

## List of administering authority discretions

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## 1. Introduction

The guide is for administering authorities in Scotland.

It sets out a list of discretions under the Local Government Pension Scheme (LGPS) (Scotland) Regulations and the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998.

## 2. How to use the guide

The guide lists the discretions in [section four](#). The discretions are grouped by topic, such as retirement or transfers. [Section three](#) contains a quick reference look up.

For certain discretions, administering authorities must follow specific rules, including having a written policy statement. These rules also outline the procedures for creating, publishing and reviewing the policy, including considerations authorities must take into account. For other discretions, there are no such specific rules. However, to promote strong governance, it is recommended that authorities still maintain a written policy statement. Each discretion includes a link to further information in [section five](#), outlining any specific rules relevant to that discretion.

In the guide, we refer to different regulations, which are abbreviated as follows:

- The Local Government Pension Scheme (Scotland) Regulations 2018 – ‘2018 Regulations’
- The Local Government Pension Scheme (Transitional Provisions and Savings) (Scotland) Regulations 2014 – ‘2014 Transitional Regulations’
- The Local Government Pension Scheme (Benefits, Membership and Contributions) (Scotland) Regulations 2008 – ‘2008 Benefit Regulations’
- The Local Government Pension Scheme (Administration) (Scotland) Regulations 2008 – ‘2008 Administration Regulations’
- The Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 2008 ‘2008 Transitional Regulations’
- The Local Government Pension Scheme (Scotland) Regulations 1998 – ‘1998 Regulations’
- The Local Government Pension Scheme (Transitional Provisions) (Scotland) Regulations 1998 – ‘1998 Transitional Regulations’
- The Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 – ‘1998 Discretionary Regulations’

- The Local Government Superannuation (Scotland) Regulations 1987 – ‘1987 Regulations’
- The Registered Pension Schemes (Modification of Scheme Rules) Regulations 2011 – ‘2011 Modification Regulations’.

Except for the 2011 Modification Regulations, you can access these regulations on [the Scheme regulations](#) page of [www.scotlgpsregs.org](http://www.scotlgpsregs.org).

### 3. Quick look-up reference guide to discretions

**Table 1 – provides a quick look-up reference guide to the administering authority discretions. Further information on each discretion is shown in section four.**

Topic	Decision
Abatement	<ul style="list-style-type: none"> <li>• <a href="#">Whether to reduce or suspend pre-April 15 pension while in new employment</a></li> </ul>
Added years	<ul style="list-style-type: none"> <li>• <a href="#">Whether to allow late election to pay off balance on leaving due to redundancy or business efficiency</a></li> </ul>
Additional pension contributions (APCs)	<ul style="list-style-type: none"> <li>• <a href="#">Whether to turn down application to pay APCs by regular contributions where it would be impractical to allow it</a></li> <li>• <a href="#">Whether to require a member applying to pay APCs to produce a medical report</a></li> <li>• <a href="#">Whether to refuse APC application where administering authority is not satisfied that the member is in reasonably good health</a></li> </ul>
Additional voluntary contributions (AVCs)	<ul style="list-style-type: none"> <li>• <a href="#">Who to pay AVC death grant to (post-March 15 leavers)</a></li> <li>• <a href="#">Who to pay AVC death grant to (pension credit members under the 2015 Scheme)</a></li> </ul>
Admission agreements	<ul style="list-style-type: none"> <li>• <a href="#">Whether to agree to an admission agreement application</a></li> <li>• <a href="#">Whether to end an admission agreement due to certain events</a></li> <li>• <a href="#">Define what is meant by “employed in connection with” for certain admitted bodies</a></li> <li>• <a href="#">Whether to create a separate pension fund for specified admitted bodies</a></li> </ul>
Aggregation	<ul style="list-style-type: none"> <li>• <a href="#">Which continuing employment to aggregate pre-April 15 benefits (concurrent cases, post-March 15 leavers)</a></li> </ul>
Annual benefit statements	<ul style="list-style-type: none"> <li>• <a href="#">Which date to use to value the benefits (pre-April 15 deferred members and pension credit members under the 1998 and 2009 schemes)</a></li> <li>• <a href="#">Whether to exclude underpin information in the 2024/25 statements for a certain member or class of members</a></li> </ul>

Topic	Decision
Appeals	<ul style="list-style-type: none"> <li>• <a href="#">Who will decide stage one internal dispute resolution procedure (IDRP) appeals</a></li> <li>• <a href="#">Whether to accept late stage one IDRP applications</a></li> <li>• <a href="#">Whether to appeal to Scottish Ministers about an employer LGPS decision (or failure to make a decision)</a></li> </ul>
Certificate of protection	<ul style="list-style-type: none"> <li>• <a href="#">Whether to make election to use a certificate of protection on behalf of a deceased member</a></li> </ul>
Communication strategy	<ul style="list-style-type: none"> <li>• <a href="#">What the authority's policy should be on communicating with certain stakeholders</a></li> </ul>
Compensatory added years (CAYs)	<ul style="list-style-type: none"> <li>• <a href="#">Whether to agree to pay CAYs on the employer's behalf</a></li> <li>• <a href="#">At which intervals to pay regular CAYs payments</a></li> <li>• <a href="#">How to recover CAYs payments made in error by the administering authority</a></li> </ul>
Death	<ul style="list-style-type: none"> <li>• <a href="#">What evidence is needed to assess a cohabiting partner's eligibility for a survivor pension</a></li> <li>• <a href="#">Who to pay death grant to (post-March 15 leavers)</a></li> <li>• <a href="#">Who to pay death grant to (pre-April 15 leavers)</a></li> <li>• <a href="#">Who to pay death grant to (pension credit members under the 2015 Scheme)</a></li> <li>• <a href="#">Who to pay death grant to (pension credit members under the 1998 or 2009 Schemes)</a></li> <li>• <a href="#">Whether to pay the whole or part of the amount due to the estate (total amount not more than £5,000) without the need to obtain confirmation</a></li> <li>• <a href="#">Whether to pay a children's pension for pre-April 15 benefits to a different person, to be applied for the child's benefit</a></li> <li>• <a href="#">Whether to disregard breaks in education / vocational training when considering whether a person qualifies as an eligible child</a></li> <li>• <a href="#">Where there are multiple eligible children, how to apportion the pension (pre-April 09 leavers)</a></li> <li>• <a href="#">Whether to resume payment of survivor pension on end of subsequent relationship (pre-April 98 leavers)</a></li> </ul>

