

A guide for members on divorce and dissolution

Going through a divorce or dissolution of a civil partnership can be a difficult time, including the inevitable discussions around the division of money and possessions.

If you are living with your partner, but are not married or not in a civil partnership, they will not automatically be entitled to any of your pension benefits if you separate.

Your pension will be taken into account along with your other assets when working out a financial settlement if you get divorced or there is a dissolution of the civil partnership. You have the choice to pay part of your pension to your ex-partner either by a Pension Attachment Order or a Pension Sharing Order, both of which are granted by the Court.

Here we answer some of the questions that you might have at this time, such as:

- What is the difference between a Pension Attachment Order and a Pension Sharing Order?
- What information is needed to make a decision?
- Who can request this information?
- What happens to my Fund benefits?
- Are my BRASS and AVC Extra benefits included in the calculations?
- Is there an administration charge?
- Where can I get more information?

What is the difference between a Pension Attachment Order and a Pension Sharing Order?

Pension Attachment Order

This will allocate an amount of pension specified by the Court to your ex-partner but this is held in the Fund and paid at the same time you take your benefits from the Fund. This could also include a portion of your lump sum death benefit and/or your retirement lump sum. Your ex-spouse cannot take their benefits in respect of the attachment order until you have taken your benefits. Their entitlement would cease on your death and in most cases if they remarried. If your ex-partner dies before you, their entitlement would cease and your pension would revert to its full amount.

Pension Sharing Order

This will allocate a one-off payment specified by the Court, from your pension benefits to your ex-partner at the time of the divorce. This will either be a percentage of the cash value of your benefits or a specified amount. Once the payment has been made, your benefits are reduced by this amount and your ex-partner will have no further claim to your pension.

The amount is known as a 'pension credit' and is used to buy pension benefits for your ex-partner. The pension benefits can either be bought in the British Transport Police Superannuation Fund (and they will be payable from Normal Pension Age) or alternatively transferred to another pension provider of their choice. As these pension benefits are completely separate to yours, your ex-spouse does not have to take their benefits at the same time you do. They could also continue to be paid after your death or if your ex-partner remarried.

What information is needed to make a decision?

The Court will require details of your pension benefits and some of the information you may need is:

- A CETV (Cash Equivalent Transfer Value)
- The amount of lump sum death benefit
- Details of any dependant's pension
- Your period of membership

If any of this information is needed please tell RPMI that this is required for divorce or dissolution purposes so that we can make sure that all the details are sent to you, which you can then pass on to your solicitor.

The CETV is worked out using instructions from the Fund's actuary and takes into account:

- The value of your pension and lump-sum benefits
- The value of your ex-partner's dependant pension; and
- The value of your death in service lump sum.

Who can request this information?

We will only provide information to you, a solicitor acting with your written authority, or the Court.

What happens to my Fund benefits?

Pension Attachment Order

Your pension will only be divided when you start to receive your pension. Until then the total benefits will be shown on all estimates you receive but, each time you receive an estimate we will advise you to refer to your court order when you look at your future benefits.

Pension Sharing Order

The amount of pension credit that has been allocated to your ex-partner will be deducted from your benefits immediately.

We will let you know when this is completed, and what your basic Fund pension and lump sum has been reduced by, (this is known as a 'pension debit'). All future estimates that you receive from RPMI will take the pension debit into account and reflect that your pension benefits have been reduced.

Are my BRASS and AVC Extra benefits included in the calculations?

Yes, all pension benefits will be included in the calculations unless the Court Order states otherwise.

A percentage reduction will be applied equally across your fund benefits and your BRASS/AVC Extra personal retirement account.

However, if your BRASS/AVC Extra funds are large enough, you could pay the whole pension credit from these so that your fund benefits, will not be affected.

The way that your benefits are reduced will not affect the pension credit that is paid to your ex-partner.

Is there an administration charge?

Yes. There is a charge of £250 plus VAT to implement a Pension Sharing Order, due to the lengthy manual calculation required. This will usually be deducted from your benefits.

There is also an additional administration charge, which is payable by your ex-partner, if they wish to keep their benefits in the British Transport Police Superannuation Fund.

Currently there is no administration charge for a Pension Attachment Order.

Where can I get more information?

You can find more information by:

- Visiting www.btp pensions.co.uk
- Phoning the Helpline on 0800 2 343434
- Contacting your employer

You may also find the following contacts useful:

www.relate.org.uk

Relate offers advice, relationship counselling, sex therapy, workshops, mediation, consultations, and support face to face, by phone and through the website.

www.citizensadvice.org.uk

The Citizens Advice service helps people resolve their legal, money and other problems by providing free information and advice from over 3,000 locations.

www.gov.uk

Gov.uk brings together a range of government services and information online.

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Although every effort has been made to ensure that the information given in this leaflet is accurate, none of the information given can give you legal rights to benefits that differ from those provided in the pension trust and rules.

Helpline: **0800 2 343434**
Website address: **www.btp pensions.co.uk**
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We recommend that you get independent financial advice before making any important decisions about your pensions arrangements.