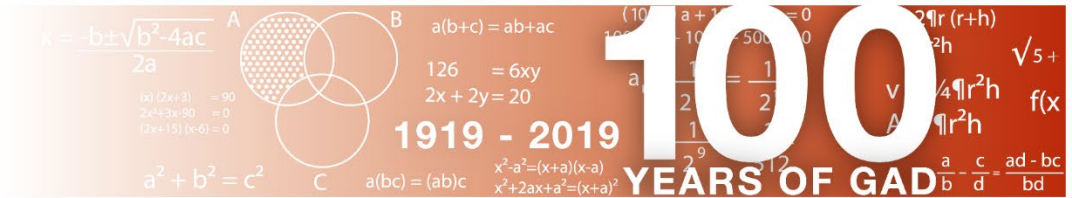




Government
Actuary's
Department



National Health Service NHS Pension Scheme for Scotland

Non-Club transfers out (CETVs)

Factors and guidance

Date: 22 August 2019





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1 Introduction

- 1.1 This Note is provided for use by the Scottish Public Pensions Agency ('SPPA') as administrator of the National Health Service Pension Scheme for Scotland ('NHSPS Scotland'). It sets out how to determine an appropriate statutory (i.e. non-Club) cash equivalent transfer value (CETV).
- 1.2 The factors provided in this Note have been prepared in light of our advice to the SPPA dated 30 October 2018 and its instructions following that advice.
- 1.3 This guidance is intended to supersede any previously issued by GAD for the purposes of calculating CETVs, carried out from 29 October 2018. No advice or factors issued in the past should be used for CETV cases after this date. In particular, this guidance supersedes:
- “National Health Service Superannuation Scheme for Scotland: Non-Club transfers out (CETVs) – Factors and guidance” dated 27 March 2015.
- 1.4 No advice or factors issued for NHS Pension Scheme (Scotland) 2015 ('NHSPSS 2015') should be used to calculate CETVs in respect of NHSPS Scotland. pensions.
- 1.5 Where a member has benefits in both the NHSPS Scotland and the NHSPS Scotland 2015, benefits should be treated separately and two CETVs quoted.
- 1.6 A summary of the assumptions underlying the CETV factors is given in Appendix A. The factors are provided in Appendix B. Some important limitations are set out in Appendix C.
- 1.7 This Note contains guidance on the use of CETV factors determined following advice from the Scheme Actuary as referred to in the following Scheme regulations:
- SSI 2011/117 Part M,
 - SSI 2013/174 2.F and 3.F.

Exclusions and scope

- 1.8 This Note covers the calculation of statutory CETVs only, including the calculation of transfer values payable for members transferring from the 1995 section to the 2008 section under Regulation SSI 2011/117 M7. It also covers the calculation of CETVs for members exercising the right to request a transfer from the NHSPS Scotland to the NHSPS Scotland 2015 and being applied in accordance with Regulation 144(1) of SSI 2015/94.
- 1.9 This Note should not be used for Club transfer values, bulk transfer cases, refunds of contributions or for any members with benefits in payment or entitlement to immediate benefits with no actuarial reduction. However, there is some interrelation of methodology and factors used to be for CETVs and Cash Equivalents for divorce purposes.
- 1.10 The factors set out in this Note are different to those prepared under the terms of the Public Sector Transfer Club.



- 1.11 In previous factors and guidance, an adjustment was applied to GMP to reflect the inflationary increases on the GMP, which were the responsibility of the State Scheme after GMP Payment Age. Following the requirement to equalise GMPs as set out in our letter 'Scottish NHS, teachers', police and firefighters' schemes: GMP Equalisation - Calculations involving actuarial factors' dated 22 August 2019, the GMP adjustment factor has been removed from the calculation methodology for all members reaching State Pension age after 6 April 2016 with effect from the date of receipt of this guidance note.
- 1.12 Our understanding of the usual transitional arrangements is that quotes are made using factors effective at that time. Therefore, where calculations are carried out before the date of receipt of this guidance note we would expect the following to apply:
- If the member replies within the guarantee period and before the implementation date, the original quote is honoured including the adjustment applied to GMP.
 - If the member replies within the guarantee period but after implementation date, the approach most beneficial to member are used.
 - If the member replies outside of the guarantee period, the CETV is recalculated. No adjustment is made in respect of GMP.
- 1.13 Any current cases where a CETV is required for a member with GMP reaching State Pension age before 6 April 2016 should be referred to GAD.
- 1.14 The factors and Notes to use in different circumstances are summarised in the following table.

Circumstances	Covered in this Note	Covered in Divorce Guidance ¹
Current pensioners*	x	✓
Deferred members < NPA	✓	x
Deferred members > NPA*	x	✓
Current active members < NPA*	✓	✓
Current active members > NPA* (including those with entitlement to immediate benefit without reduction)	x	✓
Pension debit members	✓	x
Pension credit members	No entitlement	
Special cases		
Deferred members < NPA, made redundant from special class status	✓	x
Members with reserved rights to a CETV based on historic factors (if better)	✓	x

¹ NHSPS Scotland - Pension Sharing Following Divorce Calculation of Cash Equivalents and Pension Credits: Factors and Guidance dated ('Divorce Guidance')



Male Nurses with some benefits in payment & some preserved	✓	✓
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* Cash equivalent quotes provided for divorce purposes only; no entitlement to CETV

Implementation and review

- 1.15 As agreed the factors and guidance in this Note should be followed with effect from 29 October 2018.
- 1.16 Factors are unisex. However, we have provided tables in the same format as the previous guidance and thus retained sex-dependent tables.
- 1.17 The factor tables in Appendix B are as follows:

CETV Factors set out in Appendix B	Table name
1995 Section: Factors for male members with a Normal Pension Age (NPA) of 60. Provided for ages from 20 up to and including 59	TV1
1995 Section: Factors for female members with an NPA of 60. Provided for ages from 20 up to and including 59	TV2
2008 Section: Factors for male members with an NPA of 65. Provided for all ages up to and including 64	TV3
2008 Section: Factors for female members with an NPA of 65. Provided for all ages up to and including 64	TV4
1995 Section: Factors for male members with an NPA of 55. Provided for ages from 35 up to and including 54	TV5
1995 Section: Factors for female members with an NPA of 55. Provided for ages from 35 up to and including 54	TV6
1995 Section: Factors for male members with an NPA of 60 and reserved right to a CETV based on historic terms (if better). Provided for all ages up to and including 59	TV7
1995 Section: Factors for female members with an NPA of 60 and reserved right to a CETV based on historic terms (if better). Provided for all ages up to and including 59	TV8

When using Tables TV1 - TV6 inclusive the appropriate factor is that applicable to the member's age last birthday in complete years at the guarantee date (equal to the calculation date).

