



Meeting:	Pension Board
Date:	23/10/2017
Title:	Dealing with Complaints
Purpose:	For information only
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Introduction

From the day a member joins the Scheme decisions are made about their pension membership and benefits. Some decisions are the responsibility of the employer and some are the responsibility of the Administering Authority.

Examples of employer decisions would be:

- Calculation of final year's pay;
- Medical opinions concerning the award of ill health benefits and the determination of which tier of ill health is awarded;
- Whether or not various elements of pay are pensionable;
- The pay range band the member has been allocated in determining his or her contribution rate.

Examples of administering authority decisions would be:

- Payment of death grant;
- Award of spouse/dependants benefits;
- Payment of benefits under the Scheme regulations

Unfortunately not all members are happy with the decisions made and complaints are received. This report looks at the type of complains receive, possible reasons for these complaints, steps taken to rectify these complaints and the options available to the members if they are unhappy with the action we have taken.

Types of complaints received and actions taken to reduce complaints

As the Administering Authority we strive to offer our members the best possible service. Processes and procedures are monitored and changed on a regular basis to ensure procedures are streamlined and improved where possible. Literature is also reviewed on a regular basis to make sure they are easy to follow and that our forms are easy to complete.

If a member is in any doubt about their Local Government Pension Scheme (LGPS) benefit entitlements, or has a problem or question about their LGPS membership or benefits, then in the first instance they should contact the Pension Section for clarification. Many problems that members have are, in fact, resolved in this way. They may be caused by misunderstandings or wrong information, which can be explained or put right easily.

Thankfully the number of complaints received by Gwynedd Pension Fund is very low, with only a handful of official complaints being received on an annual basis. Examples of complaints received include:

Members unhappy with the benefits received due to incorrect completion of forms by the member

At the time of retirement members have to decide whether they wish to convert any pension to generate additional lump sum or not. In order to select their option the member must complete the following section of the retirement form:

Section 3 - Lump sum conversion option (please tick the appropriate box)	
<input type="checkbox"/>	Option 1: I do not want to convert any amount of pension into my lump sum
<input type="checkbox"/>	Option 2: I would like to convert the maximum amount of pension into my lump sum
<input type="checkbox"/>	Option 3: I would like to convert £ _____ of my annual pension into my lump sum

On the form it states 'This decision cannot be revoked', however unfortunately a small number of members are completing the forms incorrectly and therefore being left disappointed as the benefits received were not what was expected. Adjustments to the benefits would be classed as an unauthorised payment by HM Revenue and Customs and therefore we are unable to change these benefits once they have been paid.

In order to try and avoid further disappointment the letter and form were slightly altered to show option 1, 2 and 3 to try and make it easier for the members to match the option stated in the letter with the option to select on the form.

Letters being sent out in the wrong language e.g. English letter being sent out to Welsh speaking members

All literature and correspondence is available in Welsh and English with Welsh being the default language for correspondence in the first instance.

In a few cases letters have gone out in English to Welsh speakers and this has caused complaints on social media accounts which are open for the world to see.

To try and ensure this doesn't happen again the language preference on the system has been set to Welsh as the default.

Delay in processing benefits

One of the biggest complaints we get (mostly over the phone rather than a formal complaint) is that benefits are not paid out as quickly as the member would expect. We aim to process benefits within 10 working days from receiving all the information, however not all cases are paid out within the target set. Here are the main reasons for this:

- Termination notice is not received from the Employer. The termination notice is the form we receive from the Employer to confirm details such as the date of termination, contributions paid, final salary details and hour's details for the member. Without knowing this information we are unable to process the benefits. A number of reminders have to be sent in some cases before a reply is received back.
- Incorrect information provided on the termination notice. On receipt of the termination notice a check is made with information previously received by the Employer. Any discrepancies or suspect information would be queried with the Employer. A number of reminders have to be sent in some cases before a reply is received back.
- Members who pay Additional Voluntary Contributions (AVCs) in their last month of employment will have to wait for the AVC contributions to be credited to their account with the AVC provider before any retirement benefits can be paid. We inform members before they retire that there will be a delay in paying their benefits and give them the option of stopping the AVC contributions early to minimise any delay – however the majority of members decide to carry on paying AVC contributions until the end.

