from benefits.

3	A52(2)	<p>Whether to pay the whole or part of the amount that is due to the personnel representatives (including anything due to the deceased member at the date of death) to:</p> <ul style="list-style-type: none"> <li>• personal representatives, or</li> <li>• anyone appearing to be beneficially entitled to the estate</li> </ul> <p>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.</p>	<p>APF will normally make payments due in respect of deceased persons without the production of probate or letters of administration of estates, where the amounts due are below the amount specified in any order under section 6 of the Administration of Estates (Small Payments) Act 1965.</p>
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4	A56(2)	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).	<p>Avon Pension Fund (APF) requires each employer to provide details of the Independent Registered Medical Practitioner (IRMP) they wish to use for ill health purposes and will provide APF with evidence of the medical qualifications held. If satisfied, APF will approve the IRMP and maintain a list on APF's website of the name and contact details of the approved IRMP.</p> <p>Note: APF are currently reviewing the ill Health retirement process and provisions. Once the new process is adopted, we will need to review this discretion and propose to change to the following discretion:</p> <p>Avon Pension Fund shall approve the choice of the medical practitioner used by the employer for ill-health retirement. A medical practitioner who is registered with the General Medical Council and who has the appropriate qualifications specified in the regulations will be approved.</p>
5	TP23 & R74(4)	Whether to extend six month period to lodge a stage one IDR appeal.	APF resolves to consider each case for an extension on its individual circumstances.

6	TP23 & R74(6)	Decide procedure to be followed by adjudicator when exercising stage one IDRP functions and decide the manner in which those functions are to be exercised.	Stage One appeals against APF will be determined by the Technical & Compliance Advisor.
7	TP23 & R76(4)	Decide procedure to be followed by administering authority when exercising its stage two IDRP functions and decide the manner in which those functions are to be exercised.	<p>Stage Two appeals against APF will be determined by the Administering Authority following a review of the case being undertaken by Osborne Clarke.</p> <p>Stage Two appeals against the employer will be determined by the Technical &amp; Compliance Advisor.</p>
8	TP23 & R79(2)	Whether administering authority should appeal against employer decision (or lack of a decision).	APF will appeal to the Secretary of State if we believe an employer has made (or failed to make) a decision that is both wrong in law and material and where we have been unable to persuade the employer to alter its actions or inactions.
9	TP23, TP22(1) & R80(1)(b)	Specify information to be supplied by employers to enable administering authority to discharge its functions.	Employers are required to provide information to the Avon Pensions Fund so that they may discharge their duties with respect to administration of the scheme in accordance with the Pensions Administration Strategy.

10	TP3(13), A70(1) & A71(4)(c)	<p>Mandatory written policy</p> <p>Decide policy on abatement of pensions following re-employment.</p>	The Administering Authority resolves to abate the pre 1 April 2014 element of pensions in payment following re-employment in accordance with the regulations.
11	B10(2)	Where member to whom B10 applies (use of average of 3 years pay within the period of 13 years ending with the last day of active membership for final pay purposes) dies before making an election, whether to make that election on behalf of the deceased member.	Where APF are aware that the member would have been eligible to make such an election, but the member did not have the opportunity to, the most advantageous figure will be automatically applied by the Fund.
12	B27(5)	Whether to pay the whole or part of a child's pension to another person for the benefit of that child.	Where the individual is a child who is under the age of 18, APF will normally pay their pension to the person who is responsible for the care of that child on receipt of a signed declaration that the pension be applied for the benefit of that child. Alternatively, this can be paid into a bank account in the name of the child if the carer of that child requests this.

13	A52A	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.	APF will pay benefits to a person managing the affairs in accordance with an enduring Power of Attorney. Where there is no Power of Attorney the Fund reserves the right to accept a signed declaration confirming that the pension will be applied for the benefit of the member, in exceptional circumstances.
14	TPSch 2, para 1(2) & 1(1)(c)	<p>Mandatory written policy</p> <p>Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (Only where Employer has become defunct).</p>	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.
15	B30(5), TPSch 2, para 2(1)	<p>Mandatory written policy</p> <p>Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member). (Only where the employer has become defunct).</p>	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it where there are sufficient compassionate grounds, which might include but not be limited to where the member is needed to look after and care for a dependant relative full time, on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.

