GOVERNMENT ACTUARY'S DEPARTMENT

New Firefighters' Pension Scheme 2006
Transfer Values and Pension Sharing

Date: 28th January 2009

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1 Introduction

1.1 Scope of this guidance note

1.1.1 This note relates to the New Firefighters' Pension Scheme introduced in April 2006. It sets out the general method for assessing:

- Public Sector Transfer Club transfer values
- statutory CETV (ie non-Club) transfer values
- service credits on transfer in (Club or statutory CETV)
- cash equivalents on divorce
- pension debits and pension credits on divorce

1.1.2 The Actuarial Factors in this note come into effect from the 1st October 2008. This note supersedes the guidance issued by the Government Actuary's Department on 30th October 2007.

1.1.3 This note contains the tables and guidance to be issued by the Scheme Actuary that is referred to in the following regulations of The Firefighters' Pensions Regulations 2006 (SI 2006 No. 3432):

- Part 3 Rule 12 – pension debit members
- Part 6 Rule 1 – pension credit member's entitlement to pension
- Part 12 Rule 6 – calculating amounts of transfer value payments
- Part 12 Rule 10 – acceptance of transfer value payments
- Part 12 Rule 11 – calculation of transferred-in pensionable service

1.1.4 References in this guidance to The New Firefighters' Pension Scheme (England) may be taken to include their equivalents in Scotland, Wales and Northern Ireland.

Changes since October 2007

1.1.6 The format of the factors applying from the 1st October 2008 is substantively the same as that applying before that date. There are, however, some minor changes as follows:

(i) the factor used to calculate the survivor's pension no longer depends on whether the member has a partner;

(ii) the proportion of the factor that is applied to GMP accrued after 5th April 1988 has changed from 45% to 25% for all tables except for females with a deferred pension age of 65, where the proportion is now 250%;

(iii) for females aged 60 and above with a deferred pension age of 65, the format of the tables has been amended to provide separate factors for pre-88 and post-88 GMP savings;

(iv) the floor of 2% has been removed from the Adjustment for Market Conditions; and

(v) the yield used to calculate the AMC is now the average of the FTSE UK index-lilnked Gilts Index for redemption periods of over 15 years with 0% inflation and 5% inflation on the first day of the calendar month into which the guarantee date falls.

1.2 Questions about this guidance

1.2.1 If you have any questions about how to use this guidance, in the first instance administrators should consult published information or the Firefighter Pensions pages at:

http://www.communities.gov.uk/fire/working/firefighterpensions/

1.2.2 If this does not help, administrators may contact the relevant Fire Pensions Team, by e-mail or writing to:

Firefighters' Pensions Team
WPP Division
Department for Communities and Local Government
Zone 5/F6
Eland House
Bressenden Place
London SW1E 5DU

Scottish Public Pensions Agency
7 Tweedside Park
Tweedbank
Galashiels TD1 3TE

Fire and Rescue Services Branch
Welsh Assembly Government
Merthyr Tydfil Office
Rhydycar
Merthyr Tydfil
CF48 1UZ

Department for Health, Social Services and Public Safety
Fire Division
Castle Buildings
Stormont
Belfast BT4 3SS

1.2.3 The Fire Pensions Teams will seek input from the Scheme Actuary if necessary.

2 Transfer values on transfers out of the NFPS

2.1 Club transfers out

2.1.1 Members of the New Firefighters' Pension Scheme 2006 (NFPS) are generally entitled to take a transfer value to another pension arrangement. Where the new pension scheme is another scheme that participates in the Public Sector Transfer Club, the transfer will normally be effected on Club terms. The same transfer value (prior to the application of any adjustment for market conditons) is normally paid for both Club and statutory CETV (ie non-Club) transfers.

2.1.2 The New Firefighters' Pension Scheme Regulations 2006 define the circumstances under which a member is entitled to take a transfer value. Members with over three months of qualifying service would generally be entitled to a transfer value. Members with less than three months of qualifying service would normally be entitled to a refund of contributions.

