

Essex Pension Fund

Administering Authority Statement of Policy on Discretions in Relation to the Local Government Pension Scheme

Effective [Date to be added once approved (need to allow one month of publication before effective date)]

1. Introduction

This policy has been determined by the Pension Fund Board of Essex County Council as the administering authority of the Essex Pension Fund.

It relates to discretions included within the Local Government Pension Scheme (Benefit, Membership and Contributions) Regulations 2007, as amended, and the Local Government Pension Scheme (Administration) Regulations 2008, as amended, and related legislation (the governing regulations).

This policy was approved by the Essex Pension Fund Board at its meeting on 15 December 2010. It sets out the criteria that will be considered when making a decision about the use of administering authority discretions and where appropriate the policy that will be applied. Any decision relating to these discretionary provisions will be subject to the policy which is current at the time of the relevant event. In the event of a conflict between the discretion as written in this policy and the governing regulations, the governing regulations will prevail.

These policy decisions apply to all categories of schemes members (e.g. active, deferred, pensioners, pension credit members and dependents) from its effective date until such point as the policy is reviewed. For those who left employment prior to the effective date of the policy, the discretions will apply with regard to the equivalent provisions in previous versions of governing legislation.

Essex Pension Fund Board retains the right to review this policy at any point in time and, as a minimum, every three years.

This policy does not give, nor shall it be deemed to give, any contractual rights to any person whatsoever, including members or former members of the Essex Pension Fund or employees or former employees of any of its employers or former employers.

Nothing in this Policy will cause Essex County Council's (as the administering authority to the Essex Pension Fund) capacity to exercise its discretionary powers to be unlawfully fettered or restricted in any way.

These discretions will be exercised in line with the provisions of the various LGPS Regulations and other legislation. Nothing within this statement can overwrite the legal requirements within those provisions.

2. Administering Authority Discretions

Discretions from 1.4.08. in relation to post 31.3.08. active members (excluding councillor members) and post 31.3.08. leavers (excluding councillor members), 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 Regulations 1997 (as amended) [prefix **L**]
- the Local Government Pension Scheme (Transitional Provisions) Regulations 1997 (as amended) [prefix **OT**]

<u>Discretion</u>	<u>Regulation</u>	<u>Notes</u>
Whether to agree to an admission agreement with a community body	A5(1) & A7(4)	The administering authority is under no obligation to enter into an admission agreement with a community body. Currently the EPF policy is to enter into such an admission agreement if the body satisfies the Fund's criteria for admission. Further information is included in the EPF Admission Agreement Policy Framework.
Agree terms of an admission agreement	A7(2)	The LGPS regulations dictate certain matters which must be included in an admission agreement but the administering authority has some discretion over other matters to be included although, obviously all parties to the agreement have to agree. The EPF would normally expect an admission body to accept our standard terms. Further information is included in the EPF Admission Agreement Policy Framework.
Whether to agree to an admission agreement with a Care Trust or NHS Scheme employing authority	A12(6)	The administering authority is under no obligation to enter into an admission agreement with a Care Trust or NHS Scheme employing authority. The EPF would apply the normal admission criteria for a community body. Further information is included in the EPF Admission Agreement Policy Framework.
Whether to terminate a transferee admission agreement in the event of <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 	ASch3, para 10	The administering authority is able to terminate an admission agreement in these circumstances but should liaise with any fund employer guaranteeing the admission before taking such action. Further information is included in the EPF Admission Agreement Policy Framework.