16	TPSch 2, para 1(2) & 1(1)(c)	<p>Mandatory written policy</p> <p>Whether to “switch on” the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60 (only where the employer has become defunct).</p>	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.
17	B30A(5), TPSch 2, para 2(1)	<p>Mandatory written policy</p> <p>Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits). (Only where the employer has become defunct).</p>	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it where there are sufficient compassionate grounds, which might include but not be limited to where the member is needed to look after and care for a dependant relative full time, on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.

18	TPSch 2, para 2(3)	Whether to require any strain on Fund costs to be paid “up front” by employing authority if the employing authority “switches on” the 85 year rule for a member voluntarily retiring prior to age 60, or waives an actuarial reduction on compassionate grounds under TPSch 2, para 2(1).	<p>APF will require costs relating to the employer “switching on” the 85 year rule or waiving an actuarial reduction on compassionate grounds to be paid “up front” in all cases.</p> <p>The employer will normally be invoiced in the month following the payment of benefits, for such costs. The Fund will require payment to be made within 21 days or interest of 1% above base rate will be added to the amount payable for the late payment.</p>
19	B31(4)	Decide whether deferred beneficiary meets permanent ill health and reduced likelihood of gainful employment criteria (only where the employer has become defunct).	Where a request is received, APF, acting as employer, will consider each case individually and a decision will be made based on the medical evidence available and the opinion provided by the Independent Registered Medical Practitioner.
20	B31(7)	Decide whether a suspended ill health tier 3 member is permanently incapable of undertaking any gainful employment (only where the employer has become defunct).	Where a request is received, APF, acting as employer, will consider each case individually and a decision will be made based on the medical evidence available and the opinion provided by the Independent Registered Medical Practitioner.



21	B23(2), B32(2), B35(2), TSch1 & L155(4)	Decide to whom death grant is paid.	Where it is clear, having taken account of all the circumstances, APF will make payment in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner, civil partner or next of kin. Where there is any doubt, the decision to whom payment is made is delegated to the Head of Business Finance and Pensions or Probate is obtained.
22	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.	<p>APF will provide the appropriate parties with details of the evidence required to determine financial dependence or interdependence, which will include, but not be restricted to, items such as joint bank account statements, shared utility bills, joint mortgage arrangements, insurance policies and joint loans.</p> <p>Financial dependence or interdependence will be assessed and agreed on a case by case basis and where required, the final decision will be made by the Head of Business Finance and Pensions.</p>

23	RSch 1 & TP17(9)(a)	Decide to treat child (who has not reached the age of 23) as being in continuous education or vocational training despite a break.	APF will treat a child as being in continuous education or training in all cases where the child is under the age of 18. Where the child is aged between 18 and 23, we will ignore all short breaks, including term holidays, but will require annual declarations of a child continuing in education to be completed in all cases for a child's pension to continue being paid. A gap year will be treated as an interruption in education or training and as such will result in the suspension of a child's pension, however, this will be restarted if confirmation is received that education / training has resumed.
24	B39(1)(a) & T14(3)	Decide whether to trivially commute a member's pension under section 166 of the Finance Act 2004.	APF will allow commutation of a member's pension on receipt of a signed declaration confirming details of all pension rights held in a HMRC tax-approved pension arrangement and providing the capital value of all benefits do not exceed HMRC limits and subject to all other rules.

25	R39(1)(b)	Decide whether to trivially commute a lump sum death benefit under section 168 of the Finance Act 2004.	APF will allow commutation of a survivor's pension where the total value of the trivial commutation death benefit due under the Local Government Pension Scheme does not exceed HMRC limits and subject to all other rules.
26	R39(1)(c)	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 pension credit members).	APF will allow commutation of a member's pension where the total value of the commutation payment from trivialising all benefits held in the Local Government Pension Scheme does not exceed HMRC limits and subject to all other rules.
27	B42(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.	APF will proceed with what is considered to be the most advantageous decision to the member.
28	TSch 1 & 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 April 2008).	Where APF are aware that the member would have been eligible to make such an election, but the member did not have the opportunity to, the most advantageous figure will be automatically applied by the Fund.



### Section 3 - Councillor members who ceased active membership on or after 1 April 1998, and any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008.