When using Tables TV7 and TV8 the appropriate factor is that applicable to the member's age last birthday at their date of leaving the NHSPS Scotland.

In all cases factors should be applied to pension amounts in £ pa.

- 1.18 Factor Tables TV1 – TV4, TV7 and TV8 and the related instructions apply equally to Officer and Practitioner members. Tables TV5 and TV6 apply only for certain groups of Officers; there are no corresponding calculations for Practitioners.
- 1.19 This guidance has been written for pension administrators and assumes some knowledge of general pension terminology, and some familiarity with retirement calculations for the NHS Pension Scheme Scotland. Any questions concerning the application of the guidance should, in the first instance, be referred to SPPA.



- 1.20 The factors contained in this guidance will be subject to review periodically. This will depend on external circumstances, for example whenever there is a change in the SCAPE basis; when changes in the actuarial assumptions adopted for other scheme factors take place; or following each future actuarial valuation where mortality and other relevant experience is reviewed or if other credible and material information comes to light.
- 1.21 The remainder of this Note covers guidance on the factors' use and some worked examples.
- 1.22 Factors have been provided in the same format as previously and no changes to the calculation process is envisaged as a result of issuing this Note, other than the removal of the GMP adjustment noted in paragraph 1.11. In the interests of best practice, and where not already undertaken, GAD should review sample cases of calculations using each factor table to ensure the calculations are consistent with the guidance in this Note.

Third party reliance

- 1.23 This guidance has been prepared for the use of SPPA as the scheme administrators for the purposes of demonstrating the application of the factors covered by this guidance only. This guidance may be published on SPPA's website but must not otherwise be reproduced, distributed or communicated in whole or in part to any other person without GAD's prior written permission.
- 1.24 Other than SPPA as the scheme administrators, no person or third party is entitled to place any reliance on the contents of this guidance, except to any extent explicitly stated herein. GAD has no liability to any person or third party for any action taken or for any failure to act, either in whole or in part, on the basis of this guidance, whether or not GAD has agreed to the disclosure of its advice to the third party.



2 Right to transfer benefits out of the NHSPS Scotland by payment of a CETV

General information

- 2.1 Deferred members of the NHSPS Scotland are generally entitled to voluntarily take a transfer value to another pension arrangement. However, this right will only apply to transfers to defined-benefit schemes; transfers to defined-contribution and overseas schemes are prohibited.
- 2.2 This Note covers transfers that are not made under the Public Sector Transfer Club arrangement (i.e. it covers non-Club transfer values or 'CETVs')².
- 2.3 The circumstances under which members are entitled to take a CETV are set out in the regulations³. Members with over three months' qualifying service would generally be entitled to take a CETV to another HMRC registered scheme. Members with less than 3 months of qualifying service would normally be entitled to a refund of contributions.
- 2.4 The following members do not have a right to a CETV:
- members in active service (unless they opt out of the Scheme and become deferred members). This includes transitional members whilst they are active members of the NHSPS Scotland 2015
 - pensioners (in respect of the pension to which the member has become entitled).
 - pension credit members (in respect of rights that are directly attributable to a pension credit).
- 2.5 A member with at least 2 years of qualifying service is generally entitled to a CETV at any time before their NPA (payment is required by NPA). A member with less than 2 years of qualifying service must exercise their right to take a CETV within 12 months of joining a new scheme (and they must join this new scheme within 12 months of leaving the NHSPS Scotland).

Guarantee date

- 2.6 The calculation date used to calculate a CETV is defined as the 'guarantee date' in The Occupational Pensions Schemes (Transfer Values) Regulations 1996 (SI 1996/1847). This date is relevant for the purposes of determining a member's age (taken as age last birthday at guarantee date in complete years) and for applying revaluation (from date of leaving to guarantee date).

² In accordance with SSI 2011/117 Part M and SSI 2013/174 2.F.3/3.F.3.

³ SSI 2011/117 Regulation M1(1) and SSI 2013/174 Regulations 2.F.1 & 3.F.1



- 2.7 The NHSPS Scotland has six months from the guarantee date (or if earlier the date on which the member reaches age 60 (for 1995 section members) or 65 (for 2008 section members)) to pay the CETV. If payment is not made within six months then the CETV value should be paid in accordance with Regulation SSI 2011/117 M5 or Regulation SSI 2013/174 2.F.4/3.F.4.

Generally the amount payable is determined as the greater of the CETV recalculated as at the actual payment date or as the original CETV at the guarantee date increased at 1% pa above the Bank of England base rate to the payment date.

Benefits to be taken into account in the CETV calculation

- 2.8 The deferred benefits (member's pension, separate lump sum (if applicable) and survivor's pension) to be valued should include revaluation to the guarantee date (except where paragraphs 2.35 - 2.39 apply). The accrued benefits should be calculated at the last day of service, and then increased in line with Pensions Increase (Review) Orders. GMPs should be increased in line with the Revaluation of Earnings (Section 148) Orders.
- 2.9 When calculating cash equivalents for divorce purposes, the benefits to be valued for an active member of the NHSPS Scotland are those that would be calculated if the member had left service on the date of the calculation (as specified by the Court, where appropriate) – either deferred benefits or the payment of immediate benefits if the member is over NPA. For a member with less than two years' of qualifying service the benefits valued are the deferred benefits that would be calculated if there was not a two-year qualifying period for deferred benefits.

Adjustment for market conditions

- 2.10 The CETV should not be adjusted for market conditions.

Contracted out rights and Guaranteed Minimum Pensions (GMPs)

- 2.11 NHSPS Scotland is contracted out of the State Second Pension (until contracting out ceases in 2016). The value of any liabilities earned after 5 April 1997 in a contracted-out scheme must be separately identified on transfer to an occupational pension scheme. The value of these post 1997 rights (known as section 9(2B) rights) should be determined using the same method as specified for calculating the CETV value but based on benefits earned in respect of service after 5 April 1997 only.
- 2.12 Although practitioners are not contracted out (by virtue of being self-employed), it is possible they have transferred-in contracted-out rights.
- 2.13 Previous guidance included an adjustment to a CETV that related to any service prior to April 1997 to reflect the inflationary increases on the GMP, which are the responsibility of the State Scheme after GMP Payment Age beyond any fixed scheme increases. This adjustment has now been removed.



Survivor's pension

- 2.14 The factor for valuing the survivor's pension does not depend on whether or not the member has a partner (as at the guarantee date) who would qualify for a survivor's pension in the event of the member's subsequent death, i.e. a CETV should include an allowance for the value of a survivor's pension in all cases.