Whether to extend normal 12 month period following end of relevant reserve forces leave for "Cancelling notice" to be submitted requesting that the service should not be treated as relevant reserve forces service	A19(8)(b)	Seldom, if ever, used discretion and accordingly the approach will be agreed by the Pension Services Manager, or Deputy in their absence, if an individual case arises.
Agree method of paying for augmented membership granted under B12 or additional pension granted under B13	A40(2) & (4)	The cost must be paid to the administering authority within one month of the employer's resolution to award.
Whether to extend the one month period within which a lump sum payment by the employer under A40(2) has to be made (to pay for any augmented membership granted under B12 or additional pension granted under B13)	A40(10)(b)	The EPF will not normally extend the one month period for payment. Any request to extend will be agreed by the Pension Services Manager, or Deputy in their absence,.
Whether to require a satisfactory medical before agreeing to an additional regulation contribution (ARC) election under B14	A23(3)	The EPF does not require the member to undertake a medical but does require them to sign a declaration that they are in good health for their age.
Whether to require a satisfactory medical before agreeing to request to pay Additional Survivors Benefits Contributions (ASBCs) under B14A	A24A(3)	The EPF does not require the member to undertake a medical but does require them to sign a declaration that they are in good health for their age.
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)	The EPF does not currently charge.
<p>Governance policy must state whether the admin authority delegates their function of part of their function in relation to maintaining a pension fund to a committee, a sub committee or an officer of the admin authority and, if they do so delegate, state</p> <ul style="list-style-type: none"> - the frequency of any committee or sub-committee meetings - the terms of reference, 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 the extent to which a delegation, or the absence of a delegation, complies with Sec of State</p>	A31*	The EPF publishes a Governance Policy which includes a Compliance Statement. This is reproduced each year in the fund's annual report and accounts.

guidance and, to the extent it does not so comply, state the reasons for not complying.		
Whether to set up a separate admission agreement fund	A32(1)	The EPF could set up a separate fund for an admission but does not currently do so, choosing instead to notionally apportion assets within the main fund.
Decide on Funding Strategy for inclusion in funding strategy statement	A35*	The EPF publishes a Funding Strategy Statement which is included in the fund's annual report and accounts.
Whether to obtain revision of the rates and adjustments certificate on the termination of an admission agreement where underfunding not met by insurer, bond or indemnity	A38(3)	The EPF would obtain a revision of the employer's contribution rate in these circumstances in order to protect the other employers in the fund. Further information is included in the EPF Admission Agreement Policy Framework.
Whether to obtain revision of an admission body's contribution rate with a view to ensure no underfunding by time admission agreement terminates	A38(4)	The employer rate set by the fund's actuary at each valuation aims to avoid underfunding. However the EPF is happy to obtain a revised rate in the inter-valuation period at the request of the admission body. Further information is included in the EPF Admission Agreement Policy Framework.
Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Benefit Regulations as part of the "cost sharing" under A36A	A38A	The Secretary of State can change the benefits regulations as a result of the "cost sharing" valuation instead of or in addition to increasing members' contributions. However, where the Secretary of State determines that an adjustment to the employer contribution rate is required, the EPF's actuary will prepare a new rates and adjustment certificate.
Whether to require any strain on Fund costs to be paid "up front" by employing authority following redundancy, flexible retirement, or the waiver (in whole or in part) of any actuarial reduction on flexible retirement (but not waiver of reduction in full on compassionate grounds). NB: there is no provision equivalent to that in regulation 80(5) of the 1997 Regulations which permits strain on Fund costs to be charged for early voluntary retirements (i.e. after age 50/55 and before age 60) or early payment of a deferred benefit on health grounds.	A41(2)	An employer is given the option to either pay up front or spread over up to 5 years. However, transferee admission bodies cannot pay over a period longer than the remaining expected life of the admission agreement.
Decide frequency of payments to be made over to Fund by employers and whether to make an admin charge	A42(1) & (7)	Contributions will be received by the EPF within 19 days of the end of the month in respect of which they have been deducted
Decide form and frequency of information to accompany payments to the Fund	A42(4)	Each employing authority is to provide a monthly summary of employee and employer contributions, this will highlight changes to membership (e.g. new scheme members, changes in part-time hours, leavers and retirements) as and when these changes occur

Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance	A43	The EPF would hope not to find the need to issue such a notice and such a measure would be seen as a last resort.
Whether to charge interest on payments by employers overdue by more than 1 month	A44(1)	The EPF would hope not to find the need to charge interest and such a measure would be seen as a last resort in persistent cases of late payment. Any decision to charge interest will be made by the Pension Services Manager, or Deputy in their absence, on a case by case basis.
Recovery of Contributions Equivalent Premiums	A49	Although the cost of the CEP should realistically fall to the employer (because it is the employer that has benefited from lower national insurance contributions), as the number of cases that this applies to will be quite minimal CEP payments will not be reclaimed from the EPF.
Extend time period for capitalisation of remaining contributions to an added years contract in cases of redundancy	TSch1 & L83(5)	Requests to do this are quite rare but EPF would not normally be prepared to extend the time period. Such requests will be determined by the Pension Services Manager, or Deputy in their absence, on a case by case basis..
Outstanding employee contributions can be recovered as a simple debt or by deduction from benefits	A45(3)	Outstanding contributions would normally be recovered as a simple debt but consideration would be given to deduction from benefits in exceptional circumstances. The approach to be taken will be determined by the Pension Services Manager, or Deputy in their absence, on a case by case basis.
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)	The decision will be made by the Pensions Services Manager, or Deputy in their absence, on a case by case basis having taken legal advice from ECC Legal Services and based on the information gathered.
An administering authority may determine how and to whom benefits may be paid if the recipient is incapable of managing their affairs by reason of mental disorder or otherwise	A52A(1)	The decision will be made by the Pensions Services Manager, or Deputy in their absence, having taken legal advice from ECC Legal Services and based on the information gathered.
Approve medical advisors used by employers (for ill health benefits)	A56(2)	EPF policy is simply that the medical advisor must satisfy the criteria in B20(14) which defines the term "independent registered medical practitioner qualified in occupational health medicine". EPF communicates with employers regarding the necessary qualifications required of medical advisor and employers are expected to ensure that the medical advisor they use is suitably qualified.
Decide procedure to be followed by admin authority when exercising its stage two IDRPs functions and decide the	A60(8)	EPF procedure is that the County Solicitor determines the stage 2 appeal on behalf of the administering authority in order that there is a level of

manner in which those functions are to be exercised		independence from Pensions Services which may have made the decision which is the subject of the appeal.
Whether admin. Authority should appeal against employer decision (or lack of a decision)	A63(2)	This would be a last resort and has not yet been exercised by the EPF. Any use of this discretion will be subject to agreement by the Chairman of the Pension Fund Board.
Whether to have a written pensions administration strategy and, if so, the matters it should include	A65(1) & (2)	The fund's Independent Governance & Administration Adviser will be shortly undertaking a review of our administration function and we intend to explore introducing an Administration Strategy following on from this.
Communication policy must set out policy on communicating with members, representatives of members, prospective members and employing authorities and format, frequency and method of communications	A67*	The EPF publishes a Communications Policy Statement which is included in the fund's annual report and accounts
Date to which benefits shown on annual benefit statement are calculated	A68	The EPF shows benefits accrued at 31 March as this is the end of the contribution year and the date for which employers provide pensionable pay end of year data.
Decide policy on abatement of pensions following re-employment	A70(1 & A71(4)(c) & T12	The EPF Board approved a revised abatement policy at its 30 September 2009 meeting to the effect that : <ul style="list-style-type: none"> • the abatement of pensions on re-employment (including any currently unidentified cases) be ceased with effect from 1 October 2009. • any pensions at that point that were abated because of re-employment were to be reinstated with effect from 1 October 2009.
Agree to bulk transfer payment	A81(1)(b)	Where 2 or more members join another approved scheme the fund may agree to pay a 'bulk transfer' instead of individual transfers. The fund does not have to agree and certain conditions must be met before agreeing. The principles of the approach the EPF takes and the approval procedures around bulk transfers are outlined in the EPF Bulk Transfer Policy Framework.
Allow transfer of pension rights into the Fund	A83(9)	This discretion gives the right for the administering authority to refuse to accept a transfer value from another pension arrangement. The EPF will accept all transfers-in where the member has an entitlement to make an election.
Whether to extend normal time limit for acceptance of restitution transfer value beyond 12 months from joining the LGPS	TSch1 & L122A(2)(c)	Relates to restitution of LGPS rights following the mis-selling of Personal Pensions. This discretion allows the administering authority to extend the normal 12 months from joining criteria applied to such restitution. Such

