

## **Staff and Pensions Committee**

### **LGPS Internal Dispute Resolution Procedure - Employer Decisions**

8 March 2021

#### **Recommendation(s)**

That the Committee approves initial stage employer decisions under the Pensions Internal Dispute Resolution Procedure (IDPR) being made by Tier 3 Managers (or their nominee) and Stage 1 employer decisions being made by Assistant Directors (or their nominee) as set out in Section 4.5.

#### **1. Executive Summary**

- 1.1 Warwickshire County Council (“the Council”) as the administering authority for the Warwickshire Local Government Pension Scheme (LGPS) has updated its Internal Dispute Resolution Procedure (IDRP) for its members, former members and others who are entitled to use it.
- 1.2 Certain decisions concerning pension matters are reserved to scheme employers in the first instance and then at Stage 1 of the IDRP.
- 1.3 This presents an opportunity for the Council as a scheme employer to consider and confirm the identity of those who will be responsible for making the decisions reserved to the scheme employer under the scheme rules.

#### **2. Financial Implications**

- 2.1 There are no financial implications associated with this report
- 2.2 Members may be interested to note that the Pensions Ombudsman has discretion to award compensation for distress and inconvenience for maladministration even where no legal rights have been infringed (for instance in cases of excessive delay or misapplication of the IDRP). Such awards range between a nominal sum and £2,000 with exceptional cases exceeding that sum.

#### **3. Environmental Implications**

None

## **4. Supporting Information**

- 4.1 Most employer pension decisions under the LGPS are straightforward matters such as ill health retirements and contribution bands. However, more complex issues occasionally arise, which require careful interpretation of scheme rules and relevant case law.
- 4.2 In order to ensure consistency and transparency in decision making on pension matters, the Council as a scheme employer needs to decide:
- (a) who shall be responsible for making the initial decisions about pension matters which are reserved to scheme employers under the LGPS rules; and
  - (b) who shall be the Council's 'nominated person' at Stage 1 of the IDRP.
- 4.3 It is important that the level of seniority of decision makers is consistent and appropriate to the importance of pension matters, to avoid any future challenge relating to the independence of officers. In this regard, officers have taken into account that IDRP Stage 2 decisions made by the administering authority are reserved to the Chief Executive (on terms acceptable to the Strategic Director for Resources), as authorised by Staff and Pensions Committee in 2016.
- 4.4 It is also recognised that HR officers should continue to support decision makers, in order to minimise any potential for conflicting decisions in pension matters and also to ensure that legal advice is sought at an early stage where cases are complex.
- 4.5 It is therefore proposed that:
- (a) Initial decisions should be made by the Tier 3 Service Manager of the relevant service or someone nominated by them (with support from HR);
  - (b) The nominated person at Stage 1 of the IDRP should be the Assistant Director of the relevant service or someone nominated by them (with support from HR).

## **5. Timescales associated with the decision and next steps**

- 5.1 The decision can be implemented with immediate effect.
- 5.2 It is intended that a record of decisions will be maintained by HR, which will be reviewed annually by Corporate Board.

## **Appendices**

None

## Background Papers

None

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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: Councillors Kam Kaur and Bill Gifford.