



meeting	PENSIONS ADMINISTRATION SUB COMMITTEE	
date	21 MAY 2004	agenda item number

REPORT OF THE DIRECTOR OF RESOURCES

LOCAL GOVERNMENT PENSION SCHEME AMENDMENT REGULATIONS 2004

REVISION TO THE INTERNAL DISPUTE RESOLUTION PROCEDURE

1. PURPOSE OF REPORT

- 1.1 To seek the committee's endorsement to appropriate arrangements for dealing with complaints in respect of pension decisions which are referred to the administering authority.

2. BACKGROUND INFORMATION

- 2.1 The existing complaints procedure within the Local Government Pension Scheme is known as the Internal Dispute Resolution Procedure, and gives members of the scheme, who are dissatisfied about a decision, the right to appeal under a two stage appeals process. The appeals procedures are consistent with the requirements of the Pensions Act 1995.
- 2.2 The first stage of the current appeals process is to an "Appointed Person" and it is the responsibility of the Pensions Committee acting as the Administering Authority of the pension scheme in Nottinghamshire, to make appropriate arrangements for the consideration of stage one appeals by one or other of a panel of Appointed Persons. At the present time, the Appointed Persons are as follows :

Mr Alan Sumbly – Assistant Director of Resources
Mr Peter Hurford – Assistant Treasurer
Mr Jeff Nash – Assistant Treasurer
Mr John Briscoe – external consultant and former
Pensions Manager at Norfolk County Council

- 2.3 Where a complainant or their employer remains dissatisfied with the decision of the Appointed Person, there is a second stage of appeal to the Secretary of State at the Office of the Deputy Prime Minister.
- 2.4 A report outlining the main changes in respect of the Internal Dispute Resolution Procedure was presented to the Pensions Committee on 19 April 2004, in which Members were advised that further guidance on the new arrangements were due to be published in April. Members were therefore assured that a further report would be brought for their attention to implement new procedures that come into effect on 1 June 2004.
- 2.5 Under the new Regulations, the Secretary of State has been removed from the dispute resolution process, and under the new regime it will be a matter for the employer (i.e. the County Council, the District Council, or any other Scheduled or Admitted Body), to review the decision at stage one and the second stage appeal will be dealt with by the Pensions Administering Authority under arrangements set up by it.
- 2.6 A report mirroring this report will be considered by the Personnel Committee on 24 May 2004, aimed at setting out appropriate arrangements for the County Council as an employer to deal with the stage one arrangements. This report deals only with the Administering Authority's responsibilities to set up arrangements at stage two. The proposal which is being recommended to the Personnel Committee, is that stage one complaints should be dealt with by the Assistant Director of Resources (HR) and/or his or her nominee. In practical terms the intention is to rotate the responsibility between the Assistant Director of Resources (HR) and the Heads of

Departmental Personnel and the Head of the Employee Services Centre at Ruddington. Any complaints will be dealt with on a rotating basis, but the procedure would specify that no complaints would be dealt with by an officer from the employing department, thereby giving the process a degree of independence.

- 2.7 At the second stage it is therefore necessary now for the Pensions Committee to set out appropriate arrangements for dealing with appeals against the original determination and the stage one conclusion. The existing arrangements for Appointed Persons has worked well over the years, and it is proposed that the existing Appointed Persons should be charged with undertaking the Administering Authority's responsibilities at stage two. There is one minor complication, insofar as in the Guidance Notice issued by the Office of the Deputy Prime Minister, the view expressed by the Government Department in respect of the use of external consultants, is as follows :-

“The Authority may wish to continue to use the services of one or more of its external advisors, who may have previously served on its panel of “Appointed Persons” however, 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.”

- 2.8 It is therefore proposed that the officers responsible for discharging the Administering Authority's functions should be :-

Mr Alan Sumbly – Assistant Director of Resources

Mr Peter Hurford – Assistant Treasurer

Mr Jeff Nash – Assistant Treasurer

and that the services of Mr John Briscoe should be retained in a purely advisory capacity, and be

available to the representatives of the Administering Authority to call upon in cases where his in-depth knowledge of the Regulations and previous longstanding experience of acting as an Appointed Person would be valuable.

3. STATUTORY AND POLICY IMPLICATIONS

3.1 This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, Crime and Disorder, Human Rights and those using the relevant service.

4. RECOMMENDATION

4.1 That the arrangements for discharging the second stage of the Internal Dispute Resolution Procedure be recommended to the Pensions Committee for approval.

ARTHUR DEAKIN DIRECTOR OF RESOURCES

Director of Resources comments

There are no specific financial implications arising from the proposals.

Head of Legal Services' Comments (KK 11/5)_

The Pensions Administration Sub Committee has the delegated power to be an advisory committee making recommendations to the Pensions Committee on all matters relating to the regulation of and admission to the pension scheme. The proposal in this report is therefore within the remit of this Sub Committee.

Background Papers Available for Inspection

Letter dated 11 March 2004 from the Office of the Deputy Prime Minister entitled – Local Government Pension Scheme (Amendment) Regulations 2004 and accompanying Regulations.

A Practitioners Guide to the Internal Dispute Resolution Procedure

pensions admin cttee - IDRP