HSC Pension Scheme

Pensions Terminology

(Explained)
Foreword

This document is designed to offer an explanation of the complex wording and jargon which is commonly found in the world of pensions and related financial environment.

Although some of the information contained in this document will not directly relate to most HSC Pension Scheme members it may relate to the accrual and overall calculation of pension benefits both payable to some employees of the HSC in general.

The purpose of the document is to provide both employers and employees with a greater understanding of the technical language which can be used in pension related communication issued not only from HSC Pension Service but also organisations such as HMRC and The Department of Work and Pensions.

HSC Pension Service will endeavour to keep this document up to date and in line with the ever changing pension regulations and associated legislation.

Martin Bradley MBE
Head of HSC Pension Service
A-DAY
The Appointed Day, 6 April 2006, when the tax regime introduced by FINANCE ACT 2004 (FA2004) came into force.

ACCOUNTING POLICIES
The specific accounting bases adopted to present fairly the financial results and position of an organisation.

ACCRUAL RATE
The rate at which pension benefits build up for each year of pensionable service in a defined benefit scheme.

ACCRUED BENEFITS
The benefits built up to a given point in time. They may be calculated in relation to current earnings or projected earnings.

*Allowance may also be made for revaluation and/or pension increases required by the scheme rules or legislation.*

ACCRUED RIGHTS
The benefits to which a member is entitled, as of right, under an occupational pension scheme. These include accrued benefits.

ACTIVE MEMBER
A member of an occupational pension scheme who is accruing benefits and/or paying contributions under that scheme in respect of current service.

ACTUARIAL ASSUMPTIONS
The set of assumptions as to rates of return, inflation, increase in earnings, and mortality etc., used by the actuary in an actuarial valuation or other actuarial calculations.

ACTUARIAL REDUCTION
A reduction made to a member’s accrued benefits in order to offset any additional cost arising from payment being made in advance of the normal pension date.

ACTUARIAL REPORT
Under PENSIONS ACT 2004 (PA2004) a written actuarial report (funding update) prepared and signed by the scheme actuary on the developments affecting the scheme’s technical provisions since the last actuarial valuation or report was prepared.
ACTUARIAL VALUATION
Commonly refers to an investigation by an actuary into the ability of a defined benefit scheme to meet its liabilities. The purpose is usually to assess the funding level and contribution rate, based on the agreed valuation method and assumptions.

ACTUARIAL VALUATION ASSUMPTIONS
Assumptions used by a scheme actuary when carrying out an actuarial valuation. They can be divided into financial and demographic assumptions.

Financial assumptions are generally about future economic factors. They include assumptions for investment return, inflation, general salary and pension increases, and discount rates.

Demographic assumptions are about what happens to scheme members, for example the likelihood of leaving the scheme, retiring or dying.

ADDED YEARS
The provision of extra benefits in a defined benefit scheme by adding a notional additional period of pensionable service. This may arise by the payment of AVCs from the receipt of a transfer payment or as an augmentation.

ADDITIONAL PENSION 1 (HSC Pension)
A flexible way of increasing your HSC Pension Scheme benefits. It allows you to choose to buy extra annual pension and see clearly how much the purchase will cost. Under this option you elect to buy a set amount of annual pension for an agreed amount of contributions that you can choose to pay either as a lump sum or as a regular payment for an agreed period of time.

ADDITIONAL PENSION 2 (State Pension)
The State Second Pension (or State Earnings Related Pension Scheme before 6 April 2002).

ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCs)
Contributions over and above a member’s normal contributions which the member elects to pay to an occupational pension scheme in order to secure additional benefits.

ANNUAL ALLOWANCE (AA)
The maximum amount of tax-relievable pensions that can be built up in one tax year.

ANNUAL ALLOWANCE CHARGE
The tax charge that is levied on an individual who exceeds the annual allowance

ANNUAL BENEFIT STATEMENT
A statement of benefits payable in respect of an individual’s membership of a pension scheme at a specific date. This may be an estimate and should not be taken as a guarantee of what might be received on retirement.
ANNUITY
A series of payments, which may be subject to increases, made at stated intervals until a particular event occurs. This event is most commonly the end of a specified period or the death of the person receiving the annuity.

ANTI FRANKING REQUIREMENTS
Anti-franking legislation requires that statutory indexation of an individual’s Guaranteed Minimum Pension (GMP) is paid in addition to any amount by which the scheme benefits exceed the GMP, and is not deemed to be covered or “franked” by other scheme benefits.

AUTOMATIC ENROLMENT
The requirement for an employer to enroll automatically eligible jobholders into a qualifying scheme. An individual who is automatically enrolled is free to opt out and can stop saving at any time, but needs to take action to do so.

*These requirements come into force over a period of four years from October 2012. The timing depends on the size of the employer.*

AUTOMATIC RE-ENROLMENT
If any jobholder has opted out, an employer will have to automatically re-enrol them provided they are still working for the employer. The re-enrolment process occurs about every three years.
BASIC PENSION
The flat rate (not earnings related) State Pension paid to all who have met the minimum NI contribution requirements. Subject to certain conditions, a wife may claim on the NI record of her husband, a surviving spouse or civil partner may claim on the record of his/her deceased spouse or civil partner, and a person who is divorced or whose civil partnership is dissolved may use the former spouse’s/civil partner’s NI record up to the termination of the marriage/civil partnership.

BECKMANN JUDGMENT
The judgment of the European Court of Justice (ECJ) in the case of Beckmann v Dynamco Whicheloe Macfarlane on 4 June 2002 changed the obligation to provide pension benefits that transfer to a transferee employer on a TUPE transfer.

The judgment held that any obligation to provide benefits that are neither old age nor incapacity benefits transfers from the transferring employer to the new employer. As a result, early retirement benefits on redundancy or otherwise that a transferring employee may have had in the transferring employer’s pension scheme must be replicated by his new employer.

BENEFICIARY
A person entitled to benefit under a pension scheme or who will become entitled on the happening of a specified event.

BENEFIT CRYSTALLISATION EVENT (BCE)
A defined event or occurrence that triggers a test of a member’s benefits against the available lifetime allowance.

The relevant statutory provisions are s216 and Schedule 32 FINANCE ACT 2004 (FA2004).

BENEFITS
The payments made by a pension scheme to a scheme member, usually on their retirement, to which that member is entitled. The term is most usually applied to the money paid to a member as their pension, but may also include other entitlements.

BULK TRANSFER
The transfer of a group of members from one occupational pension scheme to another, sometimes with an enhanced transfer payment in comparison with an individual’s cash equivalent.

HMRC must be informed about any such transfer payments.
CAREER AVERAGE REVALUED EARNINGS SCHEME (CARE)
A career average scheme where benefits are revalued by reference to an appropriate index during and after pensionable service.

CAREER AVERAGE SCHEME
A scheme where the benefit for each year of membership is related to the pensionable earnings for that year.

