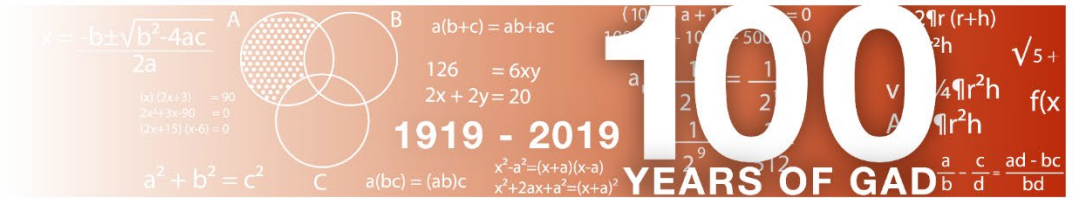




Government  
Actuary's  
Department



# **Northern Ireland Teachers' Pension Scheme**

## **Final salary section and career average section**

### **Non-Club incoming transfers**

### **Factors and guidance**

Date: 2 February 2020





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## 1 Introduction

- 1.1 This note is provided for the Department of Education Northern Ireland (DENI) as scheme manager of the Northern Ireland Teachers' Pension Scheme (NITPS). It sets out how to determine the appropriate service credit or pension credit for incoming non-Club transfers into the NITPS.
- 1.2 This note sets out how to determine the appropriate service credit or pension credit for members aged below their normal pension age (NPA). Cases involving members above their NPA should be referred to GAD.
- 1.3 A service credit in respect of a non-Club transfer value may be awarded in the final salary section of the NITPS in accordance with Paragraph 9(2) of Schedule 11 to The Teachers' Superannuation Regulations (Northern Ireland) 1998 (SR 1998/333).
- 1.4 A pension credit in respect of a non-Club transfer value may be awarded in the career average section of the NITPS in accordance with Paragraph 206 of the Teachers' Pension Scheme Regulations (Northern Ireland) 2014 (SR 2014/310).
- 1.5 The factors provided in this note have been prepared in light of our advice to DENI dated 30 October 2018 and its instructions following that advice.
- 1.6 This guidance is intended to supersede any factors or advice previously issued, for the purposes of non-club incoming transfer calculations, which rely on input from the Scheme Actuary. In particular, this guidance supersedes:

*"Northern Ireland Teachers' Pension Scheme: Final salary sections and career average section. Non-Club incoming transfers – Factors and guidance"* dated 26 March 2015.

and

Addendum to GAD guidance note *"Northern Ireland Teachers' Pension Scheme: Non-Club incoming transfers: Factors and guidance"* dated 19 April 2016

- 1.7 The formulae and factors for calculating the service credit or pension credit to be awarded are set out in the following sections:
  - Section 2 covers the calculation of the service credit to be awarded to a NPA 60 member in the final salary section. The relevant factors are set out in Appendix A.
  - Section 3 covers the calculation of the service credit to be awarded to a NPA 65 member in the final salary section. The relevant factors are set out in Appendix B.
  - Section 4 covers the calculation of the pension credit to be awarded to a member in the career average section. The relevant factors are set out in Appendix C.
- 1.8 Appendix D sets out the principal assumptions underlying the factors contained in this guidance note. Some important limitations can be found in Appendix E.



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- 1.9 Historic arrangements for members transferring 'comparable United Kingdom service' (CUKS) i.e. other statutory teachers' schemes in the United Kingdom were previously undertaken on a 'day-for-day' basis. These arrangements are no longer available as they only apply to those who joined a CUKS scheme on or before 31 March 2015 and applied for the transfer on or before 31 March 2017. This criteria is set out in regulation F13 of the Teachers' Superannuation (Amendment) Regulations (Northern Ireland) 2015 (SR 2016/69).
- 1.10 This note should be used to calculate the service credit awarded to a member who is transferring service from a CUKS scheme but who does not meet the criteria set out in paragraph 1.9.
- 1.11 This note only covers non-Club incoming transfers into the NITPS. Different guidance and factors should be used to calculate service credits or pension credits for transfers made in accordance with the Public Sector Transfer Club as set out in the relevant guidance note.

