

The Environment Agency – Local Government Pension Scheme

Administering Authority statement of policy on discretions – effective 22 October 2019

1. Introduction

The Environment Agency, as administering authority to the Environment Agency's Active and Closed Pension Funds, has determined this policy in accordance with the Local Government Pension Scheme Regulations 2013, as amended, and related legislation. We will apply this policy to all current members in the Active and Closed Pension Funds, regardless of who their employer is. Where relevant, this policy equally applies to members who left pensionable service prior to 1 April 2014 (albeit only in relation to discretions exercised since the date of this policy) and to pension credit members.

We have reviewed and updated the content in line with current legislation. The Environment Agency's Pensions Committee at its meeting on 18 December 2018 recommended this policy for approval by the Environment Agency's Board, who approved it on 22 October 2019.

We have set out the criteria that we will consider when making a decision about the use of administering authority discretions. We will base our decisions relating to these discretionary provisions using the current policy at the time of the relevant event. In the event of a conflict between a discretion as written in this policy and the governing regulations, we will apply the governing regulations.

We retain the right to change the policy at any time as long as we republish it at least within one month of when the change(s) we are introducing come(s) into effect.

This policy does not give, nor shall it be deemed to give, any contractual rights to any member of the Active and Closed Pension Funds, or to any other person whatsoever.

2. Key Principles of Discretions

We will observe the following principles when reviewing discretions:

- We will exercise all discretions reasonably and in good faith. All relevant factors will be considered and all irrelevant factors ignored.
- With the exception of any discretion which is to be exercised on compassionate grounds, we will only exercise a discretion where there is material cost if we are satisfied, as administering authority, that such cost will be repaid or credited to the relevant Fund by the appropriate employer.
- We will formally record all decisions and report them to the Environment Agency's Pensions Committee as appropriate.

3. Exercise of Discretions

The Environment Agency's Pensions Committee is the body responsible for exercising administering authority discretions for and on behalf of the Environment Agency's Board. The Pension Committee Terms of Reference and Standing Orders and the Financial and Non-Financial Schemes of Delegation sets out the delegations given to the Pension Committee and EAPF officers by the Board of the Environment Agency. All delegations to sub-groups or officers need to be given by the Board of the Environment Agency.

Nothing in this Policy will cause the Pension Committee's capacity to exercise its discretionary powers to be unlawfully fettered or restricted in any way.

We will exercise these discretions in line with the provisions of the various LGPS Regulations and other legislation. Nothing within this statement can overwrite the legal requirements within those provisions.

4. **Policy approval and review**

We will review the discretions within this statement as required in the light of future changes to the LGPS legislation. We will also do this to take account of other legislative or taxation changes or to reflect changing organisational or operational needs. It will also be reviewed at least every three years.

5. **Costs**

The Active or Closed Pension Funds may face some additional costs as a result of exercising some of the discretions within this statement. However, as administering authority the Environment Agency will ensure that any such costs are either minimal or will flow back to the appropriate employer.

Key to regulation references:

The Local Government Pension Scheme

- LGPS13 – The Local Government Pension Scheme Regulations 2013
- LGPS:TP14 – The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014
- *LGPS:Ben07 – The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007
- *LGPS:Admin08 – The Local Government Pension Scheme (Administration) Regulations 2008
- *LGPS:TP08 - The Local Government Pension Scheme (Transitional Provisions) Regulations 2008
- *LGPS97 – The Local Government Pension Scheme Regulations 1997
- *LGPS95 – The Local Government Pension Scheme Regulations 1995

Other Discretionary Award Schemes

- LG:Disc00 - The Local Government (Early Termination of Employment)(Discretionary Compensation) Regulations 2000

*Note that references to old provisions (e.g. LGPS:Ben07) generally apply in relation to scheme members who left under those provisions.

We have set out a key to the delegation titles in the appendix.

