

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUDIT SUB COMMITTEE		
DATE:	9 JUNE 2016	REPORT NO:	CFO/038/16
PRESENTING OFFICER	IAN CUMMINS, TREASURER		
RESPONSIBLE OFFICER:	IAN CUMMINS	REPORT AUTHOR:	IAN CUMMINS
OFFICERS CONSULTED:	STRATEGIC MANAGEMENT GROUP		
TITLE OF REPORT:	FIREFIGHTER PENSION SCHEME - INTERNAL DISPUTE RESOLUTION PROCESS		

APPENDICES:	APPENDIX A:	LOCAL GOVERNMENT PENSION SCHEME IDR
	APPENDIX B:	CURRENT FIREFIGHTERS' PENSION SCHEME IDR
	APPENDIX C:	PROPOSED FIREFIGHTERS' PENSION SCHEME IDR AND STAGE 1 & 2 FORMS

Purpose of Report

1. To request that Members approve the proposed updated Internal Dispute Resolution Procedures (IDRP) in relation to the Firefighter Pension Scheme(s) Pensions matters in line with the requirements of the Pension Act 1995 and subsequent amendments.

Recommendation

2. That Members approve the IDR process for the Firefighter Pension Scheme(s) outlined in Appendix C and therefore adopt a two stage IDR in line with best practice.

Introduction and Background

3. All occupational pension schemes are required to have arrangements for an Internal Dispute Resolution procedure (IDRP). The IDR offers a means of formally raising, and hopefully resolving, grievances about the way in which a member's pension rights have been managed.
4. The law allows trustees or managers to operate a two-stage procedure with a 'specified person' undertaking the first-stage decision or adopt a simpler single-stage process if that is more appropriate for their scheme.
5. The Authority has a two stage IDR for the Local Government Pension Scheme (LGPS) which is attached as Appendix A. The nominated MFRA

person to hear stage 1 of the process is the MFRA Pensions Scheme Manager, (the Deputy Chief Fire Officer). This report is recommending no changes to the current arrangement for LGPS IDRPs.

6. The Authority approved the current Firefighter Pension Scheme(s) (FPS) IDRPs at its meeting on 28th May 2009 (report CFO/095/09). This report had taken account of the non-statutory guidance for Fire and Rescue Authorities on the IDRPs procedure in the Firefighters' Pension Scheme Circular FPSC 1/2009.
7. Whilst the Circular stated a single stage IDRPs was permitted under the pension Regulations it did put forward a two stage process. Report CFO/095/09 and the current FPS IDRPs process are attached as Appendix B.
8. After reviewing the Authority's current arrangements the Pension Scheme Manager, considers it appropriate that the IDRPs moves to a two stage process which appears to be consistent with the methodology adopted by other Fire and Rescue Authorities. Currently all FPS benefit information is managed by the Finance Department in partnership with the pension administrator, Lancashire County Council's "Your Pension Service". To ensure an independent scrutiny of any pension benefit payment dispute that has been referred to the IDRPs the Pension Scheme Manager is proposing that Stage 1 complaints will be dealt with by the Director of People and Organisational Development. If the matter is not resolved and the complainant wishes to proceed to Stage 2 it is proposed that this will be considered by the Pensions Scheme Manager. Ultimately if the complainant is still not happy then they can refer the matter to the independent Pensions Ombudsman for consideration.

Equality and Diversity Implications

9. None associated with this report.

Staff Implications

10. None associated with this report.

Legal Implications

11. The requirements for dispute resolution arrangements can be found in Sections 50, 50A and 50B of the Pensions Act 1995, as inserted by section 273 of the Pensions Act 2004 (as amended) and the Occupational Pension Schemes (Internal Dispute Resolution Procedures Consequential and Miscellaneous Amendments) Regulations 2008.

Financial Implications & Value for Money

12. None associated with this report.

Risk Management, Health & Safety, and Environmental Implications

13. None associated with this report.

14. None associated with this report.

BACKGROUND PAPERS

CFO/095/09 “Pension Scheme – Internal Dispute Resolution Procedure” Authority
28th May 2009

GLOSSARY OF TERMS

MFRA	Merseyside Fire and Rescue Authority is the physical and legal entity. When writing reports MFRA is the “object”.
IDRP	Internal dispute resolution process
FPS	Firefighters’ Pension Scheme(s)