### Implementation and Review

- 1.12 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 "GMP Equalisation: Calculations involving actuarial factors" dated 12 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.
- 1.13 Our understanding of the usual transitional arrangements for transfer in calculations is that quotes are made using factors effective at that time. Therefore, we suggest the following transitional arrangements could be reasonable for transfer in calculations:
- Where the transfer in has been completed before the effective date of the new approach, this original credit should be honoured. Furthermore, transfer in quotations provided before the effective date of the new approach could remain valid where monies are received within one year of a member's starting date. As noted previously, this is pending any decision to subsequently take retrospective action on completed cases.
  - For any other quotations in progress after the effective date of the new approach, this new approach would be used for the calculation.
- 1.14 We are recommending that the new approach in respect of GMP entitlements is implemented from the date of receipt of each of our updated guidance notes.
- 1.15 The factors contained in this guidance will apply from 29 October 2018. This implementation date has been determined by DENI. This guidance will apply from the date this guidance note is issued.



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- 1.16 This guidance has been written for pension administrators and assumes some knowledge of general pension terminology, and some familiarity with retirement calculations for the Northern Ireland Teachers' Pension Scheme. Any questions concerning the application of the guidance should, in the first instance, be referred to DENI.
- 1.17 In line with best practice and in order to make sure that factors are being used as intended and the instructions are fit for purpose, we suggest that some example calculations are sent to GAD for review.
- 1.18 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.

### **Third party reliance**

- 1.19 This guidance has been prepared for the use of DENI and the scheme administrators for the purposes of demonstrating the application of the factors covered by this guidance only. This guidance may be published on DENI and the scheme administrator's websites but must not otherwise be reproduced, distributed or communicated in whole or in part to any other person without GAD's prior written permission.
- 1.20 Other than DENI and 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.



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## 2 Service credit formula – Final salary section, NPA 60

- 2.1 This section illustrates how a service credit should be calculated for a member who is transferring service into the NPA 60 final salary section of the NITPS.
- 2.2 The service credit awarded to the member should be calculated as:

$$service = \frac{[CETV]}{\left[ \frac{1}{80} \times F_x^P + \frac{3}{80} \times F_x^{LS} + \frac{1}{160} \times F_x^S \right] \times CS}$$

where

- $CETV$  = the member's incoming transfer value
- $CS$  = member's final contributable salary (per annum) at the relevant date
- $F_x^P$  = relevant gross pension factor for a member aged x
- $F_x^{LS}$  = relevant lump sum factor for a member aged x
- $F_x^S$  = relevant survivor's pension factor for a member aged x

- 2.3 The relevant factors are set out in Appendix A. Factors should be selected with reference to a member's sex and age.



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### 3 Service credit formulae – Final salary section, NPA 65

3.1 This section illustrates how a service credit should be calculated for a member who is transferring service into the NPA 65 final salary section of the NITPS.

3.2 The service credit award to the member should be calculated as:

$$service = \frac{[CETV]}{\left[ \frac{1}{60} \times F_x^P + \frac{1}{160} \times F_x^S \right] \times CS}$$

where

$CETV$  = the member's incoming transfer value

$CS$  = member's final contributable salary (per annum) at the relevant date

$F_x^P$  = relevant gross pension factor for a member aged x

$F_x^S$  = relevant survivor's pension factor for a member aged x

3.3 The relevant factors are set out in Appendix B. Factors should be selected with reference to a member's sex and age.



## 4 Pension credit formula – Career average section

- 4.1 This section illustrates how a pension credit should be calculated for a member who is transferring pension into the career average section of the NITPS.
- 4.2 The pension credit awarded to the member should be calculated as:

$$\text{pension credit} = \frac{[CETV]}{\left[ F_x^P + \frac{3}{8} \times F_x^S \right]}$$

where

$CETV$  = the member's incoming transfer value

$F_x^P$  = relevant gross pension factor for a member aged x

$F_x^S$  = relevant survivor's pension factor for a member aged x

- 4.3 The relevant factors are set out in Appendix C. Factors should be selected with reference to a member's NPA,<sup>1</sup> sex and age.

### Members with non-integer NPAs

- 4.4 Where a member has a non-integer normal pension age, then factors should be interpolated. For example, for a member with a normal pension age of 67 years and 2 months the main pension factor would be:

$$F_x^P(\text{NPA } 67 \text{ years } 2 \text{ months}) = F_x^P(\text{NPA } 67) + \{2/12 \times [F_x^P(\text{NPA } 68) - F_x^P(\text{NPA } 67)]\}$$

<sup>1</sup> Normal pension age is defined as a member's state pension age (or 65, if that is higher) in the career average section. For the purpose of this note, a member's expected NPA in the career average section is the same as their state pension age as set out in *The Public Service Pensions (Valuations and Employer Cost Cap) Directions (Northern Ireland) 2014* – <http://www.dfpni.gov.uk/psp-valuations-employer-cost-cap-2014.pdf>

As at the date of this guidance note, no changes have been made to paragraph 18 of the DFP Directions which set out the assumptions for State Pension Age.





