

Lancashire Local Pension Board

Meeting to be held on Tuesday, 19 January 2021

Electoral Division affected: (All Divisions);
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Appeals Update

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Executive Summary

This report provides an update and broad analysis of appeals received under the Internal Disputes Resolution Procedure for the period 1st January 2020 to 31st December 2020.

Recommendation

The Board is asked to consider and note the contents of the report.

Background and Advice

The Local Government Pension Scheme's rules set out a formal procedure to resolve disagreements. This is called the Internal Dispute Resolution Procedure (the Procedure). Specifically the rules for the appeal process are set out in the Local Government Pension Scheme Regulations 2013 within regulations 72 to 79.

The Procedure has 2 stages. Stage 1 is dealt with by the body who made the initial decision (or omission of a decision) that is in dispute. This will normally either be the scheme employer or the pension administrators.

If the disagreement is not resolved at stage 1, the individual can refer it to the Pension Fund for a decision at stage 2. The nominated Appeals Officer for reviewing stage 2 appeals is Colin Smith, Technical Advisor for the Lancashire County Pension Fund.

Overview of stage 1

The right to make a stage 1 complaint is time limited. Generally, the applicant has 6 months from the decision under dispute. The employer will nominate a person to determine stage 1 complaints known as the adjudicator. The adjudicator should provide their written decision within 2 months (although if there are specific reasons to do so they could send a letter extending and revising this deadline).

Overview of stage 2

The applicant can ask the Pension Fund to take a fresh look at their complaint if they are not satisfied with the adjudicator's stage 1 decision, or the applicant has not received the stage 1 decision letter within certain deadlines.

The decision at stage 2 must be given within 2 months (although again if there are specific reasons to do so a letter can be sent extending and revising this deadline). If the applicant is still unhappy following the stage 2 decision, they can take their case to The Pensions Ombudsman for a formal determination provided they do so within 3 years of the event that gave rise to the initial complaint.

Analysis of appeals – 1st January 2020 to 31st December 2020

In general the large percentage of appeal cases remains those linked to ill health issues, whether this is a dispute with the level awarded to the scheme member or where ill health retirement has been determined by the employer not to be appropriate for the scheme member.

It is noticeable that a larger percentage of cases are now being dismissed at both stage 1 and 2 of the appeal process. This reflects, in part, to the support being offered by the Local Pensions Partnership and the Lancashire County Pension Fund team to scheme employers, particularly around the processes for ill health retirement.

A full breakdown of the case types and outcomes are set out below:

Stage 1 cases

Type of Case	Total	Breakdown
Received	28	11 - Ill-health 4 - combining/aggregation of service 3 - Death benefits 1 - Member data/Additional pension contributions 2 - Transfer 1 - Re-employment 1 - Retirement benefits 2 - Co-habiting partners benefits 1 - Refund of contributions 2 – Scheme membership
Upheld	3	2 – Combining/aggregation of service 1 - Ill-health
Dismissed	24	10 - Ill-health 2 - Transfer 1 - Re-employment 2 - Co-habiting partner benefits 2 – Combining/aggregation of service 1 - Refund

		1 - Retirement benefits 2 – Death benefits 1 – Member data/Additional pension contributions 2 – Scheme membership
Outstanding	1	1 – Death benefits

Stage 2 cases

Type of Case	Total	Breakdown
Received	10	4 - Ill-health 1 - Member data/Additional pension contributions 1 – Child benefit overpayment 1 - Re-employment 1 – AVC transfer payment 1 – Retirement benefit reductions 1 – Re-employment
Upheld	0	
Dismissed	10	
Outstanding	0	

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/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A