Topic	Decision
Divorce / dissolution of civil partnership	<ul style="list-style-type: none"> <li>• <a href="#">How to discharge pension credit liability</a></li> <li>• <a href="#">When should the valuation day be</a></li> <li>• <a href="#">What charges to apply</a></li> </ul>
Double entitlement	<ul style="list-style-type: none"> <li>• <a href="#">Under which regulation to pay benefits (post-March 09 leavers)</a></li> </ul>
Employee contributions	<ul style="list-style-type: none"> <li>• <a href="#">Whether and how to recover contributions / sums not deducted by employer from pay</a></li> </ul>
Employer contributions	<ul style="list-style-type: none"> <li>• <a href="#">Whether to require employers to make pension strain payments (post-March 15 leavers)</a></li> <li>• <a href="#">Whether to require employers to make pension strain payments (pre-April 15 leavers)</a></li> <li>• <a href="#">Whether to review contribution rate between valuations</a></li> <li>• <a href="#">At which intervals should employers pay contributions to the fund</a></li> <li>• <a href="#">In what form and at which intervals should employers give the information accompanying contribution payments</a></li> <li>• <a href="#">Whether to recover additional costs from employers incurred because of their performance levels when carrying out LGPS functions</a></li> <li>• <a href="#">Whether to require employers to pay interest on late payments</a></li> <li>• <a href="#">What intervals at which employers must reimburse cost of pensions increase</a></li> </ul>
Employer discretions (employer no longer participates in the LGPS)	<ul style="list-style-type: none"> <li>• <a href="#">Whether to treat election for early payment under the 2008 Benefit Regulations (deferred members who left between 1 April 09 and 31 March 15)</a></li> <li>• <a href="#">Whether to agree to waive early payment reductions (deferred members who left after March 15)</a></li> <li>• <a href="#">Whether to use the actual date the member satisfied the rule of 85 (deferred members who left after March 15)</a></li> <li>• <a href="#">Whether to agree to waive early payment reductions (deferred members who left between 1 April 09 and 31 March 15)</a></li> </ul>

Topic	Decision
Exchange of information	<ul style="list-style-type: none"> <li>• <a href="#">What information is needed from employers to enable administering authority to discharge their LGPS functions</a></li> </ul>
Exiting employers	<ul style="list-style-type: none"> <li>• <a href="#">Whether to require employer to pay exit payment or whether to suspend or defer that liability</a></li> <li>• <a href="#">Over what period to require the employer to pay the exit payment or whether to allow it to be paid in instalments</a></li> <li>• <a href="#">What exit credit to pay</a></li> <li>• <a href="#">Whether to obtain a revised rates and adjustment certificate for an employer likely to become an exiting employer</a></li> <li>• <a href="#">Whether to require a former LGPS employer to make payments certified by an actuary to meet outstanding liabilities</a></li> </ul>
Fund strategy	<ul style="list-style-type: none"> <li>• <a href="#">What is the administering authority's funding strategy</a></li> </ul>
Fund substitution	<ul style="list-style-type: none"> <li>• <a href="#">Whether to apply to Scottish Ministers to change an employer's relevant fund to the administering authority's</a></li> </ul>
Governance compliance statement	<ul style="list-style-type: none"> <li>• <a href="#">Whether to delegate LGPS functions, or part of them, to a committee, sub-committee or an officer of the administering authority</a></li> </ul>
McCloud compensation	<ul style="list-style-type: none"> <li>• <a href="#">Whether to pay indirect compensation</a></li> <li>• <a href="#">Whether to pay direct compensation</a></li> </ul>
Pension administration strategy	<ul style="list-style-type: none"> <li>• <a href="#">Whether to have a strategy and, if so, the matters it should include</a></li> </ul>
Pension accounts	<ul style="list-style-type: none"> <li>• <a href="#">In what form to record CARE accounts</a></li> </ul>
Person incapable of managing their affairs	<ul style="list-style-type: none"> <li>• <a href="#">How to pay 2015 Scheme benefits in respect of a person who is incapacitated</a></li> </ul>

Topic	Decision
Retirement	<ul style="list-style-type: none"> <li>• <a href="#"><u>Whether to amend time limit for flexible retirement elections</u></a></li> <li>• <a href="#"><u>Whether to approve employer's choice of independent registered medical practitioner</u></a></li> <li>• <a href="#"><u>Whether to agree to early payment on ill health (deferred members who left after 31 March 2009)</u></a></li> <li>• <a href="#"><u>Whether to amend time limit for voluntary retirement elections (post-March 15 leavers)</u></a></li> <li>• <a href="#"><u>Whether to amend time limit for voluntary retirement elections (pension credit members under the 2015 Scheme)</u></a></li> <li>• <a href="#"><u>Whether to amend time limit for voluntary retirement elections (deferred members who left between 1 April 09 and 31 March 15)</u></a></li> <li>• <a href="#"><u>Whether to commute annual pension into a serious ill health lump sum (deferred members who left before April 15)</u></a></li> <li>• <a href="#"><u>Whether to commute annual pension into a serious ill health lump sum (pension credit members under the 1998 and 2009 Schemes)</u></a></li> </ul>
Transfers	<ul style="list-style-type: none"> <li>• <a href="#"><u>Whether to calculate transfers out as a bulk transfer</u></a></li> <li>• <a href="#"><u>Whether to accept transfer-in elections (non-Club transfers)</u></a></li> </ul>
Trivial commutation	<ul style="list-style-type: none"> <li>• <a href="#"><u>Whether to trivially commute benefits</u></a></li> <li>• <a href="#"><u>Whether to trivially commute pension credit benefits</u></a></li> </ul>
Voluntary scheme pays	<ul style="list-style-type: none"> <li>• <a href="#"><u>Whether the administering authority can agree to voluntary scheme pays and, if so, in what circumstances would it be offered</u></a></li> </ul>



## 4. Administering authority discretions

**Table 2 – sets out information on administering authority discretions under the LGPS regulations, the 1998 Discretionary Regulations and the 2011 Modification Regulations**

