

2023 SURVEY RESULTS

PLSA Guidance on Pension Sharing Charges Upon Divorce

RESEARCH BACKGROUND

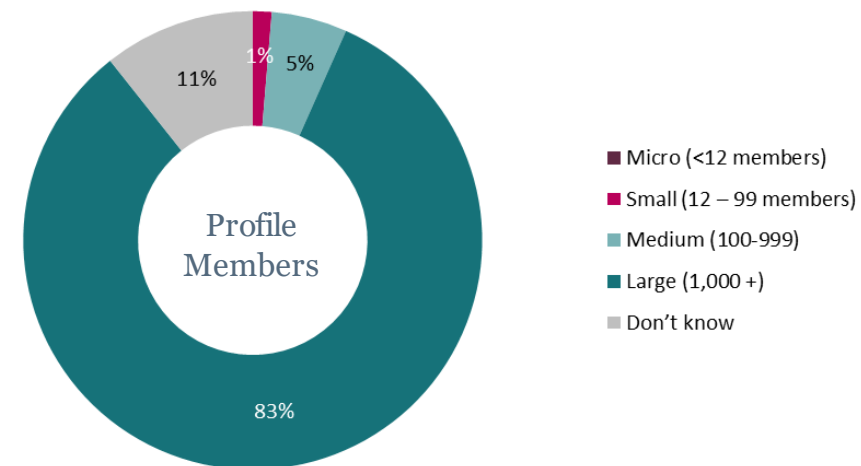
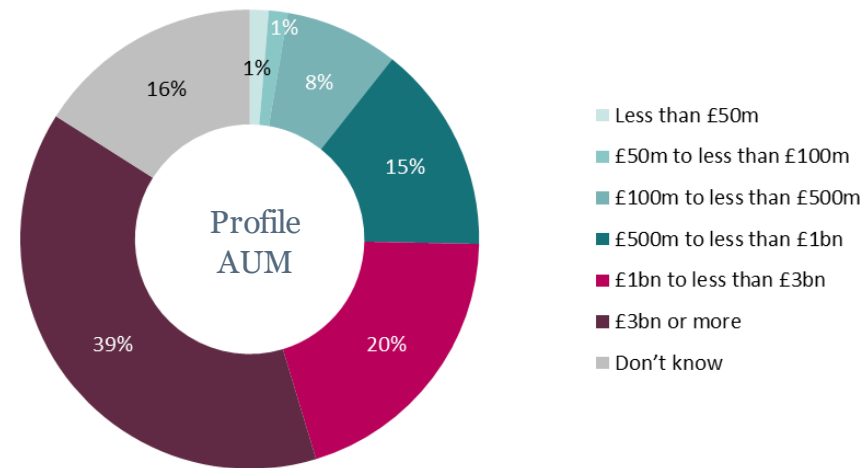
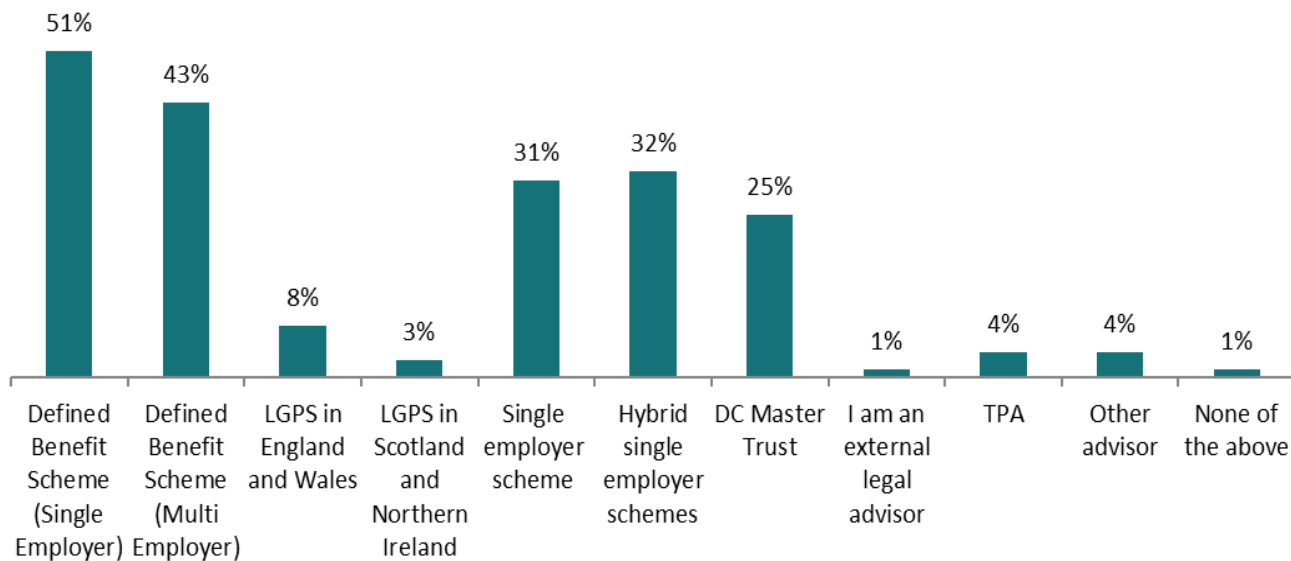


