

The Local Government Pension Scheme regulations give responsibilities and discretions to Norfolk County Council as the administering authority of the Norfolk Pension Fund in respect of certain aspects of administration.

This statement outlines those policies for both statutory and administrative purposes.

Additional Pension Contributions

Local Government Pension Scheme Regulations 2013: Regulation 16 (1)

Whether to turn down a request to pay Additional Pension contributions over a period of time where it would be impractical to allow such a request

The Norfolk Pension Fund will request, where total cost is less than £60 that payment is made in single instalment.

Additional Pension Contributions

Local Government Pension Scheme Regulations: 2013 Regulation 16 (10)

In order to pay additional regular contributions, the administering authority may require the member to satisfy them that he is in reasonable good health by producing a report by a registered medical practitioner, undertaken at the members own expense and can turn down an application of they are not satisfied that the member is in reasonably good health

Member must sign to say they are in reasonable good health. If they are unable to declare then they must provide statement from RMP.

Additional Voluntary Contributions

Local Government Pension Scheme Regulations: 2013 Regulation 17 (12)

Decide to who any AVC monies (including life assurance monies) are to be paid on the death of a member

The Norfolk Pension Fund will assess each case on its own merits. However, where nomination has been made for main scheme death grant then this would be taken into account. An indemnity form would be required from the beneficiary.

If there is no obvious beneficiary, the payment would be made to the deceased's estate.

Interfund Adjustments

Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014: Regulation 10 (9)

Decide, in the absence of an election from the member within 12 months of ceasing a concurrent employment, which ongoing employment benefits from the concurrent employment which has ceased should be aggregated (where there is more than one ongoing employment)

Where there is no election from the member Norfolk Pension Fund will apply the provision which, prima facia, appears to be the most beneficial to the member.

Commencement of Pensions

Local Government Pension Scheme Regulations 2013: Regulation 32 (7)

Whether to extend the time limits within which a member must give notice of their wish to draw benefits before normal retirement pension age (3 months) or upon flexible retirement (4 months)

The Norfolk Pension Fund will apply this discretion in exceptional cases only.

Commutation of Small Pensions

Local Government Pension Scheme Regulations 2013: Regulation 34 (1)

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007: Regulation 39

Local Government Pension Scheme Regulations 1997: Regulation 49 and 156

Decide whether to commute small pensions.

Norfolk Pension Fund will allow commutation in accordance with limits set out in relevant legislation.

Death Grants

Local Government Pension Scheme Regulations 2013: Regulation 40 (2); 43 (2) and 46 (2)

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007: Regulation 23 (2); 32 (2) and 35 (2)

Local Government Pension Scheme Regulations 1997: Regulation 38 (1) & 155 (4)
Local Government Pension Scheme Regulations 1995: Regulation E8

Decide to who a death grant is to be paid

The Norfolk Pension Fund will assess each case on its own merits. However, where nomination has been made for main scheme death grant then this would be taken into account. An indemnity form would be required from the beneficiary.

If there is no obvious beneficiary, the payment would be made to the deceased's estate.

No Double Entitlement

Local Government Pension Scheme Regulations (LGPS) 2013: Regulation 49 (1) (c)

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007: Regulation 42 (1) (c)

Decide, in the absence of an election from the member, which benefit is to be paid where the member would be entitled to a benefit under two or more regulations in respect of the same period of scheme membership

Where there is no election from the member Norfolk Pension Fund will apply the provision which, prima facia, appears to be the most beneficial to the member.

Payments due in respect of deceased persons

Local Government Pension Scheme Regulations 2013: Regulation 82 (2)

Local Government Pension Scheme (Administration) Regulations 2008: Regulation 52

(2) Local Government Pension Scheme Regulations 1997: Regulation 95

Where a person dies and the total amount due to the personal representatives does not exceed the amount specified under the Administration of Estates (Small Payments) Act 1965 (£5,000 at December 2014) the administering authority may make payment without the production of Grant of Probate or Letters of Administration

The Norfolk Pension Fund will assess each case on its own merits. However, where nomination has been made for main scheme death grant then this would be taken into account. An indemnity form would be required from the beneficiary.

