

## Local Pension Board

14 March 2019

### Internal Dispute Review Procedure (IDRP) Cases



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## Report of John Hewitt, Corporate Director of Resources

### Purpose of the Report

- 1 To provide Board Members with a summary of the outcomes of any internal dispute cases or Pensions Ombudsman cases the Pension Fund has been involved in since April 2015.

### Executive summary

- 2 Since 2015, 60 scheme members or their representatives have made an application to the adjudicator under the Pension Fund's IDRP process. The majority (51) of these applications related to ill health retirement applications. Of the 60 applications, in 44 cases the adjudicator upheld the Council's decision.

### Recommendation(s)

- 3 The Board is asked note this report.

## **Background**

- 4 Scheme members with an unresolved complaint about their pension benefits are able to make use of the Pension Fund's two stage internal dispute resolution procedure. Whenever a scheme member initially receives a benefit from the scheme they are made aware of this procedure – a copy of the information sent to scheme members about the procedure is enclosed as Appendix A.

## **Review of IDRP Cases**

- 5 The first stage of the process is an application to the adjudicator. Over the four years from 1 April 2015 to 31 March 2019 there have been a total of 60 applications to the adjudicator (15 in the first two years and 17 in 2017/18, and 13 in 2018/19). Of these, all except nine related to complaints about an individual not being awarded an ill-health pension. The other nine complaints related to the following:
- An inaccurate benefit estimate being supplied prior to retirement (two instances of this)
  - A request that the individual should be able to have their benefits without early retirement reductions applied
  - A decision regarding the beneficiary of a death grant
  - An appeal from the family of a deceased member that the member should have been treated as dying in service not from deferred status
  - A dispute that a refund was paid
  - A dispute over the recovery of overpaid pension paid to a deceased pensioner
  - An appeal from the family of a deceased member that the member should have been treated as dying in service not from retired status
  - A dispute regarding the transfer of a pension
- 6 Of the 60 applications in 44 cases the adjudicator upheld the Council's decision. In one case (the dispute over the recovery of overpaid pension) the adjudicator recommended the Council reverse its decision (which it did). The remaining 15 (all relating to ill-health retirement applications) were referred back by the adjudicator to the scheme employer to obtain additional information and make a further decision on the ill-health retirement application.

- 7 The reasons the adjudicator gave in these cases related to ensuring up to date information was available from all the health professionals involved in the case and obtaining more information on the likelihood of success of any untried treatments.
- 8 The Council's Occupational Health Team is responsible for submitting ill health retirement application cases to an independent doctor for review where the individual worked (or formerly worked) for the Council. As the Council represents around two thirds of the active membership of the Pension Fund and a higher proportion of non-active members, most of the ill health retirement applications are initially processed by the Council's Occupational Health Team.
- 9 The Council's Occupational Health Team has revised the instructions it gives to the independent doctors that provide opinions in respect of ill health retirement applicants, partly as a consequence of the comments made by the adjudicator. For example, the instructions now make it clear that independent doctors need to be clear about the probability of success of any untried treatments if they are going to make reference to any such treatments in their report. The Fund continues to monitor the reasons for disputes referred back for further employer consideration.

### **Stage Two Appeals and Ombudsman Rulings**

- 10 From April, the Pension Fund will monitor and detail the outcome of all Stage Two Appeals, and any rulings of the Pensions Ombudsman in respect of the Fund or its employers.

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## **Appendix 1: IDRP Procedure Information**

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