



Pension Administration Strategy

Consultation Draft: November 2025

Contents

1. Introduction

- 1.1 Strathclyde Pension Fund (SPF)
- 1.2 Strathclyde Pension Fund Office (SPFO)
- 1.3 The Local Government Pension Scheme (LGPS)

2. Aims and Objectives

- 2.1 Objectives of the Pension Administration Strategy (PAS)
- 2.2 Achieving the Objectives

3. Strategic Approach

- 3.1 Roles and Responsibilities
- 3.2 Performance and Service Standards
- 3.3 Member Data
- 3.4 Engagement and Communication
- 3.5 Appropriate Resource
- 3.6 Systems & IT

4. Monitoring and Reporting

5. Compliance

6. Discretions

Appendix 1 Statutory Responsibilities

Appendix 2 Performance and Service Standards

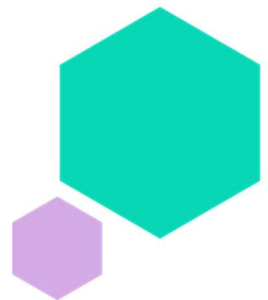
Appendix 3 Summary Data Improvement Plan

Appendix 4 Engagement and Communication

Appendix 5 SPFO Resource

Appendix 6 Compliance Actions

Appendix 7 SPF Policy on Discretions



1 Introduction

1.1 Strathclyde Pension Fund (SPF)

Glasgow City Council is the administering authority for the Local Government Pension Scheme (LGPS) in the west of Scotland. To fulfil this role the Council has established and maintains the Strathclyde Pension Fund. Administration of LGPS benefits for members of the Fund is carried out by the Strathclyde Pension Fund Office (SPFO).

1.1 Strathclyde Pension Fund Office (SPFO)

SPFO:

- is a division of Glasgow City Council's Financial Services Department and
- administers the Scheme on behalf of over 130 employers and around 300,000 members.

1.2 The Local Government Pension Scheme (LGPS)

The LGPS is a statutory scheme established under primary legislation – the Superannuation Act 1972 and Public Service Pensions Act 2013. The scheme rules take the form of a series of regulations – the Local Government Pension Scheme (Scotland) Regulations. The regulations are Scottish Statutory Instruments (SSIs).

The scheme benefits are set out in the [Local Government Pension Scheme \(Scotland\) Regulations 2018](#).

This strategy has been produced in accordance with [regulation 57](#).

2 Aims and Objectives

2.1 Objectives of the Pension Administration Strategy (PAS)

The PAS aims to ensure that:

- a high quality pension service is delivered to all scheme members
- pension benefits are paid accurately and on time
- successful working partnership develops between SPF and its employers
- performance standards are understood and achieved and
- performance and service delivery comply with the LGPS regulations, other related legislation and The Pensions Regulator's [General Code of Practice](#).

2.2 Achieving the Objectives

There are five key elements necessary to achieving the PAS objectives:

- clear roles and responsibilities
- performance and service standards
- good member data
- engagement and communication
- appropriate resource

The strategic approach to each of these is described below.

3 Strategic Approach

3.1 Roles and Responsibilities

The scheme regulations and associated legislation set out the respective responsibilities of the administering authority and scheme employers. These are summarised in **Appendix 1**.

All parties need to understand and adhere to these to ensure that the PAS objectives are achieved.

3.2 Performance and Service Standards

Required service standards and key performance indicators for scheme employers and SPFO are set out in **Appendix 2**.

These are based on statutory timescales where applicable and have been formulated to ensure that the PAS objectives are achieved.

3.3 Member Data

Member data underpins all aspects of scheme administration. It is the basis for:

- annual benefit statements and other member communications and engagement
- the Pensions Dashboard
- all individual pension calculations
- employer calculations for actuarial and accounting (FRS102/IAS19) purposes.

Given SPFO's increasing use of digital delivery for communications and administration, it is essential that employers provide accurate, complete and up-to-date information.

Accurate member data is also considered a priority by the Pensions Regulator and SPFO is required to report annually to TPR on data quality.

Data quality has improved gradually over the years but there is still room for further improvement. To this end, and in line with TPR guidance, SPFO has created a Data Improvement Plan, implementation of which is ongoing. An updated summary of the Data Improvement Plan is included at **Appendix 3**.

The plan is reviewed annually and key milestones for the coming year will be clarified and included in SPFO's annual business plan.

3.4 Engagement and Communication

In accordance with the scheme regulations, SPFO has a separate Communications Policy which sets out how everyone with any interest in the Fund will have ready access to all the information they need. In the context of the Pension Administration Strategy, the most important aspects of this are Employer Engagement, Member Communications, and Digital Delivery. SPFO's approach to each of these is summarised in **Appendix 4**.

3.5 Appropriate Resource

Delivery of the PAS objectives requires both employers and SPFO to resource their operations with adequate numbers of staff with suitable knowledge and skills. SPFO resource is reviewed annually in the [Business Plan](#) which is approved by the SPF committee. SPFO's staffing structure is summarised in **Appendix 5**.

3.6 Systems & IT

SPFO is an established user of Altair – a bespoke Local Government Pension Scheme administration system. The Altair application is upgraded four times a year and SPFO is currently running on version 25.4. Within Altair, SPFO has implemented Task Management, Workflow, Performance Measurement and Insights modules. These form the core of process planning, management, monitoring, data analytics and measuring data quality. Altair is aligned with a Document Image Processing System (DIPS) to achieve straight-through electronic processing. It also provides internet-based Member Self Service functionality together with i-Connect, a secure portal which allows employers to send data submissions direct to SPFO and to upload documents for processing. Ongoing use, continuous development, and increasing member engagement in these areas are key aspects of the SPFO administration strategy and data improvement plan. For other finance functions, SPFO uses the Council's SAP-based systems. All staff have laptops which provide remote network and systems access. This facilitates hybrid working and flexibility and resilience of working arrangements.

4 Monitoring and Reporting

Performance and service standards are monitored on an ongoing basis. A report on performance in relation to the Pension Administration Strategy is included in the SPF annual report each year. Performance against Key Performance Indicators is reported regularly to the Committee and Pension Board and published on the SPFO website.

5 Compliance

Failure by any party to adhere to the service standards set out in this strategy can have various implications. These include: unsatisfactory service to members, inaccurate information to members, inefficient processing and incorrect calculations and payments. In short, the PAS objectives will not be achieved.

In addition SPFO is required to record all breaches of the scheme regulations and report to The Pensions Regulator where a breach may be of material interest.

It is therefore essential that all parties comply with the requirements of the PAS. Where underperformance is identified SPFO will take all available steps to ensure its own compliance and enforce compliance by employers.

Compliance actions are summarised in **Appendix 6**.

6 Discretions

SPFO and employers have various discretions under the regulations. Each is required to prepare a statement of its policy in relation to the exercise of certain discretionary functions.

SPFO's policy on the exercise of its discretions is set out in **Appendix 7**.

Appendices

Appendix 1	Statutory Responsibilities
Appendix 2	Performance and Service Standards
Appendix 3	Summary Data Improvement Plan
Appendix 4	Engagement and Communication
Appendix 5	SPFO Resource
Appendix 6	Compliance Actions
Appendix 7	SPFO Policy on Discretions

Statutory Responsibilities – Scheme Employers

Scheme employers have the following statutory responsibilities.