CASH EQUIVALENT
The value of benefits accrued by a member of a pension scheme.

Cash equivalents are used in cash equivalent transfer values, and for other purposes, for example when a pension sharing order is made.

CASH EQUIVALENT TRANSFER VALUE (CETV)
The value which a member of a pension scheme may require to be paid as a transfer payment to another registered pension arrangement.

CLOSED SCHEME
A pension scheme that does not admit new members.

Contributions may or may not continue and benefits may or may not be provided for future service to existing members.

CODES OF PRACTICE
The Pensions Regulator issues various codes of practice providing practical guidance on compliance with the requirements of PENSIONS ACT 2004 (PA2004). A breach of a code of practice will not result in legal proceedings, but such a breach will be admissible in evidence in any legal proceedings.

COMMON DATA
Data items specified in the Pensions Regulator’s record-keeping guidance as common data. This includes items such as date of birth and National Insurance number.

COMMUTATION
The process where a member gives up all or part of his pension in exchange for an immediate lump sum payment.

COMMUTATION FACTORS
Factors used to determine the amount of pension which needs to be given up in order to provide a lump sum benefit.
CONCURRENCY
The principle of being able, without contravening HMRC rules, to pay into more than one pension scheme at the same time.

Post A-Day, membership of more than one pension scheme is permitted, subject to the annual allowance and the lifetime allowance.

CONCURRENT EMPLOYMENTS
When an individual is employed in multiple capacities by one or more than one employer at the same time.

CONDITIONAL DATA
A range of data items, additional to common data, that the scheme will require, according to the Pensions Regulator’s record-keeping guidance, to administer the scheme correctly.

CONTINUOUS SERVICE
Treatment by an occupational pension scheme prior to A-Day of the pensionable employment of a member as continuous with a previous period of pensionable employment (within the same scheme or another scheme).

CONSUMER PRICES INDEX (CPI)
The Government’s principal measure of price inflation. It is an internationally comparable measure of inflation which employs methodologies and structures that follow international legislation and guidance.

CONTRACT OUT
The use of a pension scheme which meets certain conditions to provide benefits (GMPs, protected rights or section 9(2B) rights) in place of State Second Pension. Employees and the sponsoring employers of contracted out occupational schemes pay reduced rate NI contributions.

CONTRACTED OUT / CONTRACTED IN
A pension scheme is contracted out where it provides benefits in place of State Second Pension and holds a contracting out certificate or appropriate scheme certificate granted by the HMRC National Insurance Contributions Office. Members are contracted out if they are in employment which is contracted out by reference to an occupational pension scheme, or have elected to contract out via an appropriate personal pension scheme or stakeholder pension scheme. Contracted Out ended for the HSC Pension on 05/04/2016.

CONTRACTED OUT CONTRIBUTION EARNINGS INFORMATION SERVICE (COCIS)
Part of HMRC. COCIS provides employers/schemes or their representatives with details of contributions/earnings for specified tax years.
CONTRACTED OUT DEDUCTION
The amount deducted from an individual’s SERPS benefits for the period of being contracted out. Only applies to contracting out between 1978/79 and 1996/97. Analogous to the Guaranteed Minimum Pension provided by COSR pension schemes.

CONTRIBUTION NOTICE
A notice issued by the Pensions Regulator to a person (company or individual), “connected with” or “an associate of” the employer, stating that the person is under a liability to pay the sum given in that notice.

The Regulator can issue a notice under:-

- the “material detriment” test with effect from 14 April 2008 i.e. the Regulator is of the opinion that an act or failure to act has detrimentally affected in a material way the likelihood of accrued scheme benefits being received; or

- the “main purpose” test with effect from 27 April 2004 i.e. the person was a party to an act or failure to act, the main purpose of which was to prevent recovery of the debt on the employer or to prevent such a debt becoming due or to reduce the amount of such a debt which was or would otherwise become due (bad faith is required for pre-14 April 2008 acts).

With both tests, the Regulator must also consider it reasonable to impose the notice on that person.

CONTRIBUTIONS EQUIVALENT PREMIUM (CEP)
A state scheme premium which may be paid when a member leaves an occupational pension scheme with less than two years’ qualifying service. In return, the member is reinstated in State Second Pension for the period covered by the CEP.

CONTRIBUTORY SCHEME
A scheme which requires contributions from active members.
DEFERRED Benefits
A pension which commences from a future date.

DEFERRED MEMBER
A member entitled to preserved benefits.

DEFERRED PENSIONER
See Deferred Member.

DEFERRED RETIREMENT
See Postponed Retirement and Late Retirement.

DEFINED BENEFIT SCHEME
A scheme where benefits are linked through a formula to the members’ earnings and/or length of pensionable employment.

DEFINED BENEFIT LUMP SUM DEATH BENEFIT
A lump sum paid from a defined benefit scheme on death in specified circumstances, which is tested against the member’s unused lifetime allowance.

DEPENDANT
A person who is financially dependent on a member or pensioner or was so at the time of death of the member or pensioner. Scheme rules may define a dependant differently.

For HMRC purposes, a spouse or civil partner will qualify automatically as a dependant and a child may be regarded as a dependant until attaining the age of 23.

DETERMINATION
A decision by the Pensions Ombudsman that is final and binding on all parties, subject only to an appeal on a point of law to, in England and Wales, the High Court, in Scotland, the Court of Session, or in Northern Ireland, the Court of Appeal.

The process by which the Pensions Regulator decides to use its powers to intervene and remedy any breach of the legislation or problem arising within a work-based pension scheme. The Determination is issued by the Pension Regulator’s Determination Panel.
DIRECT DISCRIMINATION
Direct discrimination occurs when a person is treated less favourably than another “because of a protected characteristic”. The characteristics which are protected are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

The definition is broad enough to cover cases where the less favourable treatment is because of the victim’s association with someone who has that characteristic or because the victim is wrongly thought to have it.

DISABILITY BENEFIT
A benefit paid to an employee who is unable to work for medical reasons.

DISCLOSURE REGULATIONS

The main regulations are the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 (SI 1996/1655) and the personal pension schemes (Disclosure of Information) Regulations (Northern Ireland) 1987 (SI 1987/288), as amended by the Occupational, Personal and Stakeholder Pension Schemes (Disclosure of Information) (Amendment) Regulations (Northern Ireland) 2015 (SI 2015/154)

DISCRETIONARY INCREASE
An increase in a pension in payment or in a preserved benefit made on a discretionary basis i.e. other than from escalation or indexation.

Such an increase may be of a regular or an ad hoc nature.

DYNAMISATION / DYNAMISM
The index linking of earnings for calculating scheme benefits. Sometimes used to describe escalation, indexation or revaluation.
EARLY LEAVER
A person who ceases to be an active member of a pension scheme, other than on death, without being granted an immediate retirement benefit.