Part 1 - The Local Government Pension Scheme

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
Disputes			
1	LGPS13 – 74(1) LGPS:Admin08 – 58 LGPS97 - 100 Initial Complaint of Internal Dispute Resolution Procedure (IDRP)	We must appoint a person for dealing with applications under the initial complaint stage of the dispute resolution procedures in relation to any disputes relating to our role as administering authority.	The PGRM acts as the initial complaint assessor to consider and determine whether or not the scheme member was treated within the terms of the LGPS regulations.
2	LGPS13 - 76(4) LGPS:Admin08 - 60(8) LGPS97 - 99 Further complaint under the Internal Dispute Resolution Procedure (IDRP)	We must put in place procedures for dealing with applications under stage two of the dispute resolution procedures.	The CPO will consider all disputes following from the initial complaint and determine whether or not the scheme member was treated within the terms of the LGPS regulations.
3	LGPS13 - 79(2) LGPS:Admin08 - 63(2) LGPS97 - 105(1) Appeal against an employer	We may lodge an appeal to the Secretary of State against an employer where we disagree with a pension decision they have made or where they have failed to make a decision.	We will consider this on a case by case basis. The decision on whether to lodge an appeal will be made by the CPO in consultation with the Chair of the Pensions Committee.
Key Policies and Strategies			

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
4	LGPS13 - 55 Pension funds: Governance Compliance Statement	<p>The Governance Compliance Statement policy must state whether we delegate our functions in relation to maintaining a pension fund to a committee, a sub-committee or an officer and, if we do so delegate, state: -</p> <ul style="list-style-type: none"> • The frequency of any committee or sub-committee meetings. • The terms, structure and operational procedures of the delegation. • Whether committees or sub-committees include representatives of employing authorities or members and, if so, whether they have voting rights. <p>The policy must also state the extent to which a delegation, or the absence of a delegation, complies with guidance given by the Secretary of state and, to the extent it does not comply, state the reason for non-compliance.</p>	<p>Our Governance Policy and Governance Compliance Statement clearly notes the statutory requirements and the Statement can be found in the Environment Agency Pension Funds Annual Reports & Financial Statements. The Governance Policy can be found at https://www.eapf.org.uk/trustees/governance-policies</p> <p>The production of this statement is the responsibility of the Policy, Governance & Risk Manager</p>
5	LGPS13 - 58 Funding Strategy Statement	We must decide on our Funding Strategy for inclusion in our funding strategy statement.	<p>Our Funding Strategy Statement clearly notes the statutory requirements and can be found in the Environment Agency Pension Funds Annual Reports & Financial Statements and at https://www.eapf.org.uk/trustees/governance-policies</p> <p>This is agreed in collaboration with the Fund actuary.</p>
6	LGPS13 - 59(1) & (2) Administration strategy	We may prepare policies relating to the liaison, communication and performance levels of employers and ourselves in administering the Pension Funds.	Our Administration Strategy can be found at https://www.eapf.org.uk/trustees/governance-policies
7	LGPS13 - 61 Communications Policy	We must have a communication policy setting out how we communicate with members, representatives of members, prospective members and employing authorities and the format, frequency and method of communications.	<p>Our Communications Policy Statement clearly notes the statutory requirements and can be found in the Environment Agency Pension Funds Annual Reports & Financial Statements and at https://www.eapf.org.uk/trustees/governance-policies</p>