If there is no obvious beneficiary, the payment would be made to the deceased's estate.

Where no Survivors benefits payable

- If balance of pension due to deceased is less than £10 (net) – no payment would be made
- If overpayment of pension to deceased is less than £30 (net) – no recovery would be made

Where Survivors benefits are payable

- If balance of pension due to deceased is less than £10 (net) – pay balance
- if overpayment goes to end of month in which death occurred – pay survivors pension from beginning of the new month (ending any short-term pension on 3 month anniversary of deceased's death)
- if overpayment goes beyond the end of month in which death occurred - recover the overpayment from date of death and begin survivor's pension from the day after the deceased's date of death.

Payments for persons incapable of managing their affairs

Local Government Pension Scheme Regulations 2013: Regulation 83

Local Government Pension Scheme (Administration) Regulations 2008: Regulation 52 A

Where a person (other than an eligible child) is incapable of managing their affairs, decide whether to pay the whole or part of that person's pension benefits to another person for their benefit

Wherever possible Norfolk Pension Fund will obtain copy of Power of Attorney and payment will be made to the person(s) named in the Power of Attorney.

Inward transfer of pension rights

Local Government Pension Scheme Regulations 2013: Regulation 100 (6)

The employer may extend the time limit for a member to accept a transfer value beyond 12 months from joining the scheme. It needs the agreement of the administering authority before the transfer can go ahead.

Local Government Pension Scheme Regulations 2013: Regulation 100 (7)

The administering authority may accept a transfer value in respect of a scheme member and credit it to the pension fund.

Norfolk Pension Fund will give its agreement if employer has extended the time limits. All transfer values will be accepted providing they cover the amount of any Guaranteed Minimum Pension liability.

Definition of an Eligible Child 2014

Local Government Pension Scheme Regulations 2013: Schedule 1

Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014: Regulation 17 (9)

Decide whether to treat a child as being in continuous education or vocational training despite a break

The Norfolk Pension Fund will consider each case on its merits. Breaks of less than one year will be ignored so that a pension could re-commence.

Definition of cohabiting partner

Local Government Pension Scheme Regulations 2013: Schedule 1

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007: Regulation 25

Decide evidence required to determine financial dependence of cohabiting partner on scheme member or financial interdependence of cohabiting partner and scheme member

The Norfolk Pension Fund will require evidence in the form of financial and bank statements.

Membership before 1st April 2014

Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014: Transitional Regulation 3 (13)

Local Government Pension Scheme (Administration) Regulations 2008: Regulation 70 (1) and 71 (4) (c)

Local Government Pension Scheme Regulations 1997: Regulation 109 & 110 (4) (b)

Decide policy on abatement of pre 1st April 2014 element of pensions in payment following reemployment

Norfolk Pension Fund will not abate pre 1 April 2014 pensions following re-employment.

Additional Contributions

Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014: Transitional regulation 15 (1) (d)

Local Government Pension Scheme (Administration) Regulations 2008:
Regulation 28 (2)

Whether to charge member for provision of estimate of additional pensions that would be provided by the scheme in return for the transfer of in house AVC funds where the contract was entered into before 1st April 2014

Norfolk Pension Fund will not levy a charge in such circumstances.

Additional Pension Contributions

Local Government Pension Scheme (Administration) Regulations 2008:
Transitional Regulation Schedule 1

Local Government Pension Scheme Regulations 1997: Regulation 83 (5)

If a member is paying additional pension contributions and is made redundant they may elect to make a lump sum payment. This election must be made within 3 months of leaving, or within such longer period as the administering authority allow.

The Norfolk Pension Fund will extend the election period only in exceptional circumstances.

Recovery of member's contributions

Local Government Pension Scheme (Administration) Regulations 2008: Regulation 45
(3) Local Government Pension Scheme Regulations 1997: Regulation 89 (3)

Where a member owes pension contributions to the fund which cannot be deducted from pay, the administering authority may recover the amount by deducting it from any benefit due or by recovery as a simple contract debt.