EARLY RETIREMENT
The immediate payment of retirement benefits to a member before normal pension date.

_The benefit may be reduced because of early payment._

EARMARKING
An order of the Court under PENSIONS ACT 1995 (PA1995), when a member of an occupational pension scheme or personal pension scheme divorces, directing the trustees or managers to pay some or all of the member’s benefits to the ex-spouse at the time they become payable to the member.

EARNINGS CAP
Limitation introduced by FA89 on the amount of remuneration on which the benefits and contributions of a member who was subject to the then Inland Revenue post 89 maximum benefit limits (i.e. a member without continued rights) might be based.

ELIGIBLE JOBHOLDER
For the purposes of the PA2008, this means a jobholder aged between 22 and State Pension Age who is earning more than qualifying earnings and normally works in Great Britain. As such, he or she is required to be subject to the auto enrolment regime.

ELIGIBILITY
The conditions which must be met for a person to be a member of a pension scheme or to receive a particular benefit.

_These may, for example, relate to length of service, status and type of employment._

EMPLOYEE’S EARNINGS THRESHOLD
From 6 April 2000, the point at which employees begin to pay NI contributions. As at April 2011 it is linked to the single person’s tax allowance.

EMPLOYER
The person or body with whom the member of a pension scheme has a contract of employment relevant to that scheme.
EMPLOYER’S EARNINGS THRESHOLD
From 6 April 1999, the point at which employers begin to pay NI contributions. Currently linked to the single person’s tax allowance.

ENDOWMENT POLICY
A policy which provides a lump sum at a fixed future date or on earlier death.

ENHANCED PROTECTION
One of two forms of transitional protection (the other is primary protection) for pre A-Day rights. This protection is available to any individual with benefits accrued at A-Day. It allows the value of pre A-Day benefits to be linked to indexation or movements in future earnings or investment growth.

The benefits of a member with enhanced protection are not subject to the lifetime allowance charge, but this is subject to several important conditions.

EUROPEAN COURT OF JUSTICE (ECJ)
Also known as “the Court of Justice of the European Communities”, which hears cases and preliminary references under European Community law.

The ECJ is based in Luxembourg.
FINAL PENSIONABLE EARNINGS / PAY / SALARY
The earnings on which the benefits are calculated in a final salary scheme.

FINAL SALARY SCHEME
A defined benefit scheme where the benefit is related to the amount that the member is earning at the time of retirement, death or leaving pensionable service and to the period of pensionable service.

FINANCIAL OMBUDSMAN SERVICE (FOS)
The independent body set up by Parliament to help settle individual disputes between businesses providing financial services and their customers.

FINANCIAL REPORTING COUNCIL (FRC)
The independent regulator responsible for promoting confidence in corporate reporting and governance in the UK.

FINANCIAL REPORTING STANDARDS (FRS)
Accounting standards developed by the ASB are contained in Financial Reporting Standards (FRSs). They apply to all companies and other kinds of entities, including pension schemes, which prepare accounts that are intended to give a true and fair view.

FINANCIAL SERVICES AUTHORITY (FSA)
The independent non-governmental body, given statutory powers by the Financial Services and Markets Act 2000.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)
An independent body set up under the Financial Services and Markets Act 2000.

FIXED RATE REVALUATION
A method used by a COSR to revalue GMP between termination of contracted out employment and age 65 (men), 60 (women) as one of the alternatives to applying section 148 orders.

The rate is reviewed periodically.

FLEXIBLE RETIREMENT
The ability to take all or some benefits from an occupational pension scheme while remaining in the same employment.

FREE STANDING ADDITIONAL VOLUNTARY CONTRIBUTIONS (FSAVCs)
Contributions to a pension contract separate from an occupational pension scheme that are effected by an active member of that scheme. Benefits are secured with a pension provider by contributions from the member only.
FRS 17 - RETIREMENT BENEFITS
It is mainly concerned with defined benefit schemes, but applies to all retirement benefits as well as pensions, for example medical care in retirement. Exemptions exist for the smallest entities.

GUARANTEED MINIMUM PENSION (GMP)
The minimum pension which a salary related occupational pension scheme must provide in respect of contracted out contributions paid between April 1978 and April 1997, as a condition of contacting out.

HM REVENUE & CUSTOMS (HMRC)
Formed in 2005, following the merger of the Inland Revenue and HM Customs and Excise.

*It has the responsibility for the registration of pension schemes and the taxation of contributions and benefits.*

HMRC PENSION SCHEME SERVICES
Deals with the policy, operational and technical work relating to pension schemes.
ILL HEALTH EARLY RETIREMENT
Immediate payment of retirement benefits on medical grounds before normal pension date. The benefit may exceed that payable on early retirement in other circumstances.

IMPLEMENTATION PERIOD
In relation to a pension credit, it is the period of four months during which the pension scheme must implement the pension sharing order.

IMPROVEMENT NOTICE
A notice issued by the Pensions Regulator to a person who has breached legislative requirements.

The notice directs the person to take (or refrain from taking) certain actions, and must contain information relating to the breach in question and the steps taken to remedy the breach together with timescales for compliance. Civil penalties may apply if the improvement notice is not complied with.

INFLATION PROOFING
Used to describe indexation of pensions and/or the purpose of a discretionary increase.

INTERNAL CONTROLS
This specifically relates to a Code of Practice ‘Internal Controls’, issued by the Pensions Regulator which defines them as:

- arrangements and procedures to be followed in the administration and management of a pension schemes;
- systems and arrangements for monitoring the administration and management procedures; and
- arrangements and procedures to be followed for the safe custody and security of the assets of the scheme.

It is a legal requirement under PA 2004 that all pension schemes must establish and operate adequate internal controls.

INTERNAL DISPUTE RESOLUTION PROCEDURE (IDRP)
Occupational pension schemes are required (subject to exceptions) by s50 PENSIONS ACT 1995 (PA1995) to have a procedure to deal with disputes between scheme managers on the one hand and members and beneficiaries on the other hand.
JOBHOLDER
A worker in Great Britain who:
- works, or ordinarily works in Great Britain;
- who is aged at least 16 and under 75; and
- to whom qualifying earnings are payable.

See also Automatic Enrolment.

LATE RETIREMENT
The provision of retirement benefits to a member, after normal pension date.

LIFE ASSURANCE SCHEME
A scheme that provides a benefit only on the death of a member (normally on death in service).

LIFETIME ALLOWANCE (LTA)
Overall maximum capital amount of tax relievable pension savings that any one individual can accumulate in all pension arrangements.

LIFETIME ALLOWANCE CHARGE
The tax charge that is levied on any excess funds for an individual who has a capital amount of pension savings that exceed the lifetime allowance.

LOW EARNINGS THRESHOLD (LET)
A defined amount between the lower earnings limit and the upper earnings limit.

For State Second Pension purpose, an employee earning below the low earnings threshold but above the lower earnings limit is treated as earning the equivalent to the low earnings threshold.