Discretionary policies in relation to councillor members who ceased active membership on or after 1 April 1998, and any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008 which are discretions made under the following regulations:

- Local Government Pension Scheme Regulations 1997 (as amended) **[prefix L]**
- Local Government Pension Scheme (Transitional Provisions) Regulations 2008 **[prefix T]**
- Local Government Pension Scheme (Administration) Regulations 2008 **[prefix A]**
- Local Government Pension Scheme Regulations 2013 **[prefix R]**
- Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 **[prefix TP]**

Ref No	Regulation	Description	Avon Pension Fund Policy
3	TPSch 2, para 1(2) & L1(1)(f) & R60	Mandatory written policy Whether to “switch on” the 85 year rule for a member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60 (only where the employer has become defunct).	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it under exceptional circumstances on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.

4	L31(5) & TPSch 2, para 2(1)	<p>Mandatory written policy</p> <p>Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early (only where the employer has become defunct).</p>	<p>APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it where there are sufficient compassionate grounds, which might include but not be limited to where the member is needed to look after and care for a dependant relative full time, on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.</p>
5	L38(1) & L155(4)	Decide to whom death grant is paid.	<p>Where it is clear, having taken account of all the circumstances, APF will make payment in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner, civil partner or next of kin. Where there is any doubt, the decision to whom payment is made is delegated to the Head of Business Finance and Pensions or Probate is obtained.</p>

6	TP17(9)(a) & RSch 1	Decide to treat child (who has not reached the age of 23) as being in continuous education or vocational training despite a break.	APF will treat a child as being in continuous education or training in all cases where the child is under the age of 18. Where the child is aged between 18 and 23, we will ignore all short breaks, including term holidays, but will require annual declarations of a child continuing in education to be completed in all cases for a child's pension to continue being paid. A gap year will be treated as an interruption in education or training and as such will result in the suspension of a child's pension, however, this will be restarted if confirmation is received that education / training has resumed.
7	L47(1)	Apportionment of children's pension amongst eligible children.	Where there is more than one eligible child APF will normally divide a children's pension equally between them.

8	L47(2)	Pay child's pension to another person for the benefit of the child.	<p>APF will pay benefits to a person managing the affairs in accordance with an enduring Power of Attorney. Where there is no Power of Attorney the Fund reserves the right to accept a signed declaration confirming that the pension will be applied for the benefit of the member, in exceptional circumstances.</p> <p>Where the individual is a child who is under the age of 18, we will normally pay their pension to the person who is responsible for the care of that child on receipt of a signed declaration that the pension be applied for the benefit of that child. Alternatively, this can be paid into a bank account in the name of the child if the carer of that child requests this.</p>
9	L49(1) & T14(3)	Decide whether to trivially commute a member's pension under section 166 of the Finance Act 2004 (includes pre 1 April 2008 leavers or Pension Credit members where the effective date of the Pension Sharing Order was pre 1 April 2014 or where the effective date of the Pension Sharing Order is after 31 March 2014 but the debited member had no post 31 March 2014 membership of the 2014 Scheme).	APF will allow commutation of a member's pension on receipt of a signed declaration confirming details of all pension rights held in a HMRC tax-approved pension arrangement and providing the capital value of all benefits do not exceed HMRC limits and subject to all other rules.



10	L49(1)	Decide whether to trivially commute a lump sum death benefit under section 168 of the Finance Act 2004.	APF will allow commutation of a survivor's pension where the total value of the trivial commutation death benefit due under the Local Government Pension Scheme does not exceed HMRC limits and subject to all other rules.
11	L50 and L157	Decide whether to commute benefits due to exceptional ill-health (including Pension Credit members where the effective date of the Pension Sharing Order was pre 1 April 2014 or where the effective date of the Pension Sharing Order is after 31 March 2014 but the debited member had no post 31 March 2014 membership of the 2014 Scheme).	APF will provide a member with the option to commute to a lump sum payment in lieu of a pension where the member has a serious life limiting condition.
13	L80(5)	Whether to require any strain on Fund costs to be paid "up front" by employing authority following early voluntary retirement of a councillor, or early payment of a deferred benefit on health grounds or from age 50 and prior to age 55 with employer consent.	<p>APF will require any strain on fund costs following early voluntary retirement of a councillor or from age 50 and prior to age 55 with employer consent, to be paid "upfront" in all cases. However, we will not normally require any strain on fund costs for early payment of a deferred benefit on health grounds to be paid "upfront".</p> <p>The employer will normally be invoiced in the month following the payment of benefits, for such costs. The Fund will require payment to be made within 21 days or interest of 1% above base rate will be added to the amount payable for the late payment.</p>