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
8	LGPS13 – 105(2) Delegation of functions	Whether to delegate any administering authority functions under the Regulations	The Administering Authority does delegate certain functions to the Pension Committee or Investment Sub-Committee as appropriate. Details of these are set out in the Scheme of Delegation and Terms of Reference and summarised in the Governance Policy.
9	LGPS13 – 106(3) Joint Pensions Board	We may establish a joint local pensions board (if approval has been granted by the Secretary of State)	The Administering Authority did not establish a joint pension board, but membership of the pension board comprises 10 members of the Pensions Committee.
10	LGPS13 – 106(6) Local Pensions Board procedures	We must decide procedures applicable to the local pensions board	Procedures have been decided, and are detailed in the local pension board's terms of reference
11	LGPS13 – 107(1) Pensions Board Terms of Reference	We must decide appointment procedures, terms of appointment, and membership of the local pensions board	<p>The appointment procedures and terms have been decided, and are detailed in the local pension board's terms of reference.</p> <p>The membership of the local pension board is set out on the Pension Fund's website. https://www.eapf.org.uk/trustees</p>
Admission Bodies and Employer Management			
12	LGPS13 – 3(5) and Sch 2, Part 3, Para 1 Admission bodies (permitting access to Active Fund) external employers	We may agree to an admission agreement with an external employer.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
13	LGPS13 - 4(2)(b) & Sch 2, Part 3, para 1 Admission bodies (permitting access to Active Fund) including Care Trusts, NHS Scheme employing authorities or Care Quality Commissions	External employers (including a Care Trust, NHS Scheme employing authority or Care Quality Commission) can apply for admission status in the Pension Fund to allow their employees to join the LGPS. This provision enables us to make the LGPS available to employees not directly employed by their main employers, but who provide a service closely linked to its functions. In the event of a TUPE transfer, the employer's staff could remain in the pension fund. The advantages of this are that a significant hurdle in the outsourcing of functions is removed, and the fund retains the same level of membership and contribution income.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies
14	LGPS13 – Sch2, Part 3, Para 143 Admission agreements (backdating)	The start date of an admission agreement may be set to be earlier than the date the admission agreement is completed.	The decision whether to backdate an admission will be made by the CPO with agreement from the PC, taking into consideration the advice of the Fund Actuary.
15	LGPS13 - Sch 2, Part 3, para 9(d) Admission bodies (termination requirements)	An administering authority can specify requirements relating to the termination of an admission body	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies
16	LGPS13 – 64(2A) Suspension of exit payment	We may suspend, for up to 3 years, an employer's obligation to pay an exit payment where the employer is again likely to have active members within the specified period of suspension.	This will be decided by the CPO with agreement from the PC, taking into consideration the advice of the Fund Actuary.
17	LGPS13 – 64(2ZA) Deferred payment of credit on exit of employer	We may agree to pay an exit credit which is payable to an exiting employer, beyond three months of the date on which that employer ceases to be a Scheme employer. This would be an extension of the usual timescale and would only be permitted if agreement is also received from the exiting employer.	This will be decided by the CPO with agreement from the PC, and the exiting employer, taking into consideration the advice of the Fund Actuary.

