

Contact the Pensions Team at:-
Alexandra House 10 Station Road London N22 7TR

Tel Number 020 8489 5916

E-Mail Pensions.Mailbox@haringey.gov.uk

Part 2

COUNCIL'S POLICY STATEMENT ON THE USE OF ITS DISCRETIONARY POWERS: (Councillor Members).

The Local Government Pension Scheme Regulations 1997 (as amended)
Regulation 106

The Council is required to make decisions on the use of the discretionary powers granted under relevant legislation as set out below.

The policy was updated by Pensions Panel on 10th October 2005

1. Voluntary early retirement from age 50 (Regulations 31)

Subject to the Council's consent, the Scheme Rules allow councillor members who cease to be a member of the Council between the ages of 50 – 65 to claim immediate payment of benefits. Early payment of benefits in these circumstances incur a cost to the Fund.

Policy Decision:

The Council will not exercise its discretion to release retirement benefits early to councillor members who cease or have ceased to be a member of the Council age 50 and under 65.

Early payment of Benefits from age 65 (Regulations 31)

If on ceasing to be a member of the Council the member's age and membership¹ equate to 85 or more, benefits are payable immediately and in full. If not, they are reduced by reference to tables produced by the Government Actuary.

The Council has discretion to waive this reduction.

If the benefits are left in the fund until age 70, they are paid without any actuarial reduction.

Waiving the actuarial reduction in these circumstances incurs a cost to the Fund

Policy Decision:

That the Council will not exercise its discretion to waive the actuarial reduction for councillor members who cease to be a member of the Council and claim immediate payment of benefits.

2. Re-employed pensioners – Abatement of pensions (Regulation 109)

The pension payable to pensioner members who return to employment or Office covered by the Local Government Pension Scheme is subject to an abatement at the Council's discretion.

All members of the Fund who commence re-employment or who return to Office will be liable for an abatement in their pension. The abatement will be calculated in accordance with the provisions of Schedule 5 to the

¹ For councillor members, this means membership as a councillor member in the Haringey Council Pension Fund

Local Government Pension Scheme Regulations 1995. In general terms, this requires abatement where pensionable earnings and pension on re-employment / return to Office, exceed pensionable earnings on retirement.

Policy Decision:

The Council's policy is to abate a pension in all cases of :-

re-employment or return to Office in local government following retirement on medical grounds. or

re-employment or return to Office with Haringey Council or its employing bodies in circumstances where the member has retired early with no percentage reduction to the retirement benefits.

5. Waiving of time limits

The Council's general policy is to waive time limits set within the Pension Scheme Regulations where it is satisfied that the individual could not have known of the option at the proper time. Each case is considered on its merits having regard to the interests of the employee and the Council's trusteeship of the pension fund.

Policy Decision:

That the time limits set within the Pension Scheme Regulations will be waived where the member could not have known of the requirement to make an election at the proper time.

Waiving restriction on entry to the Fund Regulation 7 (9)

The regulations permit elected members to opt in and opt out of the scheme. The regulations restrict the right to opt in if a member has opted out more than once. The Council has discretion to waive this restriction.

Policy Decision

The Council's policy is not to restrict re-entry to the Fund where a member has previously elected to opt out more than once.

Important Note:

Nothing stated above confers any statutory rights or overrides the provisions of the Local Government Pension Scheme Regulations 1997 (As Amended); the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended); the Local Government (Discretionary Payments) Regulations 1996 (as amended) or related legislation.

For more information contact the Pensions Team at:-

Alexandra House 10 Station Road London N22 7TR

Tel Number 020 8489 5916

E-Mail Pensions.Mailbox@haringey.gov.uk

Appendix 2

PENSION SHARING ON DIVORCE		
CURRENT SCHEDULE OF CHARGES		
<p>In common with other pension schemes charges are made for the administration of Pension Sharing Orders (and agreements under Scottish Law).</p> <p>These charges are detailed below, and are within the guidelines issued by the Local Government Pension Committee. They are correct as at 1st January 2006, and are subject to review.</p>		
<input type="checkbox"/>	Procedure Scheme Members Not Yet Retired	Cost
1	An initial CETV figure will be provided free of charge.	NIL
2	<p><i>Charges will apply if:</i></p> <ul style="list-style-type: none"> • A second request is for a CETV is made within a 12 month period. • A CETV is to be provided within a specified deadline, requested by the member or by the Court. 	£55*
3	Further information will be charged depending on the difficulty and the work involved.	£17 - £66*
4	<p><u>Court Order received:</u></p> <p><i>To cover all administrative costs from receipt of pension sharing order to either the transfer of the pension credit , or the setting up a pension and the completion of those pension payments :-</i></p>	£165
4a	<i>Transfer Of Pension Credit to another appropriate pension arrangement (assuming all the documentation is in place) or</i>	£364
4b	<i>Retain Pension Credit in the fund</i>	
5	<i>Additional miscellaneous costs:-</i>	
5a	Objections to an order by the Council (where an Order has been incorrectly drafted), or where an Order is subject to appeal	The fund will notify member/solicit or that costs will be passed on.
5c	Charges imposed by AVC provider	£ as applicable
5d	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable

CONTD →

Procedure Scheme Members Has Retired		Cost
1	Asses the value of the CEV	£240*
2	<i>Court Order received</i> To cover all administrative costs from receipt of pension sharing order to either the transfer of the pension credit , or the setting up a pension and the completion of those pension payments :-	
2a	<i>Transfer Of Pension Credit to another appropriate pension arrangement (assuming all the documentation is in place) or</i>	£165
2b	<i>Retain Pension Credit in the fund</i>	£330
3	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable
4	Objections to an order by the Council (where an Order has been incorrectly drafted), or where an Order is subject to appeal	The fund will notify member/solicit or that costs will be passed on.
5	Charges imposed by AVC provider	£ as applicable
6	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable
<p><i>All charges marked with an ‘ * ‘ must be paid by either party to the divorce, before the relevant action is undertaken. All other charges will be recovered in one of the following ways:-</i></p> <p>(a) Payment up front by the spouse (b) Deducting the charge from the cash equivalent granted to the spouse by the Court (c) Deducting the charge from any share of the member’s Additional Voluntary Contributions (AVC) pot awarded to the ex spouse.</p> <p>The Council will however comply with the charging requirements specified by the Court.</p>		
<p><i>VAT to be added to all charges.</i></p> <p><i>If for whatever reason payment is not made within 1 year of invoicing, the charge will be increased by RPI.</i></p>		
<p><i>All charges are correct as at 5/12/2005. The Council will increase its charges each April by RPI (over the 12 months to the previous September).</i></p>		
<p><i>All reasonable administrative costs incurred or likely to be incurred in complying with an ‘earmarking order’ will be charged to the pensioner member.</i></p>		

PENSION SHARING ON DIVORCE		
NEW SCHEDULE OF CHARGES		
<p>In common with other pension schemes charges are made for the administration of Pension Sharing Orders (and agreements under Scottish Law).</p> <p>These charges are detailed below, and are within the guidelines issued by the Local Government Pension Committee. They are correct as at 1st April 2008, and are subject to review.</p>		
<input type="checkbox"/>	Procedure Scheme Members Not Yet Retired	Cost
1	An initial CETV figure will be provided free of charge.	NIL
2	<p><i>Charges will apply if:</i></p> <ul style="list-style-type: none"> • A second request is for a CETV is made within a 12 month period. • A CETV is to be provided within a specified deadline, requested by the member or by the Court. 	£90*
3	Further information will be charged depending on the difficulty and the work involved.	£35 - £90*
4	<i>Court Order received:</i>	
4a	To cover all administrative costs from receipt of pension sharing order to either the transfer of the pension credit , or the setting up a pension and the completion of those pension payments :-	£215
4b	Transfer Of Pension Credit to another appropriate pension arrangement (assuming all the documentation is in place) or Retain Pension Credit in the fund	£500
5	<i>Additional miscellaneous costs:-</i>	
5a	Objections to an order by the Council (where an Order has been incorrectly drafted), or where an Order is subject to appeal	The fund will notify member/solicit or that costs will be passed on.
5c	Charges imposed by AVC provider	£ as applicable
5d	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable

CONTD →

Procedure Scheme Members Has Retired		Cost
1	Asses the value of the CEV	£240*
2	<i>Court Order received</i> To cover all administrative costs from receipt of pension sharing order to either the transfer of the pension credit , or the setting up a pension and the completion of those pension payments :-	
2a	<i>Transfer Of Pension Credit to another appropriate pension arrangement (assuming all the documentation is in place) or</i>	£215
2b	<i>Retain Pension Credit in the fund</i>	£500
3	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable
4	Objections to an order by the Council (where an Order has been incorrectly drafted), or where an Order is subject to appeal	The fund will notify member/solicitor that costs will be passed on.
5	Charges imposed by AVC provider	£ as applicable
6	Third party costs including specialist legal and or actuarial advice to be charged in full.	£ as applicable
<p><i>All charges marked with an ' * ' must be paid by either party to the divorce, before the relevant action is undertaken. All other charges will be recovered in one of the following ways:-</i></p> <p>(d) Payment up front by the spouse (e) Deducting the charge from the cash equivalent granted to the spouse by the Court (f) Deducting the charge from any share of the member's Additional Voluntary Contributions (AVC) pot awarded to the ex spouse.</p> <p>The Council will however comply with the charging requirements specified by the Court.</p> <p><i>VAT to be added to all charges.</i></p> <p><i>If for whatever reason payment is not made within 1 year of invoicing, the charge will be increased by RPI.</i></p> <p>Any additional costs arising if specialist actuarial, legal etc advice is requested will be charged in full in addition to the figure quoted above.</p>		
<p><i>All charges are correct as at 1/4/2008. The Council will increase its charges each April by RPI (over the 12 months to the previous September).</i></p>		
<p><i>All reasonable administrative costs incurred or likely to be incurred in complying with an 'earmarking order' will be charged to the pensioner member.</i></p>		

Appendix 4

Company	Number Over 3 years	Cost £ p.a.	Cost % p.a.
Haringey Council	80.2	1,056,964	0.9%
Haringey Age Concern	0.1	£845	0.7%
MITIE	0.1	£406	1.5%
Age Concern Haringey	0.1	£845	0.7%
Greig City Academy	0.4	£8,153	1.4%
Haringey Accord Ltd	5.9	£66,004	2.3%
CONEL	2.5	£25,933	0.7%
Urban Futures Ltd	0.1	£1331	0.4%
Haringey CAB	0.3	£3147	0.9%
Accord PLC	5.9	£66,004	2.3%
Homes for Haringey	10.5	£127,773	0.8%
John Loughborough School	0.3	£4593	2.1%
Rokely Dene Home Ltd	0.5	£7303	1.6%
Alexandra Palace Trading Co	0.2	£1331	0.7%
Fortismere School	Pending		

The number in column 1 is the estimated number of retirements over the three year period from 1st April 2008

The monetary cost shown in column 2 is the percentage in column 3 applied to the estimated salary roll based on the valuation data.

The actual figures will be the percentage applied to the actual salary roll at each year end starting with 31st March 2008.