



SOUTH YORKSHIRE  
PENSIONS AUTHORITY

<b>Subject</b>	<b>Review of breaches, complaints and appeals</b>	<b>Status</b>	For Publication
<b>Report to</b>	Local Pensions Board	<b>Date</b>	25 July 2019
<b>Report of</b>	Head of Pension Administration		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
<b>Contact Officer</b>	Jason Bailey	<b>Phone</b>	01226 772954
<b>E Mail</b>	JBailey@sypa.org.uk		

## **1 Purpose of the Report**

- 1.1 To update members on the latest available record of reported breaches and provide details of complaints and appeals for the period from 1 January 2019 to 30 June 2019.
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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Note the breaches summary and audit outcome and comment on any further reporting requirements or actions**
  - b. **Note the outcome of complaints received and comment on any further requirements**
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## **3 Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

### **Customer Focus**

To design our services around the needs of our customers (whether scheme members or employers). Complaints and appeals provide valuable feedback on potential areas for improvement in administration.

### **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times. The Pensions Regulator's Code of Practice 14 places focus on the requirements to manage breaches of the law and the importance of maintaining a system of recording breaches.

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#### **4     Implications for the Corporate Risk Register**

- 4.1     The actions outlined in this report are one method of working to mitigate risk O1 in the Corporate Risk Register which centres on the ability of the Authority to protect the data it owns and the data it handles.

#### **5     Background and Options**

##### *Breach Reporting*

- 5.1     The reporting of breaches was expanded previously at the request of members of the Board to include all the items listed in the latest breaches report which is now attached at **Appendix A**. It should be noted that four of the five breaches recorded in the period were breaches by employers in the Fund rather than by SYPA but these are recorded on the breaches log and are therefore included for transparency.
- 5.2     At the time of producing this report, the internal audit function had just completed an audit of the Breach Management policy and procedures. All internal and external audit outcomes are reported to the Authority's Audit Committee for scrutiny and to avoid duplication are not therefore routinely submitted to the Board. In the case of breaches management, however, this has direct relevance to the responsibilities of the Board and a copy of the assurance report is therefore enclosed at **Appendix B**.
- 5.3     Members will note that an assurance rating of **Substantial** has been provided and the contribution of the Board in the effectiveness of this process is acknowledged. There is one agreed management action relating to an update of the existing breaches policy to ensure it explicitly references requirements under the General Data Protection Regulation. An updated policy document will be presented to the next Board meeting for approval.

##### *Complaints*

- 5.4     **Appendix C** provides a summary of complaints received in the reporting period(s). As previously requested by members of the Board, the summary report now includes commentary as to whether the complaints received were indicative of a wider process issue which may need review/improvement.
- 5.5     As will be evident from the summary, a number of complaints relate to delays with the handling of aggregations. Members will be aware that this backlog project is working towards completion so it is anticipated that this should reduce the number of complaints received going forward but, in the interim, any cases flagged up by scheme members are added to a priority queue for resolution.

##### *Formal Appeals*

- 5.6     During the reporting period, three formal appeals were completed under the Internal Disputes Resolution Process (IDRP). Of the two appeals at Stage 1 of the IDRP, one was upheld and one was rejected. The upheld appeal concerned a member asserting that their transfer in from an external scheme had understated the benefits due upon transfer. There was a manual error by SYPA following a re-calculation of the transfer but this is not thought to have any wider implications as it was a one-off recalculation.
- 5.7     The second appeal at Stage 1 related to a member who argued that SYPA had not correctly determined the beneficiaries of a lump sum death grant following the death of a member. This appeal was rejected at Stage 1.

- 5.8 One appeal was completed at Stage 2 of the IDRP which related to a member who argued that SYPA had not fulfilled its duty of care in allowing a transfer to an alternative arrangement that had subsequently lost value. This appeal was rejected and the member advised that she would need to address any further appeal direct to the Pensions Ombudsman.

## **6 Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	None apparent.
Human Resources	None
ICT	None
Legal	None
Procurement	None

**Jason Bailey**

**Head of Pensions Administration**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>