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18	LGPS13 - 64(4) Admission bodies (revised rates and adjustment certificate)	We may request a revision of the rates and adjustment certificate (i.e. specifying the employer contribution rates) where we believe an admission body will be ceasing.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies
19	LGPS13 - 36(3) LGPS:Admin08 - 56(2) LGPS97 - 97(10) Approving employers' medical advisors	We are required to approve the IRMP used by employers for ill health pension purposes.	The CPO will approve which IRMPs may be used for ill health pension purposes.
20	LGPS13 - 54(1) Admission bodies (separate pension fund)	We may set up a separate pension fund in respect of any admission bodies.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies
21	LGPS13 - 68(2) LGPS:TP14 - Sch 2, para 2(3) LGPS97 - 80(5) Payment for strain cost	We may require an employer to pay additional payments ("strain costs") relating to the early payment of pension benefits for early retirement cases.	We will charge an additional one off lump sum payments, calculated in accordance with instructions from the Fund Actuary, at the point of retirement for all cases where the employer agrees to the early payment of pension benefits. Interest will be charged if our invoice is not paid within one month.
22	LGPS13 - 80(1)(b) LGPS:TP14 - 22(1) LGPS:Admin08 - 64(1)(b) Provision of information by employers	We may decide what information must be provided by employers to us so we may carry out our pension duties.	The EAPFs' third party administrators will advise the CPO what information the EAPF should request from the Employer. The CPO will decide what information is required from the Employer and make this request. This is set out in a specified interface which applies to all Employers, and this has been set out on line with the terms of the administration contract.
23	LGPS13 - 69(1) & 69(4) Intervals for payment and notification of contributions	We may determine the intervals for employers to pay their pension contributions and the intervals for providing information relating to those contributions and the form of that information. An administration charge may be made for late receipt of contributions.	Contributions should be paid on a monthly basis and information relating to those contributions should also be provided on a monthly basis, except in exceptional circumstances (e.g. due to significant information technology issues). Contributions should be paid within 19 days of the end of the month in which they were deducted (or 22 days if an electronic transfer). Any cases of late payment are rare and would be dealt with on a case-by-case basis. If a strain cost contribution is paid late, interest is applied.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
24	LGPS13 - 71(1) Interest on late payment of contributions, etc	We may require any employer to pay interest on any payments outstanding to the Pension Fund that are not made by the due date.	We will charge interest in all circumstances as permitted by the regulations. For the purpose of calculating interest, the due date for employer contributions is the 19 th of the month (or 22 nd if paid electronically), following the month in which they were deducted apart from, for strain and additional membership /additional pension costs, where the due date is the date of the invoice. The actual payment due will be calculated in accordance with statutory requirements (currently, base rate plus 1%).
25	LGPS13 - 70 LGPS:TP14 - 22(2) Recovery of additional costs from employer	We may recover from an employer additional costs incurred as a result of the employer not meeting its pension scheme administrative obligations (e.g. failing to provide timely and accurate information relating to new scheme members).	Details are included in the Administration Strategy which can be found at https://www.eapf.org.uk/trustees/governance-policies As a general principle, we reserve the right to recover the costs where appropriate.
26	LGPS14 - Sch 2, Part 3, para 12(a) Definition of "employed in connection with"	Employees are only entitled to remain in the LGPS whilst employed by a contractor whilst they continue to be employed in connection with the original services that were transferred. We may define what this means.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at www.eapf.org.uk This is defined as meaning an employee will be expected to work at least 50% of their time on the services covered by the contract to remain in the LGPS.
Payments on Death			
27	LGPS13 - 40(2), 43(2) & 46(2) LGPS:TP14 - 17(5) to (8) LGPS:Ben07 - 23(2), 32(2) & 35(2) LGPS:TP08 - Sch1 LGPS97 - 38(1) & 155(4) LGPS 95 - E8 Recipients of death grants LGPS13 - 17(12) Recipients of AVC/SCAVCs on death	We can pay a death grant to any of the scheme member's nominee(s), personal representative(s) or any person(s) appearing to have been a relative or dependant. We can also pay any AVC/SCAVCs including life assurance monies on the death of a scheme member to any of the scheme member's nominee(s), personal representative(s) or any person(s) appearing to have been a relative or dependant.	We will decide who to make payments to in accordance with the Scheme of Delegation Type 1 approvals as outlined in the Appendix.

