

PSA2 – SQA Unit Code H5JA 04

Process pension scheme individual transfers in



Overview

This unit is about processing pension scheme individual transfers in. You must establish authorisation for every transfer in request, ensure that the proposed transfer is from a qualifying scheme and determine that members have been recommended to seek appropriate advice. You must check for any relevant legal requirements which may affect the proposed transfer. You must then calculate entitlements and inform members of the options available to them, including their rights to transfer and their transferred in benefits. You must request payment of transfer values where appropriate, receiving and validating appropriate discharge forms and updating member records to show details of the transfer. You must also take appropriate follow-up action where no response is received from the member.

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Performance criteria

You must be able to:

- P1 Establish authorisation for every transfer in request before further action is taken, or forward the request to the appropriate party
- P2 Recommend that members are seeking appropriate advice
- P3 Ensure all proposed transfers are from another UK Registered scheme, or Qualifying Recognised Overseas Pension Scheme (QROPS), and check for any relevant legal requirements which may have an effect
- P4 Correctly calculate entitlements in accordance with scheme rules and actuarial advice, as appropriate
- P5 Fully inform members of the options available to them with regard to their rights to transfer, and seek their preference
- P6 Fully inform members of their transferred in benefits and what their options are including their opt-out or cancellation rights
- P7 Request payment of transfer values without delay, where appropriate
- P8 Receive and validate appropriate discharge forms
- P9 Update member records to show details of the transfer
- P10 Correctly and accurately process all updates to member information within required timescales
- P11 Take appropriate follow-up action, where no response is received from members

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Knowledge and understanding

You need to know and understand:

- K1 The need for, and methods of, verification and validation checking
- K2 How to interpret and apply statutory and relevant pension scheme requirements, including contracting out, following a transfer in request
- K3 How to validate scheme data in terms of completeness and appropriateness
- K4 The required timescales and schedules for updating, presentation and despatch of data and the consequences of non-compliance
- K5 How to process scheme transfer benefits and options as specified in scheme regulations
- K6 How to apply calculation methods and standard practices
- K7 Any relevant legal requirements and the relevant legislation including Anti-money Laundering, Data Protection, equality and diversity legislation, Cancellation notices, HMRC and DWP regulations and The Pensions Regulator's Codes of Practice for Internal Controls and for Trustee Knowledge and Understanding
- K8 Cash Equivalent Transfer Values (CETV)
- K9 Industry-specific arrangements appropriate to your organisation, such as Public Sector Transfer Club rules
- K10 The difference between giving financial advice and Providing information to the member

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Additional Information

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Behaviours

- 1 You are sensitive to members' lack of technical expertise and use your intuition and experience to help them fully understand the issues
- 2 You gather and manage information effectively, efficiently, ethically and confidentially
- 3 You have a clear understanding of the extent and limits of your authority to take decisions
- 4 You identify the information needs of colleagues, clients and others
- 5 You make appropriate information and knowledge available to those who need it and who are entitled to have it
- 6 You present information in a timely manner, clearly, concisely and accurately, and in a way that promotes understanding
- 7 You look for potential improvements and propose courses of action that are timely, appropriate and achievable
- 8 You take pride in the quality of your work
- 9 You understand the needs and motivations of others
- 10 You work in a professional, co-operative and mutually supportive manner
- 11 You pay attention to details that are critical to your work
- 12 You use communication styles that are appropriate to different people and situations

A 'pick and mix' approach should again be used for the inclusion of Behaviours in job descriptions, training programmes etc, and further guidance is available on the Financial Skills Partnership's website, at www.financialskillspartnership.org.uk.

Links to other

NOS

A range of separate NOS, developed both by the Financial Skills Partnership and other Sector Skills Councils, cover other roles in

Pension Scheme Administration including handling money and organising and delivering reliable customer service. The following will be particularly relevant.

- NOS for Customer Payments for Financial Products and Service – particularly unit *FCP02 Assess and use financial information to reconcile accounts*
- NOS for Credit Management – particularly unit *CM3 Process invoices and payment transactions*, and NOS for Financial Services Customer Care

The Council for Administration have also developed a full suite of NOS for Customer Service, and these can be accessed at www.cfa.uk.com.

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Relevant occupations 4132 Pensions and insurance clerks

Suite Pension Scheme Administration

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