- To decide the eligibility of employees to enter the Scheme.
- To determine the employee's pay (or fees) and determine the member's pensionable pay (if required both final salary and CARE regulation definitions) to be used in the calculation of Scheme benefits.
- To determine annually the employee's contribution rate in accordance with statutory guidance produced by the Scottish Ministers and to deduct pension contributions from an employee's pay.
- To pay over and account for the deduction of these payments to Strathclyde Pension Fund.
- To notify, in writing, every person whose rights or liabilities are affected by a 'first instance decision' made by an employer under the regulations.
- To appoint an "appointed person" to receive appeals from employees against first instance decisions taken by that employer.
- To notify a member, in writing, of their right of appeal and to include that notification in the documentation notifying that member of that decision against which they have a right of appeal. (SPF will continue to issue new start documentation to members which will include such a notification for new start members).
- To supply timely and accurate information to SPF to ensure that member records are accurately maintained and that the calculation of member benefits from the Scheme is accurate.
- To deduct the specified amounts of Additional Voluntary Contributions (AVCs) from the member's pay and to pay those amounts timeously to the in house AVC provider.
- To issue a certificate of protection to a scheme member when requested to do so where there has been a material reduction or restriction in that member's pay in circumstances outwith the member's control. Where such a certificate is issued the employer is required to keep a record of the member's pays for a period of 10 years from the effective date of the certificate.
- To use an independent Medical Officer qualified in Occupational Health medicine as specified in the regulations, who has been approved by SPF, for the purpose of determining a member's eligibility for ill health retirement.
- To decide which benefit a member is entitled to on ceasing Scheme membership.
- To formulate and publish a policy on the exercise of its discretions under the LGPS regulations.
- To ensure compliance with the General Data Protection Regulation.

Statutory Responsibilities – SPFO

The administering authority has the following statutory responsibilities.

- To maintain the Pension Fund.
- To invest pension contributions received and account for and manage the Fund's assets.
- To open and maintain one or more pension accounts for each member of the Scheme.
- To formulate and publish a policy on the exercise of its discretions under the LGPS regulations.
- To prepare, maintain and publish a written statement of policy concerning communications with members and Scheme employers.
- To decide how any previous service or employment of an employee is to count for pension purposes, and whether such service is classed as a 'period of membership'.
- To notify each member of their decisions regarding the counting of service.
- To decide the amount of benefit payable to a member based on the member's record, and the termination and pay details provided by the Employer when an employee ceases employment.
- To close pension accounts of deceased members and supply beneficiaries with notifications of their entitlements including the method of calculations.
- To appoint a suitable person for the purposes of the Scheme's internal dispute resolution procedure.
- To increase pensions annually in accordance with the provisions of Pensions Increase Acts and Orders.
- To produce and dispatch annual pension benefit statements to each of its active, deferred and pension credit members.
- To obtain an actuarial valuation of assets and liabilities triennially.
- To ensure that sufficient information is issued in the form of newsletters, booklets and other materials to satisfy the requirements of the Occupational Pension Schemes (Disclosure of Information) Regulations 2013.
- To ensure that steps are taken at all times to pay benefits to appropriate beneficiaries only and to reduce the possibility of fraud.
- To appoint an Additional Voluntary Contributions provider.
- To ensure compliance with the General Data Protection Regulation.

Appendix 2(a)

Performance and Service Standards – Scheme Employers

PROCESS	INFORMATION/ACTION REQUIRED	TARGET
Policies		
Compliance Certificate	Employer must forward compliance certificate duly signed by their chief finance officer or equivalent.	On admission to SPF, within 30 days of a change and renewed annually.
Authorised Signatories	Provide specimen signature of nominated authorised signatories for approval of retirement forms.	On admission to SPF or within 30 days of a change
Internal Dispute Resolution Procedure (IDRP)	Nominate a person to consider disputes under stage 1 and provide full up to date contact details to SPFO.	On admission to SPF or within 30 days of a change.
Employer Discretion Policy	Formulate, publish and keep under review, policies in relation to all areas where an employer discretion may be exercised. Forward policy document to SPFO.	On admission to SPF or within 30 days of a change in policy.
Contributions		
Employee Contribution Rate	Determine and deduct the correct % contribution rate.	At the commencement of LGPS membership and at the commencement of each scheme year .
Employer Contribution Rate	Changes to employer contribution rate as instructed by the Fund actuary.	At the commencement of Fund membership and at the commencement of each scheme year as per the Rates & Adjustment certificate to the latest actuarial valuation.
Deduction and Remittance of Employer and Employee Monthly Pension Contributions	Payment and accompanying breakdown detailing the employee, employer and (if applicable) added years/ ARCS/ APC's/ 50:50 contributions.	Payment and breakdown report received by SPFO by the 19th of the month

Appendix 2(a)

Performance and Service Standards – Scheme Employers

PROCESS	INFORMATION/ACTION REQUIRED	TARGET
	Preferred methods of payment is BACS.	following deductions.
Additional Voluntary Contributions	Deduct and pay to Prudential AVCs in accordance with the member's instructions	Direct payment to Prudential by the 19th of the month following that in which they were deducted. Ensure that the final payment of AVC deductions is made before the member's retirement date .
Strain on the Fund payments	Payment as agreed during early retiral process.	On receipt of invoice from SPFO or in line with agreed payment arrangement.
Compensatory Added Years	Payment to SPF of any amounts paid by SPF on behalf of the scheme employer under the Discretionary and Injury Payments Regulations.	Monthly pre-payment by 15th of month in accordance with payment schedule issued by SPFO.
Member Data		
Data submissions	Upload regular data submission via the i-Connect platform.	Electronic submissions must be submitted by the 19th of the month following the reporting period .
Responding to data submission queries	Queries relating to data submissions will be issued to employers for resolution.	Within 2 weeks of the queries being forwarded
Responding to actuarial valuation queries	Data queries relating to missing or mismatched data from valuation data will be issued to employers for resolution.	Within 2 weeks of the queries being forwarded in the valuation year. In a pre-valuation year both parties will agree a timescale

Appendix 2(a)

Performance and Service Standards – Scheme Employers

PROCESS	INFORMATION/ACTION REQUIRED	TARGET
Final Pension Year Submission	Communication around the final submission for the pension year are issued in February of the reporting year. This will detail any action required for final i-Connect submissions.	Files must be submitted by the deadline date advised in communication.
Member Events		
New Starts	New start data must be submitted electronically via i-Connect.	Electronic submissions must be submitted by the 19th of the month following the member's date of entry to the scheme.
Changes in circumstances/breaks in membership	All changes in circumstances /breaks must be submitted electronically via i-Connect Changes:- Hours Name Address 50/50 Opt out Breaks:- Unpaid leave	Electronic submissions must be submitted by the 19th of the month following the date of change .
Early Leavers	The i-Connect submission will capture the leaver detailing the opt out or leaving date. SPFO may request supplementary pay information if required.	Leavers should be submitted within one month of leaving the Fund.
Retirement Estimates	Where possible, employers should direct members to the self-service function (SPFonline) to calculate estimates. Voluntary & Late (Over Normal Pension Age – refer members to SPFonline. Redundancy/Efficiency/Flexible Retirement/ill health refer to SPF.	Requests must be made at least 3 months prior to retirement date.

Appendix 2(a)

Performance and Service Standards – Scheme Employers

PROCESS	INFORMATION/ACTION REQUIRED	TARGET
	If member has Additional Voluntary Contributions or a Certificate of Protection refer to SPFO. Use the request for retirement calculations form from the website. SPF limit the number of requests see appendix 7.	
Retirement Estimates (Bulk)	Bulk estimates are available where all dates and enhancements must be the same. Employers should engage with SPFO in the first instance.	3 months' notice.
Retirement	Appropriate retirement form must be uploaded via i-Connect.	2 months prior to retirement.
Death in Service	When a member dies in service the employer must obtain all the relevant information including the required certificates and S8 form and upload via i-Connect.	As soon as possible to avoid delays in payment.
Employer Events		
Structural changes	Employers are required to notify SPF of any structural changes (e.g. large changes in membership; bulk transfers; merger; acquisition; change of corporate status; closure to new members; cessation of activities).	As far as possible, before any change occurs.