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28	LGPS13 - 82(2) LGPS:Admin08 - 52(2) LGPS97 - 95 Payment of death grant of less than £5,000	Where the total death grant due to personal representatives is less than the amount specified in any order under Section 6 of the Administration of the Estates (Small Payments) Act 1965 (£5,000 at the time of the making of this policy, and subject to statutory increases), we can choose to make the payment to the personal representatives, or any persons appearing to be entitled to the estate, without sight of a probate or letters of administration.	We will make payments in these circumstances, without the sight of probate or letters of administration in accordance with the Scheme of Delegation Type 1 approvals as outlined in the appendix.
29	LGPS13 - Sch 1 "cohabiting partner" LGPS:TP14 - 17(9)(b) LGPS:Ben07 - 25 Determining dependency or interdependency for cohabiting partner	We must determine whether financial dependency or interdependency exists so an individual may be treated as a cohabiting partner.	For each case the surviving cohabiting partner will be asked by the EAPFs' third party administrators, acting on behalf of the EAPF, to produce evidence of financial dependency and interdependency and the decision about any cases will be made by the CPO based on the evidence provided.
30	LGPS13 - Sch 1 "eligible child" LGPS:TP14 - 17(9) Children's pensions – disregarding breaks in education/training	We may disregard a break in education or training so children's pensions can resume payment after the break has ended. This will only apply in relation to children under age 23.	The circumstances of these cases can vary considerably. For example, a break could be due to a child taking a few months off to travel round the world or as a result of a child deciding to return to a different college course after summer holidays. Accordingly, the Operations Delivery Manager of the EAPF's third party administrators will make a recommendation to the CPO, who will make the decision.
31	LGPS:Ben07 - 27(5) LGPS97 - 47(2) LGPS95 - G11(2) - applies to pre 1/4/14 leavers Payment of child(ren)s pensions	We may pay the whole or part of a child(ren)'s pension to a person other than the eligible child providing it is for the benefit of that child(ren).	The Operations Delivery Manager of the EAPFs' third party administrators will make a recommendation to the CPO and the CPO will make the relevant decision where the eligible child is under age 18 and in full time education.
32	LGPS97 - 47(1) LGPS95 - G11(1) Apportionment of children's pensions – applies to pre 1/4/08 leavers	Where a children's pension is payable to more than one child, we may apportion the payment amongst the children as we think fit.	We will apportion payments equally amongst the relevant children.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
33	LGPS95 - F7(1) Suspension of pre 1/4/98 spouses' pension during marriage/ cohabitation – applies to pre 1/4/98 deaths	We may suspend a spouses' pension if he or she remarries or cohabits.	We will not suspend spouses' pension benefits during any period of remarriage or cohabitation. We will reinstate any spouses' benefits which had previously been suspended on the termination of the marriage or cohabitation. This brings the treatment of spouses pensions put in payment before 1 April 1998 into line with those put into payment after then (due to changes in the regulations).
34	LGPS:TP14 - 3(6), 4(6)(c), 8(4), 10(2)(a), 17(2)(b) LGPS:Ben07 - 10(2) Final Pay: Reductions	We may give notice on the member's behalf to have their Final Pay calculated in accordance with LGPS:Ben07 regulation 10(4) where the member died prior to giving notice.	We use this discretion to ensure any dependants' benefits are not detrimentally affected.
35	LGPS:TP14 - 3(6), 4(6)(c), 8(4), 10(2)(a), 17(2)(b) LGPS:TP08 - Sch 1 LGPS97 - 23(9) Certificates of Protection issued with regards to reductions or restriction in Pay - applies to pre 1/4/08 leavers	We may give notice on the member's behalf to have their Final Pay calculated in accordance with regulation 23(9) where the member died prior to giving notice.	We use this discretion to ensure any dependants' benefits are not detrimentally affected.
36	LGPS97 - 22(7) Selecting appropriate final pay period for a deceased member - applies to pre 1/4/2008 leavers	Where a member has died, on their behalf we may select a different period for calculating their final pay (e.g. where fees are paid or there has been an unpaid period of leave).	We use this discretion to ensure any dependants' benefits are not detrimentally affected.
<i>Transferring and/or Linking Separate Sets of Benefits</i>			
37	LGPS13 - 98(1)(b) Payment of bulk transfers	We may agree to the payment of a bulk transfer value (which could be more or less in value than the total of individual transfer values) where two or more scheme members are transferred to a new employer.	We have set out details of how we will use this provision in our Bulk Transfer and Admission Agreement Policies. It can be found at https://www.eapf.org.uk/trustees/governance-policies The terms of any bulk transfer must be agreed by the PC and the final payment must be agreed by the CPO on advice of the Fund actuary in accordance with the agreed terms.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
38	LGPS13 - 100(7) Acceptance of transfers in	We may accept transfer values from other schemes where a scheme member requests it.	We will accept all transfer values, unless the employer specifies that they are time barred.
39	LGPS13 - 100(6) Extension of time limit to elect to transfer in benefits from another pension scheme	We (with the agreement of the employer) may extend the 12 month time limit for a scheme member to elect to transfer in benefits from a non local government pension scheme or personal pension plan.	We expect scheme members to request all transfers within 12 months. We will only extend the 12-month time limit in exceptional circumstances, where the scheme member can demonstrate the reason for their late request was outside of their control. The CPO will determine any such requests in consultation with the employer.
40	LGPS:TP14 - 10(9) Aggregating concurrent employments	Where a deferred member also has ongoing multiple concurrent employments, the member may be able to choose which employment the deferred benefits are aggregated with. We can decide this where the member does not elect within 12 months.	The EAPFs' third party administrators will make a recommendation to the CPO based on what appears to be the most beneficial approach at the point 12 months after the person became a deferred member for that employment. The CPO will then make the relevant decision.
41	LGPS97 - 118 Retention of CEP where member transfers out – applies to pre 1/4/08 leavers	Where a member transfers their benefits to a contracted in pension scheme, we may retain an amount (called the CEP) to meet the liability in respect of the contracted out rights	The CEP amount will be retained by the Fund and used towards providing the balance of benefits due to the scheme member.