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
1	<b>Abatement</b>	<p>A pensioner member:</p> <ul style="list-style-type: none"> <li>• whose pension includes pre-April 2015 benefits, and</li> <li>• who enters a new employment with an LGPS employer.</li> </ul> <p>This does not apply where the member can join the teachers' pension scheme in the new employment.</p>	<p>Decide whether to reduce, or suspend payment of, the pension for the pre-April 2015 benefits while the member is in the new employment.</p> <p>If the member was a member on 31 March 1998, you may not reduce the pension below the level that you would have reduced it under the 1987 Regulations.</p> <p>You may not reduce any flexible retirement pension while the member is in any subsequent employment with the employer who consented to the flexible retirement.</p>	<p>Yes</p> <p>See <a href="#">Note 3</a></p>	<p>3(11) of the 2014 Transitional Regulations</p> <p>64 &amp; 65 of the LGPS (Administration) Regulations</p> <p>12 of the 2008 Transitional Regulations</p> <p>109 and 110 of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
2	<b>Added years</b>	<p>A member who:</p> <ul style="list-style-type: none"> <li>stops paying added years contributions on leaving due to redundancy or business efficiency,</li> <li>can elect to pay the balance of added years contributions by lump sum, and</li> <li>elects to do so later than three months after leaving the employment.</li> </ul> <p>This does not apply to councillors.</p>	<p>Decide whether to allow the election.</p> <p>Normally, the member must elect by no later than three months after leaving the employment.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	82(5) of the 1998 Regulations
3	<b>Additional pension contribution (APCs)</b>	An active member applying to pay APCs by regular contributions.	Decide whether to turn down the application if it would be impractical to allow it. For example, this could be where the regular contributions would be very small.	<p>No</p> <p>See <a href="#">Note 1</a></p>	16(1) and (10) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
4	<b>Additional pension contribution (APCs)</b>	An active member applying to pay APCs.	Decide whether to require the member to produce a report by a registered medical practitioner of the results of a medical examination.  If so, the member will need to meet the cost of the report.	No See <a href="#">Note 1</a>	16(10) of the 2018 Regulations
5	<b>Additional Pension Contribution (APCs)</b>	An active member applying to pay APCs.	If you are not satisfied that the member is in reasonably good health, decide whether to refuse the application.	No See <a href="#">Note 1</a>	16(10) of the 2018 Regulations
6	<b>Additional voluntary contributions (AVCs)</b>	A deceased member who paid AVCs and left active membership after 31 March 2015.	At your absolute discretion, decide who to pay the AVC's realisable value, or, as the case may be, AVC life assurance.  You can pay this to, or for the benefit of: <ul style="list-style-type: none"> <li>• the member's nominee,</li> <li>• the personal representative, or</li> <li>• any person appearing to you to have been a relative or dependent of the member.</li> </ul>	No See <a href="#">Note 1</a>	17(12) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
7	<b>Additional voluntary contributions (AVCs)</b>	<p>A pension credit member who:</p> <ul style="list-style-type: none"> <li>was awarded a share of the member's AVC account under the 2015 Scheme, and</li> <li>dies before receiving payment.</li> </ul> <p>A pension credit member will be awarded the credit under the 2015 Scheme if:</p> <ul style="list-style-type: none"> <li>the sharing order's effective date is after March 2015, and</li> <li>the debit member has some 2015 Scheme benefits.</li> </ul>	<p>At your absolute discretion, decide who to pay the AVC realisable value.</p> <p>You can pay this to, or for the benefit of:</p> <ul style="list-style-type: none"> <li>the pension credit member's nominee,</li> <li>their personal representative, or</li> <li>any person appearing to you to have been a relative or dependent of the pension credit member.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	17(12) of the 2018 Regulations
8	<b>Admission agreements</b>	An employer applying to participate in the LGPS under an admission agreement.	Decide whether to agree to the admission agreement.	<p>No</p> <p>See <a href="#">Note 1</a></p>	3(4) of, and paragraph 1 of part 2 of schedule 2 to, the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
9	<b>Admission agreements</b>	An admitted body whose employees are covered by an admission agreement.	<p>Decide whether to end the agreement in the event of:</p> <ul style="list-style-type: none"> <li>• insolvency, winding up or liquidation of the body,</li> <li>• a material breach by the body of any of its obligations under the agreement or the LGPS regulations which it has not remedied within a reasonable time, or</li> <li>• a failure by the body to pay any sums due to the fund within a reasonable period after receiving notice from you requiring it to do so.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	Paragraph 9(d) of part 2 of schedule 2 to, the 2018 Regulations
10	<b>Admission agreements</b>	<p>An admitted body:</p> <ul style="list-style-type: none"> <li>• whose employees are covered by an admission agreement, and</li> <li>• who falls within paragraph 1(d) of part 2 of schedule 2 to the 2018 Regulations.</li> </ul>	Define what is meant by “employed in connection with”.	<p>No</p> <p>See <a href="#">Note 1</a></p>	Paragraph 12(a) of part 2 of schedule 2 to, the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
11	<b>Admission agreements</b>	An admitted body whose employees are covered by an admission agreement.	Decide whether to create a separate pension fund for specified admitted bodies.	No See <a href="#">Note 1</a>	52(1) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
12	<b>Aggregation</b>	<p>A member who:</p> <ul style="list-style-type: none"> <li>• left after 31 March 2015 with a deferred benefit or deferred refund that includes pre-April 15 benefits,</li> <li>• continues in active membership in two or more concurrent employments that include pre-April 15 membership,</li> <li>• will have their deferred benefits or deferred refund aggregated to one of the continuing employments, and</li> <li>• did not specify within 12 months of ceasing the employment to which continuing employment to aggregate.</li> </ul>	Decide on behalf of the member to which continuing employment to aggregate the pre-April 2015 benefits.	No See <a href="#">Note 1</a>	10(9) of the 2014 Transitional Regulations



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
13	<b>Annual benefit statements</b>	<p>A member who:</p> <ul style="list-style-type: none"> <li>left with deferred benefits before 1 April 2015, or</li> <li>was awarded a pension credit under the 1998 or 2009 scheme.</li> </ul> <p>The credit will be awarded under these schemes if:</p> <ul style="list-style-type: none"> <li>the sharing order's effective date was before April 2015, or</li> <li>the debit member has no 2015 Scheme benefits.</li> </ul>	<p>Decide on the date to value the benefits. This can be 31 March before issuing the statement, or you may choose a later date.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>62(5) of the 2008 Administration Regulations</p> <p>105A(5) of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
14	<b>Annual benefit statements</b>	<ul style="list-style-type: none"> <li>Members with underpin protection.</li> <li>Pension credit members where the debit member has underpin protection.</li> </ul>	<p>Decide before 31 August 2025 whether to exclude underpin information in the 2024/25 annual benefit statements for a certain member or class of members. If so, the authority must notify the affected members in the 2024/25 statements.</p> <p>The authority can only decide to exclude the underpin information if they consider that it is reasonable in all the circumstances in the case of that particular member or class of members.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	6 of the LGPS (Remediable Service) (Scotland) (Miscellaneous Amendment) Regulations 2024

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
15	<b>Appeals</b>	<p>A member, or alternative applicant, who triggers stage one of the internal dispute resolution procedure (IDRP) because of a disagreement with the administering authority.</p> <p>Regulation 69(2) of the 2018 Regulations lists who can be an 'alternative applicant'.</p>	<p>Decide who will be the stage one IDRP adjudicator.</p> <p>When notifying members of LGPS decisions, you must:</p> <ul style="list-style-type: none"> <li>inform them about their right to appeal under stage one and two of the IDRP, including the time limits for doing so, and</li> <li>specify the job title and address of the person to whom IDRP applications can be made.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>68(5)(c) of the 2018 Regulations</p> <p>23 of the 2014 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
16	<b>Appeals</b>	<p>A member, or an alternative applicant, who applies for stage one of the internal dispute resolution procedure (IDRP) after the six-month deadline.</p> <p>The six-month deadline begins:</p> <ul style="list-style-type: none"> <li>• for appeals about a decision, on the date the member was told of the decision,</li> <li>• in any other case, on the date of the act or omission which caused the appeal, or, if there is more than one, the date of the last one.</li> </ul> <p>Regulation 69(2) of the 2018 Regulations lists who can be an 'alternative applicant'.</p>	The stage one adjudicator can accept late applications if they consider it reasonable.	No See <a href="#">Note 1</a>	<p>69(7)(b) of the 2018 Regulations</p> <p>23 of the 2014 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
17	<b>Appeals</b>	An employer who is not an administering authority and has decided, or failed to decide, any question required under the LGPS regulations, otherwise than in the exercise of a discretion.	<p>Decide whether to appeal to Scottish Ministers to decide the question.</p> <p>The appeal must be made in writing within six-months of:</p> <ul style="list-style-type: none"> <li>the date of notification, if related to a decision made, or</li> <li>the date of the failure, if related to a failure to decide any question.</li> </ul> <p>Scottish Ministers can accept late appeals if they consider it reasonable.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>74(2) of the 2018 Regulations</p> <p>23 of the 2014 Transitional Regulations</p>
18	<b>Certificate of protection</b>	A member who was issued a certificate of protection for a pre-April 2015 reduction or restriction in pay and died before electing whether to use the certificate.	Decide whether to make the election on the member's behalf.	<p>No</p> <p>See <a href="#">Note 1</a></p>	43(10) of the 2008 Administration Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
19	<b>Communication strategy</b>	All members	<p>Decide your policy concerning communications with:</p> <ul style="list-style-type: none"> <li>• members,</li> <li>• member representatives,</li> <li>• prospective members, and</li> <li>• Scheme employers.</li> </ul>	<p>Yes</p> <p>See <a href="#">Note 4</a></p>	59 of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
20	<b>Compensatory added years (CAYs)</b>	An employer has asked the authority to pay CAYs payments on their behalf.	<p>Decide whether to agree to pay the CAYs on the employer's behalf. If so:</p> <ul style="list-style-type: none"> <li>• decide whether to pay from an LGPS fund or a different account (though lump sum CAYs cannot be paid from an LGPS fund),</li> <li>• decide terms on which the employer must repay, and</li> <li>• decide the period over which the employer must repay (if paid from an LGPS fund, the period must not exceed two months from the payment).</li> </ul> <p>CAYs payments made from LGPS funds may have inadvertent tax consequences, such as being included in annual allowance calculations.</p>	No See <a href="#">Note 1</a>	31(2) of the 1998 Discretionary Regulations
21	<b>Compensatory added years (CAYs)</b>	A person who will receive regular CAYs payments from the administering authority.	Payments are made at the same intervals as the corresponding LGPS pension. However, you can choose different intervals with the person's agreement.	No See <a href="#">Note 1</a>	29(1) of the 1998 Discretionary Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
22	<b>Compensatory added years (CAYs)</b>	A person who received a payment from the administering authority for CAYs in error, including overpayments.	<p>Decide how to recover CAYs payments made in error.</p> <p>You can decide to recover it by:</p> <ul style="list-style-type: none"> <li>deducting it from future CAYs payments, or</li> <li>any other means of recovery.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>29(3) of the 1998 Discretionary Regulations</p>
23	<b>Death – cohabiting partners</b>	A deceased member's surviving cohabiting partner who may be eligible for a survivor's pension.	Decide the evidence needed to assess the partner's eligibility for a survivor pension.	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>Schedule 1 of the 2018 Regulations</p> <p>17(9)(b) of the 2014 Transitional Regulations</p>