Performance and Service Standards – SPFO

Process	Description	Target Days	Target %
New Records	Processing of new scheme members	15	95%
Refunds	Processing and payment of refund in receipt of members election to a refund of contributions	7	90%
Deferred Members	Calculation of future retirement benefits for early leavers from scheme who don't have immediate access to benefits	20	85%
Retiral Estimates	Quotation of expected retiral benefits on member's retirement	20	80%
Pension Payroll	Pay all pensioners on 15th of the month or previous working day where 15th is not a business day.		100%
New Retirals	Where the required 2 month notice period has been observed, first pension payment will be the 15th of the month after the month of retiral.		95%
Retirement Lump sums	Lump sums paid on first day of retirement.		95%
Contributions Income	Contribution income received from employers by 19th of the month following deduction		100%

Summary Data Improvement Plan

Objective	Method/Action	Outcome	Timescale
Improve Data Quality and Scores			
Monitor data quality using Insights reports	- Cleanse common data records - Cleanse scheme specific data records - Engage with employers to rectify issues identified on an ongoing basis.	- Improved data quality scores - Readiness for pensions dashboard	Quarterly
Data submissions	- Address data and finance reconciliation issues identified post submissions - Missing data – report instances to employers and work with them to cleanse records monitoring progress regularly - Implement data improvement plan for individual employers	- More member communications issued accurately and on time - Service improvement – reduction in turnaround times - Readiness for pensions dashboard	- Continuous - As and when required by employer performance
Improve Employer Performance			
Transactional Processes	- Measure, monitor and report statistics to employers - Deliver tailored training - Maintain employer profile - Employer data improvement plans	- Increase knowledge - Improved performance for employers and SPFO	- Monthly (Local Authorities) - Six monthly employer forum
Increase Automation/ Administration Efficiency			

Summary Data Improvement Plan

Objective	Method/Action	Outcome	Timescale
Flow of information Digital delivery and consistency among employers, members and third parties.	- Implement document upload via i-Connect for employers - Migration to new member portal with increased functionality	- Information will be more secure - Reduction in information going missing - Increased security - Cloud hosted/better scalability for traffic - Better member experience and increased member engagement - More efficient processes - Less administration for employers and SPF	- Rollout continuing. June 2026 - December 2025

Summary Data Improvement Plan

Objective	Method/Action	Outcome	Timescale
System Issues			
Prevention of further instances occurring	- Updated/documented procedures - Identify system issues for remedy and feed back to Heywood	- More efficient processes - Improved consistency and simplified processes	- Ongoing - Ongoing
Pensions Dashboard	- Ensure data readiness for pension dashboard - Successfully connect to the pensions dashboard ecosystem Primary Matching Criteria 8 character NI Number - Surname - Date of Birth Where NI number hasn't been supplied or doesn't match, secondary matching will be used. Secondary Matching Criteria Combinations of; - Post Code - Email - Forename - Mobile	Member will be able to access pension information about all of their pensions via one online platform.	October 2026

Summary Data Improvement Plan

The Pension Regulator General Code of practice	Review compliance with code	- Improved governance - Improved internal controls - Increased resilience	Annually

Summary Data Improvement Plan

Objective	Method/Action	Outcome	Timescale
Cyber Security			
Data security	- Each party to implement an organisational information security policy aligned to ISO 27001 - Policy and procedures to cover physical security, disposal of assets, protection against malicious actors, software and viruses	- Protection of personal and sensitive data - Organisational resilience - Business continuity	Ongoing
Data processing	Fairly and lawfully in accordance with Data Protection Law	- Legal compliance - Data security - No unauthorised reading, copying, altering or deleting of Personal Data	- Ongoing - Ongoing
Transferring data	- Use only agreed secure transfer media - Encrypt in transmission wherever possible/appropriate - Use secure portals such as i-Connect wherever possible	- No unauthorised reading, copying, altering or deleting of Personal Data - No loss of data	Ongoing
Breach notification	Each party to promptly notify the other party of any breach or suspected breach of data security obligations	Minimise impact of breaches, allow resolution, implementation of contingency arrangements to ensure business continuity	Ongoing
Data sharing agreements	To be in place wherever possible	- Clarify and acknowledge each party's responsibilities - Legal compliance	Ongoing

Engagement and Communication

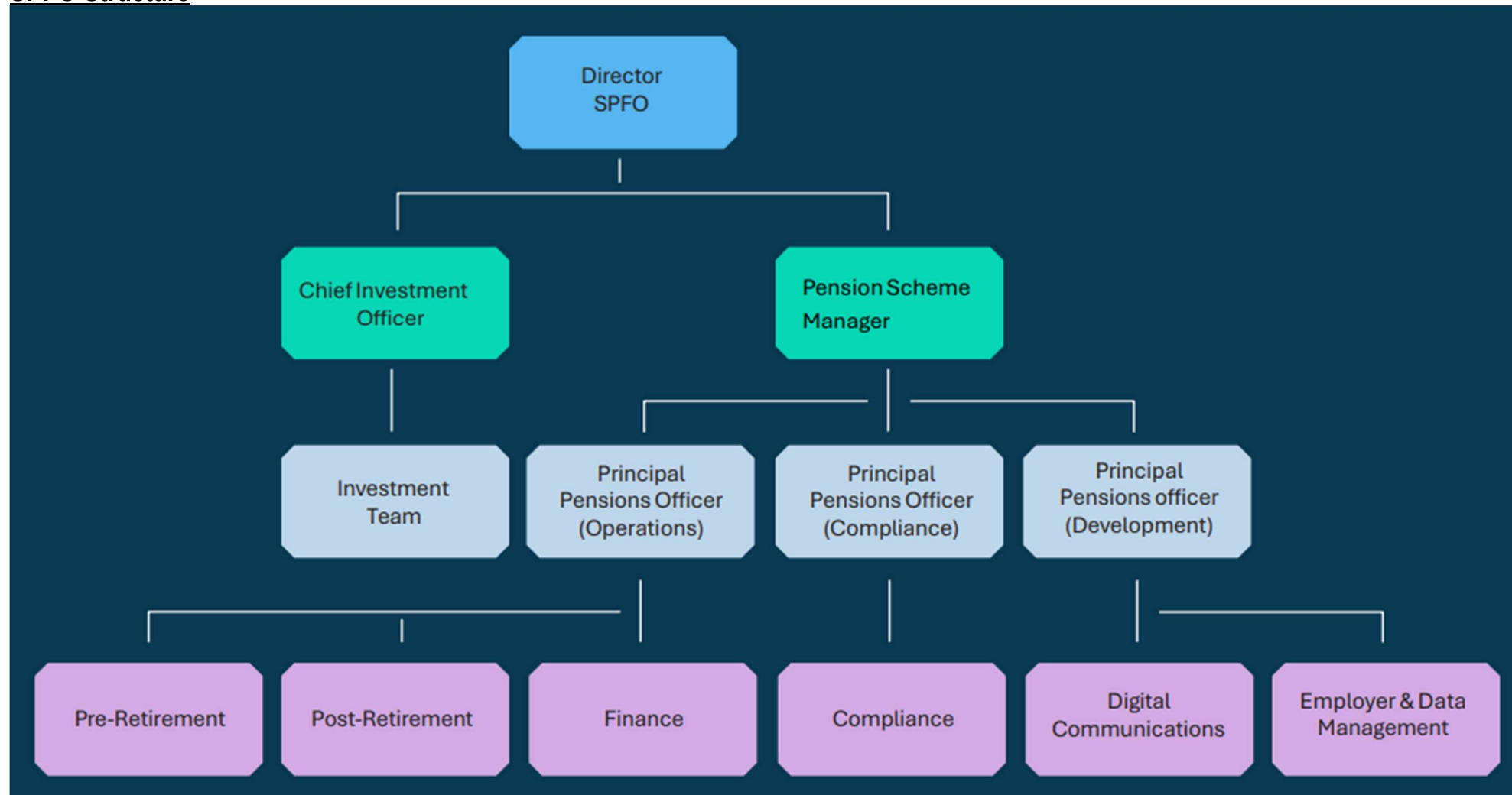
PROCESS	TARGET
Employer Engagement	
Employer Support	SPFO's Employer and Data Management team will meet with employers on a regular basis or as problem areas are identified.
Employer Training	SPF is committed to delivering employer training on specific topics requested or required. As part of individual employer data improvement plans if training requirements have been identified SPF will deliver this.
Employer Forums	SPF is committed to hosting six-monthly Employer Forums.
Member Communications	
Active Member Annual Benefit Statement (ABS)	To be issued by 31st August following the end of the most recent scheme year
Deferred Member Annual Benefit Statement (ABS)	To be issued by 31st August following the end of the most recent scheme year
Pension Savings Statements	To be issued by 6th October to those members who may have exceeded their annual allowance
Complaints	SPF will respond to complaints within 5 working days, or 20 working days if the complaint has proceeded to stage 2
Internal Disputes Resolution Procedure	SPF will provide determination within 2 months
Digital Delivery	
spfo.org.uk The SPF website features dedicated member and employer areas; a secure link to SPFonline; links to other useful websites; FAQs; tools including a contributions calculator; news and regular updates, and contact details for SPF.	SPF sets annual website visits targets in its Business Plan
SPFonline SPF's secure member self-service website area. Members can: ▪ View their SPF pension record ▪ view pension updates online	SPF sets annual member registration targets and targets for member usage in its Business Plan