Adjustment for Scheme Pays

- 2.15 Members liable to an Annual Allowance charge can make an election requiring the Scheme to pay the charge on their behalf and for this to be debited against their pension benefits (referred to as 'Scheme Pays'). In general, benefits yet to be put into payment should be reduced in respect of any Scheme pays debit before determining the cash equivalent.

Calculation of CETV and use of factors

- 2.16 The formulae for calculating CETVs are set out below.

1995 members - Factors should be taken from Table TV1 or TV2 as appropriate

- 2.17
$$\begin{aligned} \text{CETV} = & \text{Accrued Pension} \times (\text{TV1A or TV2A}) \\ & + \text{Accrued Lump Sum} \times (\text{TV1B or TV2B}) \\ & + \text{Accrued Survivor's Pension} \times (\text{TV1C or TV2C}) \\ & - \text{NI modification} \times (\text{TV1E or TV2E}) \end{aligned}$$
- 2.18 Points to note in using factors:
- Benefit factors are unisex and in all cases should be taken as applicable for the member's age last birthday in complete years at the guarantee date.
 - "Accrued benefits" in the above formulae means benefits including revaluation from the date of leaving to the guarantee date.
 - Accrued pension should include NPA 60 added years; the amount of added years should first be pro-rated, to allow for unpaid contributions, in accordance with Regulation Q7(6) (SSI 2011/117).
 - Accrued pension should also include NPA 60 additional pension; the amount of additional pension should first be pro-rated, to allow for unpaid contributions (if the member is paying by regular contributions), in accordance with guidance provided by GAD titled "Purchase of Additional Pension: Factors and guidance".
- If the member has purchased personal and dependant's pension, the purchased dependant's additional pension should be added into the survivor's pension.
- For members with NPA 65 added years or additional pension, a separate calculation should be carried out for that element. The above calculation should be carried out but modified to use NPA 65 factors, i.e. factors from Tables TV3 and TV4.



- Accrued lump sum should include any added years unreduced retirement lump sum (the amount of added years unreduced retirement lump sum should first be pro-rated in accordance with Regulation Q7(6) (SSI 2011/117)).
- Survivor's benefit should correctly reflect their service-related entitlement as set out in the regulations.
- The value of any money purchase AVCs should be added to the CETV calculated above, if these are to be transferred.
- Where a member has elected for tax charges to be met by Scheme Pays, benefits should be reduced to allow for Scheme Pays debit before the CETV is calculated as above.

1995 members - Special class members

- 2.19 Preserved special class members with entitlement to a CETV are treated as having NPA 60 for the purposes of this Note and thus Tables TV1 or TV2 are appropriate, EXCEPT for those who left on grounds of redundancy and who retain an NPA of 55 on leaving service, where calculations should follow the same method as above but using NPA 55 factors (set out in TV5 and TV6).
- 2.20 The above method/factors are not applicable for active special class members aged 55 or over who qualify for an immediate pension without actuarial reduction and who are requesting a cash equivalent for divorce purposes. For such cases please refer to the Divorce Guidance.

2008 members - Factors should be taken from Table TV3 or TV4 as appropriate

- 2.21 The appropriate method of calculation depends on type of member as follows:

A. Male members other than Choice Optants

$$\begin{aligned} \text{CETV} = & \text{Accrued Pension} \times \text{TV3A} \\ & + \text{Accrued Survivor's Pension} \times \text{TV3C} \\ & - \text{NI modification} \times \text{TV3E} \end{aligned}$$

B. Female members under age 60 other than Choice Optants

$$\begin{aligned} \text{CETV} = & \text{Accrued Pension} \times \text{TV4A} \\ & + \text{Accrued Survivor's Pension} \times \text{TV4C} \\ & - \text{NI modification} \times \text{TV4E} \end{aligned}$$

C. Female members aged 60 or over other than Choice Optants

$$\begin{aligned} \text{CETV} = & \text{Accrued Pension} \times \text{TV4A} \\ & + \text{Accrued Survivor's Pension} \times \text{TV4C} \\ & - \text{NI modification} \times \text{TV4F} \end{aligned}$$

D. Choice Optants

$$\begin{aligned} \text{CETV} = & \text{'Post Commutation' Accrued Pension} \times \text{TV3A or TV4A} \\ & + \text{Mandatory Lump Sum} \times \text{TV3B or TV4B} \\ & + \text{Accrued Survivor's Pension} \times \text{TV3C or TV4C} \\ & - (\text{Relevant NI deduction as above}). \end{aligned}$$



2.22 Points to note in using factors:

- Factors should in all cases be taken as applicable for the member's age last birthday in complete years at the guarantee date.
- 'Accrued benefits' in the above formulae means benefits including revaluation from the date of leaving to the guarantee date.
- Mandatory Lump Sum in the formula above relates to the minimum lump sum Choice Optants are required to take through commutation of their pension. Correspondingly, 'Post-Commutation' Accrued Pension relates to the accrued pension reduced by commutation of the Mandatory Lump Sum.
- Survivor's benefit should reflect all service.
- The value of any money-purchase AVCs should be added to the CETV calculated above, if these are to be transferred.
- Where a member has elected for tax charges to be met by Scheme Pays, benefits should be reduced to allow for Scheme Pays debit before the CETV is calculated as above.
- Accrued pension should include NPA 65 additional pension⁴ (the amount of additional pension should first be pro-rated to allow for unpaid contributions (if the member is paying by regular contributions), in accordance with guidance provided by GAD titled 'Purchase of Additional Pension: Factors and guidance').

If the member has purchased personal and dependant's pension, the purchased dependant's additional pension should be netted off against the Survivor's pension.

- When calculating a cash equivalent for divorce purposes a separate CETV should be calculated for service before and after 1st April 2008 for Choice Optants. See the Divorce Guidance.

Underpin for all cases set out above

2.23 The calculation of a CETV (i.e. non-Club transfer value) is subject to an underpin if the member has transferred benefits in from another scheme. This would not apply for a Club transfer value. If an underpin bites, the value of the underpin is payable instead of the CETV calculated as above.

2.24 The underpin is calculated using the following formula:

Underpin = Amount of transfer payment accepted by the NHSPS Scotland
 + The member's own contributions to the NHSPS Scotland.

⁴ There are no alternative payment ages in the 2008 section.



2.25 For Choice Optants:

Underpin = Amount of transfer payment accepted into the 2008 section (if any)
 + The member's own contributions to the 2008 section
 + Amount of transfer payment accepted into the 1995 section (if any)
 + The member's own contributions to the 1995 section.

- 2.26 Member contributions include those to purchase added years, added pension and unreduced retirement lump sums.