LOWER EARNINGS LIMIT (LEL)
The minimum amount that must be earned in a pay period to qualify for a Basic Pension.

Up to 5 April 1999, the limit on which employer NI contributions were based. Up to 5 April 2000, the limit on which employee NI contributions were based.

Together with the LET and the UEL, the LEL defines the salary bands used to calculate State Second Pension.

LUMP SUM
See also Pension Commencement Lump Sum.
MARKET LEVEL ADJUSTMENT
An adjustment to a payment, such as a surrender value or transfer value of an insurance fund, to reflect current market conditions.

MATERNITY EQUALITY RULE
Every occupational pension scheme will be treated as if it contains a “maternity equality rule”. Essentially, this requires a woman on maternity leave to be treated in the same way as if she was working normally with respect to scheme membership, accrual and benefits.

MEMBER
A person who has been admitted to membership of a pension scheme and is entitled to benefit under the scheme.

*Sometimes narrowly used to refer only to an active member.*

The definition of member depends on its context as both scheme rules and legislation may give a different meaning to the definition above.

MEMBER’S NORMAL CONTRIBUTIONS
The regular contributions required from an active member by the scheme rules.

MORTALITY ASSUMPTIONS
Assumptions used by actuaries to project average death rates among scheme members before or after retirement.

NATIONAL EMPLOYMENT SAVINGS TRUST (NEST)
NEST is a qualifying scheme under the Government’s Workplace Pension Reforms, which can be used by employers to meet the automatic enrolment requirements.

NATIONAL INSURANCE CONTRIBUTIONS OFFICE (NICO)
The office, part of HMRC, responsible for the collection and recording of national insurance contributions.

NATIONAL INSURANCE SERVICES TO PENSIONS INDUSTRY (NISPI)
A Directorate within the National Insurance Contributions Office (NICO). It deals with occupational pension schemes and appropriate personal pension schemes that are contracted out of the State Additional Pension.

NEST CORPORATION
NEST Corporation is the trustee body responsible for overseeing the National Employment Savings Trust (NEST).
NORMAL MINIMUM PENSION AGE (NMPA)
The earliest date at which pensions and lump sums may normally be taken as authorised payments under a registered pension scheme.

*From 6 April 2010 the NMPA of 50 rose to 55.*

NORMAL PENSION DATE (NPD)
The date at which a member of a pension scheme normally becomes entitled to receive his/her retirement benefits.

NORMAL RETIREMENT AGE (NRA)
Age of a member at the normal retirement date specified in the scheme rules.

NORMAL RETIREMENT DATE (NRD)
The date (usually the date of reaching a particular age) specified in the rules of an occupational pension scheme at which a member would normally retire.

NOTIFIABLE EVENTS
An event that must be notified to the Pensions Regulator by employers, trustees and managers of defined benefit schemes that may increase the risk of claims on the Pension Protection Fund.

The relevant statutory provisions are s69 PENSIONS ACT 2004 (PA2004) and the Pensions Regulator (Notifiable Events) Regulations (Northern Ireland) 2005 (SI 2005/172) as amended.
OCCUPATIONAL PENSION SCHEME
A scheme established by an employer, or on behalf of a group of employers, to provide pensions and/or other benefits for or in respect of one or more employees on leaving pensionable service or on death or retirement.

OPTING IN
Jobholders who are not automatically enrolled (for example, because they opted out or are aged under 22) can opt in by giving their employers notice requiring the employer to arrange for them to join a qualifying scheme. However, they can only do this once in a 12-month period. Low earners can opt into a pension scheme too, but are not entitled to receive any employer contributions.

OPTING OUT
A decision by an employee to leave or not to join an occupational pension scheme of the employer. In the context of automatic enrolment, jobholders have a one month “opt-out period” after they have been automatically enrolled.

*It is important that they are given all the information about automatic enrolment and the scheme, so they can make an informed decision on whether opting out is the right choice for them. If they choose to opt out, they will get a refund of any contributions they have made.*

OVERRIDDING LEGISLATION
The application of statutory requirements to pension schemes by means of provisions which directly override scheme rules.

OVERSEAS PENSION SCHEME
A pension scheme which is established in a country outside the UK (certain conditions apply, under legislation) and is not a registered pension scheme.
PARTICIPATING EMPLOYER
An employer, some or all of whose employees have the right to become members of an occupational pension scheme.

PENSION COMMENCEMENT LUMP SUM (PCLS)
A lump sum paid to a member (who is under age 75) by a registered pension scheme when their pension comes into payment.

The relevant statutory provision is s166 and Schedule 29 of FINANCE ACT 2004 (FA2004).

PENSION CREDIT
An income related (means-tested) benefit that boosts a pensioner’s State Pension to ensure they have a minimum level of income.

The benefits to which the ex-spouse of a scheme member becomes entitled to following a pension sharing order.

PENSION DEBIT
The amount of benefit rights given up by a scheme member when a pension sharing order is made in respect of that member.

PENSION INCREASE
An increase in a pension in payment.

PENSION INPUT AMOUNT
The amount that is tested against the annual allowance for the pension input period. In assessing whether an individual has exceeded their annual allowance, schemes must test the pension input in each year against the annual allowance. There are different methods of calculating the amount depending on the type of pension scheme.

PENSION INPUT PERIOD (PIP)
The period over which the pension input is calculated. This is normally the scheme year but may be a different period.

PENSION PROTECTION FUND (PPF)
The statutory fund established to pay compensation to members of eligible defined benefit schemes when there is a qualifying insolvency event in relation to the employer and where there are insufficient assets in the pension scheme to cover PPF compensation levels.
PENSION SCHEME
An occupational pension scheme, a personal pension scheme, a stakeholder pension scheme, or an FSAVC scheme.

PENSION SCHEMES REGISTRY
The register of all UK pension schemes maintained by the Pensions Regulator.

PENSION SHARING ORDER
An order made in accordance with the provisions of Chapter I of Part IV of the Welfare Reform and Pensions Act 1999 which makes provision for the pension rights of a scheme member to be split on divorce.

PENSION TAX RELIEF AT SOURCE (PTRAS)
The procedure whereby contributions to a registered pension scheme are deducted from the member’s pay before tax is calculated under PAYE, giving immediate tax relief at the highest applicable rate.

PENSION TRACING SERVICE
A service allowing members of pension schemes to trace lost pension schemes.

PENSIONABLE EMPLOYMENT
Employment where an individual is able to join a registered pension scheme.

PENSIONABLE SERVICE
The period of service which is taken into account in calculating pension benefits or other benefits.

PENSIONABLE EARNINGS
The earnings on which benefits and/or contributions are calculated under the scheme rules.

PENSIONER
A person who is currently receiving a pension from a pension scheme.