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
24	<b>Death – death grant</b>	<p>A deceased member who:</p> <ul style="list-style-type: none"> <li>• left active membership after 31 March 2015, and</li> <li>• regarding whom a death grant is payable.</li> </ul>	<p>At your absolute discretion, decide who will receive the death grant and in what proportions. You can pay this to, or for the benefit of:</p> <ul style="list-style-type: none"> <li>• the member's nominee,</li> <li>• the member's personal representative, or</li> <li>• any person appearing to you to have been a relative or dependent of the member.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>38(2), 41(2), 44(2) of the 2018 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
25	<b>Death – death grant</b>	<p>A deceased member who:</p> <ul style="list-style-type: none"> <li>• left active membership before April 2015, and</li> <li>• regarding whom a death grant is payable.</li> </ul>	<p>At your absolute discretion, decide who will receive the death grant and in what proportions. You can pay this to, or for the benefit of:</p> <ul style="list-style-type: none"> <li>• the member's nominee,</li> <li>• the member's personal representative, or</li> <li>• any person appearing to you to have been a relative or dependent of the member.</li> </ul> <p>If you have not paid the grant within two years of the member's death, you must pay any unpaid amounts to the personal representatives.</p> <p>Where the member left before 1 April 2009 and made a nomination, the nomination automatically ceases to have effect upon the member's subsequent marriage or civil partnership.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>32(2) and 35(2) of the 2008 Benefit Regulations</p> <p>37(1) of the 1998 Regulations</p> <p>E11ZA(1) of the 1987 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
26	<b>Death – death grant</b>	<p>A deceased pension credit member who:</p> <ul style="list-style-type: none"> <li>• was awarded the credit under the 2015 Scheme, and</li> <li>• regarding whom a death grant is payable.</li> </ul> <p>A credit member is awarded the credit under the 2015 Scheme if:</p> <ul style="list-style-type: none"> <li>• the sharing order's effective date is after March 2015, and</li> <li>• the debit member has 2015 Scheme benefits.</li> </ul>	<p>At your absolute discretion, decide who will receive the death grant and in what proportions. You can pay this to, or for the benefit of:</p> <ul style="list-style-type: none"> <li>• the credit member's nominee,</li> <li>• the credit member's personal representative, or</li> <li>• any person appearing to you to have been a relative or dependent of the credit member.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	41(2), 44(2) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
27	<b>Death – death grant</b>	<p>A deceased pension credit member who:</p> <ul style="list-style-type: none"> <li>• was awarded the credit under the 2009 or 1998 schemes, and</li> <li>• regarding whom a death grant is payable.</li> </ul> <p>The credit will be awarded under these schemes if:</p> <ul style="list-style-type: none"> <li>• the sharing order's effective date was before April 2015, or</li> <li>• the debit member has no 2015 Scheme benefits.</li> </ul>	<p>At your absolute discretion, decide who will receive the death grant and in what proportions. You can pay this to, or for the benefit of:</p> <ul style="list-style-type: none"> <li>• the credit member's nominee,</li> <li>• the credit member's personal representative, or</li> <li>• any person appearing to you to have been a relative or dependent of the credit member.</li> </ul> <p>If you have not paid the grant within two years of the death, you must pay any unpaid amounts to the personal representatives.</p> <p>Where the credit was awarded under the 1998 Scheme and the credit member made a nomination, the nomination automatically ceases to have effect upon the credit member's subsequent marriage or civil partnership.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>32(2) and 35(2) of the 2008 Benefit Regulations</p> <p>95(4) of the 2008 Administration Regulations</p> <p>37(1) and 150(4) of the 1998 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
28	<b>Death – small payments to estates</b>	<p>A person:</p> <ul style="list-style-type: none"> <li>• who has died, and</li> <li>• the total amount due under the Scheme to the personal representatives does not exceed the amount specified in any order in force under section 6 of the Administration of Estates (Small Payments) Act 1965.</li> </ul> <p>The amount currently specified is £5,000.</p> <p>For example, an amount due to the personal representatives at death could include unpaid pension amounts.</p>	<p>Decide whether to pay the whole or part of the amount to:</p> <ul style="list-style-type: none"> <li>• the person's personal representatives, or</li> <li>• any person or persons appearing to you to be beneficiaries to the estate,</li> </ul> <p>without the need to obtain confirmation of the person's estate.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>77(2) of the 2018 Regulations</p> <p>48(2) of the 2008 Administration Regulations</p> <p>94(1) of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
29	<b>Death – children’s pensions</b>	<p>A deceased member:</p> <ul style="list-style-type: none"> <li>• regarding whom an eligible child’s pension is payable, and</li> <li>• where the eligible child’s pension consists of or includes pre-April 15 benefits.</li> </ul>	<p>Decide whether to pay the whole (or, if the member left the LGPS before 1 April 2009, whole or part) of the child’s pension for pre-April 15 benefits to a person who is not an eligible child.</p> <p>If so, the pension must be applied for such eligible child’s benefit as you may direct.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>27(5) of the 2008 Benefit Regulations</p> <p>46(2) of the 1998 Regulations</p> <p>E9(7)(b) of the 1987 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
30	<b>Death – children’s pensions</b>	A person who potentially qualifies as an eligible child and has had a break in full-time education or vocational training.	Decide whether to disregard the break when considering whether the person qualifies as an eligible child.	No See <a href="#">Note 1</a>	Schedule 1 of the 2018 Regulations  26(5) of the 2008 Benefit Regulations  43(3) of the 1998 Regulations  Schedule 1 of the 1987 Regulations
31	<b>Death – children’s pensions</b>	If: <ul style="list-style-type: none"> <li>• there is more than one eligible child, and</li> <li>• the deceased member left membership before 1 April 2009.</li> </ul>	Decide how to apportion the pension amongst the children as you think fit.  If the member left after 31 March 2009, you must share the pension equally.	No See <a href="#">Note 1</a>	46(1) of the 1998 Regulations  E9(7)(a) of the 1987 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
32	<b>Death – survivor pensions</b>	<p>In respect of a deceased member who left before 1 April 1998, a survivor pension is payable to a person:</p> <ul style="list-style-type: none"> <li>• who subsequently married or cohabited,</li> <li>• whose pension was suspended upon marriage or cohabitation, and</li> <li>• whose marriage or cohabitation ended.</li> </ul>	Decide whether to resume payment of the pension.	<p>No</p> <p>See <a href="#">Note 1</a></p>	E5(6) of the 1987 Regulations