Engagement and Communication

PROCESS	TARGET
- calculate benefits at a chosen retirement date - see how much pension they could exchange for extra tax free cash at retirement - update contact and nomination details - review Annual Allowance - Securely upload documents - Process selected transactions	
Scotlgpsmember.org Developed in collaboration with the other Scottish LGPS funds, this website provides full details of the LGPS 2015 career average scheme.	Promote website in conjunction with spfo.org.uk
i-Connect <i>i-Connect</i> is SPF's automated solution to the management of data transfer between scheme employers and SPFO. Key benefits include: - Automatic extract of data in correct specification - Secure transfer - Error rejection - Automatic reminders and messages - Audit trail - Pensions Regulator compliance - Absence of Year-end processes. - Document upload	To get all submissions in by the 19 th of the following month.

SPFO Resource

SPFO Structure



Compliance Actions

Recovery of Costs

Regulation 65 allows an administering authority to recover any additional costs which, in its opinion, it has incurred because of an employer's level of performance in carrying out its functions under the regulations. SPF will recover costs under this regulation as follows.

Item	Basis of Recovery
Late submission of Data SPF incurs significant extra expense in pursuing and remediating late, incorrect and incomplete submissions. Late submission also puts pressure on other statutory deadlines including issue of Annual Benefit statements by 31 st August and submission of data for the triennial actuarial valuation.	SPF deadline £1 per member record per week over SPF's deadline for data not received. £1 per member record per week for missing or incorrect data until remedied. A minimum of £1,000 per incidence.
Late submission of monthly contributions	£1,000 per incidence.
Other items	Time cost of remediation including oncosts, out-of-pocket expenses, and overtime where appropriate.
Penalties	Any penalties, fines or compensation payments imposed on the Fund by The Pensions Regulator, the Pension Ombudsman or any other party as a consequence of employer error or failure will be charged to that employer.

Where SPF determines that such additional costs should be recovered it will give written notice to the Scheme employer stating the reasons, the amount, the basis of calculation and the relevant provisions of the Pension Administration Strategy.

Reporting to the Pensions Regulator

SPF will record all breaches of the regulations and other legislation in accordance with its own documented procedures and with the Pensions Regulator's [General Code of Practice](#)..

When the breach is considered likely to be of material significance to TPR a breach of law report will be submitted.

In deciding whether a breach is likely to be of material significance to TPR, SPF will consider:

- the cause of the breach;
- the effect of the breach;
- the reaction to the breach: and
- the wider Implications of the breach

The Regulator has a range of possible enforcement actions. These include:

- issuing notices that require individuals, companies or third parties to take specific action within a certain time
- recovering late or missing payments from an employer
- issuing fines for breaches of the law and
- prosecuting certain offences in the criminal courts

Policy on Discretions

This appendix sets out SPF policy on discretions under the Local Government Pension Scheme (LGPS) (Scotland) Regulations and the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998.

SPF Policy on the discretions is detailed in [Table 2](#).

[Table one](#) contains a quick reference look up.

The relevant LGPS regulations 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](http://www.scotlgpsregs.org) page of www.scotlgpsregs.org.

Policy on Discretions

Quick look-up reference guide to discretions

Table 1 – provides a quick look-up reference guide each discretion. SPF policy information on each discretion is shown in section 4.

Topic	Decision
Abatement	<u>Whether to reduce or suspend pre-April 15 pension while in new employment</u>
Added years	<u>Whether to allow late election to pay off balance on leaving due to redundancy or business efficiency</u>
Additional pension contributions (APCs)	<u>Whether to turn down application to pay APCs by regular contributions where it would be impractical to allow it</u> <u>Whether to require a member applying to pay APCs to produce a medical report</u> <u>Whether to refuse APC application where administering authority is not satisfied that the member is in reasonably good health</u>
Additional voluntary contributions (AVCs)	<u>Who to pay AVC death grant to (post-March 15 leavers)</u> <u>Who to pay AVC death grant to (pension credit members under the 2015 Scheme)</u>
Admission agreements	<u>Whether to agree to an admission agreement application</u> <u>Whether to end an admission agreement due to certain events</u> <u>Define what is meant by “employed in connection with” for certain admitted bodies</u> <u>Whether to create a separate pension fund for specified admitted bodies</u>
Aggregation	<u>Which continuing employment to aggregate pre-April 15 benefits (concurrent cases, post-March 15 leavers)</u>
Annual benefit statements	<u>Which date to use to value the benefits (pre-April 15 deferred members and pension credit members under the 1998 and 2009 schemes)</u> <u>Whether to exclude underpin information in the 2024/25 statements for a certain member or class of members</u>

Policy on Discretions

Topic	Decision
Appeals	<u>Who will decide stage one internal dispute resolution procedure (IDRP) appeals</u> <u>Whether to accept late stage one IDRP applications</u> <u>Whether to appeal to Scottish Ministers about an employer LGPS decision (or failure to make a decision)</u>
Certificate of protection	<u>Whether to make election to use a certificate of protection on behalf of a deceased member</u>
Communication strategy	<u>What the authority's policy should be on communicating with certain stakeholders</u>
Compensatory added years (CAYs)	<u>Whether to agree to pay CAYs on the employer's behalf</u> <u>At which intervals to pay regular CAYs payments</u> <u>How to recover CAYs payments made in error by the administering authority</u>
Death	<u>What evidence is needed to assess a cohabiting partner's eligibility for a survivor pension</u> <u>Who to pay death grant to (post-March 15 leavers)</u> <u>Who to pay death grant to (pre-April 15 leavers)</u> <u>Who to pay death grant to (pension credit members under the 2015 Scheme)</u> <u>Who to pay death grant to (pension credit members under the 1998 or 2009 Schemes)</u> <u>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</u> <u>Whether to pay a children's pension for pre-April 15 benefits to a different person, to be applied for the child's benefit</u> <u>Whether to disregard breaks in education / vocational training when considering whether a person qualifies as an eligible child</u> <u>Where there are multiple eligible children, how to apportion the pension (pre-April 09 leavers)</u> <u>Whether to resume payment of survivor pension on end of subsequent relationship (pre-April 98 leavers)</u>
Divorce / dissolution of civil partnership	<u>How to discharge pension credit liability</u> <u>When should the valuation day be</u> <u>What charges to apply</u>