PENSIONS OMBUDSMAN (PO)
The Pensions Ombudsman is a tribunal non departmental public body. Its function is to investigate and determine complaints of injustice caused by maladministration and disputes of fact or law brought by members of occupational pension schemes and their spouses and dependants, against trustees, managers or employers of those schemes. Complaints, but not disputes, can also be brought by the same people against the administrators of schemes.
PENSIONS REGULATOR (TPR)
The UK regulator of work based pension schemes. The Pensions Acts of 2004 and 2008 give the Pensions Regulator a set of specific objectives:

- to protect the benefits of members of work based pension schemes;
- to promote good administration of work based pension schemes;
- to reduce the risk of situations arising that may lead to claims for compensation from the Pension Protection Fund (PPF); and
- to maximise employer compliance with employer duties (including the requirement to automatically enrol eligible employees into a qualifying pension provision with a minimum contribution) and with certain employment safeguards.

PERSONAL LIFETIME ALLOWANCE (PLA)
The amount of an individual’s pre A-Day rights registered with HMRC for protection from the imposition of a lifetime allowance charge.

PERSONAL PENSION SCHEME (PPS)
A contract-based scheme provided on a defined contribution basis. A personal pension scheme can be a stakeholder pension scheme if the necessary conditions are met.

PRESERVED BENEFIT
A benefit that a member has already earned from an occupational pension scheme when ceasing to be an active member before normal pension age and which is received on retirement.

PRIMARY PROTECTION
One of two forms of transitional protection (the other is enhanced protection) for registering pre A-Day rights. When a member’s rights registered at A-Day exceed £1.5m, this value replaces (and grows in line with) the standard lifetime allowance. This is then known as the individual’s personal lifetime allowance. Any amounts in excess of this will be subject to a lifetime allowance charge.

PROSPECTIVE MEMBER
An individual, not currently a member of the pension scheme of his/her employer, who either is entitled to join or will become eligible to join in the future by virtue of continuing in employment with the employer.

Given a wider meaning in the Disclosure Regulations.

PROSPECTIVE SERVICE
The length of potential pensionable service of a member up to a future date or age.

Used for the calculation of some benefits (often incapacity pensions or spouse’s pensions).
PROTECTED RIGHTS
The benefits paid by a pension scheme (including a personal pension scheme or stakeholder pension scheme) which is contracted out on a money purchase basis, which derive mainly from the contracted out rebates (including minimum contributions and minimum payments) and associated investment returns. Protected rights are subject to rules on how they can be invested and the type of benefits they must provide.

PUBLIC SECTOR PENSION SCHEME
A pension scheme primarily providing benefits for public sector workers, where the rules are set up by law and the benefits are guaranteed by the Government.
QUALIFYING EARNINGS
This will be the band of gross annual earnings on which contributions for the purposes of automatic enrolment are calculated. This will be from £7,475 up to and including £33,540. Qualifying earnings are a worker’s salary, wages, overtime, bonuses and commission, as well as statutory sick, maternity, paternity or adoption pay.

*The relevant statutory provision is s13 of PA2008.*

QUALIFYING EARNINGS FACTOR
The minimum level of earnings required to earn State Pension for a tax year. Equal to 52 times the weekly lower earnings limit for the year.

QUALIFYING RECOGNISED OVERSEAS PENSION SCHEME (QROPS)
An overseas pension scheme that satisfies certain HMRC requirements in relation to transfers.

*See also the list of QROPS on the HMRC website.*

QUALIFYING SCHEME
A pension scheme that meets certain minimum standards prescribed in PA2008 for the purposes of automatic enrolment. There are different quality standards depending on the type of scheme.

QUALIFYING SERVICE
Defined in s71 (7) PENSION SCHEMES (Northern Ireland) ACT 1993 (1993 c.49) to denote the period of employment to be taken into account to entitle the member to short service benefit.

*The current condition is for at least two years’ qualifying service.*

QUALIFYING YEAR
A year in which an individual has paid, or is treated as having paid, National Insurance contributions.
RECOGNISED OVERSEAS PENSION SCHEME
An overseas pension scheme recognised by HMRC and listed in The Pension Schemes (Categories of Country and Requirements for Recognised Overseas Schemes and Recognised Overseas Pension Schemes) Regulations (SI 2006/206).

RECOGNISED TRANSFER
A transfer payment to another registered pension scheme or recognised overseas pension scheme, in lieu of a member’s accrued rights in a registered pension scheme.

REGISTERED PENSION SCHEME
A scheme is a registered pension scheme, either by:
being registered with HMRC or
being an approved pension scheme on 5 April 2006 and thus acquiring registered status automatically.

REGISTERED PENSION SCHEME MANUAL (RPSM)
The detailed guidance that is available from HMRC for employers, employees, administrators and others on the provisions under the FINANCE ACT 2004 (FA2004) and supporting material in respect of the operation of registered pension schemes.

*The RPSM can be accessed on the HMRC website.*

REGISTRATION
The requirement for employers to register with the Pensions Regulator on completion of the automatic enrolment process.

REINSTATEMENT
The acceptance into an occupational pension scheme of a member who has previously declined to join, or has opted out.

*Reinstatement can be solely for future service benefits or can also include past service benefits.*

REVALUATION
The application, particularly to preserved benefits, of indexation, escalation or the awarding of discretionary increases. PENSION SCHEMES (NORTHERN IRELAND) ACT 1993 (1993 C.49) imposes a minimum level of revaluation in the calculation of GMP, and of preserved benefits other than GMP.

An accounting term for the revision of the carrying value of an asset, usually having regard to its market value.
REVALUED EARNINGS
The index linking of earnings for calculating benefits.

REVALUED EARNINGS SCHEME
A scheme where the benefits are based on revalued earnings for a given period. The 2015 HSC Pension Scheme is a Re-valued Earnings Scheme.
SALARY RELATED SCHEME
A scheme in which benefits are related to earnings. It is a type of defined benefit scheme.

SCHEDULE OF CONTRIBUTIONS
A schedule specifying the contribution rates and payment dates, normally agreed between the employer and the trustees and certified by the scheme actuary, as being adequate to satisfy the statutory funding objective.

SCHEME ACTUARY
The named actuary appointed by the trustees or managers of an occupational pension scheme under s47 PENSIONS ACT 1995 (PA1995).

SCHEME AUDITOR
The auditor appointed by the trustees or managers of an occupational pension scheme under s47 PENSIONS ACT 1995 (PA1995) to report on the scheme financial statements and the summary of contributions.

SCHEME RULES
The detailed provisions of a pension scheme, brought into operation by a definitive trust deed or in some other formal way, for example by a trustees’ resolution.

SCHEME YEAR
The financial year of an occupational pension scheme for which the audited accounts and the annual report are prepared.

SECTION 9(2B) RIGHTS
Rights to benefits (other than benefits from AVCs) under a COSR which are attributable to contracted out employment after 5 April 1997. Also known as Post ‘97 COSR Rights. They derive from s9(2B) of PENSION SCHEMES (NORTHERN IRELAND) ACT 1993 (1993 c.49).