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
33	<b>Divorce / dissolution of civil partnership</b>	A person entitled to a pension credit	<p>Decide how to discharge the liability.</p> <p>This can be done by either:</p> <ul style="list-style-type: none"> <li>• awarding LGPS benefits, or</li> <li>• paying the credit to a qualifying scheme.</li> </ul> <p>The person must consent to the decision unless regulation 7 of the Pension Sharing (Implementation and Discharge of Liability) Regulations 2000 applies.</p> <p>Where the person consents to LGPS benefits, you can only implement this if:</p> <ul style="list-style-type: none"> <li>• you give the person seven days to change their mind, and</li> <li>• before giving the consent, the person had received a written offer to pay the credit to a different scheme.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>89 of the 2008 Administration Regulations</p> <p>Paragraph 1(3)(c) of schedule 5 to the Welfare Reform and Pensions Act 1999</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
34	<b>Divorce / dissolution of civil partnership</b>	A person entitled to a pension credit.	<p>Determine the valuation day to discharge the pension credit liability.</p> <p>The valuation day can be any day within the “implementation period”.</p> <p>Section 34 of the Welfare Reform and Pensions Act 1999 defines “implementation period”.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>86(5) of the 2008 Administration Regulations</p> <p>Section 29(7) of the Welfare Reform and Pensions Act 1999</p>
35	<b>Divorce / dissolution of civil partnership</b>	Parties involved in pension sharing	<p>Decide pension sharing charges.</p> <p>The charges must be in accordance with the Pensions on Divorce etc (Charging) Regulations 2000.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>101 of the 2008 Administration Regulations</p> <p>The Pensions on Divorce etc (Charging) Regulations 2000</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
36	<b>Double entitlement</b>	<p>A member who:</p> <ul style="list-style-type: none"> <li>• left after 31 March 2009,</li> <li>• is entitled to a pension or lump sum under two or more regulations due to the same membership, and</li> <li>• has not chosen under which regulation the benefits are to be paid before the expiry of three months from the date they are entitled to elect.</li> </ul>	Decide, on the member's behalf, under which regulation to pay the benefits.	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>47(1)(c) of the 2018 Regulations</p> <p>43(1)(c) of the 2008 Benefit Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
37	<b>Employee contributions</b>	A person regarding whom any contributions or sum remain due that the employer has not deducted from their pay.	<p>Decide whether to recover the contributions / sum:</p> <ul style="list-style-type: none"> <li>• as a debt arising under a contract in any court of competent jurisdiction, or</li> <li>• by deducting it from benefits payable to or in respect of the person.</li> </ul>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>80(3) of the 2018 Regulations</p> <p>40(3) of the 2008 Administration Regulations</p> <p>88(3) of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
38	<b>Employer contributions</b>	<p>The employer regarding a member who left active membership after 31 March 2015 and who:</p> <ul style="list-style-type: none"> <li>• elects to receive payment between 55 and normal pension age,</li> <li>• receives benefits on redundancy/efficiency, or</li> <li>• receives benefits on flexible retirement.</li> </ul>	<p>Decide whether to require the employer to make additional payments for any extra charge on the fund because of the retirement (“pension strain payments”).</p> <p>This includes the cost as calculated by an actuary you appointed where the employer decides to waive any early payment reductions. This includes where the employer requires you to use the actual date the member satisfied the rule of 85 (see discretion 67 in the Employer Discretions Technical Guide).</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>63(2) of the 2018 Regulations</p> <p>Paragraph 2(3) of schedule 2 to the 2014 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
39	<b>Employer contributions</b>	<p>The employer regarding a member:</p> <ul style="list-style-type: none"> <li>• who left active membership before 1 April 2015 with deferred benefits,</li> <li>• who elects to receive payment before 60, and</li> <li>• where the election is treated as an election under the earlier regulations (ie it is not treated as an election under 3(13) of the 2014 Transitional Regulations – see discretions 59, 60 and 62 in the Employer Discretions Technical Guide).</li> </ul>	<p>Decide whether to require the employer to make additional payments for any extra charge on the fund because of the early payment (“pension strain payments”).</p> <p>This includes the cost as calculated by an actuary you appointed where the employer decides to waive any reductions for early payment.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>Paragraph 2(3) of schedule 2 to the 2014 Transitional Regulations</p> <p>37(2) of the 2008 Administration Regulations</p> <p>79(5) of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
40	<b>Employer contributions</b>	An employer	<p>Decide whether to review the employer's contribution rate between valuations.</p> <p>Regulation 61A(1) of the 2018 Regulations outlines the conditions. One condition is that your funding strategy statement must set out your policy in this area.</p> <p>Before changing the rate, you must consult with the employer and consider the views of an actuary you appointed.</p>	<p>Yes, if the authority wishes to use this power.</p> <p>See <a href="#">Note 5</a></p>	61A of the 2018 Regulations
41	<b>Employer contributions</b>	All employers	<p>Decide the intervals between dates on or before which employers must pay employer and employee contributions to the fund.</p> <p>The intervals must not exceed 12 months.</p> <p>Employee contributions must be paid within the prescribed period referred to in section 49(8) of the Pensions Act 1995.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	64(1) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
42	<b>Employer contributions</b>	An employer submitting information accompanying contribution payments.	Decide the form and intervals by which the employer must give the information.	No See <a href="#">Note 1</a>	64(4) of the 2018 Regulations
43	<b>Employer contributions</b>	An employer who, in the administering authority's opinion, has caused the authority to incur additional costs because of their performance levels when carrying out LGPS functions.	Decide whether to recover the additional costs from the employer.  If you decide to recover the cost, provide the employer written notice. Regulation 65(2) specifies the required content of this notice.	No See <a href="#">Note 1</a>	65 of the 2018 Regulations  22(2) of the 2014 Transitional Regulations
44	<b>Employer contributions</b>	An employer who has paid contributions to the fund late.  Regulation 66(2) and (3) of the 2018 Regulations specifies when a payment is considered late.	Decide whether to require the employer to pay interest on the late payment.	No See <a href="#">Note 1</a>	66(1) of the 2018 Regulations
45	<b>Employer contributions</b>	An employer required to reimburse the cost of pensions increase to the administering authority.	Decide the intervals at which the employer must pay the costs.  The intervals may not be more than 12 months.	No See <a href="#">Note 1</a>	90(4) of the 1998 Regulations