Policy on Discretions

Topic	Decision
Double entitlement	<u>Under which regulation to pay benefits (post-March 09 leavers)</u>
Employee contributions	<u>Whether and how to recover contributions / sums not deducted by employer from pay</u>
Employer contributions	<u>Whether to require employers to make pension strain payments (post-March 15 leavers)</u> <u>Whether to require employers to make pension strain payments (pre-April 15 leavers)</u> <u>Whether to review contribution rate between valuations</u> <u>At which intervals should employers pay contributions to the fund</u> <u>In what form and at which intervals should employers give the information accompanying contribution payments</u> <u>Whether to recover additional costs from employers incurred because of their performance levels when carrying out LGPS functions</u> <u>Whether to require employers to pay interest on late payments</u> <u>What intervals at which employers must reimburse cost of pensions increase</u>
Employer discretions (employer no longer participates in the LGPS)	<u>Whether to treat election for early payment under the 2008 Benefit Regulations (deferred members who left between 1 April 09 and 31 March 15)</u> <u>Whether to agree to waive early payment reductions (deferred members who left after March 15)</u> <u>Whether to use the actual date the member satisfied the rule of 85 (deferred members who left after March 15)</u> <u>Whether to agree to waive early payment reductions (deferred members who left between 1 April 09 and 31 March 15)</u>
Exchange of information	<u>What information is needed from employers to enable administering authority to discharge their LGPS functions</u>

Policy on Discretions

Topic	Decision
Exiting employers	<u>Whether to require employer to pay exit payment or whether to suspend or defer that liability</u> <u>Over what period to require the employer to pay the exit payment or whether to allow it to be paid in instalments</u> <u>What exit credit to pay</u> <u>Whether to obtain a revised rates and adjustment certificate for an employer likely to become an exiting employer</u> <u>Whether to require a former LGPS employer to make payments certified by an actuary to meet outstanding liabilities</u>
Fund strategy	<u>What is the administering authority's funding strategy</u>
Fund substitution	<u>Whether to apply to Scottish Ministers to change an employer's relevant fund to the administering authority's</u>
Governance compliance statement	<u>Whether to delegate LGPS functions, or part of them, to a committee, sub-committee or an officer of the administering authority</u>
McCloud compensation	<u>Whether to pay indirect compensation</u> <u>Whether to pay direct compensation</u>
Pension administration strategy	<u>Whether to have a strategy and, if so, the matters it should include</u>
Pension accounts	<u>In what form to record CARE accounts</u>
Person incapable of managing their affairs	<u>How to pay 2015 Scheme benefits in respect of a person who is incapacitated</u>

Policy on Discretions

Topic	Decision
Retirement	<u>Whether to amend time limit for flexible retirement elections</u> <u>Whether to approve employer's choice of independent registered medical practitioner</u> <u>Whether to agree to early payment on ill health (deferred members who left after 31 March 2009)</u> <u>Whether to amend time limit for voluntary retirement elections (post-March 15 leavers)</u> <u>Whether to amend time limit for voluntary retirement elections (pension credit members under the 2015 Scheme)</u> <u>Whether to amend time limit for voluntary retirement elections (deferred members who left between 1 April 09 and 31 March 15)</u> <u>Whether to commute annual pension into a serious ill health lump sum (deferred members who left before April 15)</u> <u>Whether to commute annual pension into a serious ill health lump sum (pension credit members under the 1998 and 2009 Schemes)</u>
Transfers	<u>Whether to calculate transfers out as a bulk transfer</u> <u>Whether to accept transfer-in elections (non-Club transfers)</u>
Trivial commutation	<u>Whether to trivially commute benefits</u> <u>Whether to trivially commute pension credit benefits</u>
Voluntary scheme pays	<u>Whether the administering authority can agree to voluntary scheme pays and, if so, in what circumstances would it be offered</u>

Policy on Discretions

SPF Policy on 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	Discretion	Policy	Regulations
1	Abatement	Decide policy on abatement of pre-1 April 2015 element of pensions in payment following re-employment	SPFO has determined that it will not abate pensions of pensioner members on re-employment. Pension benefits resulting from the award of additional service to a member by an employer under the Local Government Discretionary Payments and Injury Benefits) (Scotland) Regulations where that member has been retired on efficiency or redundancy grounds are still subject to abatement on re-employment as abatement under these provisions is not discretionary.	3(11) of the 2014 Transitional Regulations 64 & 65 of the LGPS (Administration) Regulations 12 of the 2008 Transitional Regulations 109 and 110 of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
2	Added years	Extend time period for capitalisation of added years contract	SPFO will not extend the time limit period of three months for capitalisation of added years contracts where the member's service has terminated on grounds of efficiency/redundancy. An exception may be considered if the member was not made aware of this right on termination of employment.	15(1) (c) of the 2014 Transitional Regulations 82(5) of the 1998 Regulations
3	Additional pension contribution (APCs)	Whether to turn down a request to pay an APC/SCAPC over a period of time where it would be impractical to allow such a request (e.g. where the sum being paid is very small and could be paid as a single payment	SPFO will normally accept applications but reserves the right to refuse.	16(1) of the 2018 Regulations
4	Additional pension contribution (APCs)	Whether to require a satisfactory medical before agreeing to an application to pay an APC / SCAPC	Applications to purchase APC/SCAPC in a form other than lump sum payment may require to be supported by a satisfactory medical arranged by SPFO. Cases will be judged on their individual merits. The cost of any medical examination will be undertaken at the member's expense.	16(10) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
5	Additional Pension Contribution (APCs)	Whether to turn down an application to pay an APC / SCAPC if not satisfied that the member is in reasonably good health	SPFO will turn down an application if, upon receipt of a report from a registered medical practitioner, the member is believed not to be in good health.	16(10) of the 2018 Regulations
6	Additional voluntary contributions (AVCs)	Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member	Delegated to the Executive Director of Finance. To be administered within SPFO in accordance with policy guidelines.	17(12) of the 2018 Regulations
7	Additional voluntary contributions (AVCs)	Decide to whom any AVC/SCAVC monies (including life assurance monies) are to be paid on death of the member (Pension Credit members)	Delegated to the Executive Director of Finance. To be administered within SPFO in accordance with policy guidelines.	17(12) of the 2018 Regulations
8	Admission agreements	Whether to accept applications to become a LGPS scheme employer	SPF will consider applications in line with the <u>scheme regulations</u> and SPF's published <u>Funding Strategy Statement</u> .	3(4) of, and paragraph 1 of part 2 of schedule 2 to, the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
9	Admission agreements	Whether to terminate the agreement with an admission body in the event of insolvency, winding up, liquidation or a material breach of obligations under the agreement	In the event of insolvency, winding up, liquidation or a material breach of obligations of the admission agreement, SPF will consider appropriate action in line with their published Funding Strategy Statement.	Paragraph 9(d) of part 2 of schedule 2 to, the 2018 Regulations
10	Admission agreements	Whether to define which employees of an admission body are covered by the admission agreement	Only employees who are referred to under para 1(d) of part 2 of schedule 2 of the 2018 regulations will be included in the admission agreement.	Paragraph 12(a) of part 2 of schedule 2 to, the 2018 Regulations
11	Admission agreements	Whether to create a separate pension fund for specified admitted bodies	SPF has one fund for all scheme employers. Separate investment strategies within the fund may be implemented at the request of, or with the agreement of, a scheme employer.	52(1) of the 2018 Regulations
12	Aggregation	Decide on member's behalf which continuing employment to aggregate deferred benefit or deferred refund with	SPF will make election on member's behalf when administering the member pension accounts.	10(9) of the 2014 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
13	Annual benefit statements	Decide which date to value benefits for annual updates (Pre April 2015 deferred and pension credit members)	SPF will value benefits as at each 31 March	62(5) of the 2008 Administration Regulations 105A(5) of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations
14	Annual benefit statements	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.	Discretion not used.	6 of the LGPS (Remediable Service) (Scotland) (Miscellaneous Amendment) Regulations 2024

