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From the Secretary of State for Social Security

n.b. P.M.

BHP

23/M

The Rt Hon Chris Patten MP  
 Department of the Environment  
 2 Marsham Street  
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22 November 1990

Jean Chris,

PENSIONS OMBUDSMAN: LOCAL GOVERNMENT SUPERANNUATION SCHEME

Thank you for your letter of 8 November. *will request if required* I am pleased that it has been agreed that complaints about maladministration in the Local Government Superannuation Scheme should come under the Pensions Ombudsman.

You will recall that in my letter of 9 February to the Prime Minister, copied to members of E(A) and other colleagues, I mentioned the financing of the Ombudsman, the tracing registry and the grant to the Occupational Pensions Advisory Service. I said that I thought that the public sector schemes share of the costs should be met as part of the overall costs of administering the scheme, and that, initially, my Department would bear those costs. That is still my position, although I understand it is suggested that in about 3 years time a review of the structure of the levy should take place in the light of practical experience. That, in my view, seems a reasonable approach.

I understand that my officials have circulated an early draft of the proposed regulations on the Ombudsman to other departments (including your own), who have responsibility for public service schemes. They will be pleased to receive all views on how the scheme can best be operated.

I am copying this to members of E(A), James MacKay, Kenneth Clarke, Tom King, William Waldegrave, Norman Lamont, David Mellor and Sir Robin Butler.

*over,*

TONY NEWTON