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
46	<b>Employer discretion (retirement – deferred) – employer no longer participates in the LGPS</b>	<p>Where:</p> <ul style="list-style-type: none"> <li>the member left with deferred benefits between 1 April 2009 and 31 March 2015,</li> <li>the member elects for payment between 55 and 60, and</li> <li>the employer no longer participates in the LGPS.</li> </ul>	<p>Ordinarily, you will treat the election as being made under regulation 3(13) of the 2014 Transitional Regulations. For these:</p> <ul style="list-style-type: none"> <li>you do not need to consent,</li> <li>the benefits will be reduced for early payment, and</li> <li>you may not agree to waive any of the reductions.</li> </ul> <p>If you want to waive any reductions for early payment, you firstly must decide to treat the election as an election under 30(2) of the 2008 Benefit Regulations.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	30(2)(c) of the 2008 Benefit Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
47	<b>Employer discretion (retirement – deferred) – employer no longer participates in the LGPS</b>	<p>Where:</p> <ul style="list-style-type: none"> <li>the member left with deferred benefits after 31 March 2015,</li> <li>the member will receive reduced benefits for early payment, and</li> <li>the employer no longer participates in the LGPS.</li> </ul>	Decide whether to agree to waive all, some or none of the reductions.	<p>Yes</p> <p>See <a href="#">Note 2</a></p>	<p>29(9) of the 2018 Regulations</p> <p>Paragraphs 1(5) and 2(1) of schedule 2 to, and regulation 3(12) of, the 2014 Transitional Regulations</p> <p>30(5) of the 2008 Benefit Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
48	<b>Employer discretion (retirement – deferred) – employer no longer participates in the LGPS</b>	<p>Where:</p> <ul style="list-style-type: none"> <li>the member left active membership after 31 March 2015 with deferred benefits,</li> <li>the member elects for payment between 55 and 60,</li> <li>the member qualifies for rule of 85 protection, and satisfies it before 60, and</li> <li>the employer no longer participates in the LGPS.</li> </ul>	You will treat the member as satisfying the rule of 85 at age 60 when calculating the early payment reductions. However, you can decide to use the actual date the member satisfies the rule of 85 instead.	Yes See <a href="#">Note 2</a>	Paragraphs 1(5) and 1(1)(c) of schedule 2 to the 2014 Transitional Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
49	<b>Employer discretion (retirement – deferred) – employer no longer participates in the LGPS</b>	<p>Where:</p> <ul style="list-style-type: none"> <li>the member left with deferred benefits between 1 April 2009 and 31 March 2015,</li> <li>the member elects for early payment,</li> <li>the member's benefits will be reduced for early payment, and</li> <li>the employer no longer participates in the LGPS.</li> </ul>	<p>Decide whether to waive all or none of the reductions on compassionate grounds.</p> <p>You can only agree to this if you have also agreed that the election is to be made under regulation 30(1) of the 2008 Benefit Regulations. The default position is that the election would be made under regulation 3(13) of the 2014 Transitional Regulations. You cannot waive reductions for such elections. See discretion 46.</p>	<p>Yes</p> <p>See <a href="#">Note 2</a> for benefits covered by rule of 85 protection.</p> <p>See <a href="#">Note 1</a> for benefits not covered by rule of 85 protection.</p>	<p>Paragraphs 1(5) and 2(1) of schedule 2 to the 2014 Transitional Regulations</p> <p>30(5) of the 2008 Benefit Regulations</p>
50	<b>Exchange of information</b>	All employers	Decide the information you need from employers to enable you to discharge your LGPS functions.	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>75(1)(b) of the 2018 Regulations</p> <p>22(1) of the 2014 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
51	<b>Exiting employer</b>	<p>An employer who has become an exiting employer and is liable to pay an exit payment.</p> <p>Regulation 61(10) of the 2018 Regulations defines an 'exiting employer'.</p>	<p>Decide whether to:</p> <ul style="list-style-type: none"> <li>• require the employer to pay the exit payment</li> <li>• suspend the liability to pay the exit payment, or</li> <li>• defer the liability by entering into a 'deferred debt agreement' if applicable.</li> </ul> <p>Regulation 61(4B) of the 2018 Regulations sets out the conditions for you to be able to enter into a deferred debt agreement. This includes a condition that your funding strategy statement must set out your policy in this area.</p>	<p>This may be something to include in the funding strategy statement – see <a href="#">Note 5</a></p>	<p>61(1), (3) and (4A) of the 2018 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
52	<b>Exiting employer</b>	<p>An employer who has become an exiting employer and is liable to pay an exit payment.</p> <p>Regulation 61(10) of the 2018 Regulations defines an 'exiting employer'.</p>	<p>Decide the period over which you consider reasonable for the employer to pay the exit payment.</p> <p>Alternatively, under regulation 61B of the 2018 Regulations, decide whether to allow the exit payment to be paid in instalments over such period as you consider reasonable.</p> <p>Before allowing the payment to be paid in instalments, you must consult the employer and consider views of an actuary you appointed.</p> <p>You can only allow the payment to be made in instalments if your funding strategy statement sets out your policy in this area.</p>	<p>This may be something to include in the funding strategy statement – see <a href="#">Note 5</a></p>	<p>61(10) and 61B of the 2018 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
53	<b>Exiting employer</b>	<p>An employer who has become an exiting employer and there is a surplus.</p> <p>Regulation 61(10) of the 2018 Regulations defines an 'exiting employer'.</p>	<p>Decide the amount of the exit credit. In doing so, the authority must consider the specified factors outlined in regulation 61(2F) of the 2018 Regulations.</p>	<p>SPPA recommends including this in the funding strategy statement – see <a href="#">Note 5</a></p>	<p>61(2D) and (2F) of the 2018 Regulations.</p>
54	<b>Exiting employer</b>	<p>An employer for whom circumstances, in the administering authority's opinion, suggest it is likely to become an exiting employer.</p> <p>Regulation 61(10) of the 2018 Regulations defines 'exiting employer'.</p>	<p>Decide whether to obtain a revised rates and adjustment certificate from an actuary.</p> <p>If so, where the employer is unable to meet the exit payment by the likely exit date, decide the period you consider reasonable thereafter for the employer to meet the exit payment.</p>	<p>This may be something to include in the funding strategy statement – see <a href="#">Note 5</a></p>	<p>61(6) of the 2018 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
55	<b>Exiting employer</b>	<p>An employer who:</p> <ul style="list-style-type: none"> <li>• was a Scheme employer in the relevant fund</li> <li>• has outstanding liabilities to the relevant fund for any person entitled to LGPS benefits</li> <li>• does not employ any active members in the relevant fund, and</li> <li>• has not paid to the relevant fund an exit payment under regulation 61 of the 2018 LGPS Regulations or an equivalent payment under any earlier regulations.</li> </ul>	<p>Decide whether to require the employer to make payments certified by an actuary to meet the outstanding liabilities.</p> <p>If so, decide the period over which you consider reasonable for the payments to be made.</p>	<p>This may be something to include in the funding strategy statement – see <a href="#">Note 5</a></p>	<p>25A of the 2014 Transitional Regulations</p>
56	<b>Funding strategy</b>	All members	Decide your funding strategy.	<p>Yes</p> <p>See <a href="#">Note 5</a></p>	56 of the 2018 Regulations