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
15	Appeals	Decide who will be stage one appointed person for IDRP appeals against SPF decisions	SPF will refer appeals to the appointed person at Lothian or Falkirk LGPS Fund(s).	68(5)(c) of the 2018 Regulations 23 of the 2014 Transitional Regulations
16	Appeals	Whether to extend six-month period to lodge a stage one IDRP appeal	The appointed person may extend the time limit for such applications depending upon the merits of each application submitted.	69(7)(b) of the 2018 Regulations 23 of the 2014 Transitional Regulations
17	Appeals	Whether the administering authority should appeal against employer decision (or lack of a decision)	SPFO will appeal to the Scottish Ministers where an employer fails to reach a decision.	74(2) of the 2018 Regulations 23 of the 2014 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
18	Certificate of protection	Decide whether to make an election on a member's behalf, where the member has died before a certificate of protection (CoP) could be applied to pensionable pay.	SPF will make an election on the member's behalf to use the highest available pensionable pay following application of the CoP.	43(10) of the 2008 Administration Regulations
19	Communication strategy	Decide SPF policy on communication concerning: • Members • Member representatives • Prospective members • Scheme employers	Communication will be carried out in line with SPF published <u>Communications Policy</u>	59 of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
20	Compensatory added years (CAYs)	Agree to pay annual compensation on behalf of employer and recharge payments to employer	SPFO will pay pension benefits on Compensatory Added Years (CAY) awarded by an Employer where this is provided for in the admission agreement. SPF will calculate and notify the employer of the lump sum element. It is the responsibility of the employer to pay the lump sum element of the CAY. Employers are required to prefund the payment of CAY pensions monthly in accordance with instructions issued by SPF. Where an employer fails to prefund the CAY pensions, the additional benefits will cease until the matter is resolved.	31(2) of the 1998 Discretionary Regulations
21	Compensatory added years (CAYs)	Intervals at which instalments of annual compensation are payable (paying authority may agree to pay at different intervals to that on which LGPS pension is payable)	Paid at intervals equivalent to those at which the pension is payable.	29(1) of the 1998 Discretionary Regulations
22	Compensatory added years (CAYs)	Decide how to recover CAY payments made in error	SPF will engage with the member before deciding whether to recover any overpaid amounts from future payments due or other method of repayment.	29(3) of the 1998 Discretionary Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
23	Death – cohabiting partners	Decide evidence required to determine financial dependence of cohabiting partner of scheme member or financial dependence / interdependence of member and cohabiting partner.	The evidence to determine financial dependence / interdependence will be assessed and agreed on a case-by-case basis and will include but not be restricted to items such as evidence of a joint bank account, shared utility bills, joint credit arrangements etc. The ultimate decision will rest with the Executive Director of Finance.	Schedule 1 of the 2018 Regulations 17(9)(b) of the 2014 Transitional Regulations
24	Death grant	Decide to whom death grant is paid	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines and the scheme regulations.	38(2), 41(2), 44(2) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
25	Death grant: Leavers before April 2015	Decide to whom death grant is paid	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines and the scheme regulations.	32(2) and 35(2) of the 2008 Benefit Regulations 37(1) of the 1998 Regulations E11ZA(1) of the 1987 Regulations
26	Death grant Pension Credit member	Decide to whom death grant is paid	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines and the scheme regulations.	41(2), 44(2) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
27	Death grant Pension Credit member before April 2015	Decide to whom death grant is paid	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines and the scheme regulations.	32(2) and 35(2) of the 2008 Benefit Regulations 95(4) of the 2008 Administration Regulations 37(1) and 150(4) of the 1998 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
28	Death – small payments to estates	Whether to pay death grant due to personal representatives or anyone appearing to be beneficially entitled to the estate without need for grant of probate / letters of administration where payment is less than amount specified in s6 of the Administration of Estates (Small Payments) Act 1965	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines.	77(2) of the 2018 Regulations 48(2) of the 2008 Administration Regulations 94(1) of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
29	Death – children’s pensions	For pre-April 2015 leavers Decide whether to pay child’s pension (in whole or in part where pre-April 2015 benefits are included) to a child who does not satisfy the definition of an eligible child	SPF will review evidence of the child’s circumstances before deciding whether to pay the child survivor pension	27(5) of the 2008 Benefit Regulations 46(2) of the 1998 Regulations E9(7)(b) of the 1987 Regulations
30	Death – children’s pensions	Decide to treat child as being in continuous full-time education or vocational training despite a break	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines.	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

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
31	Death – children’s pensions	Decide how to apportion pension amongst children for a deceased member who left before April 2009.	SPF will review available evidence and split pension equally between qualifying children.	46(1) of the 1998 Regulations E9(7)(a) of the 1987 Regulations
32	Death – survivor pensions	Where a survivor pension payable following the death of a member who left before April 1998 is suspended because of remarriage or cohabitation, decide whether to resume payment where marriage or cohabitation has ceased.	SPF will resume payment of the survivor pension on cessation of marriage or cohabitation.	E5(6) of the 1987 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
33	Divorce / dissolution of civil partnership	Decide how to discharge pension credit liability following divorce or dissolution of civil partnership	SPF will award LGPS benefits to the pension credit member unless directed otherwise by the pension sharing order or by the pension credit member.	89 of the 2008 Administration Regulations Paragraph 1(3)(c) of schedule 5 to the Welfare Reform and Pensions Act 1999
34	Divorce / dissolution of civil partnership	Determine the valuation day to discharge pension credit liability	SPF will comply with regulation and Scottish Minister's guidance in selecting the valuation day.	86(5) of the 2008 Administration Regulations Section 29(7) of the Welfare Reform and Pensions Act 1999

