

Pension Fund Board

Title: Internal Dispute Resolution Procedure

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Author: Head of Finance, Pensions, Investments & Projects

Contact officer: Sam Price, 01296 383755

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Local Government Pension Scheme (LGPS) operates a two stage dispute procedure under Regulation 72 to 79 of The Local Government Pension Scheme Regulations 2013.

Within the first stage of this procedure, the complaint will be considered by a person nominated by the body that took the decision that the member wishes to complain against. Each employer is asked to nominate a 'specified person' and any complaints against the employing authority will be directed to them. Where the complaint is against the administering authority, these complaints will be addressed by myself, as the 'specified person'.

If the member is not satisfied with the decision from stage 1, they have not received a decision or an interim letter more than 3 months after the date the initial complaint is lodged or it is more than 1 month from the date they were informed a decision would be made, then a member can progress their complaint to stage 2. At this stage, the administering authority can take a fresh look at the complaint which would be undertaken by a person not involved in the first stage decision. Where the stage 1 complaint was against the employing authority, I will undertake the stage 2 review. Where the stage 1 complaint was against the administering authority, Bucks CC Legal team are responsible for this review.

If members are still unhappy following stage 1 & Stage 2 then they can take the case to the Pensions Ombudsman within 3 years of the original decision.

CASE	DESCRIPTION	EMPLOYING/ ADMIN AUTHORITY	STAGE 1	OUTCOME	PROGRESSED TO STAGE 2	OUTCOME
1	Ill Health	Employing	May 2018	Declined	Nov 2018	Upheld
2	Death Benefits	Administering	-	-	June 2018	Declined
3	Ill Health	Employing	Sept 2018	Upheld	-	-
4	Ill Health	Employing	Oct 2018	Upheld		
5	Ill Health	Employing	Nov 2018	Declined	March 2018	Declined
6	Annual Allowance	Administering	March 2019	Declined	-	-

Details complaint information

Case 1

Active scheme member appealed decision by scheme employer not to award an ill health benefit. Stage 1 appeal reviewed by employer and by a further independent medical practitioner who agreed with initial decision not to award an ill health benefit. Member appealed under Stage 2, and the case was reviewed by a further IRMP and subsequently a Tier 1 benefit was awarded.

Case 2

Member had initially appealed under stage 1 in the previous scheme year, this appeal was declined. The appeal related to the decision by the administering authority not to award a co-habiting partners pension upon the members death, due to the fact that the member left the scheme under the 1997 Regulations which did not permit this benefit. This was appealed at stage 2 in November 2018, reviewed and declined.

Case 3

Active member appealed decision by scheme employer not to award an ill health benefit. This was appealed and a second IRMP referral took place at which point the decision was made to award a Tier 1 benefit.

Case 4

Active member appealed decision by scheme employer not to award an ill health benefit. This was appealed and a second IRMP referral took place at which point the decision was made to award a Tier 3 benefit.

Case 5

Active scheme member awarded a Tier 3 ill health benefit. This was appealed in November 2018 as member believed a Tier 1 award should apply. Stage 1 appeal reviewed by employer and by a further independent medical practitioner who agreed with initial Tier 3 award. Member appealed under Stage 2, case was reviewed to ensure that employer followed the correct procedures, appeal was declined.

This case has been passed by the scheme member to the Pension Ombudsman and is currently being reviewed.

Case 6

Appeal by an active scheme member over the decision by the Benefit Administration Team not to permit the use of 'scheme pays' in order to pay an Annual Allowance tax charge. Basis for this decision was that the HMRC deadline for scheme pays is 31st July in the year following the pension input period in which the tax charge applies. In this case the deadline was 31st July

2018, the statement had been issued to the member by the 6th October 2017 deadline and the member had not requested to use this option by the deadline. The appeal was reviewed at stage 1 and declined as the member had been provided with the statement and detailed of the deadline.

Non-formal appeals

Since October 2019, we now have a procedure in place to record complaints which are not appeals under IDRPs. In October & November 2019 we received 3 complaints, which related to delay's.

Lessons learned

We are very keen to learn from both IDRPs appeals and non-formal complaints to look at where improvements can be made to our internal procedures.

We currently have a backlog in processing aggregations which seems to be the cause of recent non-formal complaints. We are working through this backlog but in the meantime have a procedure in place to prioritise cases where a member is chasing or where the case is urgent.

We are aware that the majority of IDRPs appeals relate to ill health. It is also evident that employers struggle with both the ill health and appeals process which is often the cause of the appeal. We will be looking at how we can work with employers to improve knowledge in this area.

Pension Ombudsman case

We are aware of one case currently under review by the Pensions Ombudsman. This relates to case 5 as detailed above. The Ombudsman has requested information from the administering authority, which has been provided, and we now await the Ombudsman's decision.

Recommendation

The Board is asked to NOTE the IDRPs appeals for the 2018/2019 year.

Supporting information to include the following if a decision is being requested:

Resource implications

N/A

Legal implications

N/A

Other implications/issues

N/A

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

N/A