Pension debit members

- 2.27 If a pension debit member requests a CETV, the quotation given should be based on the member's benefits after applying the debit i.e. the CETV should be the difference between a CETV based on the unreduced benefits revalued to the guarantee date and the pension debit benefits revalued to the guarantee date. The pension credit awarded to the ex-spouse remains in the NHSPS Scotland after a member exercises his/her right to a statutory CETV.

Transfer to overseas schemes

- 2.28 Transfers from the NHSPS Scotland to Recognised Overseas Pension Scheme (ROPS) listed on HMRC's website, subject to various requirements set out in the Contracting-out (Transfer and Transfer Payments) Regulations 1996 (SI 1996/1462) are no longer permitted.

Entitlement to immediate benefits

- 2.29 The factors and guidance in this Note are not appropriate for members⁵ who are entitled to immediate benefits with no actuarial reduction. For such cases, please refer to the Divorce Guidance.

Members with both 1995 and 2008 section service

- 2.30 If a member has accrued benefits in both sections of the scheme, their CETV should be calculated separately based on the benefit entitlement within each section and the results added together. A member with accrued service in both sections will be entitled to a CETV from the 2008 section even if they have less than 3 months' qualifying service.

⁵ Active members or deferred members with entitlement to NPA 55 who were made redundant



Members with both NHSPS Scotland and NHSPS Scotland 2015 service

- 2.31 If a member has accrued benefits in both the NHSPS Scotland and the NHSPS Scotland 2015, their CETV should be calculated separately based on the benefit entitlements within each scheme and the results added together. Such a member is not eligible to a CETV from the NHSPS Scotland if they are in pensionable service in the NHSPS Scotland 2015 if they retain salary linking on NHSPS Scotland benefits.

NPA 55 members made redundant

- 2.32 If a Special Class member (with an NPA of 55) is made redundant, they retain their right to an NPA of 55. Calculations for such members aged under 55 use the NPA 55 factors (set out in TV5 and TV6). For members aged over 55 please refer to paragraph 2.19 above.

Members who opted-out with pre-6 April 1988 service

- 2.33 A member who has opted-out of the NHSPS Scotland with entitlement to a preserved pension and has at least two years' service before 6 April 1988, may only take a CETV in respect of service after 6 April 1988. However, if the member leaves NHS Scotland employment before age 60, they will also become entitled to a CETV in respect of pre-6 April 1988 service.

Male Nurses with some benefits in payment, some preserved

- 2.34 There may be some male nurses who have taken the benefits accrued after 17 May 1990 on retirement after age 55, but have preserved the benefits accrued before 17 May 1990 to be paid at age 60. A CETV is available in relation to the preserved part of their benefits and may be calculated in line with this Note. For divorce purposes the approach outlined in the Divorce Guidance should be followed.

Calculation of CETV and use of factors for 1995 Section members with reserved rights in respect of service before 29th January 1988 as described in NHS (Superannuation) (Scotland) Regulations 1980.

- 2.35 If a member has accrued service before 29th January 1988, that part of their CETV relating to service before this date will be calculated as described in NHS (Superannuation) (Scotland) Regulations 1980 if this would be more favourable to members. Such reserved rights are only available to members of the 1995 section who transfer their pension rights to a defined benefit occupational pension scheme. The 'reserved rights' CETV is calculated as set out below. This 'reserved rights' CETV plus standard CETV calculation for membership from 29th January 1988 onwards (determined in accordance with the specification for 1995 members in paragraph 2.18) is compared with the standard CETV for all membership (again determined in accordance with the specification for 1995 members in paragraph 2.18).
- 2.36 The CETV available for such a member would be the higher of the CETV for reserved rights (1980 Regulations method) plus CETV for post 29th January 1988 service (current method), and the CETV based on benefits earned over all membership using the current method.



2.37 *Male Members*

$$\begin{aligned}\text{CETV} = & \quad [\text{Pension at date of leaving} \times \text{TV7A} \\ & + \text{Lump Sum at date of leaving} \times \text{TV7C} \\ & + \text{Widow's Pension at date of leaving} \times \text{TV7D} \\ & - \text{NI modification} \times \text{TV7B}] \times \text{Interest factor.}\end{aligned}$$

2.38 *Female Members*

$$\begin{aligned}\text{CETV} = & \quad [\text{Pension at Date of leaving} \times \text{TV8A} \\ & + \text{Lump Sum at date of leaving} \times \text{TV8C} \\ & - \text{NI modification} \times \text{TV8B}] \times \text{Interest factor.}\end{aligned}$$

2.39 Points to note in using factors:

- All benefits in the above calculation are those based on service pre 29th January 1988 and determined **at date of leaving**. **No revaluation should be added** to any benefit between date of leaving and the guarantee date.
- Factors are sex-specific and should be taken as applicable to the member's age last birthday at the date of leaving the NHSPS Scotland (not age at guarantee date).
- For male members, the above calculation should only reflect widow's pension if the member was married at the date of leaving the NHSPS Scotland.
- The Interest factor is equal to a rate of 2.25% compound for each complete 3-month period from the day after leaving the NHSPS Scotland to the guarantee date. See Example E).



3 Examples of CETV calculations

A) 1995 Section member

Individual Data

Section	1995 section
Normal pension age	60
Gender	Female
Date of birth	1 June 1967
Guarantee date	1 February 2020
Age last birthday at guarantee date	52
Date of leaving (DoL)	1 April 2012

Pension at date of leaving (NPA 60)	£5,000 pa
Additional Pension at DoL	£1,000 pa
Survivor's Pension at DoL	£2,500 pa
Dependant Additional Pension at DoL	£375 pa
Lump Sum at DoL	£15,000

Revaluation factor (RF)*	1.14 (illustrative)
Accrued ¹ pension (=Total Pension at DoL x RF)	£6,840.00pa
Accrued ¹ Lump Sum (=Lump Sum at DoL x RF)	£17,100.00
Accrued ¹ Survivor's Pension (=Total Survivor's Pension at DoL x RF)	£3,277.50pa

NI modification	£20 pa
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* This can be found in HM Treasury Multiplier tables

¹ The accrued pension is the revalued amount

Factors for a member aged 52 last birthday

Factor TV2A (Pension factor)	17.24
Factor TV2B (Lump Sum factor)	0.84
Factor TV2C (Surviving Partner's factor)	1.47
Factor TV2E (Deduction for NI modification)	11.73



CETV calculation

$$\begin{aligned}\text{CETV} &= \text{Accrued Pension} \times \text{TV2A} \\ &\quad + \text{Accrued Lump Sum} \times \text{TV2B} \\ &\quad + \text{Accrued Survivor's Pension} \times \text{TV2C} \\ &\quad - \text{NI modification} \times \text{TV2E} \\ &= £6,840.00 \times 17.24 \\ &\quad + £17,100.00 \times 0.84 \\ &\quad + £3,277.50 \times 1.47 \\ &\quad - £20.00 \times 11.73 \\ &= £136,868.93, \\ \text{CETV} &= \text{£136,869.}\end{aligned}$$



