

<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>	23 July 2020
<b>Report of</b>	Head of Pensions Administration		
<b>Equality Impact Assessment</b>	Not Required	Attached	No
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## **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 2020 to 30 June 2020.
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## **2 Recommendations**

- 2.1 Members are recommended to:
- a. **Note the breaches summary and comment on any further reporting requirements or actions**
  - b. **Review the draft Cyber Security Incident Management Policy**
  - c. **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.

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

- 4.1 The actions outlined in this report 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**. Of the six breaches in the six month period, the majority were individual data breaches but one is marked as Amber as it revealed a system issue that had the potential to impact a significant number of members.
- 5.2 Once the issue was identified, the systems provider was contacted immediately to investigate why the linked member facility was potentially updating address records relating to more than one member. This was corrected and all cases potentially impacted were identified – this appears to have been a result of an initial error during the initial migration process in 2014.

### *Cyber Security Incident Management*

- 5.3 The existing breach reporting policy does not specifically cover the process for reporting and managing cyber security incidents. In the commentary produced last year in response to the governance and administration survey on public service schemes, the Pensions Regulator indicated that it would be best practice for Local Pension Boards to receive regular updates on cyber risks, incidents and controls.
- 5.4 In order to improve visibility for the Board, an additional area has been added to the Breaches Log showing the instances of potential cyber security incidents and the actions taken in mitigation. There have been two such incidents in the last six months and these are described on the Log.
- 5.5 **Appendix B** provides a copy of the draft Cyber Security Incident Management Policy which sets out the internal process for reporting incidents and the actions SYPA will take in response. Any comments on the draft policy are welcomed.

### *Complaints*

- 5.6 **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.
- 5.7 The total number of complaints received in the Quarter was thirteen, which is consistent with previous periods. Of these, eight were outside of SYPA's control. Of the five that were caused by the actions of the administration service, two were training issues that have been resolved.
- 5.8 Three of the complaints have led to actions that required further intervention. Firstly, a number of additional face to face appointments were laid on at Sheffield to cope with demand. Although all face to face appointments have now been suspended until next year for obvious reasons, we are offering video sessions as well as telephone catch ups to members. One complaint is covered by the breaches update and a further one related to the address screening we have been carrying out for pensioners – as a result of the complaint we have revised the contact process to ensure we always use the latest known address in the first instance before using potential new addresses.

*Formal Appeals*

- 5.9 During the reporting period, two appeals were determined. One was rejected at both stages 1 and 2. This related to a member who was appealing in relation to a transfer in that happened over 25 years ago and was therefore deemed to be out of time. The second appeal was a formal Stage 2 appeal from a member who was appealing against the decision not to award ill-health retirement benefits. The appeal was not upheld.

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**6 Implications**

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

Financial	None
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>