



Dormant Assets Scheme expansion underway as Aviva becomes the first participant, paving the way for insurance and pensions providers to join

London, 5 June 2023: Aviva plc and Reclaim Fund Ltd (RFL), the HM Treasury-owned and FCA-regulated operator of the Dormant Assets Scheme (the Scheme), have successfully completed the first transfer of dormant assets¹ from the Insurance and Pensions sector to the industry-led, government-backed Scheme.

The milestone sees Aviva join over 40 UK banks and building societies that currently participate in the Scheme, enabling dormant assets to be used to support vital social and environmental initiatives, while ensuring customers can be reunited with their assets in full at any point.

Aviva has become the first participant in the expanded Scheme, having worked with government, industry and RFL for over six years to adapt the successful model to new sectors and additional financial assets, culminating in the [Dormant Assets Act 2022](#).

Aviva's involvement paves the way for other companies in the Insurance and Pensions sector to join. The Association of British Insurers (ABI) has been a proactive supporter of the Scheme expansion and has developed new resources to help companies in their preparations for joining the Scheme.

The Scheme is voluntary and all participants need to show they take extensive efforts to trace the original owners of dormant assets so people can be reunited with their funds.

Since the Scheme was first established for banks and building societies in 2011, more than £1.6bn in dormant assets has been transferred to RFL. From this, almost £900m has been distributed to good causes, benefitting over 2,500 social, community and environmental initiatives across the UK.

Beyond Insurance and Pensions, the Scheme will open to assets in the Investments and Wealth Management sector, along with securities or shares in UK plcs in the coming months. Conservative estimates suggest that expansion can potentially unlock a further £880m for good causes while also strengthening industry-wide efforts to trace, verify and reunite customers with dormant assets.

Kirsty Cooper, Group General Counsel and Company Secretary, Aviva plc comments:

"We have been working proactively with RFL and the wider dormant assets community for a number of years to expand the hugely successful Dormant Assets Scheme to the Insurance and Pensions sector and adapt it for longer-term products.

"It is great to see the culmination of a lot of hard work reaching fruition and it is such a privilege to be the first participant in our sector. We have been involved with the Dormant Assets Scheme since 2016 and hope that Aviva's participation will encourage other companies to take part, with the dual purpose of reuniting customers with their assets while also ensuring dormant assets can have a positive impact on our society."

Hannah Gurga, Director General, ABI, comments:

“This expansion unleashes our sector’s potential to use the millions of pounds it has in unclaimed assets to support good causes, with customers being able to reclaim their money indefinitely. We’re delighted that years of work with Government, Reclaim Fund Ltd and industry has come to fruition and to see the first transfer successfully completed. We hope that other insurers and pension providers will follow and have launched a new Participation Guide for those who are interested in joining the Scheme.”

Adrian Smith, OBE, Chief Executive, Reclaim Fund Ltd, comments:

“The Dormant Assets Scheme has a clear purpose and a unique role in uniting public, private and third sectors to deliver a demonstrable, positive impact in our most vulnerable communities.

“We are delighted to open the Scheme to financial institutions with dormant insurance and pensions assets enabling them to participate alongside established banks and building societies. The Scheme is straightforward to join, tightly regulated and carefully managed so customers can trust in the lifelong promise that they can reclaim any dormant assets at any point in time.”

Jane Hanson, CBE, Chair, Reclaim Fund Ltd & Dormant Assets Expansion Board:

“I am thrilled that all the work undertaken by industry, government and RFL has come to fruition with the expansion of the Dormant Assets Scheme.

“This is a prime example of how industry and government can work together and innovate responsibly to deliver demonstrable social value. At a time when the rising cost of living continues to afflict communities across the UK, participating in the Dormant Assets Scheme has never been more important.”

Delivering social impact through dormant assets funding

Dormant assets funding is distributed through the National Lottery Community Fund across the four nations of the UK in line with policy direction from the Government and devolved administrations.