B) 2008 Section male member (not Choice Optant)

Individual Data

Section	2008 section
Normal pension age	65
Gender	Male
Date of birth	1 November 1984
Guarantee date	1 October 2019
Age last birthday at guarantee date	35
Date of leaving (DoL)	1 April 2012
Pension at date of leaving	£2,500 pa
Additional Pension at DoL	Nil
Survivor's Pension at DoL	£938 pa
Dependant Additional Pension at DoL	Nil
Revaluation factor (RF)*	1.052 (illustrative)
Accrued [†] pension (=Total Pension at DoL x RF)	£2,630.00pa
Accrued [†] Survivor's Pension (=Total Survivor's Pension at DoL x RF)	£986.78pa
NI modification	Nil

* This can be found in HM Treasury Multiplier tables

[†] The accrued pension is the revalued amount

Factors for a male member aged 35 last birthday

Factor TV3A (Pension factor)	9.29
Factor TV3C (Surviving Partner's factor)	1.15
Factor TV3E (Deduction for NI modification)	7.35

CETV calculation

$$\begin{aligned}
 \text{CETV} &= \text{Accrued Pension} \times \text{TV3A} \\
 &\quad + \text{Accrued Survivor's Pension} \times \text{TV3C} \\
 &\quad - \text{NI modification} \times \text{TV3E} \\
 &= £2,630.00 \times 9.29 \\
 &\quad + £986.78 \times 1.15 \\
 &\quad - £0.00 \times 7.35 \\
 &= £25,567.50, \\
 \text{CETV} &= \text{£25,568.}
 \end{aligned}$$



C) 2008 Section female aged 60 or over (not Choice Optant)

Individual Data

Section	2008 section
Normal pension age	65
Gender	Female
Date of birth	1 April 1957
Guarantee date	1 October 2020
Age last birthday at guarantee date	63
Date of leaving (DoL)	1 October 2015
Pension at date of leaving	£2,500 pa
Additional Pension at DoL	Nil
Survivor's Pension at DoL	£938 pa
Dependant Additional Pension at DoL	Nil
Revaluation factor (RF)*	1.052 (illustrative)
Accrued [†] pension (=Total Pension at DoL x RF)	£2,630.00pa
Accrued [†] Survivor's Pension (=Total Survivor's Pension at DoL x RF)	£986.78pa
NI modification	Nil

* This can be found in HM Treasury Multiplier tables

[†] The accrued pension is the revalued amount

Factors for a female member aged 63 last birthday

Factor TV4A (Pension factor)	17.39
Factor TV4C (Surviving Partner's factor)	1.59
Factor TV4†F (Deduction for NI modification)	16.23

CETV calculation

$$\begin{aligned}
 \text{CETV} &= \text{Accrued Pension} \times \text{TV4A} \\
 &\quad + \text{Accrued Survivor's Pension} \times \text{TV4C} \\
 &\quad - \text{NI modification} \times \text{TV4†F} \\
 &= £2,630.00 \times 17.39 \\
 &\quad + £986.78 \times 1.59 \\
 &\quad - £0.00 \times 16.23 \\
 &= £47,304.68, \\
 \text{CETV} &= \mathbf{£47,305.}
 \end{aligned}$$



D) 2008 Section Choice Optant CETV

Individual Data

Section	2008 section
Normal pension age	65
Gender	Male
Date of birth	1 May 1969
Guarantee date	1 January 2020
Age last birthday at guarantee date	50
Date of leaving (DoL)	1 April 2012
Pensionable pay at date of leaving	£45,000
Mandatory lump sum at DoL	£31,500
Pension (post mandatory lump sum commutation) at DoL	£10,875 pa
Survivor's pension at DoL	£5,063 pa
Revaluation factor (RF)*	1.17 (illustrative)
Mandatory Lump Sum (=Mandatory Lump Sum at DoL x RF)	£36,855.00
Accrued pension (=Pension at DoL x RF)	£12,723.75pa
Survivor's Pension (=Survivor's Pension at DoL x RF)	£5,923.71pa
NI modification	Nil

* This can be found in HM Treasury Multiplier tables

Factors for a male aged 50 last birthday

Factor TV3A (Pension factor)	12.84
Factor TV3B (Lump Sum factor)	0.71
Factor TV3C (Surviving Partner's factor)	1.46
Factor TV3E (NI modification)	11.09

CETV Calculation

$$\begin{aligned}
 \text{CETV} &= \text{Post Commutation Accrued Pension} \times \text{TV3A} \\
 &\quad + \text{Mandatory Lump Sum} \times \text{TV3B} \\
 &\quad + \text{Survivor's Pension} \times \text{TV3C} \\
 &\quad - \text{NI modification} \times \text{TV3E} \\
 \\
 &= £12,723.75 \times 12.84 \\
 &\quad + £36,855.00 \times 0.71 \\
 &\quad + £5,923.71 \times 1.46 \\
 &\quad - £0.00 \times 11.09 \\
 \\
 &= £198,188.62, \\
 \\
 \text{CETV} &= \text{£198,189.}
 \end{aligned}$$



E) 1995 Section member with Reserved Rights

Individual Data

Section	1995 section
Normal pension age	60
Gender	Male
Date of birth	1 January 1958
Pensionable service start date	1 January 1985
Date of leaving (DoL)	1 January 1990
Guarantee date (for illustration)	1 January 2012
Age last birthday at date of leaving	32
Age last birthday at guarantee date	54
Pensionable pay at date of leaving	£20,000
NI modification	Nil

(1) CETV for pre-29 January 1988 service

Reckonable service = 3 years 28 days = 3.0767 years
 Pension at DoL = £20,000.00 × 3.0767 ÷ 80 = £769.18 pa
 Lump sum at DoL = Pension at DoL × 3 = £769.18 × 3 = £2,307.54
 Widow's pension at DoL = Pension at DoL × 50% = £769.18 × 50% = £384.59 pa
 Number of complete 3-month periods from DoL to date of transfer = 88
 Interest factor = $1.0225^{88} = 7.0855$

Factors for a male aged 32 last birthday

Factor TV7A (Pension factor)	5.65
Factor TV7C (Lump Sum factor)	0.66
Factor TV7D (Widow's pension factor)	4.00

Calculation

CETV (1) = (Pension × TV7A + Lump Sum × TV7C + Widow's Pension × TV7D)
 × Interest factor
 = (£769.18 × 5.65 + £2,307.54 × 0.66 + £384.59 × 4.00) × 7.0855
 = £52,483.74

