

## **PENSIONS COMMITTEE**

**Subject Heading:**

POLICY FOR THE OVERPAYMENT OF PENSION FOLLOWING THE DEATH OF A PENSIONER OR DEPENDANT MEMBER

**SLT Lead:**

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**Policy context:**

Local Government Pension Scheme Regulations 2013

**Financial summary:**

Havering agree to automatically write off any overpaid pension of less than £250 net following the death of a pensioner or dependant member and where there is no ongoing dependant pension. A debt of less than £250 has been deemed uneconomical to pursue. During 2017/18 a total debt of £4652.63 would have been written off from the Pension Fund had the policy been in place.

**The subject matter of this report deals with the following Council Objectives**

Communities making Havering  
Places making Havering  
Opportunities making Havering  
Connections making Havering

[x]  
[x]  
[x]  
[x]

## **SUMMARY**

It is good practice to ensure the Council has a policy in place regarding the treatment of overpaid pensions following the death of a pensioner or dependant member. This will ensure that any overpayments are treated in a fair and equitable manner and will prevent the administration team seeking individual write off approvals from the Head of Pensions and Treasury.

The policy has been approved by the Head of Pensions and Treasury under the OneSource Joint Committee Scheme of Delegation.

The policy became effective in March 2019 and will be reviewed annually.

## **RECOMMENDATIONS**

The committee is recommended to note the approved Policy for the overpayment of pension following the death of a pensioner or dependant member.

## **REPORT DETAIL**

Notification of the death of a pensioner or dependant member does not always happen immediately. When notified in time the payroll team will stop or recall the last monthly pension payment to prevent a potential overpayment of pension benefits.

If this is unsuccessful, the London Borough of Havering agree to automatically write off an overpayment of less than £250 net, where there is no ongoing dependant pension to be paid.

A value of less than £250.00 net in the instance of the death of a pensioner or dependant member has been deemed by Officers as uneconomical to pursue when taking into account the cost of the administration involved in additional correspondence and raising and chasing an invoice. The cost of this work has been estimated as £76.91 per case. It is also important to take into account the reputation of the Council in seeking to recover relatively small amounts from bereaved relatives.

Where there is an ongoing dependant pension benefit due this can be used to recover any overpaid pension, regardless of the value of that overpayment.

An invoice will be raised by the Fund to recover an overpayment which is £250.00 net or more following the death of a pensioner or dependant member.

During 2017/18 the total debt to the Pension Fund that would have been automatically written off if the policy had been in place was £4,652.63 covering 46 different cases, which is an average of £101.14 per case.

## **IMPLICATIONS AND RISKS**

### **Financial implications and risks:**

It is not economical to pursue recovery of any overpayment below £250 net – cases are few and the amount of write –off in any year is typically less than £5,000.

### **Legal implications and risks:**

There are no apparent risks in noting the content of this Report.

### **Human Resources implications and risks:**

There appear to be no HR implications or risks arising directly that impact on the Councils workforce.

### **Equalities and Social Inclusion Implications and Risks:**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants. We will ensure that disabled people with sensory impairments are able to access the strategy.