2.1.3 **Guarantee Date**

The relevant date for calculating a transfer value is the "guarantee date" as defined in The Occupational Pensions Schemes (Transfer Values) Regulations 1996, ie it must be within 3 months (or exceptionally 6 months) of the date of the member's application.

2.1.4 A transfer value should be guaranteed for three months from the guarantee date. If a request to pay the transfer value is made within three months of the guarantee date, it will not be necessary to recalculate the transfer value.

2.1.5 **Calculation of pension benefits**

The benefits to be valued for serving firefighters are those that would be payable if the member had left service on the date of the calculation.

2.1.6 The benefits to be valued for a deferred member should include revaluation to the guarantee date. The accrued pension benefits should be calculated at the last day of service, and then increased in line with Pensions Increase (Review) Orders. Guaranteed Minimum Pensions (GMPs) should be increased in line with the Revaluation of Earnings (Section 148) Orders.

2.1.7 **Contracted-out rights**

NFPS is contracted out of the State Second Pension. The contracted-out liabilities – GMPs and post-1997 contracted-out rights – may be transferred if the receiving scheme is able to receive them. The value of post-1997 contracted-out rights (known as section 9(2B) rights) must be shown separately.

2.1.8 The transfer value includes an adjustment to reflect the increases on the Guaranteed Minimum Pension which are the responsibility of the State Scheme after State Pension Age. Annual GMP figures can be obtained by multiplying the weekly GMP figures by 52.

2.1.9 **Adjustment for Market Conditions**

The transfer value includes an Adjustment for Market Conditions (AMC). This AMC factor depends on the member's age at the guarantee date and the yield on index-linked government bonds. The appropriate yield to be used is the average of the FTSE UK index-linked Gilts Index for redemption period of over 15 years with 0% and 5% inflation on the first working day of the calendar month into which the guarantee date falls.

2.1.10 The AMC factors for deferred members and active members entitled to deferred benefits from age 65 are shown in Table D2. Where the appropriate yield is not a whole number, the factor should be obtained by interpolating between the closest two factors, to produce the AMC factor for the transfer value calculations.

2.1.11 **Survivor's pension**

The factor for the survivor's pension does not depend on whether or not the member has a partner who would qualify for a survivor's pension in the event of the member's death.

2.1.12 **Calculation of the transfer value**

Males

For deferred male members and active male members entitled to deferred benefits from age 65 the transfer value should be calculated using the following formula.

$$[\ (CP + APB_{pen}) \times F_p\ +\ (SUR + APB_{sur}) \times F_{sur}\ -$$

$$(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC$$

CP	member's pension
APB_{pen}	Additional pension from CPD contributions or LSI
SUR	pension payable on the death of the member to their spouse or partner
APB_{sur}	Additional pension payable on the death of the member to their spouse or partner from CPD contributions or LSI
PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_p	factor for member's pension – Table A1
F_{sur}	factor for survivor's pension – Table A1
F_{gmp}	factor for GMP saving – Table A1
AMC	adjustment for market conditions – Table D2

Females to age 60

For deferred and active female members below age 60 who are entitled to deferred benefits from age 65, the transfer value should be calculated using the following formula.

$$[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -$$

$$(PRE\ GMP + 2.5 \times POST\ GMP) \times F_{gmp}\ ] \times AMC$$

CP	member's pension
APB_{pen}	Additional pension from CPD contributions or LSI
SUR	pension payable on the death of the member to their spouse or partner
APB_{sur}	Additional pension payable on the death of the member to their spouse or partner from CPD contributions or LSI
PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_p	factor for member's pension – Table A2
F_{sur}	factor for survivor's pension – Table A2
F_{gmp}	factor for GMP saving – Table A2
AMC	adjustment for market conditions – Table D2

Deferred Females aged 60 and above

For deferred female members aged 60 and above who are entitled to deferred benefits from age 65, the transfer value should be calculated using the following formula.

