

## PAYMENT OF PENSION SCHEME BENEFITS

| PERFORMANCE CRITERIA  | SCOPE   |
|---|---|
| <p>You must be able to:</p> <ol style="list-style-type: none"> <li>1. Check that all sums authorised for <b>payment</b> match the benefits calculated</li> <li>2. Check every notification received for proper authorisation, according to organisational procedures</li> <li>3. Investigate and resolve any <b>discrepancies</b> in member details</li> <li>4. Payments are processed according to organisational requirements</li> <li>5. Correctly set up any payroll records supporting ongoing payments according to regulatory and organisational requirements</li> <li>6. Ensure <b>changes</b> affecting the payment of pensions are actioned, where possible, according to organisational payroll <b>timescale</b></li> <li>7. Investigate the reasons for returned credits or returned cheques and re-issue or suspend if necessary</li> <li>8. If necessary, take <b>appropriate steps</b> to establish contact with pensioners with whom the organisation has lost contact</li> </ol> | <p>In meeting the performance criteria you must show you can:</p> <ol style="list-style-type: none"> <li>(A) Identify <u>five</u> <b>new payments</b> covering at least <b>three</b> of the following categories:               <ol style="list-style-type: none"> <li>(i) New pensioner</li> <li>(ii) New dependant</li> <li>(iii) Terminal/final/commuted payment</li> <li>(iv) Recalculation of benefits</li> </ol> </li> <li>(B) Process <u>eight</u> changes from <b>three</b> of the following categories:               <ol style="list-style-type: none"> <li>(i) Change of address</li> <li>(ii) Change of bank details</li> <li>(iii) Changes to deductions from pension</li> <li>(iv) Change of payment method</li> <li>(v) Change of tax code</li> <li>(vi) Change to pension tranches at state pension age</li> <li>(vii) Other</li> </ol> </li> <li>(C) Resolve <u>two</u> <b>discrepancies</b> using <b>any</b> of the following methods:               <ol style="list-style-type: none"> <li>(i) Own discretion</li> <li>(ii) Another appropriate person</li> </ol> </li> <li>(D) Take <b>appropriate steps</b> to establish contact using <u>any</u> of the following methods:               <ol style="list-style-type: none"> <li>(i) Bank or building society</li> <li>(ii) Internal departments</li> <li>(iii) HMRC</li> <li>(iv) Tracing agency</li> <li>(v) Other</li> </ol> </li> <li>(E) Ensure that both of the following <b>timescales</b> are met:               <ol style="list-style-type: none"> <li>(i) Regulatory</li> <li>(ii) Scheme or organisational</li> </ol> </li> </ol> |

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|  | service level agreement |
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## **PAYMENT OF PENSION SCHEME BENEFITS**

### **Knowledge and Understanding**

You must show that you know and understand:

- K1** Practices and procedures for payment of benefits, including requirements and forms required
- K2** The internal procedures that you need to follow and the records that need to be updated on payment of benefit(s)
- K3** How to apply PAYE legislation
- K4** The different payment methods and frequency of payment used
- K5** Organisational timescales and understanding the consequences of non-compliance
- K6** The requirements for notification to paying agents and HMRC
- K7** Where to identify sources of information for the resolution of discrepancies
- K8** Their circumstances under which pensions would be suspended
- K9** Procedures for BACS recalls, returned credits or returned cheques
- K10** Procedures for tracing pensioners with whom the organisation has lost contact