(2) CETV for post-29 January 1988 service

Reckonable service = 1 year 337 days = 1.9227 years
 Pension at DoL = £20,000.00 × 1.9227 ÷ 80 = £480.68
 Lump sum at DoL = Pension at DoL × 3 = £480.68 × 3 = £1,442.04
 Survivor's pension at DoL = Pension at DoL × 50% = £480.68 × 50% = £240.34



Revaluation factor (RF)*	1.9703
Accrued pension (=Pension at DoL x RF)	£947.08 pa
Accrued Lump Sum (=Lump Sum at DoL x RF)	£2,841.25
Survivor's Pension (=Survivor's Pension at DoL x RF)	£473.54 pa

* This can be found in HM Treasury Multiplier tables

Factors for a male member aged 54 last birthday

Factor TV1A (Gross Pension factor)	18.05
Factor TV1B (Lump Sum factor)	0.88
Factor TV1C (Surviving Partner's factor)	1.50
Factor TV1E (Deduction for NI modification)	12.42

Calculation

CETV (2)
= Accrued Pension x TV1A + Accrued Lump Sum x TV1B + Survivor's Pension x TV1C - NI modification x TV1E
= £947.08 x 18.05 + £2,841.25 x 0.88 + £473.54 x 1.50 - £0 x 12.42
= £20,305.40

(3) CETV for all service

Reckonable service = 5 years
Pension at DoL = £20,000.00 x 5 ÷ 80 = £1,250.00 pa
Lump sum at DoL = Pension at DoL x 3 = £1,250.00 x 3 = £3,750.00
Survivor's pension at DoL = Pension at DoL x 50% = £1,250.00 x 50% = £625.00 pa

Revaluation factor (RF)*	1.9703 (same as (2))
Accrued pension (=Pension at DoL x RF)	£2,462.88 pa
Accrued Lump Sum (=Lump Sum at DoL x RF)	£7,388.63
Survivor's Pension (=Survivor's Pension at DoL x RF)	£1,231.44 pa

Factors for a male member aged 54 last birthday

Same factors as (2)



Calculation

$$\begin{aligned}\text{CETV (3)} &= \text{Accrued Pension} \times \text{TV1A} + \text{Accrued Lump Sum} \times \text{TV1B} + \text{Survivor's Pension} \times \\ &\text{TV1C} - \text{NI modification} \times \text{TV1E} \\ &= £2,462.88 \times 18.05 + £7,388.63 \times 0.88 + £1,231.44 \times 1.50 - £0.00 \times 12.42 \\ &= £52,804.14\end{aligned}$$

$$\begin{aligned}\text{CETV (1)} + \text{CETV (2)} &= £52,483.74 + £20,305.40 = £72,789.14 & \text{(A)} \\ \text{CETV (3)} &= £52,804.14 & \text{(B)}\end{aligned}$$

(A) is greater than (B).

CETV = £72,789.



Appendix A: Assumptions underlying factors

Financial assumptions

Nominal discount rate	4.448% pa
Real discount rate (in excess of CPI)	2.40% pa

Mortality assumptions

Base mortality tables	S2NMA and S2NFA
Base table adjustment	As per 2016 valuation: Normal health: 95.5% (M)/ 97.5% (F) of S2NXA Dependants: 112.5% of S2NXA
Future mortality improvement	Based on ONS principal UK population projections 2016
Year of Use	2020

Other assumptions

Proportion of male members for the purpose of unisexing factors	33.3%
Age difference between member and partner	Males assumed to be 3 years older than partner and females assumed to be 3 years younger than partner
Proportions partnered at death	As assumed for the 2012 valuation Sample rates (at age at death):

Age	Males	Females
50	0.76	0.54
60	0.76	0.54
70	0.74	0.46
80	0.61	0.23
90	0.34	0.07

Allowance for commutation	Nil except for mandatory lump sum cases
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Appendix B: Factors to calculate CETVs

Table TV1 – 1995 section: Males Normal Pension Age 60
(Table 201 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
22	8.93	0.41	0.84	5.18
23	9.13	0.42	0.86	5.32
24	9.33	0.43	0.88	5.46
25	9.53	0.44	0.91	5.61
26	9.74	0.45	0.93	5.77
27	9.95	0.46	0.95	5.92
28	10.16	0.47	0.97	6.08
29	10.38	0.49	0.99	6.25
30	10.61	0.50	1.01	6.42
31	10.84	0.51	1.04	6.60
32	11.08	0.52	1.06	6.78
33	11.32	0.53	1.08	6.96
34	11.57	0.55	1.10	7.15
35	11.82	0.56	1.13	7.35
36	12.08	0.57	1.15	7.55
37	12.34	0.59	1.17	7.76
38	12.62	0.60	1.19	7.97
39	12.90	0.62	1.21	8.19
40	13.18	0.63	1.24	8.42
41	13.47	0.64	1.26	8.65
42	13.77	0.66	1.28	8.90
43	14.08	0.68	1.30	9.14
44	14.40	0.69	1.32	9.40
45	14.72	0.71	1.34	9.66
46	15.05	0.73	1.36	9.93
47	15.39	0.74	1.38	10.21
48	15.74	0.76	1.40	10.49
49	16.10	0.78	1.41	10.79
50	16.47	0.80	1.43	11.09
51	16.85	0.82	1.45	11.41
52	17.24	0.84	1.47	11.73
53	17.64	0.86	1.48	12.07
54	18.05	0.88	1.50	12.42
55	18.48	0.90	1.51	12.78
56	18.92	0.92	1.52	13.16
57	19.38	0.94	1.53	13.54
58	19.85	0.97	1.54	13.95
59	20.34	0.99	1.54	14.37

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



Table TV2 – 1995 section: Females Normal Pension Age 60
(Table 202 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor F)
22	8.93	0.41	0.84	5.18
23	9.13	0.42	0.86	5.32
24	9.33	0.43	0.88	5.46
25	9.53	0.44	0.91	5.61
26	9.74	0.45	0.93	5.77
27	9.95	0.46	0.95	5.92
28	10.16	0.47	0.97	6.08
29	10.38	0.49	0.99	6.25
30	10.61	0.50	1.01	6.42
31	10.84	0.51	1.04	6.60
32	11.08	0.52	1.06	6.78
33	11.32	0.53	1.08	6.96
34	11.57	0.55	1.10	7.15
35	11.82	0.56	1.13	7.35
36	12.08	0.57	1.15	7.55
37	12.34	0.59	1.17	7.76
38	12.62	0.60	1.19	7.97
39	12.90	0.62	1.21	8.19
40	13.18	0.63	1.24	8.42
41	13.47	0.64	1.26	8.65
42	13.77	0.66	1.28	8.90
43	14.08	0.68	1.30	9.14
44	14.40	0.69	1.32	9.40
45	14.72	0.71	1.34	9.66
46	15.05	0.73	1.36	9.93
47	15.39	0.74	1.38	10.21
48	15.74	0.76	1.40	10.49
49	16.10	0.78	1.41	10.79
50	16.47	0.80	1.43	11.09
51	16.85	0.82	1.45	11.41
52	17.24	0.84	1.47	11.73
53	17.64	0.86	1.48	12.07
54	18.05	0.88	1.50	12.42
55	18.48	0.90	1.51	12.78
56	18.92	0.92	1.52	13.16
57	19.38	0.94	1.53	13.54
58	19.85	0.97	1.54	13.95
59	20.34	0.99	1.54	14.37

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor F.