		cases should no longer exist so the EPF will not permit such an extension.
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)	Where a member has suffered a reduction or restriction in pay within 10 years of leaving he may elect for his final pay to be based on the average of any 3 consecutive years in the last 13 ending with 31 st March. This discretion allows the fund to make that election on behalf of a deceased member. In these circumstances, the EPF will elect for the final pay period that provides the most financially advantageous benefits.
Decide to whom death grant is paid	B23(2) & B32(2) & B35(2) & TSch1 & L155(4)	The decision will be made by the Pensions Services Manager, or Deputy in their absence, having taken legal advice from ECC Legal Services and based on the information gathered on a case by case basis.
Decide evidence required to determine financial dependence of nominated co-habitee of scheme member or financial interdependence of nominated co-habitee and scheme member	B25	There is no criteria laid down in the regulations as to the evidence required and it is left to the administering authority to decide what evidence it requires. Evidence could include bank statements, title deeds, mortgage statements, utility bills, council tax bills, joint loan agreements, electoral roll details. Pensions Services Manager, or Deputy in their absence, will decide if there is sufficient evidence to establish entitlement on a case by case basis.
Decide to treat a dependent child who commences full time education or vocational training after the date of the member's death as an eligible child after the child attains age 18 and until age 23	B26(4)	It is understood that the intention of this is to allow the administering authority to pay a child's pension to a dependent child who has ceased full time education at the date of death but who subsequently re-enters full time education or vocational training between age 18 and 23. The EPF would pay a child's pension in such circumstances.
Decide to treat child as being in continuous education or training despite a break	B26(5)(a)	It is understood that the intention of this discretion is to allow the administering authority to disregard a 'gap year' where an eligible child takes a break from studies before starting university. The EPF operates a policy whereby it will disregard one 'gap year'.
Decide to suspend child's pension during a break in education or training	B26(5)(b)	Where the above discretion has been exercised the administering authority can further decide whether or not to continue paying the child's pension or suspend it during the break. The EPF will continue to pay the pension during any such break.
Decide to treat a dependent child who is disabled within the meaning of the DDA 1995 as being an eligible child	B26(6)	The current EPF policy would be to positively exercise this discretion where the child became disabled whilst under age 18 or in continuous full time

		education.
Whether to pay the whole or part of a child's pension to another person for the benefit of the child	B27(5)	The EPF policy is to normally pay the child's pension to a parent or legal Guardian if the child has not attained the age of 18. The Pensions Services Manager, or Deputy in their absence, will determine who payment will be sent to if it is not to a parent or legal Guardian on a case by case basis
Decide whether to commute small pension	B39 & T14(3)	A member aged 60 or over and with a very small pension entitlement can request that the fund pays him a lump sum instead of his entitlement to a pension. The EPF will agree to such a request where the member satisfies the very strict HMRC criteria. Where no request is received from a scheme member, the EPF may still choose to pay a trivial commutation instead of an ongoing pension. The Pensions Services Manager, or Deputy in their absence, will decide when such an approach is to be taken on a case by case basis.
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)	This regulation restricts a member to entitlement under only one regulation where they might otherwise appear to be entitled to benefits under two or more regulations. The EPF would decide on the basis of which regulation would appear at the time to give the member and their known beneficiaries the best benefits financially taking their individual circumstances into consideration. The Pensions Services Manager, or Deputy in their absence, will decide on a case by case basis.
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 certificate of protection of pension benefits allows the member to select either the best of last 5 years pay or the average of a best consecutive 3 year period in the last 13 years if this is higher than the final year. This discretion allows the administering authority to choose the best period in respect of a deceased member. In these circumstances, the EPF will elect for the final pay period that provides the most financially advantageous benefits. This will be determined by the Pensions Services Manager, or Deputy in their absence, on a case by case basis.
Whether to accept a partial restitution payment	TSch1 & L122A(8)	Relates to restitution of LGPS rights following the mis-selling of Personal Pensions. This discretion allows the administering authority to accept a restitution payment where it is insufficient to pay for the whole restitution period and credit an appropriate period to the member. Such cases should no longer exist so the EPF will not accept a partial restitution payment.