$$[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -$$

$$(PRE\ GMP \times F_{Pre88GMP} + POST\ GMP \times F_{Post88GMP})] \times AMC$$

CP	member's pension
APB_{pen}	Additional pension from CPD contributions or LSI
SUR	pension payable on the death of the member to their spouse or partner
APB_{sur}	Additional pension payable on the death of the member to their spouse or partner from CPD contributions or LSI
PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_p	factor for member's pension – Table A3
F_{sur}	factor for survivor's pension – Table A3
$F_{Pre88gmp}$	factor for pre 88 GMP savings – Table A3
$F_{Post88gmp}$	factor for post 88 GMP savings – Table A3
AMC	adjustment for market conditions – Table D2

The Pre 88 GMP and Post 88 GMP amounts should include any late retirement increases applied to the calculation date. The late retirement increases on GMP are 1/7% per week in addition to (for Post 88 GMP) the increase in the RPI index limited to 3% per annum.

2.1.13 **Members with a pension debit**

The transfer value should be calculated in two stages. First, a gross transfer value should be calculated ignoring the pension debit. Second, the value of the pension debit should be calculated (ie the transfer value of a deferred pension of the same amount as the debit). The results of both calculations should be passed to the receiving scheme. The transfer value paid is the net amount: the gross transfer value less the value of the pension debit.

2.1.14 **Alerting members to the statutory CETV transfer route**

In some circumstances a statutory CETV (non-Club) transfer may produce a higher service credit for the member in the receiving scheme than a Club transfer. On responding to a request for a Club transfer value, the fire pension administrator should suggest to the administrator of the receiving scheme that they alert the member to the possibility that the statutory CETV route could, in some circumstances, result in a higher service credit. It would then be for the member to consider acting on the information by requesting a statutory CETV quotation from NFPS.

2.1.15 **Members entitled to a split pension**

Under Part 3 Rule 7, a member is entitled to a split pension if, on changing role they have suffered a reduction in pay, or for those who stay in the same role but become entitled to a different rate of pay which impacts adversely on pensionable pay at the point of retirement. In accordance with this rule, two pension calculations should be carried out, the first allowing for a split award and the payment of two pensions and the second as a single award. The greater of the two pension values should be used in the calculation of the transfer value.

2.2 Statutory CETV Transfer Out

2.2.1 The calculation of a statutory CETV (ie non-Club transfer value) is the same as the calculation of a Club transfer value, as described in section 2.1 of this note, but with the AMC factor taken from table D1 instead of table D2.

Males

$$[\ (CP + APB_{pen}) \times F_p\ +\ (SUR + APB_{sur}) \times F_{sur}\ -$$

$$(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC$$

Females to age 60

$$[(CP + APB_{pen}) \times F_p\ +\ (SUR + APB_{sur}) \times F_{sur}\ -$$

$$(PRE\ GMP + 2.5 \times POST\ GMP) \times F_{gmp}\ ] \times AMC$$

Females ages 60 and above

$$[(CP + APB_{pen}) \times F_p\ +\ (SUR + APB_{sur}) \times F_{sur}\ -$$

$$(PRE\ GMP \times F_{Pre88GMP} + POST\ GMP \times F_{Post88GMP}\ )\ ] \times AMC$$

CP	member's pension
APB_{pen}	Additional pension from CPD contributions or LSI
SUR	pension payable on the death of the member to their spouse or partner
APB_{sur}	Additional pension payable on the death of the member to their spouse or partner from CPD contributions or LSI
PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_p	factor for member's pension – Table A1, A2 or A3
F_{sur}	factor for survivor's pension – Table A1, A2 or A3
F_{gmp}	factor for GMP saving – Table A1, A2 or A3
AMC	adjustment for market conditions – Table D1

When calculating the value of the protected rights for females aged 60 or above, the factor given should be applied to the annual amount of the GMP after late retirement increase of 1/7% per week.

