



HM TREASURY

1 Horse Guards Road
London
SW1A 2HQ

15th August 2011

Information Rights Unit

Tel: 0207 270 4558

G Boyle

request-80386-120cf9d9@whatdotheyknow.com

www.hmtreasury.gov.uk
FOI.responses@hmtreasury.gsi.gov.uk

Ref: 11/599

Re: Freedom of Information Act 2000: Equitable Life

Thank you for your Freedom of Information Act 2000 enquiry dated 18th July.

You referred to the announcement that the first Equitable Life payments were made from June 30th and asked for information covering –

- How many payments have been sent out so far?
- What is the criteria for eligible payments to be sent out, e.g. age, policy type, value etc
- What is the payment timetable and monthly numbers for non Group policy holders?
- Can these statistics be published from now on as actual vs projected on a monthly basis on the relevant payment authority website?

The Government's stated commitment was that first payments would be made to policyholders by the end of June 2011, and the achievement of this milestone for policyholders was announced by the Financial Secretary to the Treasury, Mark Hoban, on June 30th.

The Scheme intends to make around £500 million worth of payments to eligible policyholders by April next year, which is a significant logistical exercise. To ensure that the required systems are fully tested and robust, the Scheme's implementation plan is to make a low volume of payments initially. This means that as at 2nd August 321 payments had been made. All of the payments sent out so far have been to recipients over 75 years of age, which is in accordance with the advice of the Independent Commission on Equitable Life Payments, which recommended that payments to the oldest policyholders should be prioritised where practicable.

Payment volumes will continue to be ramped up over the coming months as the Scheme's complex payment processes are refined further. Through this refinement process we will maximise the efficiency and effectiveness of the Scheme, so that the Scheme can make approximately £500 million worth of payments to policyholders by April 2012.

UNCLASSIFIED

The eligibility criteria for the Scheme are set out in the Equitable Life Payment Scheme design document, which is available on the Equitable Life pages of the Treasury website: <http://www.hm-treasury.gov.uk/>

For the tranche of payments that have been made to date, the criteria are as follows:

- In line with the advice of the Independent Commission on Equitable Life Payments, which recommended that payments to the oldest policyholders should be prioritised where practicable, all of the payments sent out so far have been to recipients over 75 years of age.
- To assist with the testing and refinement of the payment and communication processes, the Scheme has also identified policyholders that have a simpler payment calculation.

The Scheme is working to meet its ambition to make around £500 million worth of payments to policyholders by April 2012. As the Scheme's payment and communication processes are currently being refined, it would not be practicable to create a payment timetable at this stage of the Scheme's implementation.

As there is no firm timetable, we are unable to publish this information currently. However progress will be tracked and evaluated throughout the lifetime of the Scheme to ensure expectations set out in the Equitable Life Payment Scheme design document are met. Accordingly, it is envisaged that a number of progress reports will be produced, and these will be published on the Scheme's website. If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

Information Rights Unit
HM Treasury

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ.
Email FOI.responses@hmtreasury.gov.uk

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.