

Agenda Item 11

Pension Committee

3 December 2021

Statement of Administering Authority Discretions Policy

Report of the Head of Pensions

Background

The Local Government Pension Scheme Regulations 2013 (as amended) and related legislation, require an Administering Authority to prepare and keep under review, a written statement of its policy in relation to the exercise of its discretion under a number of provisions of the Regulations.

There are a number of discretions under the regulations which although not specifically requiring a written policy, would benefit from an Administering Authority doing so, thereby demonstrating that the Fund will apply these policies equally to all members of the Pension Fund, regardless of who their employer is.

Statement of Administering Authority Discretions Policy

The proposed Statement of Administering Authority Discretions for the Gloucestershire Pension Fund is attached as appendix 1 to this report. The proposed statement has been updated to reflect the current policies of the Fund in line with current legislation.

The attached statement provides a description of the discretion within the regulations and the Gloucestershire Pension Fund policy in relation to that discretion under the following areas:

- key strategies and policies
- disputes
- admission agreements and employer management
- payments relating to death
- transferring or linking benefits
- other miscellaneous discretions
- discretions relating to employers which no longer exist

The statement also cover the discretion required under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2000 (as amended).

As part of the review, there are two areas that are proposed to be materially amended to reflect administrative, operational or legislative changes from the current statement:

- Ref 45 – Abatement of pensions on re-employment (applies to pre 1 April 2014 retirees only including councillor members)
 - This was been amended to reflect the proposals of the changes to the

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abatement policy which has been tabled at this meeting under an earlier agenda item

- Ref 12 – 15
 - This has been amended to reflect the operational nature of the admission agreements process and reflect the changes in the nature of the employer base and the proposed preferred approach to pension arrangement for outsourced services. In the future all employer related activities under these discretions will be reported back to Pensions Committee and the Pension Board on a quarterly basis.

The policies do not give, nor shall they be deemed to give, any contractual rights to any member of the Pension Fund, or to any other person whatsoever. Nothing in this attached statement will cause the Administering Authority's 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 the statement can overwrite the legal requirements within those provisions.

Review

The policies within this statement will be reviewed, as required, in the light of future changes to the LGPS legislation or other relevant legislation. They will also be reviewed at least every three years. The next review of this statement will be done no later than December 2024.

Recommendation

That the Committee approve the Statement of Administering Authority Discretions Policy.

Contact Officer

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