2.2.2 **Underpin in respect of previous transfer in**

If the member has received a transfer in of benefits from another scheme, then an underpin applies to the CETV. The underpin is calculated using the following formula:

Underpin = TV_{ActSer} + TV_{in}

TV_{ActSer}	the transfer value based on actual service, calculated in accordance with 2.2.3 below
TV_{in}	the value of the previous transfer in, calculated in accordance with 2.2.4 below

2.2.3 The transfer value based on actual service is calculated in accordance with section 2.2.1, but the value of the benefits is based on reckonable service in the NFPS ignoring any service credit in respect of the previous transfer in. The member's pension (CP) and the pension payable on the death of the member to their spouse or partner (SUR) should be recalculated using the lower service figure.

2.2.4 The value of transferred in service **TV_{in}** is usually the total of previous transfer values received by the fire pension administrator but there are some exceptions. The value to use for different type of transfer in are as follows:

- where the transfer in was a statutory CETV (ie non-Club) transfer, TV_{in} is the transfer value that was received
- where the transfer in was a Club transfer, TV_{in} is the transfer value that was received
- where the transfer in was from the Firefighters' Pension Scheme 1992 (FPS) on the special conversion terms available from that scheme in certain circumstances, TV_{in} is the CETV that would otherwise have been available on the effective date of the transfer
- where the transfer in was from a bulk transfer into the NFPS, TV_{in} is the CETV that would have been available from the member's previous scheme at the date of transfer

If more than one transfer in has been received, TV_{in} should be the sum of the specified figures for all the transfers received.

If the underpin calculated in 2.2.2 is greater than the transfer value calculated in 2.2.1, then the transfer value should be increased so that it equals the underpin.

2.2.5 **Value of section 9(2B) rights**

The value of post-1997 contracted-out rights (known as section 9(2B) rights) must be shown separately on the transfer value statement.

2.2.6 If the underpin applies, then the value of section 9(2B) rights is the sum of:

- the transfer value based on actual service on and after 6 April 1997
- the value of transferred in service which related to section 9(2B) rights

2.2.7 Value of GMP benefits

Receiving pension arrangements may sometimes ask for a valuation of the GMP rights within the overall CETV, so that this part of the transfer value may be designated as Protected Rights in a money purchase contracted-out pension fund. The GMP rights of a male member can be valued using the GMP valuation factors in table A1. The value of the GMP is calculated using the following formula:

Males

$$\textbf{(PRE GMP + 1.25} \times \textbf{POST GMP)} \times F_{gmpval} \times \textbf{AMC}$$

PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_{gmpval}	factor for GMP valuation – Table A1
AMC	adjustment for market conditions – Table D1

Females

$$\textbf{(PRE GMP + 1.30} \times \textbf{POST GMP)} \times F_{gmpval} \times \textbf{AMC}$$

PRE GMP	annual GMP accrued before 6.4.88
POST GMP	annual GMP accrued from 6.4.88
F_{gmpval}	factor for GMP valuation – Table A2
AMC	adjustment for market conditions – Table D1

When calculating the value of the protected rights for females aged 60 or above, the factor given should be applied to the annual amount of the GMP after late retirement increase of 1/7% per week.

2.2.8 Pension debit members

If a pension debit member requests a statutory CETV, the member's benefits should be calculated as at the guarantee date, initially ignoring the pension debit. The pension debit should be revalued to the guarantee date and deducted from the member's benefits. The transfer value quotation should be based on the benefits after subtraction of the debit.

2.2.9 Transfers to other fire authorities

For transfers between English fire authorities, the member's service record should be transferred but there is no requirement to calculate a transfer value or to make a transfer payment. Transfers to fire authorities in Scotland, Wales and Northern Ireland require the calculation and payment of a transfer value. The member's service should be transferred. The calculation of a service credit is not required.