## 5 Example calculations

### Example 1: Female member – NPA 60 scheme member

Date of birth	18/08/1961
Sex	Female
Normal Pension Age	60
Calculation date	15/04/2020
Age last birthday	58 years
Final contributable salary at relevant date	£30,000
Transfer value received	£55,000
Relevant formula	Paragraph 2.2
Relevant table	Table 213 in guidance, x-228 in consolidated factors spreadsheet
Gross Pension factor	20.45
Lump sum factor	0.98
Survivor's pension factor	1.49

### Service credit awarded

$$\begin{aligned}
 \text{service} &= \frac{[CETV]}{\left[ \frac{1}{80} \times F_x^P + \frac{3}{80} \times F_x^{LS} + \frac{1}{160} \times F_x^S \right] \times CS} \\
 &= \frac{£55,000}{\left[ \frac{1}{80} \times 20.45 + \frac{3}{80} \times 0.98 + \frac{1}{160} \times 1.49 \right] \times 30,000} \\
 &= 6.0769 \text{ years' service credit (6 years 28 days)}
 \end{aligned}$$



### Example 2: Male member – NPA 65 scheme member

Date of birth	18/08/1960
Sex	Male
Normal Pension Age	65
Calculation date	15/04/2020
Age last birthday	59 years
Final contributable salary at relevant date	£35,000
Transfer value received	£30,000
Relevant formula	Paragraph 3.2
Relevant table	Table 223 in guidance or x-229 in consolidated factors sheet
Gross Pension factor	17.95
Survivor's pension factor	1.68

### Service credit awarded

$$\begin{aligned}
 \text{service} &= \frac{[CETV]}{\left[ \frac{1}{60} \times F_x^P + \frac{1}{160} \times F_x^S \right] \times CS} \\
 &= \frac{£30,000}{\left[ \frac{1}{60} \times 17.95 + \frac{1}{160} \times 1.68 \right] \times 35,000}
 \end{aligned}$$

= 2.7680 years' service credit (2 years 280 days)



### Example 3: Male member – Career Average scheme member, Non-integer NPA

Date of birth	06/07/1977
Sex	Male
Normal Pension Age	67 years and 4 months
Calculation date	15/04/2020
Age last birthday	42 years
Transfer value received	£25,000
Relevant formula	Paragraph 4.2
Relevant table	Tables CA_TVIN67M and CA_TVIN68M in guidance; x-235 and x-237 in consolidated factors sheet
Gross Pension factor (NPA 67)	15.16
Gross pension factor (NPA 68)	14.68
Survivor's pension factor (NPA 67)	1.70
Survivor's pension factor (NPA 68)	1.72

Interpolated factors:

Formula:

$$F_x^P(\text{NPA } 67 \text{ years } 2 \text{ months}) = F_x^P(\text{NPA } 67) + \{2/12 \times [F_x^P(\text{NPA } 68) - F_x^P(\text{NPA } 67)]\}$$

Gross pension factor interpolated: NPA 67 y 4 m =  $15.16 + \{4/12 \times (14.68 - 15.16)\} = 14.85$

Survivor's factor interpolated: NPA 67 y 4 m =  $1.70 + \{4/12 \times (1.72 - 1.70)\} = 1.71$

### Transferred in pension awarded

$$\begin{aligned} \text{pension credit} &= \frac{[CETV]}{\left[F_x^P + \frac{3}{8} \times F_x^S\right]} \\ &= \frac{£25,000}{\left[14.85 + \frac{3}{8} \times 1.71\right]} \end{aligned}$$

= £1,613.81 per annum



## Appendix A: Factors – Final salary section, NPA 60

**Table 203 (Table 227 in consolidated factors spreadsheet )- Factors for non-Club incoming transfers – men, NPA 60**

Age last birthday at relevant date	Gross Pension of £1 per annum	Lump sum of £1	Survivor's Pension of £1 per annum
45	21.56	1.00	1.69
46	21.38	1.00	1.67
47	21.23	1.00	1.65
48	21.10	0.99	1.64
49	21.01	0.99	1.63
50	20.91	0.99	1.62
51	20.82	0.98	1.61
52	20.74	0.98	1.59
53	20.67	0.98	1.58
54	20.61	0.98	1.57
55	20.56	0.98	1.55
56	20.51	0.98	1.53
57	20.46	0.98	1.51
58	20.45	0.98	1.49
59	20.45	0.98	1.46