75
RESPONDENTS



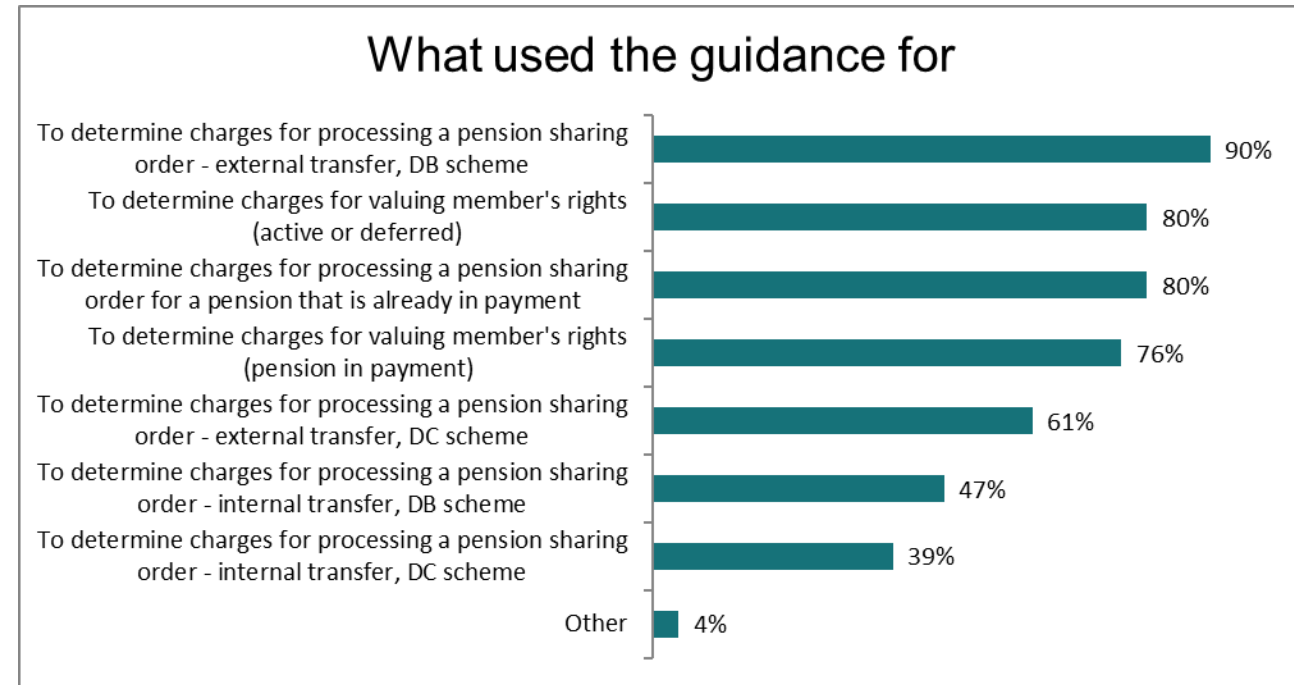
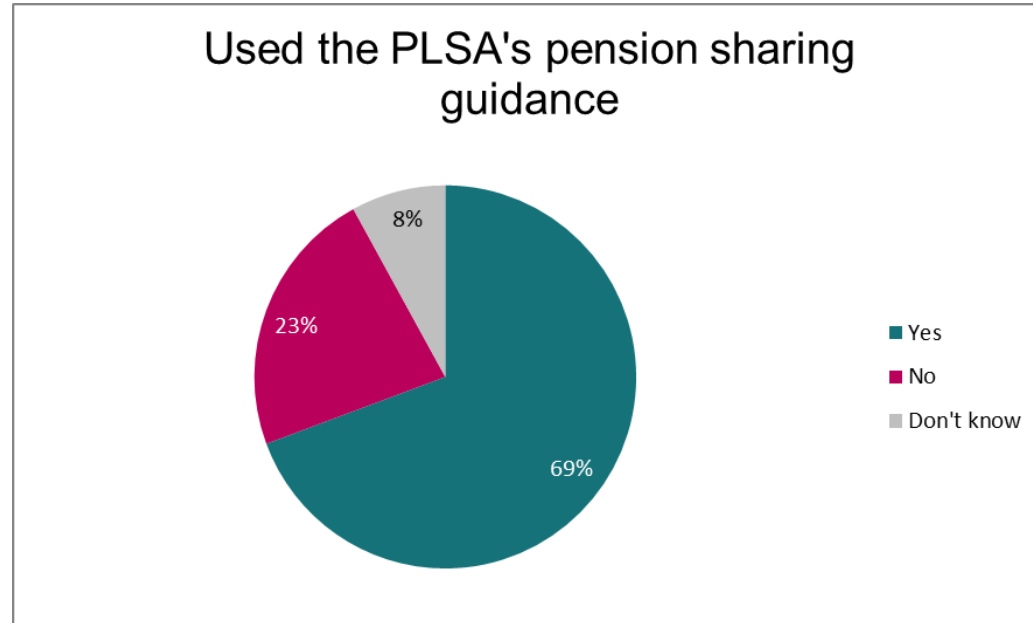
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Schemes represented



