

## **HSC Pension Scheme - Schedule of charges for Pensions on Divorce or the Dissolution of a Civil Partnership from 1 April 2016**

### **Background**

As part of the divorce or dissolution process the assets of the marriage or civil partnership, including the value of pension benefits, are identified. An agreement is reached and an Order made by the court on how these assets, or the value of these assets, are to be shared.

The value of pension benefits may be offset against the value of other financial assets in the settlement or the court may decide the pension is shared or earmarked.

To facilitate these arrangements co-operation from pension schemes is essential and charging legislation permits schemes to recover costs for providing pensions information on divorce or dissolution of a civil partnership and for putting a Court Order into operation.

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.

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

### **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'.

### **The Pensions and Lifetime Savings Association (formerly the National Association of Pension Funds)**

The implementation charges are within the charging guidelines published by the Pensions and Lifetime Savings Association (PLSA).

HSC Pension Service will review its schedule of charges each year in line with PLSA guidelines. The current schedule should therefore always be checked before sending any payment to HSC Pensions. This is available on our website at: <http://www.hscpensions.hscni.net/>

## Cash Equivalent Transfer Value (CETV)

Transfer Value Type	What is provided to members?	Does HSC Pension Service have to provide this information?	Charges to Members applicable from 1 April 2016?
The first request for a CETV or SoE (Statement of Entitlement)	<p>The value of pension benefits if you decide to transfer to another Registered Pension Scheme and the request is within age and time limits</p> <ul style="list-style-type: none"> <li>○ CETV – Active members</li> <li>○ SoE – Deferred members</li> </ul>	Yes ***	No
A second or more request for a CETV or SoE (Statement of Entitlement) (made within 12 months of HSC Pension Service receiving your first	<p>The value of your pension benefits if you decide to transfer to another Registered Pension Scheme and the request is within age and time limits</p> <ul style="list-style-type: none"> <li>○ CETV – Active members</li> <li>○ SoE – Deferred members</li> </ul>	No	£408
A replacement SoE (Statement of Entitlement) required where the scheme option forms are not returned within 3 months of the guarantee date	<p>The value of your pension benefits if you decide to transfer to another Registered Pension Scheme and the request is within age and time limits</p> <p>(The value is guaranteed for three months from the guarantee date) **</p>	No	£408
CETV - Any hypothetical calculation, which is in addition to a member's entitlement	Information based on hypothetical circumstances	No	£408
IFA Requests	A request for a CETV or SoE from an Independent Financial Advisor on behalf of a member	No	£408

## Pension Sharing Administration

Acknowledgement and implementation of a pension sharing order (including record creation and maintenance).	£3142.00 (See annex A)
Supplementary work connected with a pension sharing order.	£112.00 - £283.00 per hour (based on complexity of calculation)
Acknowledgement and implementation of a variation order.	£283.00

**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.	£408.00 (see annex B)
Acknowledgement and implementation of a pension attachment order for a pension and/or retirement lump sum.	£613.00 (see annex B)
Acknowledgement and implementation of a variation order.	£55.00 per hour (minimum charge one hour)
Supplementary work connected with a pension attachment order.	£112.00 - £283.00 per hour (based on complexity)
Transfer out associated with pensions earmarking.	£226.00
Transfer in associated with pensions earmarking.	£226.00

**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.