

Local Pension Board

16 March 2023

Internal Dispute Resolution Procedure (IDRP) Cases



Report of Paul Darby, 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 in which the Pension Fund has been involved in since April 2022.

Executive summary

- 2 Since April 2022, 7 scheme members or their representatives have made an appeal under the Pension Fund's IDRP process. These applications were of a varying nature.
- 3 Of the 7 applications, 7 were reviewed at Stage 1 by the adjudicator, who in 5 cases upheld the original decision. Three of these cases were then progressed to be reviewed at Stage 2 of the IDRP Process, with two cases being turned down and one remaining ongoing.

Recommendation(s)

- 4 The Board is asked to note the report.

Background

- 5 Scheme members with an unresolved complaint concerning their pension benefits are able to make use of the Pension Fund's two stage Internal Dispute Resolution Procedure (IDRP). 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 the scheme members about the procedure is enclosed as Appendix 1.

Review of IDRP Cases

- 6 From 1 April 2022 to 1 March 2023 the Fund has received a total of 7 applications under the IDRP process. The first stage of the process is an application to the Fund's adjudicator. There have been a total of 7 applications to the adjudicator during 2022/23. Four of these applications related to ill-health retirement, one related to the recovery of proceeds of crime and two appeals relate to disputes concerning transfers out.
- 7 In 5 of the 7 applications the adjudicator upheld the Council's original decision, one case was referred back to the employer to gather further information. The remaining case exceeded the appeal time limit.
- 8 The Council's Occupational Health Team is responsible for submitting ill health retirement applications 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 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 provide up to date instructions to the independent doctors that provide opinions in respect of ill health retirement applicants, partly as a consequence of previous comments made by the adjudicator. For example, the instructions now make it clear that the 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 consideration.

Stage Two Appeals and Ombudsman Rulings

- 10 The Pension Fund monitors all Stage Two Appeals, and any rulings of the Pensions Ombudsman in respect of the Fund and its employers.
- 11 Three cases which were reviewed at Stage One during 2022/23 were progressed to Stage Two Appeals. In all cases the adjudicator

upheld the original decision causing the individuals to initiate Stage Two of the IDR. These cases related to ill-health retirement, dispute over a transfer-out, and recovery of proceeds of crime respectively.

- 12 One of these cases remains ongoing, however the other two appeals which were considered have been turned down. This has resulted in one of the individuals progressing their appeal to the Pension Ombudsman and this remains ongoing.
- 13 A further two appeals which remained outstanding at Stage Two during 2021/22 have now been completed, with both being turned down. Both of these cases related to ill-health retirement.
- 14 The Pension Fund has also received one favourable Pensions Ombudsman ruling during 2022/23.
- 15 Officers will continue to monitor the IDR cases, making suggestions to employer processes where deemed necessary. These cases will continue to be reported to Pension Board annually.

Author(s)

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