The Norfolk Pension Fund will recover any such amount notified to it by the relevant employer.

Adjustment of Pension due to Guaranteed Minimum Pension Amounts Pensions in payment are increased each year in line with Pensions Increase Orders. Parts of the pension called Guaranteed Minimum Pension (GMP) which has arisen due to out of contracting out of the State Pension Scheme may attract no or lower rates of increase.

The GMP is calculated and notified by HMRC. Sometimes the GMP figure is not notified or a previously notified figure is amended. This can result in over or underpayment of pension.

The Norfolk Pension Fund will endeavour to chase HRMC for missing notifications wherever possible.

Where an underpayment has occurred Norfolk Pension Fund will calculate and pay the correct value of pension and appropriate arrears.

Where an overpayment has occurred Norfolk Pension fund will calculate the correct value of pension for paying ongoing, but will not collect the overpayment.

Children's Pensions

Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007: Regulation 27 (5)

Local Government Pension Scheme Regulations 1997: Regulation 47 (2)

Local Government Pension Scheme Regulations 1995: Regulation G11 (2)

The appropriate administering authority may pay the whole or part of a child's pension to a person other than an eligible child, to be applied for the benefit of such one or more eligible children as the authority may direct.

The Norfolk Pension Fund will pay the whole or part of a child's pension to a person other than an eligible child, but an indemnity form is required.

Children's Pensions

Local Government Pension Scheme Regulations 1997: Regulation 47 (1)

Local Government Pension Scheme Regulations 1995: Regulation G11 (1)

If a child's pension is payable for more than one eligible child, the appropriate administering authority may apportion it amongst the children as they think fit.

The Norfolk Pension Fund will divide the pension equally among the children. When one of the children is no longer eligible to receive payment that portion will be divided equally among the remaining children.

Exceptional ill health

Local Government Pension Scheme Regulations 1997: Regulation 50 & 157

Whether to commute benefits for a one off lump sum in cases of exceptional ill health

The Norfolk Pension Fund will commute benefits for a lump sum if requested by the member and short longevity is confirmed by RMP.

Spouse Pensions

Local Government Pension Scheme Regulations 1995: Regulation F7

Whether to pay spouses pensions for life rather than ceasing during any period of remarriage or co-habitation

The Norfolk Pension Fund will pay spouses pensions for life.

Backdated Membership of LGPS

Where an employer joins the LGPS the Norfolk Pension Fund may agree the backdating of joining.

Norfolk Pension Fund will only allow joining to be back-dated to the start of the previous financial year.

Therefore, depending on the date of joining the LGPS maximum back dating will be 24 months. The Fund reserves the right to make an interest adjustment on contributions due in respect of backdated membership.

The Fund will consider all requests for backdating contributions on a case by case basis and may override the above in exceptional circumstances.

For Community Admission Bodies (CAB) or equivalent employers the above will only be applied following formal written agreement from the guaranteeing body.

Backdated contributions must be paid as a single lump sum.

Fines imposed by Regulatory Bodies

Where a fine is imposed by a regulatory body (for example, but not restricted, to HMRC, The Pensions Regulator) as a result of incorrect information, late information or no information supplied by a Scheme Employer.

Norfolk Pension Fund will recharge any such fines to the Scheme Employer.

Payments by or to Norfolk Pension Fund

Electronic payments are more secure and can be processed more efficiently.

Norfolk Pension Fund therefore require all payees (including pensioners, scheme employers, new pension providers for transfer payments) to provide bank account details so that payment can be made by BACS or other electronic means.

Norfolk Pension Fund requires Scheme Employers and other payers to pay amounts due by electronic means.

Authorisation

This policy document was approved by Norfolk Pension Fund (Norfolk County Council's Pensions Committee) at their meeting on 6 July 2015.

Postal Address Only:

Norfolk Pension Fund
County Hall
Martineau Lane
NORWICH
NR1 2DH

Telephone 01603 495923

Email pensions@norfolk.gov.uk

www.norfolkpensionfund.org

