



Pensions Committee

25 June 2014

Report title	Administering Authority Policy Discretions	
Originating service	Pension Services	
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Report to be/has been considered by		

Recommendation(s) for action or decision:

1. The Committee is recommended to approve the Administering Authority Policy Discretions for publication on the Fund's website.

1.0 Purpose

- 1.1 To present to Committee the proposed Administering Authority Policy Discretions. Following approval, the discretions will be formatted in line with Fund documentation and published on the website.

2.0 Background

- 2.1 The Local Government Pension Scheme in England and Wales has been amended from 1 April 2014. As a result of the changes the Fund is required to formulate, publish and keep under review a statement of policy on certain discretions. Discretion is taken to include where the Administering Authority is required to carry out a task but an element of choice is seen to exist as to how the task is completed.
- 2.2 A certain number of the discretions are subject to the formulation and publication of a written policy, but there are many more where there is no requirement for a written policy. As there is an element of choice for the Administering Authority these are included in the policy statement.
- 2.3 Many of the existing discretions in place for the 2008 Scheme have been continued in the 2014 scheme and the document reflects the appropriate change in the regulation and these are highlighted red in the draft.

3.0 Key Discretions

- 3.1 The following are the discretions that the administering authority must have a written policy statement on:
- Whether to waive in whole or in part actuarial reduction on benefits paid on flexible retirement where the employer no longer exists.
 - Whether to waive in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age where the employer no longer exists.
 - A Governance policy stating whether the administering authority delegates its functions or part of its functions in relation to maintaining a pension fund to a committee, a sub-committee or an officer of the administering authority. It must also state the frequency of meetings, terms, structures and operational procedures in relation to the delegation. It must also state whether representatives of employing authorities or members are included and if so whether they have voting rights.
 - The Funding Strategy for inclusion in the funding strategy statement.
 - A Communication policy setting out the provision of information and publicity about the scheme to all relevant groups. The format, frequency and method of distributing such information publicly. The promotion of the scheme to prospective members and their employers.

3.2 The Fund's policy statement of discretions which includes those above can be seen at Appendix 1. This statement highlights the regulation under which a discretion is permitted and the Fund's proposal for using that discretion.

4.0 Financial implications

4.1 As noted in the report.

5.0 Legal implications

5.1 As noted in the report.

6.0 Equalities implications

6.1 As noted in the report.

7.0 Human resources implications

7.1 There are no direct human resources implications.

8.0 Environmental implications

8.1 There are no direct environmental implications.

9.0 Corporate landlord implications

9.1 The report contains no direct corporate landlord implications.

10.0 Schedule of background papers

10.1 Administering Authority Policy Discretions for publication on the Fund's website.

10.2 Legislation The Public Service Pensions Act 2013
<http://www.legislation.gov.uk/ukpga/2013/25/contents>