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table 213 (Table 228 in consolidated factors spreadsheet)- Factors for non-Club incoming transfers – women, NPA 60**

Age last birthday at relevant date	Gross Pension of £1 per annum	Lump sum of £1	Survivor's Pension of £1 per annum
45	21.56	1.00	1.69
46	21.38	1.00	1.67
47	21.23	1.00	1.65
48	21.10	0.99	1.64
49	21.01	0.99	1.63
50	20.91	0.99	1.62
51	20.82	0.98	1.61
52	20.74	0.98	1.59
53	20.67	0.98	1.58
54	20.61	0.98	1.57
55	20.56	0.98	1.55
56	20.51	0.98	1.53
57	20.46	0.98	1.51
58	20.45	0.98	1.49
59	20.45	0.98	1.46

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



## Appendix B: Factors – Final salary section, NPA 65

Table 223 (Table 229 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – men, NPA 65

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
50	18.60	1.82
51	18.51	1.81
52	18.41	1.80
53	18.32	1.79
54	18.25	1.77
55	18.17	1.76
56	18.10	1.74
57	18.03	1.73
58	17.98	1.70
59	17.95	1.68
60	17.91	1.66
61	17.89	1.63
62	17.88	1.60
63	17.90	1.56
64	17.94	1.53

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table 233 (Table 230 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – women, NPA 65**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
50	18.60	1.82
51	18.51	1.81
52	18.41	1.80
53	18.32	1.79
54	18.25	1.77
55	18.17	1.76
56	18.10	1.74
57	18.03	1.73
58	17.98	1.70
59	17.95	1.68
60	17.91	1.66
61	17.89	1.63
62	17.88	1.60
63	17.90	1.56
64	17.94	1.53

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



## Appendix C: Factors – Career average section

**Table CA\_TVIN65M (Table 231 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – men, NPA 65**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	14.20	1.45
21	14.29	1.46
22	14.37	1.47
23	14.46	1.48
24	14.54	1.49
25	14.63	1.50
26	14.72	1.51
27	14.80	1.52
28	14.89	1.53
29	14.98	1.54
30	15.06	1.55
31	15.15	1.56
32	15.24	1.57
33	15.33	1.58
34	15.42	1.59
35	15.51	1.59
36	15.60	1.60
37	15.69	1.61
38	15.78	1.62
39	15.87	1.63
40	15.96	1.63
41	16.05	1.64
42	16.14	1.65
43	16.24	1.66
44	16.33	1.66
45	16.42	1.67
46	16.51	1.67
47	16.60	1.68
48	16.69	1.68
49	16.78	1.68
50	16.86	1.68
51	16.95	1.68
52	17.04	1.68
53	17.12	1.68
54	17.21	1.68
55	17.30	1.67
56	17.40	1.67
57	17.49	1.66
58	17.60	1.65
59	17.70	1.64
60	17.82	1.63
61	17.94	1.61
62	18.08	1.60
63	18.22	1.58
64	18.38	1.56

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology





**Table CA\_TVIN65F (Table 232 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – women, NPA 65**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	14.20	1.45
21	14.29	1.46
22	14.37	1.47
23	14.46	1.48
24	14.54	1.49
25	14.63	1.50
26	14.72	1.51
27	14.80	1.52
28	14.89	1.53
29	14.98	1.54
30	15.06	1.55
31	15.15	1.56
32	15.24	1.57
33	15.33	1.58
34	15.42	1.59
35	15.51	1.59
36	15.60	1.60
37	15.69	1.61
38	15.78	1.62
39	15.87	1.63
40	15.96	1.63
41	16.05	1.64
42	16.14	1.65
43	16.24	1.66
44	16.33	1.66
45	16.42	1.67
46	16.51	1.67
47	16.60	1.68
48	16.69	1.68
49	16.78	1.68
50	16.86	1.68
51	16.95	1.68
52	17.04	1.68
53	17.12	1.68
54	17.21	1.68
55	17.30	1.67
56	17.40	1.67
57	17.49	1.66
58	17.60	1.65
59	17.70	1.64
60	17.82	1.63
61	17.94	1.61
62	18.08	1.60
63	18.22	1.58
64	18.38	1.56