- Since the introduction of the Career Average (CARE) scheme elements such as non-contractual overtime are pensionable element of pay. In most cases these pay elements are not paid to the member until the month following their retirement. Without knowing the amount paid to the member the Administering Authority are unable to process the benefits. Processing the benefits twice (i.e. adjusting the benefits once the extra payments are known) is not a viable option due to the resources required to recalculate, check and pay the revised benefits and the confusion it could cause. Also, paying benefits on a provisional basis could result in overpayment of lump sum.
- Forms not returned or completed incorrectly by members. Without a correctly completed form the Administering Authority will not have the full details required to process the retirement. A reminder is sent to members in cases where an expected pension form is not received within a reasonable timescale.

Members being enrolled into the scheme due to Automatic Enrolment regulations

Under Automatic Enrolment regulations members have to be re-enrolled into the scheme every 3 years. Many members are unhappy about this as it will mean pension contributions will be deducted from their salary, resulting in their net pay being reduced. This issue is out of our hands – we can only explain the regulations to the member and supply them with a form to opt out of the scheme, and claim a refund of their contributions where applicable.

Member Satisfaction Survey

To ensure that we offer our members the best possible service a Member Satisfaction Survey was introduced in January 2013 to ask members to give their opinion on the quality of the service received and their opinion on the service provided by the staff of the department. This survey is sent at the end of each process e.g. at retirement, payment of refunds.

The survey asks their opinion on:

- Overall satisfaction
- The clarity of the information received
- The Standard of Service
- The time taken to deal with the enquiry
- How courteous the staff member was to deal with
- Promptness of the staff member to deal with the task
- Helpfulness of the staff member
- How knowledgeable the staff member seemed to be

At the end of each quarter results are collated to get an idea of how the section has performed over the last 3 months.

During the 1st July 2017 to 30th September 2017 period our member satisfaction survey results showed that 76.5% of the members who have replied strongly agree and 17.6% agreed that they were overall satisfied with the service they received (the remaining 5.9% neither agreed nor disagreed). Since sending satisfaction surveys in 2013 we have noticed that the majority of members have strongly agreed or agreed with each question. There have only been a handful of dissatisfied members who have complained to the Administering Authority via the feedback form – in looking at these cases most complain about the delay in processing their benefits. In looking into the complaint in these cases the delay in processing the benefits has always been due to a delay on the part of the Employer.

Internal Disputes Resolution Procedure

If members are still dissatisfied with any decision made in relation to the scheme they have the right to have the complaint reviewed under the scheme's Internal Disputes Resolution Procedure.

Stage 1 - in the first instance the member should write to the adjudicator appointed by the body who made the decision about which the member wishes to appeal. They must do this within six months of the date of the notification of the decision or the act or omission about which they are complaining (or such longer period as the adjudicator considers reasonable). This is a formal review of the initial decision or act or omission and is an opportunity for the matter to be reconsidered. The adjudicator will consider the complaint and notify the member of his or her decision.

Stage 2 - if the member is dissatisfied with the adjudicator's decision, (or their failure to make a decision) they may apply to Gwynedd Council as the administering authority to have it reconsidered. Gwynedd Pension Fund has appointed Gwynedd Council's Head of Legal Services as their appointed officer under Stage 2.

Other sources of help

There are also a number of other regulatory bodies that may be able to assist members.

The Pensions Advisory Service (TPAS)

TPAS provide independent and impartial information and guidance about pensions, free of charge, to members of the public. TPAS is available to assist members and beneficiaries of the scheme with any pensions query they may have or any difficulty which they cannot resolve with their pension fund.

The Pensions Ombudsman (TPO)

In cases where a complaint or dispute has not been satisfactorily resolved through the Internal Disputes Resolution Procedure or with the help of TPAS, an application can be made to the Pensions Ombudsman within three years of the event that gave rise to the complaint or dispute. The Pensions Ombudsman can investigate and determine any complaint or dispute involving maladministration of the scheme or matters of fact or law and his or her decision is final and binding (unless the case is taken to the appropriate Court on a point of law). Matters where legal proceedings have already started cannot be investigated by the Pensions Ombudsman.

The Pensions Regulator

This is the regulator of work-based pension schemes. The Pensions Regulator has powers to protect members of work-based pension schemes and a wide range of powers to help put matters right, where needed. In extreme cases, the regulator is able to fine trustees or employers, and remove trustees from a scheme.