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
57	<b>Fund substitution</b>	A LGPS employer in a different LGPS fund.	Decide whether to apply to Scottish Ministers for a written direction to change the employer's relevant fund to the authority's.	No See <a href="#">Note 1</a>	Paragraph 2A of part 1 of schedule 4 to the 2018 Regulations
58	<b>Governance compliance statement</b>	All members	Decide whether to delegate your pension functions, or part of them, to a committee, sub-committee or an officer of the authority.	Yes See <a href="#">Note 6</a>	53 of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
59	<b>McCloud compensation</b>	A member who has incurred a compensatable loss that is a Part 4 tax loss and has applied for compensation.	<p>Decide whether to pay indirect compensation.</p> <p>When exercising this power, you must comply with the requirements in direction 33(1) of the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022.</p> <p>For more information on McCloud compensation, refer to the McCloud implementation statutory guidance available on the <a href="#">Administrator guides and documents</a> page of <a href="http://www.scotlgpsregs.org">www.scotlgpsregs.org</a>.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	4Q and 4R of the 2014 Transitional Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
60	<b>McCloud compensation</b>	<ul style="list-style-type: none"> <li>A member who has incurred a compensatable loss and has applied for direct compensation, or,</li> <li>in the case of a deceased member, the personal representative has incurred a compensatable loss and has applied for direct compensation.</li> </ul>	<p>Decide whether to pay direct compensation.</p> <p>When exercising this power, you must comply with the requirements in direction 33(1) of the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022.</p> <p>For more information on McCloud compensation, refer to the McCloud implementation statutory guidance available on the <a href="#">Administrator guides and documents</a> page of <a href="http://www.scotlgpsregs.org">www.scotlgpsregs.org</a>.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>4R and 4S of the 2014 Transitional Regulations</p> <p>Section 82 of the Public Service Pensions and Judicial Offices Act 2022</p>
61	<b>Pension administration strategy</b>	All members	Decide whether to have a pension administration strategy and, if so, the matters it should include.	<p>Yes, if authority wishes to have such a strategy</p> <p>See <a href="#">Note 7</a></p>	57 of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
62	<b>Pension accounts</b>	A member who has a benefit in the 2015 Scheme.	Decide the form in which to record the CARE account as you consider appropriate.	No See <a href="#">Note 1</a>	22(3)(c) of the 2018 Regulations
63	<b>Person incapable of managing their affairs</b>	<p>A person entitled to payment of 2015 Scheme benefits, but who appears to the authority to be incapacitated.</p> <p>‘Incapacitated’ is defined in section 1 of the Adults with Incapacity (Scotland) Act 2000.</p>	<p>Decide whether:</p> <ul style="list-style-type: none"> <li>to pay the benefits to, or in trust for, the person,</li> <li>to pay the benefits, or any part of them, to a different person having the care of the person entitled, to be applied for the benefit of the person entitled,</li> <li>to pay the benefits, or any part of them, to another person you determine, to be applied for the benefit of the person entitled, or</li> <li>to apply the benefits in another manner you determine for the person’s benefit or for the benefit of any beneficiaries of theirs.</li> </ul>	No See <a href="#">Note 1</a>	78 of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
64	<b>Retirement – flexible retirement</b>	A member who elects to receive their benefits on flexible retirement.	Decide whether to amend the time limit for the member's election.  The normal time limit requires the member to give the election within one month of the reduction in hours or grade.	No  See <a href="#">Note 1</a>	31(8) of the 2018 Regulations
65	<b>Retirement – ill health retirement from active status</b>	A member for whom the employer must decide if they qualify for ill health retirement.	Decide whether to approve the employer's choice of independent registered medical practitioner.	No  See <a href="#">Note 1</a>	35(3) of the 2018 Regulations
66	<b>Retirement – ill health from deferred status</b>	A deferred member who: <ul style="list-style-type: none"> <li>• left after 31 March 2009,</li> <li>• applies for early payment on ill health grounds, and</li> <li>• meets the ill health conditions.</li> </ul>	Decide whether to agree to the member's application for early payment.	No  See <a href="#">Note 1</a>	36(3) of the 2018 Regulations  31(2) of the 2008 Benefit Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
67	<b>Retirement – voluntary</b>	<p>A member who left active membership after 31 March 2015 and:</p> <ul style="list-style-type: none"> <li>• elects to receive their benefits between age 55 and normal pension age, or</li> <li>• elects to receive their benefits between normal pension age and 75.</li> </ul>	<p>Decide whether to amend the default time limit for the member's election.</p> <p>The default time limit requires the member to give the election at least three months before the proposed payable date.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	31(8) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
68	<b>Retirement – voluntary</b>	<p>A member awarded a pension credit under the 2015 scheme who:</p> <ul style="list-style-type: none"> <li>• elects to receive their benefits between age 55 and normal pension age, or</li> <li>• elects to receive their benefits between normal pension age and 75.</li> </ul> <p>A credit member will be awarded the credit under the 2015 Scheme if:</p> <ul style="list-style-type: none"> <li>• the sharing order's effective date is after March 2015, and</li> <li>• the debit member has some 2015 Scheme benefits.</li> </ul>	<p>Decide whether to amend the default time limit for the pension credit member's election.</p> <p>The default time limit requires the pension credit member to give the election at least three months before the proposed payable date.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	<p>31(8) of the 2018 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
69	<b>Retirement – voluntary</b>	<p>A member who left with deferred benefits between 1 April 2009 and 31 March 2015 and wishes to elect to receive the benefits before age 65 or between age 65 and 75 on non-ill health grounds must notify the administering authority in writing of their chosen date.</p> <p>The member can later change this date by providing further written notice to the administering authority.</p>	<p>Decide whether to amend the default time limit for giving notice (or further notice).</p> <p>The default time limit requires the member to provide notice (or further notice) at least three months before the date the benefits would otherwise become payable.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	46(7) and (8) of the 2008 Administration Regulations



No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
70	<b>Retirement – serious ill health</b>	<p>A member:</p> <ul style="list-style-type: none"> <li>• who left before 1 April 2015 with deferred benefits,</li> <li>• whose benefits are about to become payable, and</li> <li>• who qualifies for a serious ill health lump sum.</li> </ul>	Decide whether to commute the annual pension into a serious ill health lump sum.	No See <a href="#">Note 1</a>	<p>40(1) of the 2008 Benefit Regulations</p> <p>49(1) of the 1998 Regulations</p> <p>4(1)(b) of the 1998 Transitional Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
71	<b>Retirement – serious ill health</b>	<p>A pension credit member:</p> <ul style="list-style-type: none"> <li>• who was awarded the credit under the 1998 or 2009 schemes,</li> <li>• who is less than 65,</li> <li>• whose pension credit benefits have not become payable, and</li> <li>• who qualifies for a serious ill health lump sum.</li> </ul> <p>The credit will be awarded under these schemes if:</p> <ul style="list-style-type: none"> <li>• the sharing order's effective date was before April 2015, or</li> <li>• the debit member has no 2015 Scheme benefits.</li> </ul>	Decide whether to commute the annual pension into a serious ill health lump sum.	No See <a href="#">Note 1</a>	<p>99 of the 2008 Administration Regulations</p> <p>154 of the 1998 Regulations</p>

