



Report of the Section 151 Officer

Pension Fund Committee - 17 November 2021

Policy Update - Overpayment of Pension

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| Purpose: | In accordance with statute, to approve an overpayment of pensions policy |
| Consultation: | Legal and Finance |
| Recommendation(s): | It is recommended that the Pension Fund Committee: 1) Approves the Overpayment of Pensions Policy at Appendix 1 |
| Report Author: | Claire Elliott |
| Finance Officer: | Jeff Dong |
| Legal Officer: | Stephanie Williams |
| Access to Services Officer: | N/A |

1. Introduction

1.1 Overpayments of pension can occur for a variety of reasons. It is important that the Fund has a clear policy on how overpayments of pension are managed once they are identified

1.2 The policy objectives aim to ensure that the Fund:

- has robust governance arrangements in place, to facilitate informed decision-making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance.
- is managed in a fair and unbiased manner, having regard to what is in the best interest of the Fund's stakeholders, particularly the scheme members and employers.
- ensures benefits are paid to, and income collected from, the right people at the right time in the right amount;

- CCSPF will seek to reclaim an overpayment of pension benefits, however it is acknowledged that in some instances this might not be possible due to legal reasons or may not be appropriate for other circumstances;
- Identifies errors as soon as possible;
- Correct any overpayment of pension benefits with the cooperation of the member / individual;
- Promotes the importance of the checking of payslips / payments for anomalies; and
- Avoids the Internal Dispute Resolution Procedure (IDRP), where possible, by managing the process effectively.

2. Overpayment of Pension Policy

- 2.1 It is recommended that The overpayment of pension policy attached at Appendix 1 is approved by the Pension Fund Committee.

3. Legal Implications

- 3.1 It is recognised that Section 91 of the Pensions Act 1995, prohibits overpayments on death of a member being automatically recouped from a beneficiary. An overpayment is the debt of the member, so it passes onto the member's estate. It may be recouped from a benefit due to a beneficiary where the beneficiary agrees to this.

4. Financial Implications

- 4.1 There are no direct financial implications arising from this report. There may be opportunity costs arising from the re-allocation of assets to support the transition to low carbon /net zero investments.

5. Equality Impact Assessment Implications

- 5.1 There are no equality implications arising from this report.

Background Papers: None

Appendices

Appendix 1 - Overpayment of Pension Policy