

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND BOARD
18 February 2021

OVERSEAS PENSIONERS LIFE EXISTENCE EXERCISE

Purpose of the Report

1. The purpose of this report is to update the Board on the progress of the Fund's overseas pensioners life existence exercise

Background

2. When a pensioner member dies, normally the next of kin, or another relative, will advise the Fund accordingly and officers will stop the pension immediately while it waits for death certificates etc. This approach helps limit the size of potential overpayments.
3. For UK-based pensioners, the Fund has a contract in place with Target Professional Services to check the Fund's pensioner and dependant records against UK death records on a monthly basis to identify any pensioner or dependant deaths. If Target discovers a match, they advise the Fund accordingly and officers will stop the pension with immediate effect (if necessary, if the pension has not already been stopped following notification from another source, such as the next of kin).
4. Officers also take part in the National Fraud Initiative (NFI) which also seeks to help if pensioner deaths have occurred and sometimes the receiving bank may also reject the payment because it is aware the member is deceased.
5. Out of the Fund's pensioner membership, the Fund has approximately 284 overseas pensioners. Some of whom receive the pension directly into a foreign bank account, via a contract the Fund operates with Western Union, while others reside overseas but the Fund pays their pension into a UK bank account.
6. Unfortunately for pensioners who reside overseas, it is not straightforward for Target to identify whether or not the member has died in a similar way as described above due to the wide range of possible countries where a member could reside, all with different death registration systems and because many other countries generally place tighter rules on the public accessibility of death records.
7. Therefore to identify whether an overseas pensioner has died, where officers have not been informed or identified this from other sources as described above, officers need to periodically undertake a life existence exercise.
8. The last such exercise was undertaken in 2016/17.

Considerations for the Board

9. For this exercise, members were given three options for completing the exercise to confirm their continuing existence:
 - a). To download an app with built-in facial recognition software which cross-references to identification documents;

- b). Complete the declaration on the life certificate along with providing copies of legal documents such as passport, photo driving licence National ID card; or
 - c). Complete the declaration on the life certificate and have it witnessed by an independent person who holds an official stamp, such as banks, doctors, lawyers, mayors etc.
10. Target Professional Service largely undertook the exercise on the Fund's behalf, writing to all members with the options and providing access to the app. The Fund then helped follow up with non-respondents (partly because officers were conscious that pensioners may not have responded out of concern this exercise could be some type of scam).
11. Out of the initial 284 number of members in scope, 270 members responded by the final deadline set in January 2021. This left 14 members remaining and for all of these, officers have stopped their pension with effect from the January 2021 payment (as at the end of January, a further 3 have since responded).
12. From the 11 remaining non-responders, the pensions total approximately £2,000 per month worth of suspended pensions, with the largest being around £440 per month (which is someone we were unable to contact as we could not find an address for them, despite trying to trace them).

Conclusions

13. Officers anticipate that any remaining pensioners which are still alive (or a suitable person on their behalf, e.g. with Power of Attorney) will now contact the Fund given that the pension has been stopped. If members can provide the required information to prove their continuing existence, officers will reinstate the pension, backdated to the date it was stopped.
14. For any pensioners (or next of kin etc), who do not contact the Fund, officers will assume the pensioner is deceased and will instruct Target to undertake a more intensive tracing exercise to attempt to find out the next of kin and the date of death.
15. Officers will seek to recover any overpayments identified where it is economic and feasible to do so.
16. In terms of future exercises, officer will see the final outcome of this exercise before deciding on future frequency, but at this stage officers intend for this to become either annual or biennial exercise
17. In determining the optimal frequency, the main considerations are:
- a). The cost of undertaking this exercise compared to the amount of overpayments likely to be identified;
 - b). The Fund's legal duties to pay the correct amount of pension;
 - c). Balancing out the potential inconvenience to members of overly frequent exercises, and the administration involved, with the other factors above.

Environmental Impact

18. There is no environmental impact from this report.

Financial Considerations

19. The details of this report do not require any specific consideration at this time except in consideration of the approach of future exercises

Risk Assessment

20. There are no direct risks to the Fund associated with this reporting.

Legal Implications

21. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

22. There are no implications at this time.

Proposals

23. The Board is asked to note the progress so far and planned next steps and whether it wishes to receive a further update at the next Board meeting of the outcome of the remaining non-respondes.

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