

Pensions and Divorce

This leaflet explains how we deal with your Police pension when you get divorced. It gives general guidance only.

When you get a divorce, the court can make either a Pension Attachment Order or a Pension Sharing Order, but not both, over your pension benefits.

Pension Attachment Orders

If the court makes a Pension Attachment Order, the pension will still belong to you but we must make payments from it to your former husband or wife.

Pension Sharing Orders

If the court makes a Pension Sharing Order, part of the pension benefits will be transferred to your former husband or wife so they own their share. They will keep that share even if your or their circumstances change.

How are my pension benefits dealt with?

There are three stages.

- gathering information;
- getting a court order; and
- paying the attached or shared pension.

① How do I find out more?

If you have specific questions about your particular divorce proceedings and the relevance of a court order; speak to your solicitor

Stage 1: Gathering Information

The court will need details of your Police pension benefits when deciding whether to grant a Pension Attachment or Pension Sharing Order. We can give detailed information to you and your solicitor, but only basic information (such as scheme booklets) to anyone else.

The information you and your solicitor can get

The pensions administrator can give you a copy of the scheme booklet that explains the Police Service pension arrangements and a statement showing the pension benefits you have earned.

You can ask for an estimate of the Cash Equivalent Transfer Value (CETV). This estimate of your benefits is a convenient way of assessing the value of your pension in relation to other assets built up during marriage (for example, a house). When asking for a CETV estimate, tell the pensions administrator that you are involved in divorce proceedings.

Each year you can get one free benefit statement and one free CETV estimate, unless you are already receiving your Police pension. You will have to pay up-front for any extra information we provide (see later in this leaflet for details of our charges).

The pensions administrator will normally respond to a solicitor's questionnaire by sending an information pack about our scheme. The pack recognises the differences between divorce procedures in Scotland and the rest of the UK. As our scheme was set up by an Act of Parliament, its assets are not saved up to provide the pension benefits. So many of the questions usually asked by solicitors will not be appropriate.

Stage 2: Getting a Court Order

When applying to a court, you or your legal representative must let your pensions administrator know in writing.

If a Pension Attachment Order is made

Under the regulations, the court can order that your former husband or wife receives:

- all or part of the income paid from the scheme;
- all or part of the lump sum paid from the scheme;
- all or part of any lump sum paid if you die; and
- all or part of the benefits from any additional voluntary contributions (AVCs) you have paid.

What happens next?

Send the order to your pensions administrator who will acknowledge it and make sure it is acted upon. Many years may pass between your divorce and when your pension becomes payable so your ex-husband or wife must tell the pensions administrator if they change address. They must also tell the pensions administrator if they get married. In this situation, any part of the Pension Attachment Order applying to a pension income (but not a lump sum) will automatically end.

After your divorce, you may need to update the form you filled in saying who you wanted us to pay the benefits to if you died. The updated form applies only to benefits unaffected by Pension Attachment Order.

If you transfer your benefits to another scheme, the Pension Attachment Order will also transfer. The pensions administrator will tell your former husband or wife about this.

If a Pension Sharing order is made

The courts may order that a percentage of your benefits are permanently transferred to your former husband or wife. (In Scotland, the order will refer to an amount of money. To know what percentage of your benefits this equals, divide that amount by the estimated value of your benefits on the valuation date.)

The order applies to:

- the income due from the scheme;
- the lump sum due from the scheme;
- any widow's or widower's pension we would pay if you died before retiring;
- any widow's or widower's pension we would pay if you died after retiring;
- any Guaranteed Minimum Pension (GMP) that applies; and
- any changes made to the benefits under a modification order.

The CETV is recalculated at the effective date of the Pension Share. Please note that this will not be actioned until the pensions administrator is in receipt of all relevant documents and fees.

The percentage set out in the order is applied to the estimated value of your benefit, at the valuation date, to work out the amount we should transfer to your former husband or wife. (In Scotland we transfer the amount of money quoted in the order.) Using factors appropriate to their age and sex; the transferred amount is converted into a pension and (in certain circumstances) lump sum payable on their 60th birthday, or age 65 in the case of New Police Pension Scheme members and State Pension Age for 2015 Scheme members. Their pension provides no dependants benefits, but may pay death benefit in certain circumstances. Their pension will be protected against increases in the cost of living by keeping pace with inflation.

The order may state that a percentage (or amount, as appropriate) of your benefits built up as AVCs should be transferred to your former husband or wife. If so, a percentage (calculated at the valuation date) or amount is transferred from your AVC fund to an appropriate pension arrangement of their choice.

Stage 3: Paying the attached or shared pension

Pension Attachment

Six months before you retire, the pensions administrator will contact you and your former husband or wife to check that the Pension Attachment Order is still valid and to get bank details so we can make the necessary payments. Your former husband's or wife's payments will be taken from your pension *after* tax.

Pension Sharing

You and your former husband or wife are responsible for claiming your pensions when you retire.

When we work out the benefits you should receive we will first work out what your benefit would have been if the Pension Sharing Order had not been made. This gives us a provisional award. We will then make a deduction for the Pension Share and pay the remaining amount to you.

We pay your former husband's or wife's share of the pension when they are 60 (65 in the case of New Police Pension Scheme members) or immediately if they have already reached this age at the valuation date.

Other Information

Note: This leaflet provides a straightforward guide to **pensions and divorce**. It does not cover every aspect; the full details are contained only in the rules, which are the legal basis of the scheme. You should note that nothing in this document can override the rules, and in the event of any unintentional difference, the rules will prevail.

① For more information and advice about scheme benefits, contact us at Equiniti, PO Box 1307, Sutherland House, Russell Way, Crawley, RH10 0PA

Equiniti Paymaster administering pensions on behalf of the Metropolitan Police Service