

Pension Fund Administration Sub-Committee

Meeting to be held on 12 March 2014

Electoral Division affected: None

The Payment of Death Grants

(Appendix 'A' refers)

Contact for further information:

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Executive Summary

This report seeks to clarify the procedures in respect of the payment of death grants where the beneficiary would be a young adult or child.

Recommendation

The Sub-Committee is asked to approve the revised procedures in respect of the payment of death grants as set out in the report and at Appendix 'A';

Background and Advice

The Local Government Pension Scheme Regulations provide for the payment of a death grant following the death of a member:

- During employment;
- Having left employment before becoming eligible to receive pension benefits; and
- During the minimum pension guarantee period of a pensioner.

Lancashire County Pension Fund has absolute discretion under the Pension Scheme Regulations to pay the death grant *'to or for the benefit of the member's nominee, personal representative, or any person appearing to the authority to have been a relative or dependant of the member.'* The only exception being where payment of the death grant has not been made before the expiry of 2 years and in these cases the amount is payable to the member's personal representatives.

The current decision making procedures relating to the payment of death grants was approved by the Sub-Committee on 15 June 2010

There are occasions when the beneficiary of the death grant, or part of it, will be a young adult or child dependant. In such cases a Trust Deed is utilised to ensure that as far as practicable the decision of the Fund is adhered to.

A review of the current process in relation to the payment of death grants has been undertaken to ensure that the current procedure complies with both the new Local Government Pension Scheme regulations which become effective from 1 April 2014 and previous Local Government Pension Scheme legislation, where this remains applicable.

The Sub-Committee is asked to approve the revised procedures in respect of the payment of death grants as set out at Appendix 'A'. Specifically the changes are intended to simplify the procedure, to allow the family of the deceased to exercise some autonomy and to give them the option to appoint an independent trustee. The procedures have also been amended to reflect necessary changes following the retirement of the Executive Director for Children and Young People.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risks have been identified.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
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Reason for inclusion in Part II, if appropriate

N/A