Miscellaneous			
42	LGPS13 - 34(1) LGPS:Ben07 - 39 LGPS:TP08 - 14(3) LGPS97 - 49 & 156 Payment of trivial commutation lump sums	The Administering Authority may commute small pensions into a lump sum where they are below nationally prescribed limits.	There are strict overriding requirements relating to this provision that would make it difficult to make payment of a lump sum compulsory. Accordingly, all scheme members who might be able to take a lump sum on triviality grounds will be given the option to receive a trivial commutation lump sum. The lump sum will only be paid where we receive a positive election from the scheme member.
43	LGPS97 - 50 & 157 Commutation on Serious Ill-Health - applies to pre 1/4/08 leavers	We can apply this discretion where a scheme member has been diagnosed as having life expectancy of less than one year due to serious ill-health. In these circumstances, we may choose to pay a lump sum of 5 x pension plus retirement grant, instead of ongoing pension benefits.	We will pay a serious ill-health commutation where the regulatory requirements are met.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
44	LGPS13 - 65 Revised rates and adjustment certificate due to cost-sharing	Decide whether to obtain a new rates and adjustments certificate if the Secretary of State amends the Benefits Regulations as a result of "cost sharing"	We will consider whether a revised rates and adjustment certificate should be issued depending on the nature of any changes. This will be decided by the Board taking into consideration the advice of the PC in consultation with the Fund's Actuary.
45	LGPS13 -83 LGPS:Admin08 - 52A Payments for persons incapable of managing their affairs	Where LGPS pensioners and other beneficiaries of the scheme (except children) are no longer capable of handling their own affairs due to incapability or mental disorder, we may pay the benefits (or part of the benefits) to a third party who is likely to be a person caring for the person who is entitled to receive those benefits or otherwise apply them for the benefit of the member. All monies paid to a third party should be used for the benefit of the member.	The circumstances of such cases can vary considerably and each will need to be considered on its merits. The Operations Delivery Manager of the EAPFs' third party administrators will make a recommendation to the CPO on how each case should be treated. The decision will then be made by the CPO. In general we would expect the third party to be able to demonstrate that a power of attorney is registered with the Office of the Public Guardian or that some other appropriate legal link with the beneficiary exists. In some circumstances it may be considered prudent to require that recipients of payments on behalf of a member demonstrate how the money is used by keeping receipts and records.
46	LGPS:TP14 - 15(1)(c) LGPS:TP08 - Sch1 LGPS97 - 83(5) - for actives LGPS:TP08 - Sch1 LGPS97 - 83(5) - applies to pre 1/4/2014 leavers Extension of time limit for capitalisation of additional contributions	A scheme member who is made redundant or retired on efficiency grounds may elect to pay off their additional contributions by way of a capital payment within three months of being made redundant or retiring on efficiency grounds. We may extend this three month period.	We expect any elections to be made within the three month time limit. The CPO may extend the three month time limit in exceptional circumstances.
47	LGPS97 - 147 Pension Credits	We may permit a Pension Credit to remain in the Fund or require that we discharge our liability in respect of a pension credit in accordance with Schedule 5 of the 1999 Act (Sharing of Pension Rights)	We will discharge our liability for pension credits in accordance with the Government Actuary's Department Guidance issued by the Government Actuary.
48	LGPS13 - 22(3)(c) The form of a pension account	We can determine the form a pension account may be kept in.	The EAPFs' third party administrator will make a recommendation to the CPO on the form a pension account may be kept in. The CPO will then make the relevant decision.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
49	LGPS13 -49(1)(c) LGPS:Ben07 - 42(1)(c) Entitlement to more than one type of benefit	If a scheme member could be entitled to two or more different benefits in relation to the same period of scheme membership, and they do not choose which benefit they want to receive, we may notify the scheme member which benefit is to be paid.	These circumstances will be extremely rare. However, in such circumstances, where the scheme member has not chosen a benefit, the CPO will determine the benefit to be awarded and the scheme member will be notified of that determination.
50	LGPS13 - 32(7) Extending time limits for drawing benefits	A scheme member wishing to receive benefits other than at normal pension age, or on flexible retirement, must elect to do so within certain time limits. We may extend these time limits.	We expect any elections to be made within the time limits in the regulations. The time limit may be extended by the CPO in exceptional circumstances.
51	LGPS13 - 16(1) Time period of which an APC/SCAPC must be paid	We are able to turn down a request to pay an APC/SCAPC by regular contributions over a period of time where we believe it would be impractical to allow such a request, for example, due to the pension being bought resulting in very small payments	We will not turn down any requests unless an employer asks us to and, if an employer does so, the CPO will decide whether to turn down the request.
52	LGPS13 - 16(10) Medical requirements prior to allowing payment of APCs/SCAPCs	We may require a satisfactory medical report to be provided prior to letting an employee pay APCs/SCAPCs. This does not apply for APCs/SCAPCs in relation to a period of authorised absence. The discretion is also whether to turn down the application if not satisfied that the member is in reasonably good health	We will only accept an application from an employee to purchase additional pension if accompanied by a medical report provided by a registered general practitioner stating that the employee is in reasonably good health. The cost of obtaining such a report must be met by the employee.
53	LGPS:TP14 - 15(1)(d) LGPS:Admin08 - 28(2) Recovery of administration costs for AVC transfers in	On retirement, a member may elect to convert an in-house AVC fund into additional pension in the Pension Fund. We may recover the costs of calculations undertaken for scheme members considering doing this, if they decide not to proceed.	The costs will not be recovered where a scheme member decides not to proceed with the conversion.
54	LGPS:Admin08 - 45(3) - applies to pre 1/4/14 leavers Recovery of outstanding employee contributions	We may recover pension contributions due from an employee (where they cannot be deducted from their pay) from their benefits or via a court action.	In the first instance, we will deduct any outstanding contributions from benefits due. Thereafter we may consider pursuing the debt through a court action.