In England, dormant assets funding is used to support financial inclusion, youth and social investment through four dormant assets spend organisations: Big Society Capital; Access – the Foundation for Social Investment, Fair4All Finance and Youth Futures Foundation. In March 2023, following a public consultation, the Government announced that funding for these causes would continue, alongside a new cause, community wealth funds.

Minister for Civil Society and Youth, Stuart Andrew comments:

“Opening the Dormant Assets Scheme to new sectors will provide an additional pipeline of crucial funding to support disadvantaged young people, help those in financial difficulty and boost social investment.”

“By participating in the Scheme, financial institutions can make a huge difference in transforming lives and communities, and support causes that are consistent with their social purpose and priorities.”

The Economic Secretary to the Treasury, Andrew Griffith comments:

“This is a significant moment for the Dormant Assets Scheme and an important reminder of the Financial Services sector's vital role in driving economic growth and supporting communities and citizens across the UK.

“I look forward to working with Aviva and other industry participants as the Scheme opens up to additional asset classes throughout the year, unlocking millions of pounds for good causes across the country.”

***** ENDS *****

Notes for Editors

¹ A dormant asset is a financial product, such as a bank account, life insurance policy or money purchase pension that the owner, executor or beneficiary has not accessed for an extended period (15 years in the case of bank accounts) and where the financial institution's efforts to trace and reunite the owner with their account or other financial product has been unsuccessful.

Under the Scheme, dormant assets remain the property of their owners and the Scheme must match what the business would have paid the owner had the cash proceeds of their assets never been transferred into the Scheme. This means that owners can reclaim any money owed to them at any time.

Which pensions and insurance assets are now eligible for the scheme?

The Dormant Assets Act 2022 expanded the scope of the Dormant Assets Scheme to include certain pension and insurance assets, namely:

- Income drawdowns
- Money purchase benefits payable under a personal pension scheme
- Savings endowments
- Term insurance
- Whole-of-life assurance
- Investments bonds
- Annuities with a guaranteed payment period
- Deferred annuities

Participants have a shared commitment to reunifying assets with their owners, who are entitled to the converted cash value plus interest (subject to the asset's terms and conditions).

Where this is not possible, that monies from dormant assets are put to good use to the benefit of society and communities across the UK.

Companies also benefit by transferring liability for dormant assets to Reclaim Fund Ltd while also streamlining their internal processes.

How is dormancy defined for pensions and insurance products?

Pensions and insurance products are considered dormant at the earliest of these points:

- The point at which it is identified that a deceased owner had no next of kin; or

- Seven years after the death claim is accepted and there is no ongoing contact with those managing the estate; or
- Seven years after the end of the contractual term and where there is no ongoing contact with the owner; or
- The owner's records indicate they were 120 years old at the time of transfer into the Scheme, and there has been no contact with those managing the estate for at least seven years.

About Aviva plc

- We are one of the UK's leading Insurance, Wealth & Retirement businesses and we operate in the UK, Ireland and Canada.
- We help our 18.7 million customers make the most out of life, plan for the future, and have the confidence that if things go wrong we'll be there to put it right.
- We have been taking care of people for more than 325 years, in line with our purpose of being 'with you today, for a better tomorrow'.
- Aviva is a market leader in sustainability. In 2021, we announced our plan to become Net Zero by 2040, the first major insurance company in the world to do so. This plan means Net Zero carbon emissions from our investments by 2040; setting out a clear pathway to get there with a cut of 25% in the carbon intensity of our investments by 2025 and of 60% by 2030; and Net Zero carbon emissions from our own operations and supply chain by 2030. Find out more about our climate goals at www.aviva.com/climate-goals and our sustainability ambition and action at www.aviva.com/sustainability

About Reclaim Fund

RFL is a not-for-profit public body owned by HM Treasury and managed by UK Government Investments Limited (UKGI). RFL is an independent legal entity, acting at arm's length from the government with a separate Board of Directors. RFL is FCA-regulated, with the rights of dormant asset holders guaranteed by the UK Government.

Media contacts

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