



Internal Dispute Resolution Procedure 2017

July 2017

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1) Context

As administering authority for West Midlands Pension Fund, the City of Wolverhampton Council is required under the pension scheme regulations to have a process for dealing with internal disputes regarding members' pension benefits.

This policy sets out how the Fund will work with employers in managing the internal dispute resolution process to the benefit of both employers and members.

All employers within the Fund are required to adhere to this document when undertaking their role in this process.

The Fund's Compliance Team will be actively monitoring disputes and the resolution of these. Information should be sent via email to wmpfIDRP@wolverhampton.gov.uk

Where the Fund believes an employer has failed to comply with this process, it may consider reporting the matter to The Pensions Regulator under its reporting policy.

2) The Internal Dispute Resolution Process (IDRP)

First Instance Decisions

First instance decisions are decisions taken by an employer on matters relating to a member's pension rights other than in relation to:

- i) a person's previous service or employment;
- ii) the crediting of additional pension under regulation 16; and
- iii) the calculation of any benefit or return of contributions a person is or may become entitled to out of a pension fund.

These matters should be referred direct to the administering authority.

It is the employer's responsibility to ensure that a first instance decision has been issued. An example document can be found on the Fund's website here www.wmpfonline.com/employerforms

Examples of first instance decisions may be:

- entitlement to join the scheme;
- benefit entitlement on leaving the scheme; or
- deciding not to allow early payment of benefit to a member who is now 55 but left before 1 April 2014.

The Fund will assume the statutory notice has been issued on confirmation by the employer through completion of the relevant paperwork (S4) form.

Stage One

Where a member believes that the decision made in the first instance is unfair or they don't agree with it, they may invoke stage one of the internal dispute resolution process using the appropriate form on the Fund's website.

The member challenging the decision may complete the appropriate form available on the Fund's website and send it to the employer, or provide written details of the decision they are disputing, together with their name, address, date of birth and signature.

On receiving the form/letter, the employer must notify the Fund's Compliance Team within two days using the template notification email.

In cases related to ill-health retirement, it may be appropriate for the employer to appoint an independent registered medical practitioner to review the findings of the first instance decision. Where this is required, the employer will follow the 'Appointing a medical practitioner process' and will be responsible for ensuring the suitability and capability of the appointed professional. The independent registered medical practitioner must be qualified in accordance with the pension regulations.

Contact details for the officer dealing with the stage one complaint on behalf of the employer must also be supplied. Should this officer change during the course of the complaint handling, notification must be sent immediately to the Fund's Compliance Team.

The Fund will record the details noting the timeline identified by the employer for when the complaint will be completed. The regulations require that a decision is made and notified to the member within two months of receipt of the application.

No further action will be taken by the Fund at this stage until the employer notifies that the complaint has been resolved or the deadline has been reached.

If the employer believes that the timeframe notified to the member and the Fund is not going to be met, they must notify the member and the Fund's Compliance Team as soon as they become aware that the deadline will not be met, and provide confirmation as to when the complaint will be resolved together with the reason for the delay.

If the deadline provided by the employer has been passed and no correspondence has been received regarding any delay, the Fund's Compliance Team will contact the officer named as responsible for the complaint to determine the status of the complaint and why no correspondence has been received.

Failure to meet the deadline or to notify of a delay will be taken by the Fund as non-compliance.

Where a decision has been reached, the employer must notify the member within the required timeframe (no later than 15 days of the date the decision was made) using the template decision notice. A copy of the medical report (if used) will be available on request by the member.

A copy of that notice must be provided to the Fund's Compliance Team within five days of issuance with confirmation that the matter has closed.

A report of all stage one complaints, the number received, those completed within the regulatory timescale of two months and those that fall outside the timescale will be reported bi-annually to the Fund's Pensions Board. Persistent delays will be highlighted as an area of concern.