Section 9(2B) rights are all benefits payable under the scheme not just the minimum level of benefits required under the reference scheme test.

SELF INVESTED PERSONAL PENSION (SIPP)
A personal pension scheme under which the member has more freedom than usual to choose and manage investments.

SERIOUS ILL HEALTH LUMP SUM
The payment of benefits to a member as a lump sum on the grounds of serious ill health. If the payment is within the lifetime allowance and certain conditions are met, there will be no charge to tax.
SHORT SERVICE REFUND LUMP SUM
The term for a refund of member contributions on leaving a registered pension scheme.

SMALL SELF ADMINISTERED SCHEME (SSAS)
A trust based occupational pension scheme which allows the members to direct the investments. A SSAS must be registered to obtain tax-exempt status.

Prior to A-Day a SSAS was defined by HMRC as being a scheme that was self-administered with fewer than 12 members, with at least one member connected with another member, or with a trustee or an employer in relation to the scheme. FINANCE ACT 2004 (FA2004) introduced the new definition.

Since A-Day they have been available to those not in a limited company.

STAGING
The employer duties for the purposes of automatic enrolment will be staged over four years from October 2012 to 2016, starting with the largest to medium-sized employers, followed by small and micro employers. The size of an employer will be based on PAYE data. Subject to certain conditions, employers will be able to automatically enrol their employees in advance of their staging date but not before October 2012.

STAGING DATE
The first date from which an employer must automatically enrol all their eligible jobholders into a qualifying scheme. The duties will be introduced by the size of employer with the new duties applying to the largest to medium-sized employers up to July 2014, followed by small and micro employers from August 2014 to February 2016. New PAYE schemes will be staged in at the end of the staging period from March 2016.

STAKEHOLDER PENSION SCHEME
A money purchase scheme that satisfies the CAT Standards and is recognised by HMRC as a stakeholder pension scheme.

STANDARD LIFETIME ALLOWANCE
This creates a ceiling on the tax advantaged benefits value that can be built up by an individual in all schemes.

STATE EARNINGS RELATED PENSION SCHEME (SERPS)
The additional pension provisions of the State Pension Scheme, replaced by State Second Pension since 6 April 2002.

SERPS is based on earnings on which standard rate NI contributions have been paid.
STATE PENSION AGE (SPA)
The minimum age from which State retirement pensions are normally payable.

Also referred to as State Pensionable Age. PENSIONS ACT 1995 (PA1995) raised the SPA for women to 65, to bring it in line with men by November 2018. The SPA will rise for men and women from 65 to 66 in April 2020.

STATE PENSION DEFERRAL
Choosing not to claim State Pension at SPA, in return for extra pension or a lump sum when State Pension begins to be paid.

STATE PENSION FORECAST
A forecast of State Pension based on NI Contributions to date, and projected future contributions, which is provided for individuals by The Pension Service.

STATE PENSION OFFSET
The reduction of the pensionable earnings of a member or a member’s pension to take account of the amount of SERPS or the State Second Pension that the member will receive.

STATE SCHEME PREMIUM
A payment made to HMRC in certain circumstances to reinstate all or part of an individual’s SERPS benefits.

Most State Scheme Premiums were abolished by PENSIONS ACT 1995 (PA1995) from 6 April 1997.

STATE SECOND PENSION (S2P)
The State Pension Scheme introduced with effect from 6 April 2002 that reformed SERPS. Employees participate automatically in the State Second Pension, unless they are contracted out. The State Second Pension is based upon earnings on which standard rate Class 1 NI contributions are paid, treated as paid or credited.

STATUTORY SCHEME
A scheme (usually in the public sector) established by Act of Parliament.
THE PENSIONS ADVISORY SERVICE (TPAS)
An independent voluntary organisation that is grant aided by the DWP. TPAS provides information and guidance to members of the public covering State, company, personal and stakeholder pension schemes. It also helps members of the public with problems, complaints or disputes with their occupational or private pension arrangements.

TRANSFER CLUB
A group of employers and occupational pension schemes that have agreed to a common basis for transfer payments. The transfer club covers mainly public service schemes.

TRANSFER PAYMENT
A payment made from a pension scheme to another pension scheme, or to purchase a buyout policy, in lieu of benefits which have accrued to the member or members concerned, to enable the receiving arrangement to provide alternative benefits.

The transfer payment may be made in accordance with the scheme rules or in exercise of a member’s statutory rights under PENSION SCHEMES (NORTHERN IRELAND) ACT 1993 (1993 c.49).

TRANSFER VALUE (TV)
The amount of the transfer payment.

TRIVIAL COMMUTATION LUMP SUM
A tax free lump sum benefit that may be paid to an individual (who has reached the age of 60 but has not reached age 75) where the total value of rights from all registered pension schemes is less than 1% of the lifetime allowance. Payment is subject to certain conditions.

UNAUTHORISED PAYMENT
Any unauthorised member payment or unauthorised employer payment.

UNAUTHORISED PAYMENTS CHARGE
A tax charge that arises when a registered pension scheme makes an unauthorised payment.

UNAUTHORISED PAYMENTS SURCHARGE
A tax charge which arises when a registered pension scheme makes total unauthorised payments that exceed a set limit in a specified period of not more than twelve months.

UNCRYSTALLISED FUNDS
Funds held in respect of a member that have not been used to provide that member with a benefit.
UNREGISTERED PENSION SCHEME
A retirement benefits scheme that is not a registered pension scheme.

UPPER BAND EARNINGS
Earnings between the lower earnings limit (LEL) and upper accrual point (UAP).

UPPER EARNINGS LIMIT (UEL)
The maximum earnings on which full rate NI contributions are payable by employees.

WAITING PERIOD
A period of service specified in the scheme rules which an employee must serve before being entitled to join an occupational pension scheme or to receive a particular benefit.

WHISTLE BLOWING
The statutory duty imposed on trustees, scheme administrators, employers and professional advisers under s70 PENSIONS ACT 2004 (PA2004) (also referred to as “Reporting breaches of the law”). A report must be made in writing to the Pensions Regulator, as soon as reasonably practicable, of any breach of legislation relating to the scheme’s administration which could be materially significant to the exercise of any of the Pensions Regulator’s functions.

WIDOW’S/WIDOWER’S GUARANTEED MINIMUM PENSION (WGMP)
The minimum pension which a salary related occupational pension scheme must provide for the surviving spouse or civil partner of a member in respect of contracted out contributions paid between April 1978 and April 1997, as one of the conditions of contracting out.

