



Government Actuary's
Department

NHS Pension Schemes (Scotland)

McCloud guidance examples – applying McCloud
remedy to incoming non-Club transfers

Navigating risk | Cutting through complexity

The Government Actuary's Department is proud to be accredited under the Institute and Faculty of Actuaries' [Quality Assurance Scheme](#). Our website describes [the standards we apply](#).

These examples have been prepared for use by the scheme administrator to demonstrate the calculations set out in the *Guidance for applying McCloud remedy to incoming non-Club transfers*, dated 20 December 2023 (referred to as the 'McCloud guidance note' in these examples). These examples should be read in conjunction with that guidance note.

These examples on applying McCloud remedy to incoming non-Club transfers depend on calculating the benefits awarded for incoming non-Club transfers to the legacy schemes and the reformed scheme. Guidance and examples on these calculations are set out in incoming non-Club transfers guidance notes for those schemes, as referenced in the McCloud guidance note.

This document includes:

- Example 1 – Pre-1 October 2023 transfer in to 2015 Scheme, convert to 2008 Section
- Example 2 – Pre-1 October 2023 transfer in to 2015 Scheme, convert to 2008 Section
- Example 3 – Pre-1 October 2023 transfer in to 2008 Section, convert to 2015 Scheme on election
- Example 4 – Additional payment received for remediable transfer value

Compliance and limitations

These examples have been prepared for use by the scheme manager and scheme administrator of the NHS Pension Schemes (Scotland) (the Scheme) for the purpose of applying the McCloud remedy to incoming non-Club transfers received by the Scheme. They were commissioned by the scheme manager, and were prepared by GAD in our role advising the scheme manager on the Scheme.

These examples may be published on the scheme manager and scheme administrator's website.

Other than the scheme manager and scheme administrator, no person or third party is entitled to place any reliance on the contents of these examples, 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 these examples, whether or not GAD has agreed to the disclosure of its advice to the third party.

These examples have been prepared in accordance with the applicable Technical Actuarial Standard: TAS 100 issued by the Financial Reporting Council (FRC). The FRC sets technical standards for actuarial work in the UK.

Tim Weir FIA C.Act

8 October 2025

Example 1 – Pre-1 October 2023 transfer in to 2015 Scheme, convert to 2008 Section on rollback

Data from original calculations

Age last birthday	42
Sex	Female
Calculation date	15 April 2020
Original scheme for transfer	2015 Scheme
Amount of CETV received	£50,000.00
Additional pensionable earnings as a result of the TV-in credit	£187,110.19

Other data required

Alternative scheme	2008 section
Normal Pension Age in alternative scheme	65
Pensionable earnings (p.a.) at Calculation date	£25,000.00

Factors required for alternative scheme

Factor guidance note	Incoming non-Club transfer - Factors and guidance, dated 31 January 2020
Factor table	Table TVIN4
Member's pension factor	0.38

Alternative scheme transfer in benefit

The equivalent 2008 section service credit for the transfer value received is calculated as:

$$\text{Service credit} = \frac{£50,000.00}{(0.38 \times £25,000.00)}$$

= 5 years 96 days

The formula above is based on that set out in the alternative scheme factor guidance note for calculating the service credit to be awarded on an incoming non-Club transfer.

Example 2 – Pre-1 October 2023 transfer in to 2015 Scheme, convert to 2008 Section on rollback

Data from original calculations

Age last birthday	38
Sex	Female
Calculation date	15 April 2016
Original scheme for transfer	2015 Scheme
Amount of CETV received	£50,000.00
Amount of pre 88 GMP	£150.00
Amount of post 88 GMP	£350.00
Additional pensionable earnings as a result of the TV-in credit	£212,305.26

Other data required

Alternative scheme	2008 Section
Normal Pension Age in alternative scheme	65
Pensionable earnings (p.a.) at Calculation date	£30,000



Factors required for alternative scheme

Factor guidance note	Incoming non-Club transfer - Factors and guidance, dated 27 March 2015
Factor table	TVIN4
Member's pension factor	0.39
GMP adjustment factor	-0.99

Alternative scheme transfer in benefit

The equivalent 2008 Section service credit for the transfer value received is calculated as:

$$\text{Service credit} = \frac{£50,000.00 + (£150.00 + £350.00 \times 3.5) \times -0.99}{(£30,000.00 \times 0.39)}$$

= 4 years 57 days

This amount is as at the original calculation date.

The formula above is based on that set out in the alternative scheme factor guidance note for calculating the pension to be awarded on an incoming non-Club transfer.

Example 3 – Pre-1 October 2023 transfer in to 2008 Section, convert to 2015 Scheme on election

Data from original calculations

Age last birthday	59
Sex	Male
Calculation date	1 December 2020
Original scheme for transfer	2008
Amount of CETV received	£50,000.00
Service credit received in original scheme	4 years 329 days

Other data required

Alternative scheme	2015 Scheme
Normal Pension Age in alternative scheme	67

Factors required

Factor guidance note	Incoming non-Club transfers - Factors and guidance, dated 31 January 2020
Factor table	Table TVINA
Member's pension factor	16.61

Alternative scheme transfer in benefit

The equivalent 2015 Scheme additional pensionable earnings for the transfer value received is calculated as:

$$\text{Additional pensionable earnings} = \frac{£50,000.00 \times 54}{16.61}$$

= £162,552.68

This amount is as at the original calculation date.

The formula above is based on that set out in the alternative scheme factor guidance note for calculating the pension to be awarded on an incoming non-Club transfer.

Example 4 – Additional payment received for remediable transfer value

Where the non-Club incoming transfer was sent from another reformed public service pension scheme, the scheme manager may accept an additional payment as a result of the sending scheme's McCloud remedy.

Data from original calculations

Age last birthday	58
Sex	Male
Calculation date	15 April 2020
Pensionable earnings (p.a.)	£30,000.00
Original scheme for transfer	1995 Section
Normal Pension Age	60

Other data required

Top up CETV amount received	£5,000.00
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Yt65Factors required (in line with factors used for original calculation)

Factor guidance note	Incoming non-Club transfer - Factors and guidance, dated 31 January 2020
Factor table	Table TVIN1
Member's pension factor	0.36

Additional transfer in benefit

The additional 1995 Section service credit for the top up CETV amount is calculated as:

$$\text{Service credit} = \frac{£5,000.00}{(0.36 \times £30,000.00)}$$

= 0 years 169 days

The formula above is based on that set out in the scheme factor guidance note for calculating the service credit to be awarded on an incoming non-Club transfer.

This additional service credit should be treated consistently with the original remediable service credit awarded, and converted to alternative scheme benefits as required in line with the McCloud guidance note (in this case, potential conversion to the reformed scheme on election).