

REPORT OF THE CORPORATE DIRECTOR RESOURCES

AGENDA ITEM: 6

PENSIONS ADMINISTRATION COMPLAINTS POLICY

Reason for this Report

1. This report has been prepared to request that the Committee formally adopt a Complaints Policy in respect of the administration of the Pension Fund.

Background

2. Officers of the Council held a series of meetings and conference call with case workers of the Pensions Regulator (TPR) during 2018-19 as part of TPR's engagement with a sample of LGPS funds. TPR reviewed the policies and governance documents for the Fund and noted that although Cardiff Council has a corporate complaints policy, there is no comprehensive complaints policy in place for Pensions Administration. TPR advised that the Pensions Committee should formally adopt a Complaints Policy at its next meeting.
3. The LGPS Regulations place specific obligations on administering authorities in respect of the adjudication of applications from any person whose rights or liabilities under the Scheme are affected by a decision, act or omission by the authority or one of the Scheme employers. Regulation 74 requires an authority to appoint an adjudicator to consider applications and Regulation 76 provides for a decision of the adjudicator to be referred for reconsideration by the administering authority. The Internal Dispute Resolution Procedure (IDRP) sets out how such applications are dealt with. The Pensions Committee's Terms of Reference includes determining how disputes are administered under the IDRP.

Issues

4. The Council's Complaints Policy is attached as Appendix 1. The Policy sets out the process for making a complaint and what the complainant can expect.
5. The current IDRP guidelines are attached as Appendix 2. Applications under Regulation 74 are referred to as "Stage 1" and applications under Regulation 76 are "Stage 2".
6. It is proposed that a comprehensive complaints policy for Pensions Administration, based on the corporate policy, is put in place and that all formal complaints are recorded. Complaints which fall under the IDRP will be dealt with in line with that process. Other complaints e.g. complaints about service quality, will be dealt with in line with the policy. The proposed policy is attached as Appendix 3.

7. The total number of complaints made and resolved during each financial year will be reported in the Fund's Annual Report.

Legal Implications

8. The recommendations in the report are (among other things) to approve the proposed Complaints Policy for the Pensions Fund. It is noted that The Pensions Regulator (TPR) that such a policy be put in place for Pensions Administration.
9. As per the Council's constitution under Part 3, Appendix 2 – Pension Committee Terms of Reference, the Pension Committee is responsible for the discharge of (among other things):

a) Determining the Fund's aims and objectives, strategies, statutory compliance statements, policies and procedures for the overall management of the Fund, including in relation to the following areas:

- i) Governance – approving the Governance Policy and Compliance Statement for the Fund;*
- ii) Funding Strategy – approving the Fund's Funding Strategy Statement including ongoing monitoring and management of the liabilities, giving due consideration to the results and impact of the triennial actuarial valuation and interim reports;*
- iii) Investment strategy - approving the Fund's investment strategy, Statement of Investment Principles and Myners Compliance Statement including setting investment targets and ensuring these are aligned with the Fund's specific liability profile and risk appetite;*
- iv) Communications Strategy – approving the Fund's Communication Strategy;*
- v) Discretions – determining how the various administering authority discretions are operated for the Fund; and*
- vi) Internal Dispute Resolution Procedure – determining how the Scheme Member disputes are administered.*

b) Monitoring the implementation of these policies and strategies as outlined in an above on an ongoing basis.

10. In considering this matter the decision maker must have regard to the Council's wider obligations under the Wellbeing of Future Generations (Wales) Act 2015, the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.
11. Any decision must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its tax payers; and (h) be reasonable and proper in all the circumstances and comply with any equalities legislation.

Financial Implications

12. No additional administration costs are anticipated as a result of the adoption of the Policy.

Recommendations

13. That the Committee:

- (1) Adopts the proposed Complaints Policy for the Pension Fund.
- (2) Notes that the IDRP applies to complaints against decisions in relation to LGPS benefits in compliance with the LGPS Regulations
- (3) Notes that all complaints falling outside the IDRP will be dealt with under the Complaints Policy.
- (4) Delegates to the Corporate Director Resources the authority to appoint adjudicators for applications under stages 1 and 2 of the IDRP.

CHRISTOPHER LEE CORPORATE DIRECTOR RESOURCES

- Appendix 1 Corporate Comments, Complaints & Compliments Policy
- Appendix 2 Internal Dispute Resolution Procedure
- Appendix 3 Pensions Administration Complaints Policy