WORKER
In the context of automatic enrolment, an employee or a person who has contracted to provide services to an employer.
### COMMON Pension Related Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA</td>
<td>Annual Allowance</td>
</tr>
<tr>
<td>ABI</td>
<td>Association of British Insurers</td>
</tr>
<tr>
<td>ACA</td>
<td>Association of Consulting Actuaries</td>
</tr>
<tr>
<td>ACCA</td>
<td>Association of Chartered Certified Accountants</td>
</tr>
<tr>
<td>AGM</td>
<td>Annual General Meeting</td>
</tr>
<tr>
<td>AIFA</td>
<td>Association of Independent Financial Advisers</td>
</tr>
<tr>
<td>APB</td>
<td>Auditing Practices Board</td>
</tr>
<tr>
<td>APC</td>
<td>Auditing Practices Committee</td>
</tr>
<tr>
<td>APL</td>
<td>Association of Pension Lawyers</td>
</tr>
<tr>
<td>APP</td>
<td>Appropriate Personal Pension</td>
</tr>
<tr>
<td>APPSHP</td>
<td>Appropriate Personal Pension Stakeholder Pension Scheme</td>
</tr>
<tr>
<td>APSS</td>
<td>Audit and Pension Scheme Services</td>
</tr>
<tr>
<td>ASB</td>
<td>Accounting Standards Board</td>
</tr>
<tr>
<td>ASCON</td>
<td>Appropriate Scheme Contracted Out Number</td>
</tr>
<tr>
<td>AVCs</td>
<td>Additional Voluntary Contributions</td>
</tr>
<tr>
<td>BCE</td>
<td>Benefit Crystallisation Event</td>
</tr>
<tr>
<td>BIBA</td>
<td>British Insurance Brokers Association</td>
</tr>
<tr>
<td>CARE</td>
<td>Career Average Revalued Earnings Scheme</td>
</tr>
<tr>
<td>CBI</td>
<td>Confederation of British Industry</td>
</tr>
<tr>
<td>CEP</td>
<td>Contributions Equivalent Premium</td>
</tr>
<tr>
<td>CETV</td>
<td>Cash Equivalent Transfer Value</td>
</tr>
<tr>
<td>CGT</td>
<td>Capital Gains Tax</td>
</tr>
<tr>
<td>CIF</td>
<td>Common Investment Fund</td>
</tr>
<tr>
<td>CII</td>
<td>Chartered Insurance Institute</td>
</tr>
<tr>
<td>CIMPS</td>
<td>Contracted In Money Purchase Scheme</td>
</tr>
<tr>
<td>COCIS</td>
<td>Contracted Out Contribution / Earnings Information Service</td>
</tr>
<tr>
<td>COEG</td>
<td>Contracted Out Employments Group</td>
</tr>
<tr>
<td>COMBS</td>
<td>Contracted Out Mixed Benefit Scheme</td>
</tr>
<tr>
<td>COMP</td>
<td>Contracted Out Money Purchase Scheme</td>
</tr>
<tr>
<td>COMPSSHP</td>
<td>Contracted Out Money Purchase Stakeholder Pension Scheme</td>
</tr>
<tr>
<td>COSR</td>
<td>Contracted Out Salary Related Scheme</td>
</tr>
<tr>
<td>CPA</td>
<td>Compulsory Purchase Annuity</td>
</tr>
<tr>
<td>CPI</td>
<td>Consumer Prices Index</td>
</tr>
<tr>
<td>CT</td>
<td>Corporation Tax</td>
</tr>
<tr>
<td>DB</td>
<td>Defined Benefit</td>
</tr>
<tr>
<td>DC</td>
<td>Defined Contribution</td>
</tr>
<tr>
<td>DIS</td>
<td>Death In Service</td>
</tr>
<tr>
<td>DRA</td>
<td>Default Retirement Age</td>
</tr>
<tr>
<td>DWP</td>
<td>Department for Work and Pensions</td>
</tr>
<tr>
<td>EBT</td>
<td>Employment Benefit Trust</td>
</tr>
<tr>
<td>ECJ</td>
<td>European Court of Justice</td>
</tr>
<tr>
<td>Code</td>
<td>Full Form</td>
</tr>
<tr>
<td>------</td>
<td>-----------</td>
</tr>
<tr>
<td>ECON</td>
<td>Employer’s Contracting Out Number</td>
</tr>
<tr>
<td>EFRBS</td>
<td>Employer Financed Retirement Benefit Scheme</td>
</tr>
<tr>
<td>EOC</td>
<td>Equal Opportunities Commission</td>
</tr>
<tr>
<td>EPB</td>
<td>Equivalent Pension Benefit</td>
</tr>
<tr>
<td>ERF</td>
<td>Early Retirement Factor</td>
</tr>
<tr>
<td>ETV</td>
<td>Enhanced Transfer Value</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FA</td>
<td>Finance Act</td>
</tr>
<tr>
<td>FAS</td>
<td>Financial Accounting Standard; Financial Assistance Scheme</td>
</tr>
<tr>
<td>FOS</td>
<td>Financial Ombudsman Service</td>
</tr>
<tr>
<td>FRAG</td>
<td>Financial Reporting &amp; Accounting Group</td>
</tr>
<tr>
<td>FRC</td>
<td>Financial Reporting Council</td>
</tr>
<tr>
<td>FRS</td>
<td>Financial Reporting Standard</td>
</tr>
<tr>
<td>FSA</td>
<td>Financial Services Authority</td>
</tr>
<tr>
<td>FSAVCs</td>
<td>Free Standing Additional Voluntary Contributions</td>
</tr>
<tr>
<td>FSCS</td>
<td>Financial Services Compensation Scheme</td>
</tr>
<tr>
<td>GAD</td>
<td>Government Actuary’s Department</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GMP</td>
<td>Guaranteed Minimum Pension</td>
</tr>
<tr>
<td>GN</td>
<td>Guidance Note</td>
</tr>
<tr>
<td>GPP</td>
<td>Group Personal Pension</td>
</tr>
<tr>
<td>HMRC</td>
<td>Her Majesty’s Revenue and Customs</td>
</tr>
<tr>
<td>HMSO</td>
<td>Her Majesty’s Stationery Office</td>
</tr>
<tr>
<td>IAS</td>
<td>International Accounting Standard</td>
</tr>
<tr>
<td>ICTA</td>
<td>Income and Corporation Taxes Act</td>
</tr>
<tr>
<td>IDRP</td>
<td>Internal Dispute Resolution Procedure</td>
</tr>
<tr>
<td>IEBA</td>
<td>International Employee Benefits Association</td>
</tr>
<tr>
<td>IFA</td>
<td>Independent Financial Adviser</td>
</tr>
<tr>
<td>IHT</td>
<td>Inheritance Tax</td>
</tr>
<tr>
<td>IIPM</td>
