

Statement of Discretions for East Riding of Yorkshire Council



Discretions List for Administering Authority

Discretions from 1.4.14 in relation to post 31.3.14 active members (excluding councillor members) and post 31.3.14 leavers (excluding councillor members)

Description of Discretion	East Riding Pension Fund policy
Whether to agree to an admission agreement with a Care Trust, NHS Scheme employing authority or care Quality Commission	Delegated decision making to Pensions Manager, in accordance with ERPF Admissions Policy
Whether to agree to an admission agreement with a body applying to be an admission body	Delegated decision making to Pensions Manager, in accordance with ERPF Admissions Policy
Whether to terminate a transferee admission agreement in the event of - insolvency, winding up or liquidation of the body - breach by that body of its obligations under the admission agreement - failure by that body to pay over sums due to the Fund within a reasonable period of being	Decisions to be taken in consultation with legal and audit.
Employees of a contractor are only entitled to remain in the LGPS whilst they continue to be employed in connection with the original services that were transferred. This expression should be defined by the Administering Authority.	This is defined as meaning an employee spending more than fifty percent (50%) of their time of employment by the Admission Body on the contract tasks.
Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC	Due to potential costs if member is retired on the grounds of ill health, satisfactory medical clearance is required in all cases where they choose to buy extra pension by additional regular contributions.. Medical clearance is not required if the member is wants to buy extra pension by a one off lump sum payment or buying pension lost due to absence.

<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>To purchase an APC for lost pension:</p> <p>If the absence is less than 90 days then the APC must be paid in a lump sum.</p> <p>In all other cases the member may choose a lump sum or a regular amount. Where the member is making regular payments, the repayment period must be a minimum of one year, and the maximum being equal to the length of the absence, rounded up to the nearest whole year.</p> <p>Where the member is making regular payments and the employer is paying toward the contract, the employer must make regular payments over the same period as the member.</p> <p>Should this cause financial hardship to the member they should contact their employer who can then refer to the ERPF to determine whether they will exercise any discretion.</p>
<p>Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health.</p>	<p>All applications to buy extra pension will be refused where satisfactory medical clearance is not given.</p>
<p>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)</p>	<p>No charges will be made.</p>
<p>Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member</p>	<p>The AVC account or Life Assurance monies should be taken into account when determining who should receive the LGPS Death Grant. This is for AVC account started post 1 April 2014 only.</p>
<p>Pension account may be kept in such form as is considered appropriate</p>	<p>Pension account to be updated on a year on year basis. Increases in line with CPI will apply.</p>
<p>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)</p>	<p>The ERPF will determine as will have no immediate financial implication to member.</p>
<p>Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement</p>	<p>Where formulation is undertaken by the ERPF as administering authority, in cases where a Scheme employer has ceased to exist, the policy decision is in accordance with the administering authority's Statement of Policy</p>

Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	Where formulation is undertaken by the ERPF as administering authority, in cases where a Scheme employer has ceased to exist, the policy decision is in accordance with the administering authority's Statement of Policy
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	All strain of the fund costs will be collected by lump sum prior to the payment of the member retirement benefits.
Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	Where formulation is undertaken by the ERPF as administering authority, in cases where a Scheme employer has ceased to exist, the policy decision is in accordance with the administering authority's Statement of Policy
Whether to waive any actuarial reduction on pre and/or post April 2014 benefits	Where formulation is undertaken by the ERPF as administering authority, in cases where a Scheme employer has ceased to exist, the policy decision is in accordance with the administering authority's Statement of Policy
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	All strain of the fund costs will be collected by lump sum prior to the payment of the member retirement benefits.
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	This discretion will be exercised if the member consults with their employer and they are happy to agree to a notice period of less than 3 months.
Decide whether to commute small pension	Pensioners/beneficiaries who fall below the compounding levels and satisfy the overriding HMRC rules in place at that time can apply to take their annual pension as a one off lump sum.
Approve medical advisors used by employers (for ill health benefits)	All medical advisors will be approved by the Administering Authority and published by the ERPF.
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.	A 2008 certificate may be used for the purposes of making determinations under the 2014 Scheme where an employer has become defunct.

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.	A decision will be made by the Administration Authority where an employer has become defunct.
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	A decision will be made by the Administration Authority where an employer has become defunct.
Decide to whom death grant is paid	ERPF will always exercise their discretion in all cases.
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	The ERPF will decide should the situation ever occur.
Whether to set up a separate admission agreement fund	A separate admission agreement fund may be set up if required in the future.
<p>Governance policy must state whether the administering 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 administering authority and, if they do so delegate, state:</p> <ul style="list-style-type: none"> - the frequency of any committee or sub-committee meetings - the terms, structure and operational procedures appertaining to the delegation - whether representatives of employing authorities or members are included and, if so, whether they have voting rights <p>The policy must also state:</p> <ul style="list-style-type: none"> - the extent to which a delegation, or the absence of a delegation, complies with Sec of State guidance and, to the extent it does not so comply, state the reasons for not complying, and - the terms, structure and operational procedures appertaining to the local Pensions Board 	The statement is in the Pension Fund Report and Accounts.
Decide on Funding Strategy for inclusion in Funding Strategy Statement	The Funding Strategy Statement is performed as part of the valuation. This is reviewed every 3 years in line with the actuarial valuation.

Whether to have a written pensions administration strategy and, if so, the matters it should include	A pension administration strategy is in place and will be reviewed on a regular basis.
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.	A communication policy is in place and will be reviewed annually.
Whether to obtain revision of employer's contribution rate if there are circumstances which make it likely a Scheme employer will become an ceased employer	The actuary may revise employers contribution rates if they are made aware of the situation. A cessation report may be required from actuary.
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	Regulation now deleted – 1 April 2015
Decide frequency of payments to be made over to Fund by employers and whether to make an administration charge.	Documented in the Pensions Administration Strategy.
Decide form and frequency of information to accompany payments to the Fund	Documented in the Pensions Administration Strategy.
Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance.	Documented in the Pensions Administration Strategy.
Whether to charge interest on payments by employers which are overdue.	Documented in the Pensions Administration Strategy.
Decide procedure to be followed by administering authority when exercising its stage two IDRPs and decide the manner in which those functions are to be exercised.	All Stage 2 IDRPs are provided by the ERPF Pension Manager.
Whether administering authority should appeal against employer decision (or lack of a decision).	May appeal against lack of decision.
Specify information to be supplied by employers to enable administering authority to discharge its functions.	Documented in the Pensions Administration Strategy.

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 (£5,000 as at May 2021).	Payments may be made to the personal representative or estate if the ERPF cannot exercise its discretion due to lack of information concerning the deceased.
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.	On receipt of legal documentation i.e. Power of Attorney, etc.
Date to which benefits shown on annual benefit statement are calculated.	Only under exceptional circumstances would the date deviate from 31 March.
Agree to bulk transfer payment.	Assessment will be made at the time taking account of actuarial advice.
Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS.	This discretion will not be exercised by the ERPF. The ERPF will accept the employer's decision.
Allow transfer of pension rights into the Fund.	ERPF will allow transfer of pension rights into Fund.
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.	The ERPF will make an election on behalf of the beneficiary which will be in their best interest.
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.).	The ERPF will make an election on behalf of the beneficiary which will be in their best interest.
Decide to treat child as being in continuous education or vocational training despite a break.	The Pension Manager will review cases on an individual basis and exercise their discretion.
Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment.	The policy decision is in accordance with the administering authority's Statement of Policy.
Extend time period for capitalisation of added years contract.	The ERPF will decide should the situation ever occur.