Stage Two

Where a member believes that the decision reached by their employer in stage one is unfair or they don't agree with it, they may invoke stage two using the appropriate form on the Fund's website or provide written details of the decision they are disputing, together with their name, address, date of birth and signature, sending it to the Fund's Compliance Team.

On receiving the form, the Compliance Team will allocate a case number to the complaint and log the timeframe for managing the complaint notifying the appropriate officer in the administering authority that the complaint has been received and the timeframe for responding. Compliance will continue to monitor this timeframe ensuring it is met, issuing an acknowledgement to the member detailing the date by which they will receive a response from the Fund. A disclosure request or *Access to Medical Records* form will also be sent requesting access to all the member's information to enable the Fund to review the matter.

Contact details for the officer dealing with the stage two complaint on behalf of the administering authority must also be supplied. Should this officer change during the course of the complaint handling, notification will be sent to the member.

The officer responsible for investigating the complaint (allocated by the appropriate officer) will then conduct a data gathering exercise of information held by the employer in order to investigate the complaint and draw an initial conclusion. The employer should have already provided details of their stage one decision in line with the employer process. However, it may be necessary to contact the member's employer for further information and this will be requested on the appropriate form enclosing the letter of authority. This information is expected to be returned within 14 days of the date of request.

Failure by an employer to provide the information or to notify of a delay will be taken by the Fund as non-compliance.

Should the investigating officer believe that the timeframe notified to the member is not going to be met, they must notify the member and the employer and the Fund's Compliance Team as soon as they become aware that the deadline will not be met and provide confirmation as to when the complaint will be resolved detailing reasons for the delay.

Failure to meet the deadline or to notify of a delay may be taken by the member as a non-determination and they may then consider appealing to the Pensions Ombudsman. It is therefore vital that members are kept informed of the progress of their complaint and whether there will be any delays.

In cases related to ill-health retirement, it may be appropriate for the Fund to appoint a medical practitioner to review the findings of the employer. This practitioner will be different to the one appointed by the employer under stage one.

Once the investigating officer has concluded their fact finding (either having received an opinion from the independent registered medical practitioner or from a review of the papers where not related to ill health), they will present an overview of the facts and the proposed decision to the appropriate officer for consideration. Where the appropriate officer agrees with the initial findings, a final decision will be made and the decision notice issued.

If there is a different outcome between the stage one decision and the stage two, in accordance with the regulations the decision made by the administering authority takes effect as a decision made by the employer, except in the case of the exercise of a discretion.

The Fund cannot review the discretionary policy of an employer, only whether the decision has been made in line with the policy.

Where a decision has been reached, the administering authority must notify the member within the required timeframe (no later than 15 days of the date the decision was made). A copy of the medical report (if used) will be available on request by the member. The report is available to the member if requested when the medical report is produced as indicated on the *Access to Medical Records* form.

A copy of that notice must be provided to the Fund's Compliance Team with confirmation that the matter has closed. The Compliance Team will issue a copy of the decision to the relevant employer.

A report of all stage two complaints, the number received, those completed within the regulatory timescale and those that fall outside the timescale will be reported annually to the Fund's Pensions Board. Persistent delays will be highlighted as an area of concern.

Where the Compliance Team monitor the performance of the Fund in adhering to timescales and the process, they are performing an independent monitoring duty and take no part in the decision-making process.

Contact

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Appropriate Officer

Within this policy, the term 'appropriate officer' has the following definition

First instance decision (FID)	An officer/representative of the employer with the appropriate level of authority to make a decision and bind the employer.
Stage one	An officer/representative of the employer with the appropriate level of authority to review the first instance decision, and have knowledge and understanding of the decision and process under review.
Stage two	Administering authority's Managing Director.

Version	Date reviewed	Officer responsible
1.0	March 2016	Rachel Brothwood, Assistant Director Actuarial and Pensions
1.1	July 2017	Rachel Brothwood, Assistant Director Actuarial and Pensions

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