Table TV3 – 2008 Section: Males Normal Pension Age 65
(Table 203 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Choice Optants only) (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
18	6.50	0.33	0.76	4.65
19	6.64	0.34	0.80	4.78
20	6.78	0.35	0.82	4.91
21	6.93	0.36	0.84	5.04
22	7.07	0.36	0.86	5.18
23	7.22	0.37	0.88	5.32
24	7.38	0.38	0.90	5.46
25	7.53	0.39	0.92	5.61
26	7.69	0.40	0.94	5.77
27	7.85	0.41	0.96	5.92
28	8.02	0.42	0.99	6.08
29	8.19	0.43	1.01	6.25
30	8.36	0.44	1.03	6.42
31	8.54	0.45	1.05	6.60
32	8.72	0.46	1.08	6.78
33	8.91	0.47	1.10	6.96
34	9.10	0.49	1.12	7.15
35	9.29	0.50	1.15	7.35
36	9.49	0.51	1.17	7.55
37	9.70	0.52	1.19	7.76
38	9.90	0.53	1.21	7.97
39	10.12	0.55	1.24	8.19
40	10.34	0.56	1.26	8.42
41	10.56	0.57	1.28	8.65
42	10.79	0.59	1.30	8.90
43	11.02	0.60	1.32	9.14
44	11.26	0.62	1.34	9.40
45	11.51	0.63	1.37	9.66
46	11.76	0.64	1.39	9.93
47	12.02	0.66	1.41	10.21
48	12.29	0.68	1.43	10.49
49	12.56	0.69	1.45	10.79
50	12.84	0.71	1.46	11.09
51	13.13	0.73	1.48	11.41
52	13.42	0.74	1.50	11.73
53	13.73	0.76	1.52	12.07
54	14.04	0.78	1.53	12.42

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Choice Optants only) (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
55	14.37	0.80	1.54	12.78
56	14.70	0.82	1.56	13.16
57	15.04	0.84	1.57	13.54
58	15.40	0.86	1.58	13.95
59	15.77	0.88	1.58	14.37
60	16.15	0.90	1.59	14.80
61	16.55	0.92	1.59	15.26
62	16.96	0.94	1.59	15.73
63	17.39	0.97	1.59	16.23
64	17.83	0.99	1.59	16.74

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



Table TV4 – 2008 Section: Females Normal Pension Age 65 (up to age 59)
(Table 204 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Choice Optants only) (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
18	6.50	0.33	0.76	4.65
19	6.64	0.34	0.80	4.78
20	6.78	0.35	0.82	4.91
21	6.93	0.36	0.84	5.04
22	7.07	0.36	0.86	5.18
23	7.22	0.37	0.88	5.32
24	7.38	0.38	0.90	5.46
25	7.53	0.39	0.92	5.61
26	7.69	0.40	0.94	5.77
27	7.85	0.41	0.96	5.92
28	8.02	0.42	0.99	6.08
29	8.19	0.43	1.01	6.25
30	8.36	0.44	1.03	6.42
31	8.54	0.45	1.05	6.60
32	8.72	0.46	1.08	6.78
33	8.91	0.47	1.10	6.96
34	9.10	0.49	1.12	7.15
35	9.29	0.50	1.15	7.35
36	9.49	0.51	1.17	7.55
37	9.70	0.52	1.19	7.76
38	9.90	0.53	1.21	7.97
39	10.12	0.55	1.24	8.19
40	10.34	0.56	1.26	8.42
41	10.56	0.57	1.28	8.65
42	10.79	0.59	1.30	8.90
43	11.02	0.60	1.32	9.14
44	11.26	0.62	1.34	9.40
45	11.51	0.63	1.37	9.66
46	11.76	0.64	1.39	9.93
47	12.02	0.66	1.41	10.21
48	12.29	0.68	1.43	10.49
49	12.56	0.69	1.45	10.79
50	12.84	0.71	1.46	11.09
51	13.13	0.73	1.48	11.41
52	13.42	0.74	1.50	11.73
53	13.73	0.76	1.52	12.07
54	14.04	0.78	1.53	12.42
55	14.37	0.80	1.54	12.78
56	14.70	0.82	1.56	13.16
57	15.04	0.84	1.57	13.54
58	15.40	0.86	1.58	13.95
59	15.77	0.88	1.58	14.37

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



Table TV4 – 2008 Section: Females Normal Pension Age 65 (age 60 and above)
(Table 204 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Choice Optants only) (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor †F)
60	16.15	0.90	1.59	14.80
61	16.55	0.92	1.59	15.26
62	16.96	0.94	1.59	15.73
63	17.39	0.97	1.59	16.23
64	17.83	0.99	1.59	16.74

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. These were Factors †D and †E in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor †F.



Table TV5 – 1995 Section: Males Normal Pension Age 55
(Table 205 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
35	14.72	0.63	1.11	7.35
36	15.05	0.64	1.13	7.55
37	15.39	0.66	1.16	7.76
38	15.73	0.68	1.18	7.97
39	16.09	0.69	1.20	8.19
40	16.45	0.71	1.22	8.42
41	16.82	0.73	1.24	8.65
42	17.20	0.74	1.26	8.90
43	17.60	0.76	1.28	9.14
44	18.00	0.78	1.30	9.40
45	18.41	0.80	1.32	9.66
46	18.83	0.82	1.34	9.93
47	19.27	0.84	1.36	10.21
48	19.71	0.86	1.38	10.49
49	20.17	0.88	1.39	10.79
50	20.65	0.90	1.41	11.09
51	21.13	0.92	1.43	11.41
52	21.63	0.94	1.44	11.73
53	22.15	0.97	1.46	12.07
54	22.68	0.99	1.47	12.42

