

CAMBRIDGESHIRE PENSION FUND



Pension Committee

Date: 22 October 2015

Report by: Deputy Head of Pensions

Subject:	Overpayments Report
Purpose of the Report	To provide the Pension Committee with; 1) Details relating to overpayments that have occurred; and 2) An analysis of action taken and current position.
Recommendations	That the Pension Committee notes the content of the report.
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1 Background

- 1.1 This is a new standing item that reports the overpayments of pension that have occurred during the reporting period and the relevant actions that have been taken .
- 1.2 The report details all the overpayments of pension for the period 1 April 2015 to 31 July 2015.
- 1.3 The overpayments of pension and the respective action taken with them is a statutory requirement for inclusion in the Fund's Annual Report.

2. Overpayment analysis

- 2.1 During the reporting period there were a total of 123 individuals overpaid. 90 of the incidences were due to the delay in completing quality assurance checks that would ensure that the pensions increase uplift was applied correctly in all cases. Processes have been amended to ensure these checks are carried out before the payroll is run in each April. The errors identified involved only small amounts of individual overpayments with the highest individual overpayment amount made being £12.93.
- 2.2 The £173.72 was down to an isolated administration error and is in the process of being recovered.

- 2.3 During this period 32 scheme members died and the date of notification to the Fund resulted in an overpayment of the late members' pensions. The total value of these overpayments was £7,584.45 of which £2,722.24 remains outstanding and £2,410.35 written off due to the individual overpayments being less than £250.00. £2,451.86 has been recovered. Invoices have been raised for the 5 cases pending recovery.
- 2.4 Subsequent reports will provide an update of any overpayments still in the process of being recovered and will continue to be reported until the overpayment is fully recovered.
- 2.5 The information in 2.1, 2.2 and 2.3 is summarised in the following table:

Overpayment Type	Action	Amount	Total
Retirement	Written off	£193.09 (90 cases)	£366.81
	Recovery	£173.72 (1 case)	
	Recovered	£0	
Death of a Pensioner /Dependent	Written off	£2,410.35 (25 cases)	£7,584.45
	Recovery	£2,722.24 (5 cases)	
	Recovered	£2,451.86 (2 cases)	

3. Relevant Pension Fund Objectives

Perspective	Outcome
Governance	<ul style="list-style-type: none">• To have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies.• Ensure the Fund and its stakeholders have the appropriate skills and receive training to ensure those skills are maintained in a changing environment.
Funding and Investment	<ul style="list-style-type: none">• To ensure that the Fund is able to meet its liabilities for pensions and other benefits with the minimum, stable level of employer contributions.• To ensure that sufficient resources are available to meet all liabilities as they fall due.• To maximise the returns from its investments within reasonable risk parameters.
Communications	<ul style="list-style-type: none">• Promote the Scheme as a valuable benefit.• Deliver a clear and consistent message; that is simple, relevant and impactful, uses plain English throughout and engages all levels of stakeholders' understanding.• Provide clear information about the Scheme, including changes to the Scheme, and educate and engage with members so that they can make informed decisions about their benefits.• Seek and review regular feedback from all stakeholders about communication and shape future communications appropriately.• Look for efficiencies in delivering communications including through greater use of technology and partnership working.

Perspective	Outcome
Administration	<ul style="list-style-type: none"> • Provide a high quality, friendly and informative administration service to the Funds' stakeholders. • Administer the Funds in a cost effective and efficient manner utilising technology. • Ensure the Funds and its stakeholders are aware of and understand their roles and responsibilities under the LGPS regulations and in the delivery of the administration functions of the Funds. • Put in place standards for the Fund and its employers and ensure these standards are monitored and developed as necessary. • Ensure benefits are paid to, and income collected from, the right people at the right time in the right amount. • Maintain accurate records and ensure data is protected and has authorised use only. • Understand the issues affecting scheme employers and the LGPS in the local and national context and adapt strategy and practice in response to this.

4. Finance & Resources Implications

4.1 The inability to recover monies due to the Fund.

5. Risk Implications

5.1 The inability to recover monies due to the Fund.

6. Communication Implications

Website	All overpayments of pension and the associated success and failure to recover will be reported in the Fund's Annual Report which will be published on the LGSS Pensions Service Website by 30 November each year.
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7. Legal Implications

7.1 There are no legal implications connected to the contents of this report.

8. Consultation with Key Advisers

8.1 There has been no requirement to consult with advisers over the content of this report.

9. Alternative Options Considered

9.1 There are no alternative options to be considered.

10. Background Papers

10.1 None

11. Appendices

11.1 None

Checklist of Key Approvals	
Is this decision included in the Business Plan?	Not applicable
Will further decisions be required? If so, please outline the timetable here	No
Is this report proposing an amendment to the budget and/or policy framework?	No
Has this report been cleared by Chief Finance Officer/Section 151 Officer?	Chris Malyon – 05/10/2015
Has this report been cleared by Deputy Head of Pensions?	Mark Whitby – 18/09/2015
Has the Chairman of the Pension Committee been consulted?	Councillor Hickford – 29/9/2015
Has this report been cleared by Legal Services?	Copy sent to Quentin Baker – 09/10/2015