How to discharge Pension Credit liability	TSch1 & L147	The EPF will follow the national LGPS guidance issued by LGE resulting from the work of the Pension Sharing on Divorce Working Party when discharging its Pension Credit liability.
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* These are matters about which the regulations require there must be a written policy.

Discretions under the Local Government Pension Scheme Regulations 1997 (as amended) in relation to active councillor members and pre 1.4.08. scheme leavers

<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>
Frequency of payment of councillors' contributions	12(5)	The payment of councillors' contributions will mirror the cycle of their pay dates as contributions will be deducted directly from pay.
Extend normal 12 month period following end of relevant reserve forces leave for "Cancelling notice" to be submitted by a councillor member requesting that the service should not be treated as relevant reserve forces service	17(4),(7),(8), & 89(4) & Sch 1	Seldom, if ever, used discretion and accordingly the approach will be agreed by the Pensions Services Manager, or Deputy in their absence, if an individual case arises.
Select appropriate final pay period for deceased non-councillor member (leavers post 31.3.98./ pre 1.4.08.)	22(7)	This discretion allows the administering authority to choose the most beneficial final pay period on behalf of a deceased non-councillor member. In these circumstances, the EPF will elect for the final pay period that provides the most financially advantageous benefits.
Make an election on behalf of deceased non-councillor 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)	This discretion allows the administering authority to choose the most beneficial final pay period on behalf of a deceased non-councillor member. In these circumstances, the EPF will elect for the final pay period that provides the most financially advantageous benefits.
Decide to whom death grant is paid in respect of councillor members and post 31.3.98. / pre 1.4.08. leavers	38(1) & 155(4)	The administering authority at their absolute discretion may make payments in respect of the death grant to or for the benefit of the member's nominee or personal representatives, or any person appearing to the authority to have been his relative or dependant at any time. The decision will be made by the Pensions Services Manager, or Deputy in their absence, having taken legal advice from ECC Legal Services and based on the information gathered.
Treat child as being in continuous education or training despite a break (children of councillor members and children	44(3)	It is understood that the intention of this discretion is to allow the administering authority to disregard a 'gap year' where an eligible child

of post 31.3.98. / pre 1.4.08. leavers)		takes a break from his studies before starting university. The EPF operates a policy whereby it will disregard one 'gap year'.
Apportionment of children's pension amongst eligible children (children of councillor members and children of post 31.3.98. / pre 1.4.08. leavers)	47(1)	If a children's pension is payable for more than one eligible child, the administering authority may apportion it amongst the children as they think fit. The EPF will apportion it equally amongst eligible children.
Pay child's pension to another person for the benefit of the child (children of councillor members and children of post 31.3.98. / pre 1.4.08. leavers)	47(2)	The EPF policy is to pay the child's pension to a parent or legal Guardian if the child has not reached the age of 18. The Pensions Services Manager, or Deputy in their absence, will determine who payment will be sent to if it is not to a parent or legal Guardian.
Agree to commutation of small pension	49 & 156	A member aged 60 or over and with a very small pension entitlement can request that the fund pays him a lump sum instead of his entitlement to a pension. The EPF will agree to such a request where the member satisfies the very strict HMRC criteria. . Where no request is received from a scheme member, the EPF may still choose to pay a trivial commutation lump sum instead of an ongoing pension. The Pensions Services Manager, or Deputy in their absence, will decide when such an approach is to be taken.
Commute benefits due to exceptional ill-health (councillor members and pre 1.4.08. leavers)	50 and 157	If life expectancy at retirement is certified as less than one year the administering authority may pay a lump sum in lieu of pension entitlement. The EPF will normally offer this as an option to the member but the Pensions Services Manager, or Deputy in their absence, will consider the appropriateness of this in each case.
Whether acceptance of AVC election is subject to a minimum payment (councillors only)	60(5)	The administering authority can specify a minimum payment towards AVCs. The EPF does not require any such minimum.
Whether to require any strain on Fund costs to be paid "up front" by employing authority following early voluntary retirement of a councillor (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).	80(5)	An employer is given the option to either pay up front or spread over up to 5 years.
Frequency of employer's payments to the fund (in respect of councillor members).	81(1)	Contributions will be received by the EPF within 19 days of the end of the month in respect of which they have been deducted
Form and frequency of information to accompany payments to the Fund (in respect of councillor members)	81(5)	Each employing authority is to provide a monthly summary of employee and employer contributions in respect of councillor members.