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
72	<b>Transfers out</b>	Two or more members whose active membership ends upon joining a different pension scheme.	<p>Decide whether to calculate the transfers out of the LGPS fund as a bulk transfer.</p> <p>If so, the employer, managers of the different scheme and members would also need to agree.</p> <p>You may not agree unless you are satisfied that the rights each member will acquire on the bulk transfer are at least the same as those they would have acquired on an individual transfer.</p>	<p>No</p> <p>See <a href="#">Note 1</a></p>	93(1) of the 2018 Regulations
73	<b>Transfers in</b>	<p>An active member who:</p> <ul style="list-style-type: none"> <li>• has duly elected to transfer in benefits from a different scheme, and</li> <li>• the transfer will be calculated under non-Club rules.</li> </ul>	Decide whether to accept the transfer.	<p>No</p> <p>See <a href="#">Note 1</a></p>	95(7) of the 2018 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
74	<b>Trivial commutation</b>	A member, or survivor of such a member, who qualifies to trivially commute their benefits.	Decide whether to trivially commute the benefits.	No See <a href="#">Note 1</a>	33(1) of the 2018 Regulations  39(1) of 2008 Benefit Regulations 2007  48(1) of the 1998 Regulations  4(1)(b) of the 1998 Regulations

No.	Topic	Relevant member / employer	Summary of administering authority discretion	Whether it must set out its policy	Regulations
75	<b>Trivial commutation</b>	A pension credit member who qualifies to trivially commute their benefits.	Decide whether to trivially commute the benefits.	No See <a href="#">Note 1</a>	33(1) of the 2018 Regulations  98 of the 2008 Administration Regulations  153 of the 1998 Regulations
76	<b>Voluntary scheme pays</b>	A member who: <ul style="list-style-type: none"> <li>• has an annual allowance tax charge,</li> <li>• does not qualify for mandatory scheme pays, and</li> <li>• wants the authority to pay some or all of the charge.</li> </ul>	Decide whether you can legally agree to offer voluntary scheme pays and, if so, the circumstances, if any, upon which you would do so.	No See <a href="#">Note 1</a>	2 of the 2011 Modification Regulations

## **5. Information on formulating and publishing discretions**

### **Note 1 – no written policy statement required**

Regarding exercising certain discretions, while the regulations do not require the administering authority to set out their policy in a written statement, we recommend doing so to promote strong governance.

### **Note 2 – written policy required under the LGPS regulations**

This note applies to administering authorities who are exercising the power under regulation 58 of the 2018 Regulations to waive actuarial reductions or apply the rule of 85 in full on behalf of employers who no longer participate in the LGPS.

The regulations require the administering authority to prepare a written statement of its policy on exercising the discretions.

The authority must keep their statement under review and, if it changes its policy, make such revisions as are appropriate.

When preparing, reviewing and revising the statement, the authority must consider whether there is a risk, and if so, the extent of that risk, that exercising the discretion in accordance with the policy could lead to a serious loss of confidence in the public service.

### **Note 3 – Abatement discretions**

Under regulation 109 of the 1998 Regulations and regulation 64 of the 2008 Administration Regulations, each administering authority must have formulated its policy on abatement. The policy must set out the extent, if any, to which the pension will be reduced or suspended during re-employment.

Before it formulated its policy, the administering authority should have consulted with its employers. The authority should also have published a statement of its policy by:

- 1 July 1998 – 1998 Regulations
- 1 July 2009 – 2008 Administration Regulations.

The policy will apply to members who become re-employed on or after the date the authority publishes the statement.

In formulating its policy, the authority must consider:

- the level of potential financial gain at which they wish abatement to apply,
- the administrative costs likely to be incurred because of abatement in different circumstances, and
- the extent to which a policy not to abate could lead to a serious loss of confidence in the public service.

The reference to ‘financial gain’ is a reference to the financial gain which it appears to the authority may be obtained by a member from being entitled to both the pension and pay from the new employment.

The administering authority must keep their policy under review. If, because of a review, the authority decides to amend its policy, it must publish a statement of the amended policy within one month of deciding to amend the policy.

#### **Note 4 – Communication strategy statement**

Regulation 59 of the 2018 Regulations requires the administering authority to prepare, maintain and publish a written statement of its policy concerning communication with members, member representatives, prospective members and employers.

In particular, the authority must set out in its statement its policy on:

- giving information about the Scheme to members, member representatives and employers, including the format, frequency and method of giving that information
- publicising the Scheme to members, member representatives and employers, including the format, frequency and method of giving that information
- promoting the Scheme to prospective members and their employers.

If the administering authority materially changes its policy on any of the matters listed above, it must revise its statement and publish the updated version.

#### **Note 5 – Funding strategy statement**

Regulation 56 of the 2018 Regulations requires the administering authority to prepare, maintain and publish a written statement setting out its funding strategy. Before doing so, the authority must consult with such persons as it considers appropriate.

The authority should have published the statement before 1 April 2016.

The authority must keep the statement under review.

If the authority wishes to materially change its policy set out in the statement, it must first consult such persons as it considers appropriate. If, after consulting, it still wishes to proceed, it must then revise its statement and publish it.

In preparing, maintaining and reviewing the statement, the authority must have regard to:

- the current version of the guidance published by the Chartered Institute of Public Finance and Accountancy, titled ‘Preparing and maintaining a Funding Strategy Statement in the Local Government Pension Scheme’, and
- its statement of investment principles.

The 2018 Regulations allow the administering authority to:

- enter into deferred debt agreements – regulation 61
- agree to exit payments being paid in instalments – regulation 61B
- revising employer contribution rates between valuations – regulation 61A.

If the authority wishes to exercise any of these powers, it must first set out its policy in that area in the funding strategy statement.

## **Note 6 – Governance compliance statement**

Regulation 53 of the 2018 Regulations requires the administering authority to prepare and publish a written statement setting out whether it delegates all or some of its LGPS functions to a committee, sub-committee or an officer of the authority. If so, the statement must set out the following:

- terms, structure and operational procedures of the delegation
- frequency of any committee or sub-committee
- whether such a committee or sub-committee includes employer or member representatives, and if so whether those representatives have voting rights.

The statement should also set out:

- whether the delegation, or absence of a delegation, complies with guidance from Scottish Ministers, and if it does not comply, the reasons for not complying,
- the terms, structure and operational procedures for its local pension board.

The authority must keep its statement under review.

If the authority makes a material change to any of the matters set out in the statement, it must revise the statement and publish it.



Before preparing or revising a statement, the authority must consult with such persons as it considers appropriate.

### **Note 7 – Pension administration strategy**

Regulation 57 of the 2018 Regulations allows the administering authority to prepare a written statement setting out its pension administration strategy.

If it chooses to have a strategy, the following will apply:

- The authority will need to consider which matters listed in regulation 57(2) are appropriate to cover in the statement.
- When preparing the statement, the authority must consult with its employers and such other persons as it considers appropriate.
- The authority must publish the statement and send a copy to each of its employers and to Scottish Ministers as soon as is reasonably practicable.
- The authority must keep the statement under review.
- If the authority wishes to make a material change to its policies covered in the statement, it must first consult its employers and such other persons as it considers appropriate. If the authority wishes to proceed, it must then publish the revised statement and send a copy to each of its employers and to Scottish Ministers as soon as is reasonably practicable.

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