

LONDON BOROUGH OF HAMMERSMITH & FULHAM

Report to: Pension Fund Committee

Date: 06/10/2022

Subject: Discretionary Policy

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Responsible Director: Sukvinder Kalsi, Director of Finance

SUMMARY

This report details the why there is a requirement for a discretions policy for the Hammersmith & Fulham Pension Fund and in Appendix 2 details the revised policy.

The report recommends that the Pension Fund Committee approves the revised discretionary policy, as set out in the Appendix 2 to this report, for the Hammersmith & Fulham Pension Fund. Approval and implementation fulfils the Council's obligations under the Local Government Pension Scheme Regulations 2013.

RECOMMENDATIONS

To approve the revised 2022 discretions policy for the Hammersmith & Fulham Pension Fund.

Wards Affected: None

Our Values	Summary of how this report aligns to the H&F Values
Being ruthlessly financially efficient	Ensuring good governance for the Pension Fund should ultimately lead to better financial performance in the long run for the Council and the council tax payer.

Financial Impact

None.

Legal Implications

This report recommends that the Pension Fund Committee approves the revised discretionary policy statement, as set out in the Appendix 2 to this report, for the Pension Fund. Approval and implementation fulfils the Council's obligations under the Local Government Pension Scheme Regulations 2013.

Background Papers Used in Preparing This Report

None.

DETAILED ANALYSIS

Proposal

1. The Local Government Pension Scheme regulations require employers who participate in the Local Government Pension Scheme (LGPS) to draw up and publish a discretions policy and to keep it under review. Discretions are powers that enable employers to choose how to apply the scheme in respect of certain provisions.
2. Discretions are powers that enable employers to choose how to apply the scheme in respect of certain provisions.
3. These have been compiled in accordance with the required pensions legislation and the LGPS regulations as detailed in Appendix 2 and the highlighted mandatory discretions.
4. All employers who participate in the Local Government Pension Scheme (LGPS) via the Hammersmith & Fulham Fund are required to prepare, publish and keep under a review a Discretionary Policy Statement on LGPS discretions which they have the power to exercise in relation to members of the Scheme
5. The Hammersmith & Fulham Pension Fund will require that every employer must send a copy of its discretionary policy statement to its Administering Authority which in this case is The London Borough of Hammersmith & Fulham.
6. If a Fund employer decides to amend a discretion they must send a copy to lbhf within one month of the decision to amend the policy.

Reasons for Decision

7. The recommendation is that the committee accept this revised discretionary policy which will replace the previous policy dated July 2020 with immediate effect.
8. Once approved impacting council policies will be updated in line with the agreed discretions.
9. Approval and implementation of the policy fulfils the Councils obligation under the Local Government Pension Scheme Regulations 2013.

LIST OF APPENDICES

Appendix 2 – Hammersmith & Fulham Discretionary Policy 2022