

CLWYD PENSION FUND

SCHEME OF DELEGATION

The Clwyd Pension Fund has certain functions which are delegated to the Chairman, Vice-Chairman and/or Officers of the Fund by the Pension Fund Committee. This paper outlines the decision made, the powers under which it is made, when the decision was taken, and by whom.

DELEGATED POWERS BEING USED (extracted from agreed PFC delegations):	Delegation:	Approving administering authority discretions policy (including the Over/underpayments Policy) other than in relation to: <ul style="list-style-type: none"> • any key strategy/policies and; • matters relating to admission bodies and bulk transfers as included in the preceding two rows.
	Delegated Officer(s):	HCPF and either CFM or CMPOD (having regard to the advice of the rest of the PAP)
	Communication and Monitoring of Use of Delegation	Copy of policies to be circulated to PFC members once approved.

SUBJECT:	Approval of changes to the CPF Policy on the Overpayment and Underpayment of pension scheme benefits.
BACKGROUND:	
This request asks for the approval of the CPF Policy on the Overpayment and Underpayment of pension scheme benefits.	
Policy on the Overpayment and Underpayment of pension scheme benefits	

The Fund's Policy on the Overpayment and underpayment of pension scheme benefits has been updated based on the three yearly review cycle and officers are requested to approve the technical detail in accordance with the Scheme of Delegation. The authorisations table including the payment limits (as per section 7) was approved by the Pension Fund Committee at the meeting on 11 September.

Policy on the Overpayment and Underpayment of Pension Scheme Benefits

The CPF initially developed an Overpayment and Underpayment of Pension Benefits Policy around six years ago with the previous version having been approved by the Pension Fund Committee in September 2021. The key purpose of the policy is to provide a set of guidelines for officers to follow and to ensure over and underpayments are dealt with in a consistent and fair and equitable manner.

The key changes to the policy are:

- Improved clarity that the policy should not cause the Administering Authority's exercise of discretionary powers to be unlawfully fettered or restricted in any way
- References added where relevant to the Fund's separate Anti-fraud and Corruption policy
- Updated to include relevant legal requirements and more up to date case law/Pensions Ombudsman cases and a new section on situations where it has been determined to recover a past overpayment but it has not been possible to reach an agreement with the member in relation to the overpayment
- A new section relating to McCloud to outline how any underpayments arising from this work will be dealt with
- Removal of the section relating to under and overpayment of pension due to the GMP reconciliation exercise
- Improved clarity that the strict legal position is to adjust all cases where a pension has been overpaid to the correct amount going forward
- A new section outlining that all under and overpayment of pension cases will be recorded on the Fund's breaches log

RECOMMENDATION:

To agree to the tracked changes to the Fund's Policy on the Overpayment and Underpayment of pension benefits as shown on the attached version.