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN66M (Table 233 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – men, NPA 66**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.79	1.47
21	13.87	1.48
22	13.96	1.49
23	14.04	1.50
24	14.12	1.51
25	14.20	1.52
26	14.29	1.53
27	14.37	1.54
28	14.45	1.55
29	14.54	1.56
30	14.62	1.57
31	14.70	1.58
32	14.79	1.59
33	14.87	1.60
34	14.96	1.61
35	15.04	1.62
36	15.13	1.63
37	15.22	1.64
38	15.30	1.64
39	15.39	1.65
40	15.47	1.66
41	15.56	1.67
42	15.65	1.67
43	15.74	1.68
44	15.82	1.69
45	15.91	1.69
46	15.99	1.70
47	16.08	1.70
48	16.16	1.70
49	16.24	1.71
50	16.32	1.71
51	16.40	1.71
52	16.48	1.71
53	16.56	1.71
54	16.64	1.70
55	16.72	1.70
56	16.81	1.69
57	16.89	1.69
58	16.98	1.68
59	17.08	1.67
60	17.18	1.65
61	17.29	1.64
62	17.41	1.63
63	17.54	1.61
64	17.68	1.59
65	17.84	1.57

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN66F (Table 234 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – women, NPA 66**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.79	1.47
21	13.87	1.48
22	13.96	1.49
23	14.04	1.50
24	14.12	1.51
25	14.20	1.52
26	14.29	1.53
27	14.37	1.54
28	14.45	1.55
29	14.54	1.56
30	14.62	1.57
31	14.70	1.58
32	14.79	1.59
33	14.87	1.60
34	14.96	1.61
35	15.04	1.62
36	15.13	1.63
37	15.22	1.64
38	15.30	1.64
39	15.39	1.65
40	15.47	1.66
41	15.56	1.67
42	15.65	1.67
43	15.74	1.68
44	15.82	1.69
45	15.91	1.69
46	15.99	1.70
47	16.08	1.70
48	16.16	1.70
49	16.24	1.71
50	16.32	1.71
51	16.40	1.71
52	16.48	1.71
53	16.56	1.71
54	16.64	1.70
55	16.72	1.70
56	16.81	1.69
57	16.89	1.69
58	16.98	1.68
59	17.08	1.67
60	17.18	1.65
61	17.29	1.64
62	17.41	1.63
63	17.54	1.61
64	17.68	1.59
65	17.84	1.57

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN67M (Table 235 in consolidated factors spreadsheet)- Factors for non-Club incoming transfers – men, NPA 67**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.39	1.49
21	13.47	1.50
22	13.55	1.51
23	13.63	1.52
24	13.71	1.53
25	13.78	1.54
26	13.86	1.56
27	13.94	1.57
28	14.02	1.58
29	14.10	1.59
30	14.18	1.60
31	14.26	1.61
32	14.34	1.62
33	14.42	1.63
34	14.51	1.63
35	14.59	1.64
36	14.67	1.65
37	14.75	1.66
38	14.83	1.67
39	14.91	1.68
40	15.00	1.68
41	15.08	1.69
42	15.16	1.70
43	15.24	1.71
44	15.33	1.71
45	15.41	1.72
46	15.49	1.72
47	15.56	1.73
48	15.64	1.73
49	15.72	1.73
50	15.79	1.73
51	15.87	1.73
52	15.94	1.73
53	16.01	1.73
54	16.08	1.73
55	16.15	1.73
56	16.23	1.72
57	16.30	1.71
58	16.38	1.70
59	16.47	1.69
60	16.56	1.68
61	16.66	1.67
62	16.76	1.65
63	16.88	1.64
64	17.01	1.62
65	17.14	1.60
66	17.29	1.58

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN67F (Table 236 in consolidated factors spreadsheet) - Factors for non-Club incoming transfers – women, NPA 67**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.39	1.49
21	13.47	1.50
22	13.55	1.51
23	13.63	1.52
24	13.71	1.53
25	13.78	1.54
26	13.86	1.56
27	13.94	1.57
28	14.02	1.58
29	14.10	1.59
30	14.18	1.60
31	14.26	1.61
32	14.34	1.62
33	14.42	1.63
34	14.51	1.63
35	14.59	1.64
36	14.67	1.65
37	14.75	1.66
38	14.83	1.67
39	14.91	1.68
40	15.00	1.68
41	15.08	1.69
42	15.16	1.70
43	15.24	1.71
44	15.33	1.71
45	15.41	1.72
46	15.49	1.72
47	15.56	1.73
48	15.64	1.73
49	15.72	1.73
50	15.79	1.73
51	15.87	1.73
52	15.94	1.73
53	16.01	1.73
54	16.08	1.73
55	16.15	1.73
56	16.23	1.72
57	16.30	1.71
58	16.38	1.70
59	16.47	1.69
60	16.56	1.68
61	16.66	1.67
62	16.76	1.65
63	16.88	1.64
64	17.01	1.62
65	17.14	1.60
66	17.29	1.58