Interest on payments by employers overdue by more than 1 month (in respect of councillor members)	82(1)	The EPF would hope not to find the need to charge interest and such a measure would be seen as a last resort in persistent cases of late payment. Any decision to charge interest will be made by the Pension Services Manager, or Deputy in their absence, on a case by case basis.
Extension of period for scheme members to elect to pay a lump sum in respect of outstanding additional contributions	83(5)	Where a member who is purchasing additional membership (added years) and the employment is being terminated by reason of redundancy or 'efficient exercise' The Pensions Services Manager, or Deputy in their absence, will determine on a case by case basis whether the 3 month time limit for an election to pay a capital sum for the remaining contributions.
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 contributions would normally be recovered as a simple debt but consideration would be given to deduction from benefits in exceptional circumstances. The approach to be taken will be determined by the Pensions Services Manager, or Deputy in their absence.
Timing of pension increase payments by employers to fund (pre 1.4.08. leavers)	91(6)	The Environment Agency must reimburse the administering authority the cost of any increase payable under the 1971 Act or the 1974 Act in respect of former Water Company members. This discretion allows the administering authority to determine the intervals for payment. The Pensions Services Manager, or Deputy in their absence, will determine the intervals for these payments.
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	The decision will be made by the Pensions Services Manager, or Deputy in their absence, having taken legal advice from ECC Legal Services and based on the information gathered.
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)	EPF policy is simply that the medical advisor must satisfy the criteria in L97(14) which defines what "qualified in occupational health medicine" means. EPF communicates with employers regarding the necessary qualifications required of medical advisor and employers are expected to ensure that the medical advisor they use is suitably qualified.
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	EPF procedure is that the County Solicitor hears the stage 2 appeal on behalf of the administering authority in order that there is a level of independence from Pensions Services which may have made the decision which is the subject of the appeal.
Appeal against employer decision, or lack of a decision (councillors and pre 1.4.08. leavers)	105(1)	This would be a last resort and has not yet been exercised by the EPF. . Any use of this discretion will be subject to agreement by the Chairman of

		the Pension Fund Board.
Date to which benefits shown on annual deferred benefit statement are calculated	106A(5)	The EPF shows benefits accrued at 31 March as this is the end of the contribution year and the date at which employers provide pensionable pay data.
Abatement of pensions following re-employment (councillors and pre 1.4.08. leavers)	109* & 110(4)(b)	The EPF Board approved a revised abatement policy at its 30 September 2009 meeting to the effect that : <ul style="list-style-type: none"> • the abatement of pensions on re-employment (including any currently unidentified cases) be ceased with effect from 1 October 2009. • any pensions abated at that point because of re-employment were to be reinstated with effect from 1 October 2009.
Retention of CEP where member transfers out (councillors and pre 1.4.08. leavers)	118	EPF will pay premium to Department for Work and Pensions rather than retain CEP so that no liability remains in the fund.
Discharge Pension Credit liability (in respect of Pension Sharing Orders for councillors and pre 1.4.08 Pension Sharing Orders for non-councillor members)	147	The EPF will follow the national LGPS guidance issued by LGE resulting from the work of the Pension Sharing on Divorce Working Party when discharging its Pension Credit liability.
Recipient of death grant for a Pension Credit Member	155(4)	To be in line with discretion on payment of death grant to active/pensioner/deferred members under A38
Payment of lump sums in lieu of small pensions in respect of a pension credit member	156(1)	A member aged 60 or over and with a very small pension entitlement can request that the fund pays him a lump sum instead of his entitlement to a pension. The EPF will agree to such a request where the member satisfies the very strict HMRC criteria. Where no request is received from a scheme member, the EPF may still choose to pay a trivial commutation lump sum instead of an ongoing pension. The Pensions Services Manager, or Deputy in their absence, will decide when such an approach is to be taken.