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



Table TV6 – 1995 Section: Females Normal Pension Age 55
(Table 206 in the consolidated factors spreadsheet)

Age last birthday at guarantee date	Pension Factor (Factor A)	Lump Sum Factor (Factor B)	Surviving Partner's Pension Factor (Factor C)	Deduction for NI Modification (Factor E)
35	14.72	0.63	1.11	7.35
36	15.05	0.64	1.13	7.55
37	15.39	0.66	1.16	7.76
38	15.73	0.68	1.18	7.97
39	16.09	0.69	1.20	8.19
40	16.45	0.71	1.22	8.42
41	16.82	0.73	1.24	8.65
42	17.20	0.74	1.26	8.90
43	17.60	0.76	1.28	9.14
44	18.00	0.78	1.30	9.40
45	18.41	0.80	1.32	9.66
46	18.83	0.82	1.34	9.93
47	19.27	0.84	1.36	10.21
48	19.71	0.86	1.38	10.49
49	20.17	0.88	1.39	10.79
50	20.65	0.90	1.41	11.09
51	21.13	0.92	1.43	11.41
52	21.63	0.94	1.44	11.73
53	22.15	0.97	1.46	12.07
54	22.68	0.99	1.47	12.42

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor D in the above table. For consistency with previous guidance and issued factors, we have not relabelled the NI modification factor which remains as Factor E.



**Table TV7 – 1995 Section: Males Normal Pension Age 60 (Reserved Rights factors)
(Table 207 in the consolidated factors spreadsheet)**

Age last birthday at date of leaving	Pension Factor (Factor A)	Deduction for NI modification (Factor B)	Lump sum Factor (Factor C)	Widow's pension (Factor D)
under 20	5.00	0.25	0.60	4.00
20	5.05	0.25	0.60	4.00
21	5.10	0.25	0.61	4.00
22	5.15	0.30	0.61	4.00
23	5.20	0.30	0.61	4.00
24	5.25	0.30	0.62	4.00
25	5.30	0.35	0.62	4.00
26	5.35	0.40	0.63	4.00
27	5.40	0.40	0.63	4.00
28	5.45	0.45	0.63	4.00
29	5.50	0.50	0.64	4.00
30	5.55	0.50	0.64	4.00
31	5.60	0.55	0.65	4.00
32	5.65	0.60	0.66	4.00
33	5.70	0.65	0.66	4.00
34	5.75	0.70	0.67	4.00
35	5.80	0.80	0.67	4.00
36	5.85	0.90	0.68	4.00
37	5.90	1.00	0.68	4.00
38	5.95	1.10	0.68	4.00
39	6.00	1.20	0.69	4.00
40	6.05	1.30	0.69	4.00
41	6.10	1.40	0.70	4.00
42	6.15	1.50	0.70	4.00
43	6.20	1.60	0.71	4.00
44	6.25	1.70	0.72	4.00
45	6.30	1.80	0.72	4.00
46	6.40	1.90	0.73	4.00
47	6.50	2.00	0.74	4.00
48	6.60	2.20	0.74	4.00
49	6.70	2.40	0.75	4.00
50	6.80	2.60	0.75	4.00
51	6.90	2.90	0.76	4.00
52	7.10	3.20	0.76	4.00
53	7.30	3.50	0.77	4.00
54	7.50	3.80	0.78	4.00
55	7.70	4.20	0.79	4.00
56	8.00	4.60	0.80	4.00
57	8.30	5.00	0.81	4.00
58	8.60	5.40	0.82	4.00
59	9.00	5.80	0.84	4.00

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor E in the above table.



**Table TV8 – 1995 Section: Females Normal Pension Age 60 (Reserved Rights factors)
(Table 208 in the consolidated factors spreadsheet)**

Age last birthday at date of leaving	Pension Factor (Factor A)	Deduction for NI modification (Factor B)	Lump sum Factor (Factor C)
under 20	7.00	0.50	0.60
20	7.05	0.50	0.60
21	7.10	0.55	0.61
22	7.15	0.60	0.61
23	7.20	0.65	0.61
24	7.25	0.70	0.62
25	7.35	0.75	0.62
26	7.40	0.80	0.63
27	7.45	0.85	0.63
28	7.50	0.90	0.63
29	7.55	0.95	0.64
30	7.65	1.05	0.64
31	7.70	1.15	0.65
32	7.80	1.25	0.66
33	7.90	1.35	0.66
34	7.95	1.45	0.67
35	8.05	1.55	0.67
36	8.15	1.65	0.68
37	8.25	1.75	0.68
38	8.35	1.85	0.68
39	8.45	1.95	0.69
40	8.55	2.10	0.69
41	8.65	2.26	0.70
42	8.75	2.45	0.70
43	8.85	2.65	0.71
44	8.95	2.90	0.72
45	9.05	3.15	0.73
46	9.15	3.40	0.74
47	9.25	3.70	0.75
48	9.35	4.00	0.76
49	9.45	4.35	0.77
50	9.55	4.75	0.78
51	9.65	5.15	0.79
52	9.80	5.60	0.80
53	9.95	6.10	0.81
54	10.10	6.65	0.82
55	10.30	7.25	0.83
56	10.50	7.95	0.84
57	10.75	8.75	0.85
58	11.05	9.65	0.87
59	11.40	10.65	0.89

Note: As set out in paragraph 1.11, the GMP adjustment factor has been removed from the calculation methodology. This was Factor E in the above table.



Appendix C: Limitations

- C.1 This guidance should not be used for any purpose other than those set out in this guidance.
- C.2 The factors contained in this guidance are subject to regular review. Scheme managers and administrators need to ensure that they are using the latest factors, as relevant, when processing cases.
- C.3 Advice provided by GAD must be taken in context and is intended to be considered in its entirety. Individual sections, if considered in isolation, may be misleading, and conclusions reached by a review of some sections on their own may be incorrect. GAD does not accept responsibility for advice that is altered or used selectively. Clarification should be sought if there is any doubt about the intention or scope of advice provided by GAD.
- C.4 This guidance only covers the actuarial principles around the calculation and application of cash equivalent transfer value factors. Any legal advice in this area should be sought from an appropriately qualified person or source.
- C.5 Scheme managers and administrators should satisfy themselves that cash equivalent transfer value calculations and benefit awards comply with all legislative requirements including, but not limited to, tax and contracting-out requirements.
- C.6 This guidance is based on the Regulations in force at the time of writing. It is possible that future changes to the Regulations might create inconsistencies between this guidance and the Regulations. If users of this guidance believe there to be any such inconsistencies, they should bring this to the attention of SPPA and GAD. Under no circumstances should this guidance take precedence over the Regulations. Administrators should ensure that they comply with all relevant Regulations.