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
35	Divorce / dissolution of civil partnership	Decide charges to be applied in the administration of divorce and pension sharing arrangements.	SPF charges will align with industry guidance. Charges will increase annually in line with CPI.	101 of the 2008 Administration Regulations The Pensions on Divorce etc (Charging) Regulations 2000
36	Double entitlement	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 2 or more regulations in respect of the same period of Scheme membership	SPFO will choose and notify the member in writing of the provision under which the benefit is to be paid.	47(1)(c) of the 2018 Regulations 43(1)(c) of the 2008 Benefit Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
37	Employee contributions	Recovery of contributions where a scheme employer has not deducted from the member's pay	SPF will calculate outstanding amounts with interest and invoice scheme employer for outstanding amounts. Scheme employer will then decide method of recovery from the member.	80(3) of the 2018 Regulations 40(3) of the 2008 Administration Regulations 88(3) of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
38	Employer contributions	Whether to require any strain on Fund costs to be paid “up front” by employing authority following payment of benefits under; R ~ 29(6) (early retirement before NPA) R ~ 29(7) (flexible retirement) or R ~ 29(8), (redundancy or business efficiency)	SPFO requires payment for Strain on the Fund costs to be made at retirement as the default position, however payments by instalments may be agreed on application to SPF by a scheme employer.	63(2) of the 2018 Regulations Paragraph 2(3) of schedule 2 to the 2014 Transitional Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
39	Employer contributions	Whether to require any strain on Fund costs to be paid “up front” by a Scheme employer if the Scheme employer applies the 85 year rule for a member voluntarily retiring before normal pension age (other than flexible retirement) or waives an actuarial reduction	SPFO requires payment for Strain on the Fund costs to be made at the point of retirement as the default position, however payments by instalments may be agreed on application to SPFO by an employer.	Paragraph 2(3) of schedule 2 to the 2014 Transitional Regulations 37(2) of the 2008 Administration Regulations 79(5) of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations
40	Employer contributions	Decide whether to review a scheme employer contribution rate between actuarial valuations.	SPF’s <u>Funding Strategy Statement</u> makes no provision for this.	61A of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
41	Employer contributions	Decide frequency of payments to be made over to Fund by employers.	Monthly payment and breakdown must be received by the 19th of the month following deduction. Note – SPFO will report any material late payments to The Pension Regulator.	64(1) of the 2018 Regulations
42	Employer contributions	Decide form and frequency of information to accompany payments to the Fund	Monthly payment and accompanying proforma breakdown report detailing the employee, employer and (if applicable) added years/ARCS/APCs/50:50 contributions for the period in question.	64(4) of the 2018 Regulations
43	Employer contributions	Whether to issue employer with notice to recover additional costs incurred as a result of the employer's level of performance	SPFO may decide to issue an employer with notice to recover additional costs as a result of the employer's level of performance depending on the circumstances of the individual case.	65 of the 2018 Regulations 22(2) of the 2014 Transitional Regulations
44	Employer contributions	Whether to charge interest on payments by employers which are overdue	SPFO will charge interest on payments by employers which are overdue, in line with scheme regulations.	66(1) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
45	Employer contributions	Whether to require scheme employers to reimburse the fund for the annual pensions increase	SPF will not require scheme employers to reimburse the cost of applying annual pensions increase.	90(4) of the 1998 Regulations
46	Employer discretion (retirement – deferred) – employer no longer participates in the LGPS	Whether to waive, in whole or in part, any actuarial reduction on benefits which a member elects for payment between age 55 and 60 (April 2009 – March 2015 leavers with deferred benefits)	SPFO will not have a general policy to waive, in whole or in part, any actuarial reduction on benefits which a member voluntarily draws between age 55 and 60 unless there are exceptional circumstances.	30(2)(c) of the 2008 Benefit Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
47	Employer discretion (retirement – deferred) – employer no longer participates in the LGPS	Whether to waive, in whole or in part, any actuarial reduction on benefits which a member voluntarily draws before normal pension age, other than on the grounds of flexible retirement (where the member only has post 31/3/15 membership or a mix of pre & post 1/4/15 membership)	SPFO will not have a general policy to waive, in whole or in part, any actuarial reduction on benefits which a member voluntarily draws before normal pension age, other than on the grounds of flexible retirement (where the member only has post 31/3/15 membership or a mix of pre & post 1/4/15 membership) unless there are exceptional circumstances.	29(9) of the 2018 Regulations Paragraphs 1(5) and 2(1) of schedule 2 to, and regulation 3(12) of, the 2014 Transitional Regulations 30(5) of the 2008 Benefit Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
48	Employer discretion (retirement – deferred) – employer no longer participates in the LGPS	Whether to require any strain on Fund costs to be paid “up front” by a Scheme employer if the Scheme employer applies the 85-year rule for a member voluntarily retiring before normal pension age (other than flexible retirement) or waives an actuarial reduction under TP ~ Sch 2, para 2(1) , or releases benefits under B30(1)	SPFO requires payment for Strain on the Fund costs to be made at the point of retirement as the default position, however payments by instalments may be agreed on application to SPFO by an employer.	Paragraphs 1(5) and 1(1)(c) of schedule 2 to the 2014 Transitional Regulations
49	Employer discretion (retirement – deferred) – employer no longer participates in the LGPS	Whether to waive, in whole or in part, any actuarial reduction on benefits which a member voluntarily draws before normal pension age, other than on the grounds of flexible retirement (Where the member left with deferred benefit between April 2009 and March 2015)	SPFO will not have a general policy to waive, in whole or in part, any actuarial reduction, on compassionate grounds, on benefits which a member voluntarily draws before normal pension age unless there are exceptional circumstances. NOTE: Discretion 46 must first be made under regulation 30(1) of the 2008 benefit regulations before this discretion can be considered.	Paragraphs 1(5) and 2(1) of schedule 2 to the 2014 Transitional Regulations 30(5) of the 2008 Benefit Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
50	Exchange of information	Specify information to be supplied by employers to enable the administering authority to discharge its functions	As specified in SPFO's published Pension Administration Strategy. I-Connect for all employers.	75(1)(b) of the 2018 Regulations 22(1) of the 2014 Transitional Regulations
51	Exiting employer	Where a scheme employer becomes an exiting employer and is liable to pay an exit payment, decide whether the employer must pay the amount due or whether the liability is to be deferred or suspended.	SPF will manage employer exits in line with the relevant <u>LGPS regulations</u> and SPF published <u>Funding Strategy Statement</u> .	61(1), (3) and (4A) of the 2018 Regulations
52	Exiting employer	Where a scheme employer becomes an exiting employer and is liable to pay an exit payment, decide the period over which the exit payment will be recovered,	SPF will decide the appropriate repayment method in conjunction with the former scheme employer and SPF published <u>Funding Strategy Statement</u> . The views of the Fund Actuary will be considered.	61(10) and 61B of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
53	Exiting employer	Decide the amount of exit credit due when a scheme employer becomes an exiting employer	SPF will determine the exit credit in line with published <u>Funding Strategy Statement</u>	61(2D) and (2F) of the 2018 Regulations.
54	Exiting employer	Where a scheme employer is likely to become an exiting employer, decide whether to obtain a revised rates and adjustments certificate from the Fund Actuary. In addition, when the employer is unable to settle the exit payment on the exit date, decide the reasonable period over which the exit payment will be recovered.	SPF will decide whether to obtain a revised rates and adjustments certificate, and where required decide the reasonable recovery period, in line with published Funding Strategy Statement.	61(6) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
55	Exiting employer	Where a former scheme employer: has outstanding liabilities does not employ any active members has not paid a relevant exit payment due under LGPS regulations SPF will decide whether to recover the outstanding liabilities and if appropriate, the period over which those liabilities will be recovered	SPF will decide on the appropriate repayment method in conjunction with the former scheme employer and SPF published <u>Funding Strategy Statement</u> . The views of the Fund Actuary will be considered.	25A of the 2014 Transitional Regulations
56	Funding strategy	Funding Strategy Statement	SPF will prepare, maintain and publish a <u>Funding Strategy Statement</u> which will be reviewed periodically and revised accordingly.	56 of the 2018 Regulations
57	Fund substitution	Decide whether to apply to Scottish Ministers for a written direction to change the relevant fund to the Authority's	SPF will decide whether to make application to Scottish Ministers in conjunction with relevant Scheme Employer / Administering Authority.	Paragraph 2A of part 1 of schedule 4 to the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
58	Governance compliance statement	Decide whether to delegate any pension functions to a committee, a subcommittee or an officer of the Authority	All pension functions are delegated to the <u>SPF Committee</u> as set out its <u>Terms of Reference</u> to be implemented within SPFO in line with Glasgow City Council's <u>Scheme of Delegation</u> .	53 of the 2018 Regulations
59	McCloud compensation	Decide whether to award indirect compensation upon receipt of an application from a member, or in the case of a deceased member, their Personal Representative	Applications will be considered in line with Scottish Minister's statutory guidance and the requirements in direction 33(1) of the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022.	4Q and 4R of the 2014 Transitional Regulations
60	McCloud compensation	Decide whether to award direct compensation upon receipt of an application from a member, or in the case of a deceased member, their Personal Representative	Applications will be considered in line with Scottish Minister's statutory guidance and the requirements in direction 33(1) of the Public Service Pensions (Exercise of Powers, Compensation and Information) Directions 2022.	4R and 4S of the 2014 Transitional Regulations Section 82 of the Public Service Pensions and Judicial Offices Act 2022