14	TPSch 2, para 2(3)	Whether to require any strain on Fund costs to be paid “up front” by employing authority if the employing authority “switches on” the 85 year rule for a member voluntarily retiring on or after age 55 and prior to age 60, or waives an actuarial reduction on compassionate grounds under TPSch 2, para 2(1).	<p>APF will require costs relating to the employer “switching on” the 85 year rule or waiving an actuarial reduction on compassionate grounds to be paid “up front” in all cases.</p> <p>The employer will normally be invoiced in the month following the payment of benefits, for such costs. The Fund will require payment to be made within 21 days or interest of 1% above base rate will be added to the amount payable for the late payment.</p>
18	L89(3)	Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits.	APF resolves to treat such amounts as simple debts recovered via Invoice for active members. However, for members entitled to the immediate payment of benefits, arrears will be recovered from benefits.
20	L95	<p>Whether to pay the whole or part of the amount that is due to the personnel representatives (including anything due to the deceased member at the date of death) to:</p> <ul style="list-style-type: none"> <li>• personal representatives, or</li> <li>• anyone appearing to be beneficially entitled to the estate</li> </ul> <p>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.</p>	APF will normally make payments due in respect of deceased persons without the production of probate or letters of administration of estates, where the amounts due are below the amount specified in any order under section 6 of the Administration of Estates (Small Payments) Act 1965.

21	L97(10)	Approve medical advisors used by employers.	<p>Avon Pension Fund (APF) requires each employer to provide details of the Independent Registered Medical Practitioner (IRMP) they wish to use for ill health purposes and will provide APF with evidence of the medical qualifications held. If satisfied, APF will approve the IRMP and maintain a list on APF's website of the name and contact details of the approved IRMP.</p> <p>Note: APF are currently reviewing the ill Health retirement process and provisions. Once the new process is adopted, we will need to review this discretion and propose to change to the following discretion: Avon Pension Fund shall approve the choice of the medical practitioner used by the employer for ill-health retirement. A medical practitioner who is registered with the General Medical Council and who has the appropriate qualifications specified in the regulations will be approved.</p>
22	TP23 & R74(4)	Whether to extend six month period to lodge a stage one IDR appeal.	APF resolves to consider each case for an extension on its individual circumstances
23	TP23 & R74(6)	Decide procedure to be followed by adjudicator when exercising stage one IDR functions and decide the manner in which those functions are to be exercised.	Stage One appeals against APF will be determined by the Technical & Compliance Advisor.

24	TP23 & R76(4)	Decide procedure to be followed by admin authority when exercising its stage two IDRP functions and decide the manner in which those functions are to be exercised	Stage Two appeals against APF will be determined by the Administering Authority following a review of the case being undertaken by Osborne Clarke. Stage Two appeals against the employer will be determined by the Technical & Compliance Advisor.
25	TP23 & R79(2)	Whether administering authority should appeal against employer decision (or lack of a decision)	APF will appeal to the Secretary of State if we believe an employer has made (or failed to make) a decision that is both wrong in law and material and where we have been unable to persuade the employer to alter its actions or inactions.
26	TP23 & TP22(1) & R80(1)(b)	Specify information to be supplied by employers to enable administering authority to discharge its functions.	Employers are required to provide information to the Avon Pensions Fund so that they may discharge their duties with respect to administration of the scheme in accordance with the Pensions Administration Strategy.
27	L106A(5)	Date to which benefits shown on annual deferred benefit statement are calculated.	APF will decide the date to which benefits shown on the annual benefit statement are calculated. The date will be selected in line with regulatory requirement and best practice.

28	TP3(13), A70(1) & A71(4)(c)	Mandatory written policy Abatement of pensions following re-employment.	The Administering Authority resolves to abate the pre 1 April 2014 element of pensions in payment following re-employment in accordance with the regulations.
30	L147	Discharge Pension Credit liability.	APF will discharge pension credit liabilities by conferring appropriate rights under the scheme on the ex-spouse or ex-civil partner. Alternatively, the ex-spouse or ex-civil partner may request a transfer of those rights to a HMRC tax-approved pension arrangement.

