

Lancashire Local Pension Board

Meeting to be held on Tuesday, 23 January 2024

Electoral Division affected:
(All Divisions);

Appeals Update

Contact for further information:

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Brief Summary

This report provides an update and broad analysis of appeals received under the Internal Disputes Resolution Procedure for the period 1st January 2023 to 31st December 2023.

Recommendation

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

Detail

The Local Government Pension Scheme regulations set out a formal procedure to resolve disagreements. This is called the Internal Dispute Resolution Procedure and is often referred to as the 'appeals process'. Specifically, the rules for the appeal process are set out in the Local Government Pension Scheme Regulations 2013 within regulations 72 to 79. In addition, information is provided in Code of Practice 14 on internal dispute resolution.

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 if an employer decision or omission has led to the dispute, or Local Pensions Partnership Administration Ltd (LPPA) if an administering authority decision, calculation or omission has led to the dispute.

If the disagreement is not resolved at Stage 1, the individual can refer it to the Appeals Officer for a decision at Stage 2. The nominated Appeals Officer for reviewing Stage 2 appeals is Catherine Hunt, Technical and Administration Pensions Lead 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 date of notification of the decision under dispute. The employer (or LPPA on behalf of the administering authority) 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 2023 to 31st December 2023

In general, most appeal cases continue to be those linked to ill health, 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. Ill-health pensions within the Local Government Pension Scheme are tiered and the amount payable to a member varies according to certain qualifying conditions.

Over the last 3 years the numbers of Stage 1 appeals have been 15 cases in 2021, 23 cases in 2022, and 18 cases in 2023.

Only 2 cases at Stage 1 were upheld during the report period.

Over the last 3 years the numbers of Stage 2 appeals received have been 9 cases in 2021, 9 cases in 2022 and 7 cases in 2023.

3 cases at Stage 2 were upheld – one was a case where there was an error made in determining whether a reduction in hours was due to the ill health condition, one was that the independent medical practitioner did not have sight of all the relevant information before making a recommendation, and one was that the employer should have questioned the IRMP rationale where there was a divergence of medical opinion. Where appeals have been upheld, the Fund has notified the relevant employers of what would have been expected of them and the reasons behind that.

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



Stage 1 cases

Type of Case	Total	Breakdown
Received	18	11 - Ill-health 2 - Transfer Out 1 - Transfer in 1 - Death 1 - Trivial commutation 1 - Scheme Pays 1 - Pensionable Pay
Upheld	2	1 - Ill Health 1 - Scheme Pays
Dismissed	12	12 - Ill-health
Outstanding	4	1 - Transfer in 1 - Transfer out 1 - Pensionable pay 1 – Trivial commutation

Stage 2 cases

Type of Case	Total	Breakdown
Carried forward from previous period.	3	3 - ill health
Received	7	5 - Ill health 1 - Transfer out incorrect quote 1 - Additional Service Purchased
Upheld	3	3 - Ill health
Dismissed	4	2 - Ill health 1 - Transfer out incorrect quote 1 - Additional Service Purchased
Outstanding	3	3 - Ill health (deadline dates in January/February 2024)

Ombudsman Cases

There have been 6 Ombudsman cases in 2023 and 2 cases in 2022.

One was in respect of an incorrect retirement quotation, one related to possibly incorrect membership data, one was in respect of a rejected ill health retirement claim and three were in respect of delays.

Consultations

LPPA

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
Code of Practice No.14 Governance and administration of public service pension schemes	April 2015	Julie Price - 01772 530848

Reason for inclusion in Part II, if appropriate

N/A