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
61	Pension administration strategy	Whether to have a written pensions administration strategy and, if so, the matters it should include	Pensions Administration Strategy formulated and published.	57 of the 2018 Regulations
62	Pension accounts	Decide how to record member CARE accounts in the 2015 scheme	SPF will create and maintain member CARE accounts in line with the LGPS regulations and Scottish Minister's guidance.	22(3)(c) of the 2018 Regulations
63	Person incapable of managing their affairs	Whether, where a person is incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person for their benefit.	Delegated to the Executive Director of Finance to be administered within SPFO in accordance with policy guidelines.	78 of the 2018 Regulations
64	Retirement – flexible retirement	Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement	SPFO will not extend the time limit of which a member must give notice.	31(8) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
65	Retirement – ill health retirement from active status	Approve Independent Registered Medical Practitioners (IRMP's) used by employers to certify eligibility for ill health benefits	SPFO will approve IRMP's and maintain a list of those IRMP's for use by employers to certify ill health retirement.	35(3) of the 2018 Regulations
66	Retirement – ill health from deferred status	Determine whether a deferred beneficiary meets the criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age.	SPFO will determine whether a deferred beneficiary meets the criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age. Decisions will be made in conjunction with the opinion of SPFO approved IRMP.	36(3) of the 2018 Regulations 31(2) of the 2008 Benefit Regulations
67	Retirement – voluntary	Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement	SPFO will not extend the time limit of which a member must give notice.	31(8) of the 2018 Regulations
68	Retirement – voluntary: Pension credit members	Whether to extend the time limits within which a member must give notice of the wish to draw benefits before normal pension age or upon flexible retirement	SPFO will not extend the time limit of which a member must give notice.	31(8) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
69	Retirement – voluntary: Members who became deferred between 1 April 2009 and 31 March 2015	Decide whether to amend the default time limit for giving notice (or further notice), regarding the date the benefit should commence	SPF will consider applications on a case by case basis and decide whether they can be approved.	46(7) and (8) of the 2008 Administration Regulations
70	Retirement – serious ill health	Serious illness. Where a member became deferred before April 2015 and has been diagnosed as having a limited life expectancy, decide whether to commute their pension to a serious ill health lump sum.	SPF will review available evidence and determine whether serious ill health applies. Where the member elects for commutation of pension, SPF will aim to comply with the scheme member's wishes.	40(1) of the 2008 Benefit Regulations 49(1) of the 1998 Regulations 4(1)(b) of the 1998 Transitional Regulations

Policy on Discretions

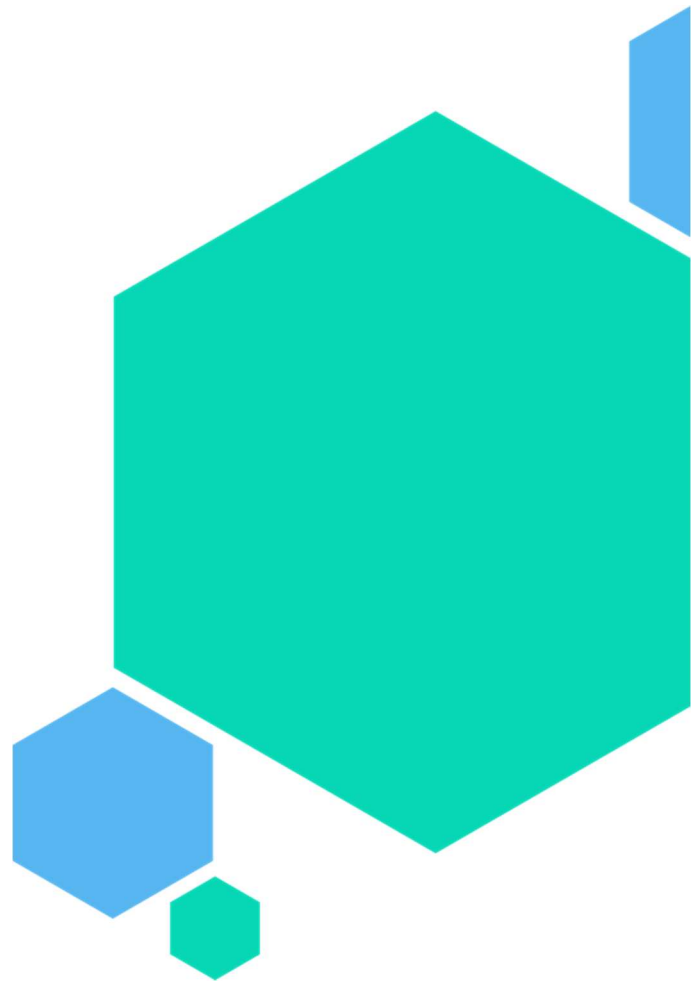
No.	Topic	Discretion	Policy	Regulations
71	Retirement – serious ill health: Pension Credit members	Serious illness. Where a Pension Credit of the 1998 or 2008 schemes has been diagnosed as having a limited life expectancy, decide whether to commute their pension to a serious ill health lump sum.	SPF will review available evidence and determine whether serious ill health applies. Where the member elects for commutation of pension, SPF will aim to comply with the Pension Credit member's wishes.	99 of the 2008 Administration Regulations 154 of the 1998 Regulations
72	Transfers out	Agree to bulk transfer payment	Agreement to bulk transfer terms will be on the basis of actuarial advice from the Fund actuary in accordance with the <u>scheme regulations</u> and SPF's <u>Funding Strategy Statement</u> .	93(1) of the 2018 Regulations
73	Transfers in	Allow transfer of pension rights into the Fund	Transfers of pension rights into the Fund will not be permitted from non-club schemes unless as a result of a TUPE transfer.	95(7) of the 2018 Regulations

Policy on Discretions

No.	Topic	Discretion	Policy	Regulations
74	Trivial commutation	Decide whether to commute small pension	SPFO will commute small pensions in accordance with the Finance Act 2004.	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

Policy on Discretions

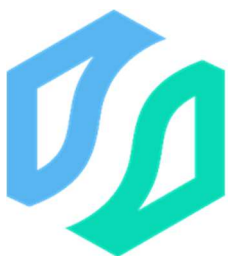
No.	Topic	Discretion	Policy	Regulations
75	Trivial commutation: Pension Credit members	Decide whether to commute small pension	SPFO will commute small pensions in accordance with the Finance Act 2004.	33(1) of the 2018 Regulations 98 of the 2008 Administration Regulations 153 of the 1998 Regulations
76	Voluntary scheme pays	Decide whether to accept election to pay some or all of a member's tax charge in respect of an Annual Allowance breach, where the member has failed to meet the mandatory deadline to make the election.	SPFO will generally accept late elections but reserve the right to refuse.	2 of the 2011 Modification Regulations



Email: spfo@glasgow.gov.uk

Tel: 0345 890 8999

Website: www.spfo.org.uk



**Strathclyde
Pension
Fund**