

**REPORT OF THE GROUP MANAGER – FINANCIAL STRATEGY AND COMPLIANCE****INTERNAL DISPUTE RESOLUTION PROCEDURE****Purpose of the Report**

1. To update Members on the use of professional advisors to support the stage two appeals under the Internal Dispute Resolution Procedure (IDRP).

**Information and Advice**

2. The Occupational Pension Schemes (Internal Dispute Resolution Procedure) Regulations 1996 (SI 1996 No 1270), made under section 50 of the Pensions Act 1995, required occupational pension schemes such as the Local Government Pension Scheme (LGPS) to make arrangements for the resolution of disagreements between the managers of the scheme on the one hand, and on the other, active, deferred and pensioner members, their widows, widowers and dependants, their nominated representatives and prospective members.
3. The existing complaints procedure within the LGPS is known as the IDRP, and gives members of the scheme, who are dissatisfied about a decision, the right to appeal under a stage appeals process.
4. Changes in the Regulations in 2004, established a two stage process whereby at stage one it is a matter for the employer (i.e. the County Council, the District Council, or any other Scheduled Body) to review the decision. The employer nominates a person, the Specified Person, to undertake this stage one process. At Nottinghamshire County Council the stage one appeals are dealt with by the Service Director for Human Resources and Customer Service and/or their nominee.
5. Pensions Committee in October 2004 endorsed the adoption of the proposed arrangements for dealing with the second stage appeal of the decision, which is a responsibility of the Administering Authority for the Nottinghamshire Pension Fund. At that time the Assistant Director of Resources and two Assistant Treasurers were identified as Appointed Persons who were charged with undertaking the Administering Authority's responsibilities at stage two. In addition, a consultant was retained only to provide advice/support, as Guidance Notice provided by the then Office of the Deputy Prime Minister in respect of the use of external consultants, indicated;

*“The Authority will not be able to delegate the decision-making function to anyone who is not actually a Member or officer/employee of the Authority itself. As responsibility for discharging the function lies with the Administering Authority alone, they can use external parties in an advisory capacity”*

6. A number of subsequent reorganisations of the Finance Division have altered the number of posts available to undertake this latter responsibility and currently only two Group Managers in Finance & Procurement are designated as an Appointed Person:

Nigel Stevenson – Group Manager Financial Strategy & Compliance  
Neil Robinson – Group Manager Financial Management

7. Although a consultant was used initially, for a number of years the Authority has not used any external consultant or organisation to provide advice and support, either to assist with routine matters or to call upon in cases where in-depth knowledge of the Regulations would be valuable to the Appointed Person. The Practitioners Guide to the Internal Dispute Resolution Procedure indicates that the authority would be able, if they wish, to seek advice from such a person before making and issuing their own decision. Professional advisers would normally have some knowledge of the LGPS regulations and possess the necessary competencies to make interpretations and judgements, although they are obviously not engaged in making decisions under the LGPS Regulations on an everyday basis.
8. The work of the Appointed Person is not a main stream finance activity and in order to provide capacity, consistency and resilience in the stage two appeals process the intention is to continue to use external consultants to provide advice and support as per the Practitioners Guide.
9. As a consequence, following the County Council’s proper procurement practice, an external provider Anthony Collins Solicitors LLP has been selected to provide advice and support to the nominated Appointed Person.

## **Statutory and Policy Implications**

10. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATIONS**

11. That the ability to use external professional advisors to support the stage two appeals process is noted.

12. That the employment of Anthony Collins Solicitors LLP to provide advice and support to the two nominated Appointed Person is noted.

**Nigel Stevenson**  
**Group Manager – Financial Strategy & Compliance**  
**Background Papers**

Pensions Committee Report 15 October 2004  
A Practitioners Guide to the Internal Dispute Resolution Procedure