

## **Policy Statement Mandatory Administering Authority Discretions London Borough of Croydon**

Croydon Council Pension Fund acting as administering authority in relation to abatement of pension, Governance and Compliance Statement, Funding Strategy Statement and Communications Policy and pursuant to regulation 60 (1) of the Local Government Pension Scheme Regulations 2013 where it exercises functions where a former employer has ceased to be a scheme employer, has adopted these Policy Statements in relation to all relevant employees who are current, former (or eligible to be) members of the Local Government Pension Scheme for each section as shown in the table. For the avoidance of any doubt these Policy Statements do not apply to councillor members of the LGPS or to teachers who are members of the Teachers' Pension Scheme.

It should be noted that that none of the following discretionary powers is a contractual benefit or entitlement but instead decisions are made at the sole discretion of the Pension Fund within its current published policies which may be reviewed and amended at any time by the Pension Fund, again at its sole discretion.

This Policy statement is effective from -----  
To be reviewed -----

**Section 1. Administering Authority Mandatory Discretions (Croydon Council) in relation to post 31.3.14 active members (excluding councillor members) and post 31.3.14 leavers (excluding councillor members), being discretions under:**

The Local Government Pension Scheme Regulations 2013 [Prefix R]

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [Prefix TP]

The Local Government Pension Scheme (Administration) Regulations 2008 [Prefix A]

The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [Prefix B]

<b>Discretions relating to employers which are no longer Scheme employers</b>				
<b>Number</b>	<b>Type</b>	<b>Regulation</b>	<b>Description</b>	<b>Policy</b>
<b>2</b>	<b>Waive Reduction</b>	<i>R30(8)</i>	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).	The administering authority will not waive any actuarial reduction on benefits paid which a member voluntarily draws before normal pension age.
<b>3</b>	<b>Waive Reduction</b>	<i>R30(8)</i>	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement.	The administering authority will not waive any actuarial reduction on benefits paid on flexible retirement.
<b>4</b>	<b>Waive Reduction</b>	<i>TP3(1), TpSch2 para 2(1), B30(5) and B30A(5)</i>	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): a) on compassionate grounds (pre 1 April 2014 membership) and 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, b) on compassionate grounds (pre 1 April 2014 membership) and 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, c) on compassionate grounds (pre 1 April 2016 membership) and in whole or	<p>The administering authority resolves to consider waiving actuarial reductions for members with compelling compassionate reasons on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive Officer) would consider any applications under this discretion.</p>

			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, d) on compassionate grounds (pre 1 April 2020 membership) and 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.	
<b>8</b>	<b>Switch on 85 Year Rule</b>	<i>TPSch2,para1(2) and 1(1)c</i>	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).	<p>The administering authority would resolve to adopt this discretion in exceptional circumstances only and will consider applications on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive Officer) would consider any applications under this discretion.</p>
<b>Other Miscellaneous Discretions</b>				
<b>28</b>	<b>Abatement</b>	TP3(13), A70(1) & A71(4)(c)	<p>Whether, where the member has entered a new employment with a scheme employer (other than one in which they are eligible to belong to the Teacher’s Scheme), any retirement pension payable to a member from any pension fund maintained by it will</p> <p>(i) be reduced</p> <p>(ii) on what grounds</p> <p>(iii) how much it will be reduced by</p>	The administering authority resolves that it will not abate the pension in these circumstances.

<b>Key Strategies and Policies</b>				
<b>42</b>	<b>Communications Policy</b>	61	Communication policy must set out the policy on provision of information and publicity about the LGPS to 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 separate Communications Policy Statement has been formulated and can be viewed on the <a href="#">Pension Fund website</a>
<b>43</b>	<b>Funding Strategy Statement</b>	58	Decide on Funding Strategy for inclusion in Funding Strategy Statement.	A separate Funding Strategy Statement has been formulated and can be viewed on the <a href="#">Pension Fund website</a>
<b>44</b>	<b>Governance and Compliance Statement</b>	55	Governance Compliance Statement must state whether the administering authority delegates its function or part of its 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: - the frequency of any committee or sub-committee meetings, - the terms, structure and operational procedures appertaining to the delegation, and - whether representatives of employing authorities or members are included and, if so, whether they have voting rights. The policy must also state: - 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.	A separate Governance Compliance Policy Statement has been formulated and can be viewed on the <a href="#">Pension Fund website</a>

**Section 2. Administering Authority Mandatory Discretions (Croydon Council) in relation to scheme members (excluding councillor members) who ceased active membership on or after 1.4.08 and before 1.4.14, being discretions under:**

The Local Government Pension Scheme Regulations 2013 [Prefix R]

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [Prefix TP]

The Local Government Pension Scheme (Administration) Regulations 2008 [Prefix A]

The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [Prefix B]