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN68 M (Table 237 in consolidated factors spreadsheet)- Factors for non-Club incoming transfers – men, NPA 68**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.00	1.52
21	13.07	1.53
22	13.15	1.54
23	13.22	1.55
24	13.30	1.56
25	13.37	1.57
26	13.45	1.58
27	13.52	1.59
28	13.60	1.60
29	13.68	1.61
30	13.75	1.62
31	13.83	1.63
32	13.91	1.64
33	13.98	1.65
34	14.06	1.66
35	14.14	1.67
36	14.21	1.68
37	14.29	1.68
38	14.37	1.69
39	14.45	1.70
40	14.53	1.71
41	14.60	1.72
42	14.68	1.72
43	14.76	1.73
44	14.84	1.74
45	14.91	1.74
46	14.99	1.75
47	15.06	1.75
48	15.13	1.75
49	15.20	1.76
50	15.27	1.76
51	15.34	1.76
52	15.40	1.76
53	15.47	1.76
54	15.53	1.75
55	15.59	1.75
56	15.66	1.75
57	15.73	1.74
58	15.80	1.73
59	15.87	1.72
60	15.95	1.71
61	16.03	1.70
62	16.13	1.68
63	16.23	1.67
64	16.34	1.65
65	16.46	1.63
66	16.59	1.61
67	16.74	1.59

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



**Table CA\_TVIN68F (Table 238 in consolidated factors spreadsheet)- Factors for non-Club incoming transfers – women, NPA 68**

Age last birthday at relevant date	Gross Pension of £1 per annum	Survivor's Pension of £1 per annum
20	13.00	1.52
21	13.07	1.53
22	13.15	1.54
23	13.22	1.55
24	13.30	1.56
25	13.37	1.57
26	13.45	1.58
27	13.52	1.59
28	13.60	1.60
29	13.68	1.61
30	13.75	1.62
31	13.83	1.63
32	13.91	1.64
33	13.98	1.65
34	14.06	1.66
35	14.14	1.67
36	14.21	1.68
37	14.29	1.68
38	14.37	1.69
39	14.45	1.70
40	14.53	1.71
41	14.60	1.72
42	14.68	1.72
43	14.76	1.73
44	14.84	1.74
45	14.91	1.74
46	14.99	1.75
47	15.06	1.75
48	15.13	1.75
49	15.20	1.76
50	15.27	1.76
51	15.34	1.76
52	15.40	1.76
53	15.47	1.76
54	15.53	1.75
55	15.59	1.75
56	15.66	1.75
57	15.73	1.74
58	15.80	1.73
59	15.87	1.72
60	15.95	1.71
61	16.03	1.70
62	16.13	1.68
63	16.23	1.67
64	16.34	1.65
65	16.46	1.63
66	16.59	1.61
67	16.74	1.59

**Notes:**

1. As noted in paragraph 1.12, the GMP adjustment factor has been removed from the calculation methodology



## Appendix D: Assumptions underlying factors

### Financial assumptions

Nominal discount rate	4.448% pa
CPI	2.00% pa
Long term earnings growth	4.20% pa
Real discount rate (in excess of CPI)	2.40% pa
Real discount rate (in excess of general earnings growth)	0.24% pa

### Mortality assumptions

Base mortality tables and adjustments	Males: 106% of S2NMA_L  and Females: 75% of S1NFA_L up to age 79, 86% at ages 80 to 84, 100% at ages 85 to 89, 108% from age 90
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	30%
Allowance for commutation	Nil





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## Appendix E: Limitations

- E.1 This guidance should not be used for any purpose other than those set out in this guidance.
- E.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.
- E.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.
- E.4 This guidance only covers the actuarial principles around the calculation and application of non-club incoming transfer factors. Any legal advice in this area should be sought from an appropriately qualified person or source.
- E.5 Scheme managers and administrators should satisfy themselves that non-club incoming transfer calculations and benefit awards comply with all legislative requirements including, but not limited to, tax and contracting-out requirements.
- E.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 DENI and GAD. Under no circumstances should this guidance take precedence over the Regulations. Administrators should ensure that they comply with all relevant Regulations.