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55	LGPS97 - 106A(5) Relevant date for annual benefit statements	The relevant date for the illustration of benefits in annual benefit statements is usually 31 March, although we may determine a later date to be used.	Annual benefit statements will provide estimates of benefits as at 31 March each year.
56	LGPS:TP14 - 3(13) LGPS:Admin08 - 70(1) & 71(4)(c) LGPS:TP08 - 12 LGPS97 - 109 & 110(4)(b) – applies to pre 1/4/14 leavers Reduction or suspension of pensions on re-employment (“abatement”)	We are required to determine whether retirement pensions should be reduced, or suspended, if the pensioner commences further employment with an LGPS employer (regardless of whether they again join the LGPS). This does not apply in flexible retirement cases.	We will not reduce or suspend retirement pensions if a pensioner commences further employment with an LGPS employer.
Provisions relating to employers who no longer exist			
57	LGPS13 - 30(8) Flexible retirement (where an employer no longer exists)	An employer can choose to waive, in whole or in part, any reduction that might otherwise apply to that scheme member’s benefits on flexible retirement. We may decide this if that employer no longer exists.	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.
58	LGPS13 - 30(8) Waiving of actuarial reduction on voluntary retirement (where an employer no longer exists)	An employer can choose to waive, in whole or in part, any early retirement reduction that might otherwise apply to a scheme member’s benefits on voluntary retirement. These provisions only apply to scheme members who have reached age 55. We may decide this if that employer no longer exists.	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.
59	LGPS:TP14 - Sch 2, paras 1(2) and 2(2) Applying “Rule of 85” protections (where an employer no longer exists)	An employer can choose to allow rule of 85 protections to apply to a scheme member’s benefits on voluntary retirement. In doing this some or all of the early retirement reduction would not apply. This provision can only apply to scheme members who have reached age 55. We may decide this if that employer no longer exists.	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
60	LGPS:TP14 - 3(1), Sch 2, paras 2(1) and 2(2)Waiving of any further actuarial reduction on compassionate grounds for "Rule of 85" protected benefits	<p>An employer can choose to waive on compassionate grounds any reduction to benefits that might otherwise not be reduced or have less reduction due to rule of 85 protections. We may decide this if that employer no longer exists.</p> <p>Note this does not relate to ill-health retirement.</p>	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.
61	LGPS13 - 38(3) & 38(6) LGPS:Ben07 – 31(4) & (7) Early Payment of Pension: Ill Health (Deferred and Former Tier 3) (where an employer no longer exists)	<p>A former employer must decide whether a deferred member meets the criteria for permanent ill health. This also applies to a scheme member who was formerly in receipt of Tier 3 ill-health benefits.</p> <p>We may decide this if that employer no longer exists.</p>	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.
62	LGPS97 – 31(2) – applies to pre 1/4/14 leavers Early payment of pension benefits for existing deferred members (where an employer no longer exists)	<p>An employer may consent to the early payment of reduced retirement benefits for a small group of scheme members between age 50 and 55, who are deferred members and who left before 1 April 2008. If the employer uses this discretion some employees may have protections that mean we will pay their benefits unreduced.</p> <p>This discretion does not apply to these scheme members once they reach age 55 as they then have an automatic right to immediate payment of pension benefits. We may decide this if that employer no longer exists.</p> <p>For those who left on or before 1 April 1998 there is no discretion to release benefits early where compassionate grounds do not apply.</p> <p>Note this does not relate to ill-health retirement.</p>	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
63	LGPS:Ben07 - 30(5) & 30A(5) Lgps97 – 31(5) – applies to pre 1/4/14 leavers Waiving of actuarial reduction on compassionate grounds including for former Tier 3 Ill-Health members (where an employer no longer exists)	An employer may consent on compassionate grounds to waive any actuarial reduction for scheme members between age 55 and 65, who are deferred members or former Tier 3 Ill-Health members. They can only waive the whole reduction. We may decide this if that employer no longer exists. Note this does not relate to ill-health retirement.	We will follow the policy of the employer immediately before it ceased to be a Scheme employer where possible. If not, we will follow the policy of the Environment Agency as the main employer in the Funds.

