



PENSIONS COMMITTEE

23 FEBRUARY 2022

REPORT TITLE:	COMPLAINTS POLICY FOR MERSEYSIDE PENSION FUND
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to inform Members of the introduction of a 'Complaints Policy' intended to formalise and enhance the operational practice adopted by Merseyside Pension Fund in responding to complaints. This policy outlines the methods and timeframes for recording, investigating, and implementing corrective actions in dealing with complaints from members, employers and other stakeholders.

RECOMMENDATION

That the Pensions Committee approve the draft 'Complaints Policy' which formalises the Fund's operational practice in responding to complaints from scheme members and employers.

SUPPORTING INFORMATION

1.0 REASON FOR RECOMMENDATION

- 1.1 There is a requirement for Members of the Pension Committee to approve Fund policies to support a cohesive governance and risk management framework.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 To date the Fund has dealt with complaints as appropriately and in as timely a manner as resources have permitted. The COVID-19 pandemic and specifically the need for staff to work from home has raised the importance of setting out clear guidelines for all stakeholders (including staff) on the process and timescales for dealing with complaints.
- 2.2 Whilst a website published description of the complaints process was considered, officers concluded that a formal policy was the most appropriate option to ensure all complaints are dealt with effectively and consistently, with the ability to measure compliance through a transparent auditable process.

3.0 BACKGROUND INFORMATION

- 3.1 It is good practice for the Fund to have a formal complaints policy which is clear and accessible in informing stakeholders on how to make a complaint, and to ensure staff understand their responsibility to investigate all complaints fairly and in a timely manner. The policy is also designed to provide assurance to the Fund's stakeholders that, where appropriate, operational processes will be revised to avoid reoccurrence of any inept practice and improve future service delivery.
- 3.2 The policy outlines the methods and timeframes for recording, investigating, and implementing corrective actions to deal with complaints from members and employers. It also incorporates an escalation process for complaints to be reviewed by the Fund's Senior Management Team in circumstances where the complainant is dissatisfied with the actions undertaken by the relevant Service Area Manager to remedy the matter.
- 3.3 The complaint process is precursory to the member invoking the Statutory Internal Dispute Resolution Procedure (IDRP) prescribed under Regulation 72–79 of the Local Government Pension Scheme (LGPS) Regulations 2013, which accord with the overriding legal requirements outlined in the Pensions Act 1995. If an IDRP case is exhausted without resolution, the complaint can be referred by the scheme member or their representative to the Pensions Ombudsman.
- 3.4 The draft Complaints Policy contains a provision for the Service Area Manger to assess a complaint as vexatious, based on the context or the persistent behaviour of the complainant. This assessment can include unreasonable complainant behaviour and may result in a cessation of contact with the complainant on the matter, nevertheless the complainant will still have recourse to the Statutory Complaint Procedure.

- 3.5 The Director of Pensions and the Head of Pension Administration have overall responsibility for ensuring effective actions are undertaken to resolve complaints in accordance with the policy and to remedy any flaws in service provision. All complaints will be reviewed quarterly by the Head of Pension Administration to identify any trends which may require procedural changes or the provision of further training to Fund staff or employers.
- 3.6 The Local Pension Board at each of its quarterly meetings will scrutinise the complaints received along with the actions taken during the reporting period and, if appropriate, suggest further revisions to the Fund's operational practice.
- 3.7 The Complaints Policy will be subject to annual review and any subsequent material policy change will be presented to a future Pensions Committee for approval.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The failure to resolve a complaint as outlined in the policy can result in the complainant invoking the IDRPs in accordance with the LGPS regulations, which may lead to the Pension Ombudsman directing MPF to award compensation of up to £1,000 if deemed that maladministration has occurred in administering the member's pension benefits.

5.0 LEGAL IMPLICATIONS

- 5.1 All complaints will be handled confidentially, sensitively, and in compliance with relevant data protection requirements as prescribed by the Data Protection Act 2018.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

- 6.1 Following ratification by Pensions Committee, a workstream will be started to implement an appropriate workflow process into the pensions administration system, supporting the integration of the practice and performance measures documented in the policy.
- 6.2 The level of officer resource required to analyse personal files, correspondence and computer records is substantial in providing an equitable resolution to a complaint and improving customer satisfaction. However, this resource investment is preferable to the member subsequently invoking the Statutory Dispute Resolution Procedure following completion of the Fund's complaint process.

7.0 RELEVANT RISKS

- 7.1 Ineffective management of complaints may result in censure by the Pensions Regulator requiring a formal, resource intensive service improvement plan.

8.0 ENGAGEMENT/CONSULTATION

8.1 The Pension Board has considered the draft policy and after making several revisions to the document has deemed the attached policy (Appendix One) as suitable for presentation to Pensions Committee for its approval; on the basis that it is equitable to scheme stakeholders and improves transparency by enhancing the suite of policy documents underpinning the Fund's governance structure.

9.0 EQUALITY IMPLICATIONS

9.1 Department for Levelling Up, Housing and Communities (DLUHC) and the Pensions Regulator undertake equality impact assessments regarding the provisions of the LGPS Regulations and the administration and governance of public service pension schemes.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are none arising from this report

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are none arising from this report

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APPENDICES

Appendix 1 – Complaints Policy

BACKGROUND PAPERS

The Pensions Ombudsman – Dealing with complaints
<https://www.pensions-ombudsman.org.uk/responding-complaint>

The Pensions Regulator – Report concerns about your workplace pension
<https://www.thepensionsregulator.gov.uk/en/contact-us/scheme-members-who-to-contact/report-concerns-about-your-workplace-pension>

SUBJECT HISTORY (last 3 years)

Council Meeting	Date

