

HSC Pension Scheme - Schedule of charges for Pensions on Divorce or the Dissolution of a Civil Partnership from 1 April 2014

1. Introduction

This schedule discloses the rate of charges for HSC Pension Service to provide information in relation to divorce proceedings or to implement a court order.

These charges are subject to an annual increase each April, dependent on the rate of CPI at the end of the preceding September. Note: Charges are rounded down to the nearest pound.

All charges include VAT at the standard rate of 20%.

2. Background

The value of pension assets has been taken into account in divorce and related financial settlements for many years. From 1995 the earmarking of pensions became possible and since 2000 pension rights can be divided between the couple as part of a divorce settlement.

To facilitate these arrangements, cooperation from pension schemes is essential and national charging legislation¹ permits schemes to recover costs for providing pensions on divorce information and putting either a court order into operation.

3. Payment method

Unless the court order says otherwise, all charges disclosed on this schedule must be paid up front. This means that HSC Pension Service must receive full payment by cheque before providing any information or before the implementation of any court order can start.

All parties will be notified where the implementation of a court order has been postponed.

All cheques should be made payable to "Business Services Organisation".

4. National Association of Pension Funds (NAPF)

The new implementation charges are within the charging guidelines published by the National Association of Pension Funds (NAPF).

HSC Pension Service will review its schedule of charges each year in line with NAPF guidelines.

Cash Equivalent Transfer Value (CETV)

Provision of a CETV in respect of a Scheme member, who is not in receipt of an HSC pension, (where statutory disclosures have not already been met within the preceeding 12 months).	No charge
Provision of a CETV in respect of a Scheme member (where statutory disclosures have already been met within the preceeding 12 months).	£396.00
Provision of a CETV in respect of a Scheme member (where statutory disclosures have not already been met within the preceeding 12 months but where the CETV is required within 6 weeks).	£396.00
Provision of a CETV for a Scheme pensioner.	£396.00

Pension Sharing Administration

Acknowledgement and implementation of a pension sharing order (including record creation and maintenance).	£3047.00 (See annex A)
Supplementary work connected with a pension sharing order.	£109.00 - £275.00 per hour (based on complexity of calculation)
Acknowledgement and implementation of a variation order .	£275.00

All charges include VAT at the standard rate of 20%.

Pension Earmarking Administration

Acknowledgement and implementation of a pension attachment order for a life assurance lump sum only.	£396.00 (see annex B)
Acknowledgement and implementation of a pension attachment order for a pension and/or retirement lump sum.	£595.00 (see annex B)
Acknowledgement and implementation of a variation order.	£54.00 per hour (minimum charge one hour)
Supplementary work connected with a pension attachment order.	£109.00 - £275.00 per hour (based on complexity)
Transfer out associated with pensions earmarking.	£219.00
Transfer in associated with pensions earmarking.	£219.00

All charges include VAT at the standard rate of 20%.

All cheques should be made payable to “Business Services Organisation”.

Please allow up to 10 working days for the payment to process.

Annex A

The process for implementation of a sharing order involves the following steps:

- Examination and confirmation of acceptance (or otherwise) of wording of draft Joint Minute of Agreement.
- Checking all documentation relating to the actual Pension Sharing order, copy of final minute, decree etc. Letter confirming final order is enforceable.
- Contacting all relevant third parties for information to allow actual calculations to be carried out.
- Carrying out all required calculations.
- Amending the Debit member's record to reflect the changes as a result of the Pension Sharing order.
- Creating a Credit members record for the ex spouse.
- Notifying the Debit member and their solicitor of the effect of the Pension Sharing order on the Debit member's pension.
- Notifying the Credit member and their solicitor of the value of the Credit pension created as a result of the Pension Sharing order.
- Calculation and payment of the Credit pension, (and any lump sum due, if applicable) when the Credit member becomes eligible for payment of benefits.
- Calculation and payment of the Debit pension (and any lump sum due if applicable) when the Debit member retires taking into account the deduction due for the Credit members annual pension increase to that date.

Annex B

The process for implementation of a pension attachment order involves the following steps:

- Examination and confirmation of acceptance (or otherwise) of wording of draft pension attachment order.
- Checking all documentation relating to the actual pension attachment order, copy of final minute, decree etc. Letter confirming final order is enforceable.
- Amending the member's record to reflect the changes as a result of the pension attachment order.
- Calculation and payment of the member's retirement or death benefits taking into account the implemented pension attachment order.
- Contacting the former spouse at the member's retirement or death. The calculation and payment of earmarked retirement or death benefits.