<td>Irish Institute of Pension Managers</td>
</tr>
<tr>
<td>IPA</td>
<td>Individual Pension Account</td>
</tr>
<tr>
<td>IPP</td>
<td>Institute of Payroll Professionals</td>
</tr>
<tr>
<td>IFRS</td>
<td>International Financial Reporting Standards</td>
</tr>
<tr>
<td>IRPS</td>
<td>Investment Regulated Pension Scheme</td>
</tr>
<tr>
<td>ISA</td>
<td>International Standard on Auditing</td>
</tr>
<tr>
<td>LEL</td>
<td>Lower Earnings Limit</td>
</tr>
<tr>
<td>LET</td>
<td>Lower Earnings Threshold</td>
</tr>
<tr>
<td>LGPS</td>
<td>Local Government Pension Scheme</td>
</tr>
<tr>
<td>LPI</td>
<td>Limited Price Indexation</td>
</tr>
<tr>
<td>LPR</td>
<td>Legal Personal Representative</td>
</tr>
<tr>
<td>LRF</td>
<td>Late Retirement Factor</td>
</tr>
<tr>
<td>LTA</td>
<td>Lifetime Allowance</td>
</tr>
<tr>
<td>MVA</td>
<td>Market Value Adjustment</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>NAE</td>
<td>National Average Earnings</td>
</tr>
<tr>
<td>NAPF</td>
<td>National Association of Pension Funds</td>
</tr>
<tr>
<td>NEST</td>
<td>National Employment Savings Trust</td>
</tr>
<tr>
<td>NI</td>
<td>National Insurance</td>
</tr>
<tr>
<td>NIC</td>
<td>National Insurance Contributions</td>
</tr>
<tr>
<td>NICO</td>
<td>National Insurance Contributions Office</td>
</tr>
<tr>
<td>NINO</td>
<td>National Insurance Number</td>
</tr>
<tr>
<td>NISPI</td>
<td>National Insurance Services to Pensions Industry</td>
</tr>
<tr>
<td>NMMPA</td>
<td>Normal Minimum Pension Age</td>
</tr>
<tr>
<td>NPA</td>
<td>Normal Pension Age</td>
</tr>
<tr>
<td>NPD</td>
<td>Normal Pension Date</td>
</tr>
<tr>
<td>NRA</td>
<td>Normal Retirement Age</td>
</tr>
<tr>
<td>NRD</td>
<td>Normal Retirement Date</td>
</tr>
<tr>
<td>ONS</td>
<td>Office of National Statistics</td>
</tr>
<tr>
<td>PA</td>
<td>Pensions Act</td>
</tr>
<tr>
<td>PAYE</td>
<td>Pay As You Earn</td>
</tr>
<tr>
<td>PCLS</td>
<td>Pension Commencement Lump Sum</td>
</tr>
<tr>
<td>PCSPS</td>
<td>Principal Civil Service Pension Scheme</td>
</tr>
<tr>
<td>PHI</td>
<td>Permanent Health Insurance</td>
</tr>
<tr>
<td>PIP</td>
<td>Pension Input Period</td>
</tr>
<tr>
<td>PLA</td>
<td>Purchased Life Annuity, Personal Lifetime Allowance</td>
</tr>
<tr>
<td>PLRC</td>
<td>Pensions Law Review Committee</td>
</tr>
<tr>
<td>PO</td>
<td>Pensions Ombudsman</td>
</tr>
<tr>
<td>PPCC</td>
<td>Personal Pension Contributions Certificate</td>
</tr>
<tr>
<td>PPF</td>
<td>Pension Protection Fund</td>
</tr>
<tr>
<td>PPS</td>
<td>Personal Pension Scheme</td>
</tr>
<tr>
<td>PRP</td>
<td>Protected Rights Premium</td>
</tr>
<tr>
<td>PSA</td>
<td>Pension Schemes Act</td>
</tr>
<tr>
<td>PTRAS</td>
<td>Pension Tax Relief at Source</td>
</tr>
<tr>
<td>QIF</td>
<td>Qualifying Investment Fund</td>
</tr>
<tr>
<td>QROPS</td>
<td>Qualifying Recognised Overseas Pension Scheme</td>
</tr>
<tr>
<td>RPI</td>
<td>Retail Prices Index</td>
</tr>
<tr>
<td>RPSM</td>
<td>Registered Pension Scheme Manual</td>
</tr>
<tr>
<td>S2P</td>
<td>State Second Pension</td>
</tr>
<tr>
<td>SAS</td>
<td>Self-Administered Scheme</td>
</tr>
<tr>
<td>SASs</td>
<td>Statement of Auditing Standards</td>
</tr>
<tr>
<td>SCON</td>
<td>Scheme Contracted Out Number</td>
</tr>
<tr>
<td>SERPS</td>
<td>State Earnings Related Pension Scheme</td>
</tr>
<tr>
<td>SI</td>
<td>Statutory Instrument</td>
</tr>
<tr>
<td>SII</td>
<td>Securities and Investment Institute</td>
</tr>
<tr>
<td>SIP</td>
<td>Statement of Investment Principles</td>
</tr>
<tr>
<td>SIPP</td>
<td>Self-Invested Personal Pension</td>
</tr>
<tr>
<td>SMPIs</td>
<td>Statutory Money Purchase Illustrations</td>
</tr>
<tr>
<td>Acronym</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>SPA</td>
<td>State Pension Age</td>
</tr>
<tr>
<td>SSA</td>
<td>Social Security Act</td>
</tr>
<tr>
<td>SSAP</td>
<td>Statement of Standard Accounting Practice</td>
</tr>
<tr>
<td>SSAS</td>
<td>Small Self-Administered Scheme</td>
</tr>
<tr>
<td>SSB</td>
<td>Short Service Benefit</td>
</tr>
<tr>
<td>SSP</td>
<td>Statutory Sick Pay</td>
</tr>
<tr>
<td>SSPA</td>
<td>Social Security Pensions Act</td>
</tr>
<tr>
<td>TPAS</td>
<td>The Pensions Advisory Service</td>
</tr>
<tr>
<td>TPI</td>
<td>Tax and Prices Index</td>
</tr>
<tr>
<td>TPR/TPR</td>
<td>The Pensions Regulator (in common usage)</td>
</tr>
<tr>
<td>TUC</td>
<td>Trades Union Congress</td>
</tr>
<tr>
<td>TUPE</td>
<td>Transfer of Undertakings (Protection of Employment) Regulations</td>
</tr>
<tr>
<td>TV</td>
<td>Transfer Value</td>
</tr>
<tr>
<td>TVAS</td>
<td>Transfer Value Analysis</td>
</tr>
<tr>
<td>UAP</td>
<td>Upper Accrual Point</td>
</tr>
<tr>
<td>UEL</td>
<td>Upper Earnings Limit</td>
</tr>
<tr>
<td>UURBS</td>
<td>Unfunded Unapproved Retirement Benefits Scheme</td>
</tr>
<tr>
<td>VAT</td>
<td>Value Added Tax</td>
</tr>
<tr>
<td>WGMP</td>
<td>Widow’s/Widower’s Guaranteed Minimum Pension</td>
</tr>
</tbody>
</table>