Part 2 – Other Discretionary Award Schemes

	Regulation Number and Subject Matter	Description of Discretion	Environment Agency Pension Funds' Policy
64	LG:Disc00 31(2) Payment of annual compensation	We may agree with an employer to pay the annual compensation directly to the member on the employer's behalf. The payments must be recovered from the employer within two months of the payment	We will use this discretion to pay historical compensation payments and the costs will be recovered on a month by month basis.

Appendix- Scheme of Delegation and Key to Delegations

Type 1 Scheme of Delegation:

Value of Total Death Grant/Monies Due and Dependents	Delegation to
Less than £5000	EAPFs policy implemented by the third party administrators*
More than £5000 and the deceased member is married, in civil partnership or has a nominated co-habiting partner and the beneficiary is the surviving spouse, civil partner or nominated co-habiting partner.	EAPFs policy, implemented by the third party administrators*
More than £5,000 and up to £50,000 and the deceased member is married, in a civil partnership or has a nominated co-habiting partner but the Expression of Wish form names a beneficiary other than the surviving spouse, civil partner or nominated co-habiting partner.	EAPFs policy, implemented by the third party administrators*
More than £50,000 and the deceased member is married, in a civil partnership or has a nominated co-habiting partner but the Expression of Wish form names a beneficiary other than the surviving spouse, civil partner or nominated co-habiting partner.	CPO*
More than £5,000 and up to £50,000 and there is no surviving spouse, civil partner or nominated co-habiting partner.	EAPFs policy, implemented by the third party administrators*
More than £50,000 and there is no surviving spouse, civil partner or nominated co-habiting partner.	CPO

**Implementation to be carried out by individual with suitable level of experience and seniority i.e. Operations Delivery Manager*

Key to Delegations:

Abbreviation	Delegated Person
Board	Environment Agency Board
EA Chair	Chair of Environment Agency Board
PC	Pensions Committee
PC Chair	Chair of Pensions Committee
Rem Com	Remuneration Committee
CE	Chief Executive
CPO	Chief Pensions Officer
PGRM	Policy, Governance and Risk Manager