<b>Discretions relating to employers which are no longer Scheme employers</b>				
<b>Number</b>	<b>Type</b>	<b>Regulation</b>	<b>Description</b>	<b>Policy</b>
<b>5</b>	<b>Waive Reduction</b>	<i>B30(5), TPSch2 para 2(1)</i>	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits).	The administering authority will not waive any actuarial reduction and pay any pension strain costs arising out of a member voluntarily drawing benefits before normal pension age.
<b>6</b>	<b>Waive Reduction</b>	<i>B30(5), TPSch2 para 2(1)</i>	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member).	<p>The administering authority will only resolve to consider waiving actuarial reductions for members with compelling compassionate reasons on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive Officer) would consider any applications under this discretion.</p>
<b>9</b>	<b>Switch on 85 Year Rule</b>	<i>TPSch2,para1(2) and 1(1)c</i>	Whether to “switch on” the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60.	<p>The administering authority will only resolve to adopt this discretion in exceptional circumstances and will consider applications on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive) would consider any applications under this discretion.</p>

10	<b>Early Payment of Deferred Benefits</b>	<i>TPSch 2 para 1(2) and 1(1)c</i>	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.	<p>The administering authority will only resolve to adopt this discretion in exceptional circumstances and will consider applications on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive) would consider any applications under this discretion.</p>
<b>Other Miscellaneous Discretions</b>				
29	<b>Abatement</b>	TP3(13), A70(1) & A71(4)(c)	<p>Decide policy on abatement of pre 1 April 2014 element of pensions in payment following re-employment where the member has entered a new employment with a scheme employer (other than one in which they are eligible to belong to the Teacher’s Scheme), any retirement pension payable to a member from any pension fund maintained by it will</p> <ul style="list-style-type: none"> <li>(i) be reduced</li> <li>(ii) on what grounds</li> <li>(iii) how much it will be reduced by</li> </ul>	The administering authority resolves that it will not abate the pension in these circumstances.

**Section 3. Administering Authority Mandatory Discretions (Croydon Council) in relation to: a) councillor members who ceased active membership on or after 1.4.98., and b) any other scheme members who ceased active membership on or after 1.4.98. and before 1.4.08, being discretions under:**

The Local Government Pension Scheme Regulations 1997

The Local Government Pension Scheme Regulations 2013 [Prefix R]

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [Prefix TP]

The Local Government Pension Scheme (Administration) Regulations 2008 [Prefix A]

The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 [Prefix B]

<b>Discretions relating to employers which are no longer Scheme employers</b>				
<b>Number</b>	<b>Type</b>	<b>Regulation</b>	<b>Description</b>	<b>Policy</b>
<b>7</b>	<b>Waive Reduction</b>	<i>31(5) and TPSch 2 para 2(1)</i>	Waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early.	<p>The administering authority resolves to consider waiving actuarial reductions only for members with compelling compassionate reasons on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive Officer) would consider any applications under this discretion.</p>
<b>11</b>	<b>Switch on 85 Year Rule</b>	<i>TPSch 2 para 1(2) and 1(1)f and R60</i>	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. Note: TPSch 2, para 2(2) does not reference para 1(1)(f) so strictly speaking there is no requirement to publish a policy under this regulation or R60. However, we understand that this is simply a regulatory omission and the appropriate party should publish a policy accordingly.	<p>The administering authority resolves to adopt this discretion in exceptional circumstances only and will consider applications on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive) would consider any applications under this discretion.</p>
<b>Other Miscellaneous Discretions</b>				
<b>30</b>	<b>Abatement</b>	TP3(13), A70(1) & A71(4)(c)	Whether, where the member has entered a new employment with a scheme employer (other than one in	The administering authority resolves that it will not abate the pension in these circumstances.

			<p>which they are eligible to belong to the Teacher's Scheme), any retirement pension payable to a member from any pension fund maintained by it will</p> <ul style="list-style-type: none"><li>(i) be reduced</li><li>(ii) on what grounds</li><li>(iii) how much it will be reduced by</li></ul>	
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**Section 4. Administering Authority Mandatory Discretions (Croydon Council ) in relation to scheme members who ceased active membership before 1.4.98, being discretions under:**

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (prefix TP)

The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]

<b>Discretions relating to employers which are no longer Scheme employers</b>				
<b>Number</b>	<b>Type</b>	<b>Regulation</b>	<b>Description</b>	<b>Policy</b>
<b>14</b>	<b>Early Payment of Deferred Benefits</b>	<i>TP3(5A)(vi), TL4, L106(1) and D11(2)©</i>	Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds. Although the common provisions of the 1997 Transitional provisions regulations do not specify regulation D11(2)(c), there intention was that it should apply to this regulation.	<p>The administering resolves to consider early payment of deferred benefits on or after age 50 for members with compelling compassionate reasons on a case by case basis.</p> <p>The Head of Pensions in consultation with the Corporate Director Resources (S151 &amp; Deputy Chief Executive Officer) would consider any applications under this discretion.</p>
<b>Other Miscellaneous Discretions</b>				
<b>31</b>	<b>Abatement</b>	TP3(13), A70(1) & A71(4)(c)	Whether, where the member has entered a new employment with a scheme employer (other than one in which they are eligible to belong to the Teacher's Scheme), any retirement pension payable to a member from any pension fund maintained by it will (i) be reduced (ii) on what grounds (iii) how much it will be reduced by	The administering authority resolves that it will not abate the pension in these circumstances.