

**STATEMENT TO BE MADE BY THE  
MINISTER FOR TREASURY AND RESOURCES  
ON TUESDAY 8th JUNE 2021**

**Complaint by Mr. Newman against the Treasury and Exchequer Department  
regarding the valuation and calculation of pension entitlement**

Following the publication of the Complaints Boards findings relating to a complaint made by Mr. Newman against the Treasury I am making this statement to the Assembly.

The Complaints Board have given considerable time and effort in hearing Mr. Newman's complaint regarding the calculation of pension entitlements from the Public Employees' Pension Fund (PEPF) and I thank them for considering the complaint.

As Administrator for the Public Employees' Pension Fund (PEPF), the Treasury and Exchequer Department is required to administer the scheme in accordance with the scheme regulations on behalf of the PEPF Committee of Management as the governing body for the scheme.

The Committee of Management is made up of 6 employer and 6 member representatives and an Independent Chair. There is a 4 stage complaints process through which any complaints are processed. Stage 1 is an internal review by the Public Employees' Pension Team, Stage 2 is considered by the Head of Service, Stage 3 is considered by the Scheme Secretary and the final Stage 4 goes to the Committee of Management.

At the Complaints Board Hearing it was highlighted that the complaint had already been through this four stage PEPF Complaints process. The complaint was considered and not upheld by Treasury and Exchequer at Stages 1 and 2 before being passed to the Secretary for the Committee of Management. The Treasury and Exchequer Department provided all available evidence requested by the Committee of Management to consider the Stage 4 complaint.

In August 2018, the Chair of the Committee of Management set up a Working Group to investigate a small number of transfer out complaints and make recommendations to the full Committee. The Working Group, which comprised both an employer and member representatives, reported its findings to the Committee of Management meeting on 27th September 2018 where employer and member representatives were in attendance. The Committee agreed the recommendation of the Working Group that quotes would be provided on the old terms for any member who had made contact with the PEPT before 1st May 2018.

The Treasury and Exchequer Department provided all available evidence requested by the Committee of Management to consider this particular complaint and at the final stage the complaint was not upheld by the Committee. The Committee were provided with phone records, copies of emails and other correspondence. The Committee were provided with all correspondence received before and after the outcome of the Stage 4 complaint was notified to the complainant.

Following publication of the Complaints Board report by the Privileges and Procedures Committee in December 2020 the report was passed to the Chair of the PEPF Committee of Management for consideration. A further Working Group was set up to review findings. The group, comprising employer and member representatives concluded that no new or material evidence was brought to the Committee as part of the Report. The Committee of Management

met on 18th February 2021 and agreed the Committee's decision in respect of the Stage 4 complaint is unchanged, principally because there is no new or material evidence which would cause the Committee to alter its original decision.

The Committee has a duty to ensure the Scheme is administered fairly and consistently for all of its membership and its duties are owed to the membership. The Committee, comprising employer and member representatives, have determined it would be unfair to the membership as a whole to pay additional benefits in respect to the complainant in circumstances where there is no evidence, other than verbal assurances, that a request was made on his behalf in the relevant timeframe.

As Administrator for the Public Employees' Pension Fund (PEPF), Treasury and Exchequer are required to administer scheme benefits in accordance with the scheme regulations on behalf of the Committee. Whilst I appreciate the time and effort that has been spent in hearing the complaint, the Committee, and therefore Treasury and Exchequer as administrator, are unable to make a higher payment.

However, I have noted concerns raised by the Complaints Board regarding the independent oversight of the appeal process. I have therefore asked for the PEPF complaints procedure to be reviewed to ensure that is consistent with modern best practice for pension complaints. Treasury and Exchequer are liaising with the Financial Services and the PEPF Committee of Management about future proposals for the creation of an independent final stage to the member appeal process through the Channel Islands Financial Ombudsman, who is independent of Government.