USE OF THE PLSA'S PENSION SHARING GUIDANCE

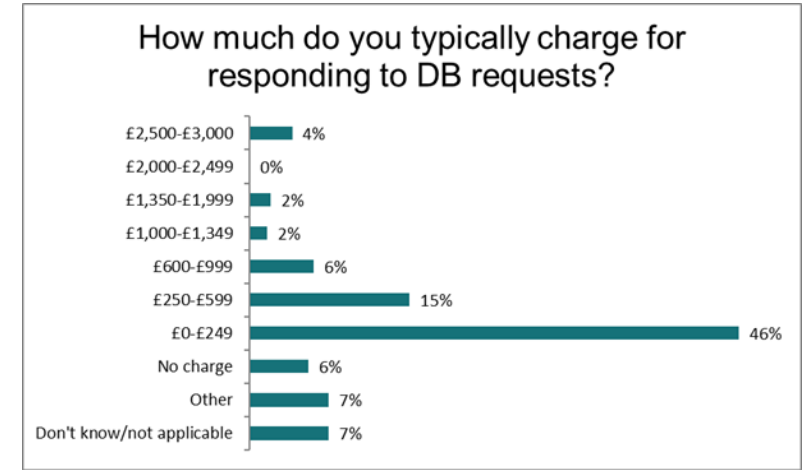
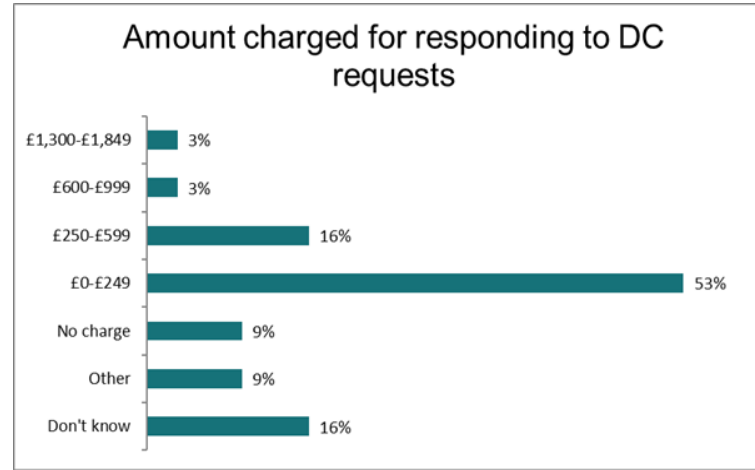
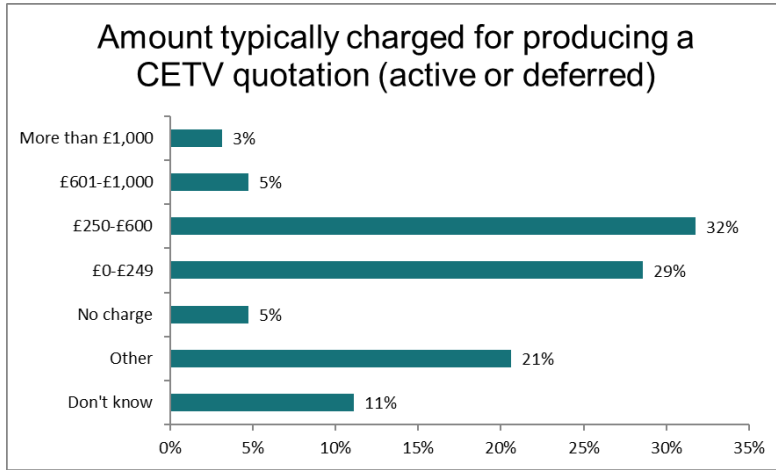
Have you ever used the PLSA's pension sharing guidance? All respondents (75)



- Two-thirds say they have the PLSA's pension sharing guidance, with most saying they have used it to determine charges for processing a pension sharing order for a DB external transfer (90%).
- Most have also used the guidance to determine charges for valuing member's rights (80%) or for processing a pension sharing order for a pension that is already in payment (80%).
- Fewer have used the guidance for determining charges for processing an internal pension sharing order either for a DB scheme (47%) or DC scheme (39%).

TYPICAL CHARGES - UNPROMPTED

- ▶ How much do you typically charge for producing a CETV quotation (active or deferred)? All respondents (63)
- ▶ How much do you typically charge for responding to DC requests? All respondents answering (58)
- ▶ How much do you typically charge for responding to DB requests? All respondents answering (62)