## Section 4 - Scheme members who ceased active membership before 1 April 1998.

**Discretionary policies in relation to scheme members who ceased active membership before 1 April 1998 which are discretions made under the following regulations:**

- The Local Government Pension Scheme Regulations 1995 (as amended)
- Local Government Pension Scheme Regulations 1997 (as amended) **[prefix L]**
- The Local Government Pension Scheme (Transitional Provisions) Regulations **[prefix TL]**
- Local Government Pension Scheme (Administration) Regulations 2008 **[prefix A]**
- Local Government Pension Scheme Regulations 2013 **[prefix R]**
- Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014 **[prefix TP]**

Ref No	Regulation	Description	Avon Pension Fund Policy
1	TP3(5A)(vi), TL4, L106(1) & D11(2)(c)	Mandatory written policy Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds. (only where the employer has become defunct).	APF, acting as Employer, as a general rule, will not normally exercise this discretion but may consider it where there are sufficient compassionate grounds, which might include but not be limited to where the member is needed to look after and care for a dependant relative full time, on a case by case basis, taking into account the individual or business case and foreseeable costs to the Fund.

2	E8	Decide to whom death grant is paid.	Where it is clear, having taken account of all the circumstances, APF will make payment in accordance with the member's expression of wish. If no wish has been made, then payment is made to the legal spouse, cohabiting partner, civil partner or next of kin. Where there is any doubt, the decision to whom payment is made is delegated to the Head of Business Finance and Pensions or Probate is obtained.
3	F7	Whether to pay spouse's pensions for life (rather than ceasing during any period of remarriage or co-habitation).	APF will not suspend spouse's pensions due to remarriage or cohabitation and, therefore, they will be paid for life.
4	TP17(9)(a) & RSch 1	Decide to treat child (who has not yet reached the age of 23) as being in continuous education or vocational training despite a break.	APF will treat a child as being in continuous education or training in all cases where the child is under the age of 18. Where the child is aged between 18 and 23, we will ignore all short breaks, including term holidays, but will require annual declarations of a child continuing in education to be completed in all cases for a child's pension to continue being paid. A gap year will be treated as an interruption in education or training and as such will result in the suspension of a child's pension, however, this will be restarted once confirmation is received that education / training has resumed.

5	G11(1)	Apportionment of children's pension amongst eligible children.	Where there is more than one eligible child APF will normally divide a children's pension equally between them.
6	G11(2)	Pay child's pension to another person for the benefit of the child.	Where the individual is a child who is under the age of 18, APF will normally pay their pension to the person who is responsible for the care of that child on receipt of a signed declaration that the pension be applied for the benefit of that child. Alternatively, this can be paid into a bank account in the name of the child if the carer of that child requests this.
7	TP3(13), A70(1) & A71(4)(c)	Mandatory written policy Abatement of pensions following re-employment.	The Administering Authority resolves to abate the pre 1 April 2014 element of pensions in payment following re-employment in accordance with the regulations.
8	TP23 & R74(4)	Whether to extend six month period to lodge a stage one IDRP appeal.	APF resolves to consider each case for an extension on its individual circumstances
9	TP23 & R74(6)	Decide procedure to be followed by adjudicator when exercising stage one IDRP functions and decide the manner in which those functions are to be exercised.	Stage One appeals against APF will be determined by the Technical & Compliance Advisor.



10	TP23 & R76(4)	Decide procedure to be followed by admin authority when exercising its stage two IDRP functions and decide the manner in which those functions are to be exercised	Stage Two appeals against APF will be determined by the Administering Authority following a review of the case being undertaken by Osborne Clarke. Stage Two appeals against the employer will be determined by the Technical & Compliance Advisor.
11	TP23 & R79(2)	Whether administering authority should appeal against employer decision (or lack of a decision)	APF will appeal to the Secretary of State if we believe an employer has made (or failed to make) a decision that is both wrong in law and material and where we have been unable to persuade the employer to alter its actions or inactions.
12	TP23, TP22(1) & R80(1)(b)	Specify information to be supplied by employers to enable administering authority to discharge its functions.	Employers are required to provide information to the Avon Pensions Fund so that they may discharge their duties with respect to administration of the scheme in accordance with the Pensions Administration Strategy.

## Section 5 - Other discretionary policies to be maintained by the Administering Authority.

Other discretionary policies to be maintained by the Administering Authority which are discretions made under the following regulations:

- The Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011

Ref No	Regulation	Description	Avon Pension Fund Policy
1	2	To decide whether it is legally able to offer voluntary scheme pays (to determine legality see paragraph 223 onwards of the Annual Allowance guide published under the 'Guides and sample documents' page of <a href="http://www.lgpsregs.org">www.lgpsregs.org</a> ); and, if so, to decide the circumstances (if any) upon which it would do so.	A copy of the Scheme Pays Policy is published on the Fund's website.