

Lancashire Local Pension Board

Meeting to be held on Tuesday, 16 January 2018

Electoral Division affected: None;

Fraud Control - Lancashire County Pension Fund

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Executive Summary

The report is produced to inform the Board of the fraud control arrangements in place in respect of the Lancashire County Pension Fund.

Recommendation

The Board is asked to note the contents of the report.

Background and Advice

National Fraud Initiative

In conjunction with Internal Audit, the Fund investigates matches identified as part of the data matching exercise undertaken by the Government's National Fraud Initiative (NFI).

As part of the county council's duty to protect public funds, the Government requires all local authorities to participate in the NFI. The Fund participates in biannual exercises matching electronic data held by public sector organisations to highlight potentially fraudulent activity.

The most common match is where payments continue to be made to an individual found to be registered as deceased. It should be noted that in most cases there is a straightforward explanation for non-disclosure and most cases are found to be genuine oversights rather than fraudulent activity.

Tell Us Once

To mitigate the instances of overpayments to deceased persons, the Fund uses the Tell Us Once (TUO) service provided by DWP. This service allows relatives of the deceased to inform multiple public bodies of a death in one go. This information is then passed to relevant public bodies, including public sector pension funds such as Lancashire County Pension Fund.

Overseas Life Certificates

NFI and TUO do not extend overseas. Therefore, to mitigate the risk of overpayment and potential fraudulent activity, the Fund sends out annual life certificates to all members in receipt of a pension who currently reside overseas. Certificates are accepted where an official has countersigned to confirm the members existence.

Pension Scams Information

Since the introduction of the Governments Freedom and Choice in Pensions initiative, the Fund has been promoting The Pensions Regulator's 'Pension Scams' warning leaflets, particularly where individuals are considering transferring benefits out of the Fund. In addition, the Fund follows LGA guidance in respect of carrying out appropriate due diligence to determine the legal status of a pension scheme before transferring funds.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

The measures described within this report are in place to mitigate the risk of overpayments and potential fraudulent payments made from the Fund.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
N/A		

Reason for inclusion in Part II, if appropriate
N/A