*These are matters about which the regulations require there must be a written policy.

Discretions under the Local Government Pension Scheme (Transitional Provisions) Regulations 1997 (as amended)

<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>
Extending time limit for repayment of a previous refund (1.4.74. to 31.12.79)	17(3)	Repayment must be made within six months of returning to local government employment or such longer period as the authority which paid refund and, if different, new administering authority may allow. The

		decision as to whether to allow an extension will be made by the Pensions Services Manager, or Deputy in their absence.
Spouse's pensions for life for pre 1.4.98 retirees / deferreds who die on or after 1.4.98.	Para 21 of Sch 3	Essex County Council, as the administering authority resolved that spouse's pensions for pre 1.4.98 retirees/deferreds are not ceased on re-marriage or cohabitation but are payable for life. This brought equity with post 31.3.98 retirees/deferreds.

Note: the Local Government Pension Scheme (Transitional Provisions) Regulations 1997 have been revoked by regulation 2 and Schedule 1 of the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [SI 2008/238]. However, the LGPC Secretariat is of the view that they have been revoked in error, particularly given that the above discretions are still of relevance. The Secretariat is seeking clarification from CLG.

Discretions under the Local Government Pension Scheme Regulations 1995 (as amended) in relation to pre 1.4.98. scheme leavers

<u>Discretion</u>	<u>Regulation</u>	<u>Exercised by</u>
Decide to whom death grant is paid in respect of pre 1.4.98. leavers	E8	The administering authority at their absolute discretion may make payments in respect of the death grant to or for the benefit of the member's nominee or personal representatives, or any person appearing to the authority to have been his relative or dependant at any time. The decision will be made by the Pensions Services Manager, or Deputy in their absence, on a case by case basis having taken legal advice from ECC Legal Services and based on the information gathered.
Suspension of spouses' pensions during remarriage or cohabitation	F7(1)	For uniformity with changes in the LGPS Regulations as they apply to survivors pensions on remarriage or cohabitation the EPF will not suspend spouse's pensions payable under the former 1995 regulations upon remarriage or cohabitation.
Treat child as being in continuous education or training despite a break (children of pre 1.4.98. leavers)	G1	It is understood that the intention of this discretion is to allow the administering authority to disregard a 'gap year' where an eligible child takes a break from his studies before starting university. The EPF operates a policy whereby it will disregard one 'gap year'.
Apportionment of children's pension amongst eligible children (children of pre 1.4.98. leavers)	G11(1)	If a children's pension is payable for more than one eligible child, the administering authority may apportion it amongst the children as they think fit. The EPF will apportion it equally amongst eligible children.

Pay child's pension to another person for the benefit of the child (children of pre 1.4.98. leavers)	G11(2)	The EPF policy is to pay the child's pension to a parent or legal Guardian if the child has not reached the age of 18. The Pensions Services Manager, or Deputy in their absence, will determine who payment will be sent to if it is not to a parent or legal Guardian.
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Discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended)

Under Regulation 26 of the Discretionary Compensation Regulations, each authority (other than an Admitted Body) is required to formulate and keep under review a policy which applies in respect of exercising their discretion in relation to:

Agree to pay compensation on behalf of employer and recharge payments to employer	31(2)	Essex County Council has historically agreed to pay such benefits and recharge the employer and will continue to do so although there is no Statutory obligation to do so.
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Note: 'local government' means employment with an employer who offers membership of the LGPS to its employees, regardless of whether or not the employee chooses to join the LGPS (except where the employer is an Admitted Body). Technically, an employee of an Admitted Body (i.e. a body that has applied to the administering authority to allow its employees to join the LGPS and has entered into a formal admission agreement) is only employed in 'local government' if he / she is a member of the LGPS.