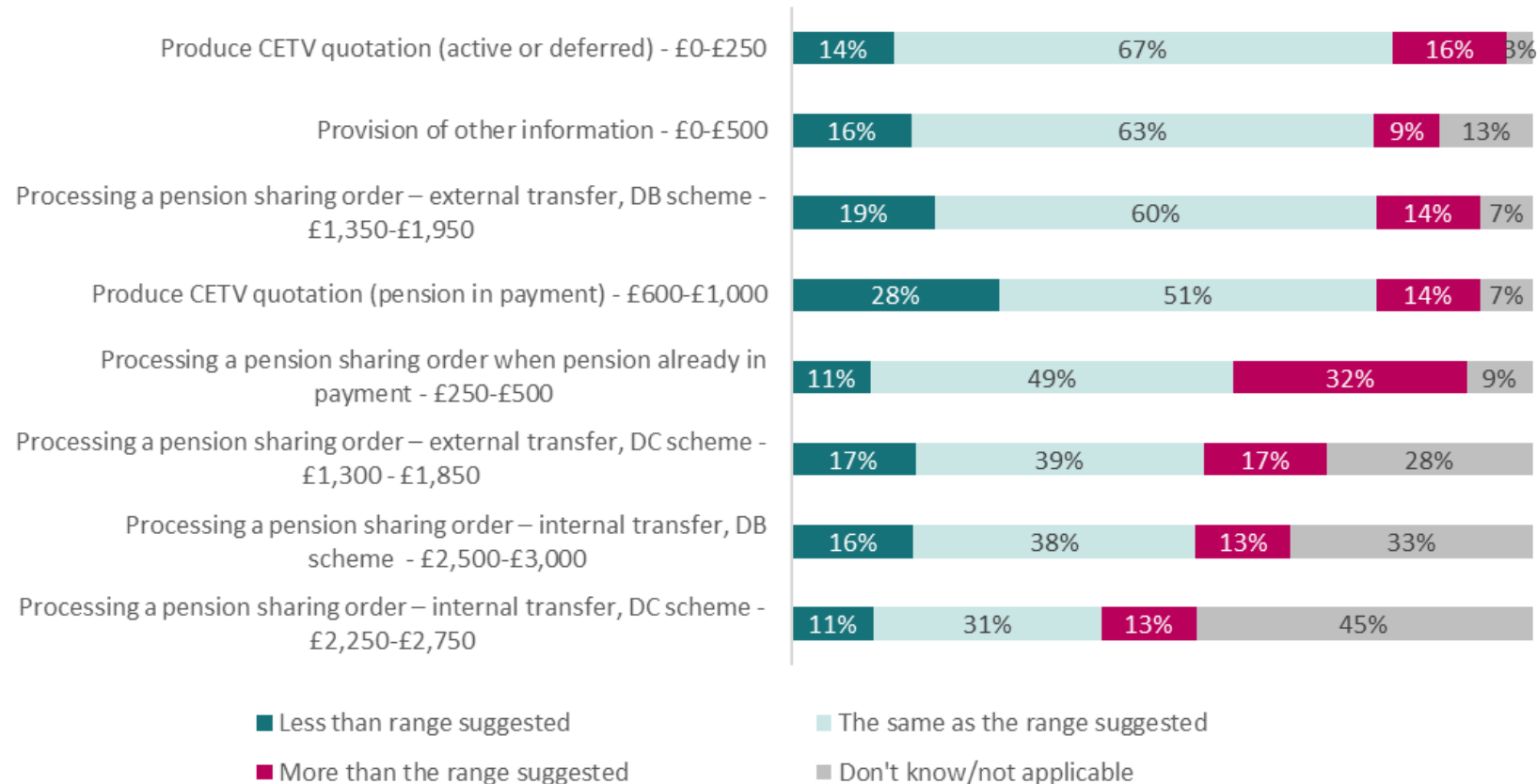


- Most (66%) charge less than £600 for producing a CETV quotation (active or deferred), with a third either charging nothing or less than £249 (34%) – in line with the current PLSA guidance. However, two in five currently charge more than the PLSA guidance with a third (32%), charging between £250 and £600. Five per cent charge between £601 and £1,000 and three per cent charging more than £1,000. A number currently do not charge for the first quote and then charge for subsequent quotes.
- Two-thirds of those representing DC schemes say they charge up to £249 for a DC request (62%), with 9% saying they don't charge. However, one in five (22%) charge more than £250 with three per cent saying they charge between £1,300 and £1,849 for a DC request.
- Half of those representing DB schemes say they charge up to £249 for a DB request (46%), with 6% saying they don't charge. However, three in ten (29%) charge more than £250 with four per cent saying they charge between £2,500 and £3,000 for a DB request.

TYPICAL CHARGES - PROMPTED

- ▶ The PLSA's pension sharing charges guidance recommends a range of fees, do you currently charge less, the same or more than the suggested range of charges? All respondents (58)

Charges compared to PLSA guidance



- When prompted, most say they charge the same as the range suggested for producing a CETV quotation (67%), provision of other information (63%), processing a pension sharing order for an external DB scheme transfer (60%).
- However, more than a quarter (28%) say they charge less than the range suggested for producing a CETV quotation for a pension in payment, while a third (32%) say they charge more than the range suggested for processing a pension sharing order when pension already in payment.