2.2.10 **Transfers to overseas schemes**

A transfer payment can be made to a Qualifying Recognised Overseas Pension Scheme (QROPS) listed on HMRC's website, subject to various requirements set out in The Contracting-out (Transfer and Transfer Payment) Regulations 1996 (SI 1996 No. 1462). Note that pension schemes established in the Isle of Man or the Channel Islands are classed as overseas schemes. Transfers to overseas schemes must be reported to HMRC by the fire pensions administrator using an online event report.

2.2.11 The transfer value should be calculated in the normal way.

3 Service credits on transfers in to the NFPS

3.1 Club transfers in

3.1.1 Members of NFPS are generally entitled to bring a transfer value from another pension arrangement. Where the previous pension scheme participates in the Public Sector Transfer Club, the transfer will normally be effected on Club terms.

3.1.2 Club transfers are not permitted from the Firefighters' Pension Scheme 1992 to the NFPS. The terms described in section 3.2 will therefore apply for any transfers from the Firefighters' Pension Scheme 1992 to NFPS where the special conversion terms are not applicable.

3.1.3 Members transferring from another fire authority within the same country will have their service record transferred. The calculation of a service credit is not required.

3.1.4 **Calculation of the service credit**

The age, GMP and index-linked bond yield used to calculate the Adjustment for Market Conditions should be the same as those used by the previous scheme to calculate the Club transfer value.

3.1.5 The pensionable pay figure should be the same as that used by the previous scheme. Where, at the guarantee date, the previous scheme has increased the deferred benefits at leaving to allow for pensions increases or GMP revaluations, the pensionable pay figure used in the service credit calculations will also have to be increased. The pensionable pay used should be the pensionable pay at leaving increased by the same rate that the previous scheme used to increase the accrued pension benefits.

3.1.6 If the member either worked part time in the previous scheme or is working as a retained firefighter in the NFPS, the service credit awarded shall nevertheless count as full time service. It shall be calculated using the member's full-time equivalent pensionable pay in the previous scheme, after revaluation if applicable. If the member is employed concurrently as a full-time firefighter and a retained firefighter, the service credit shall be awarded in respect of the member's full-time appointment.

3.1.7 The factor for the survivor's pension does not depend on whether or not the member has a partner who would qualify for a survivor's pension in the event of the member's death.

3.1.8 The formula used to calculate the service credit is as follows:

$$[\ TV \div AMC\ +\ (PRE\ GMP\ +\ 0.25 \times POST\ GMP) \times F_{gmp}\ ] \div 1yr$$

TV	the Club transfer value paid by the previous scheme
AMC	the adjustment for market conditions, as used by the previous scheme
PRE GMP	annual GMP accrued before 6.4.88, as used by the previous scheme
POST GMP	annual GMP accrued after 6.4.88, as used by the previous scheme
F_{gmp}	factor for GMP saving - Table B1 or B2
1yr	the cost of one year's accrual, as calculated in section 3.1.9

3.1.9 The cost of one year's accrual is calculated as

$$[F_p + 0.5 \times F_{sur}] \times PAY \div 60$$

F_p	factor for member's pension – Table B1 or B2
F_{sur}	factor for survivor's pension – Table B1 or B2
PAY	member's pay in the previous scheme, see sections 3.1.5 and 3.1.6

3.1.10 **Section 9(2B) rights**

If the transfer value received includes benefits in respect of service on or after 6 April 1997 in a contracted out pension scheme, the NFPS service credit in respect of benefits identified by the former scheme as post-97 contracted-out rights must be recorded as section 9(2B) rights. The length of the service credit that counts as section 9(2B) rights is determined as follows:

$$[TV_{post97} \div AMC] \div 1yr$$

TV_{post97}	the portion of the transfer value identified as post-1997 contracted-out rights
AMC	the adjustment for market conditions, as used by the previous scheme
1yr	the cost of one year's accrual, as calculated in section 3.1.9

3.1.11 **Members with a pension debit**

The sending scheme should pass details of the gross transfer value (calculated ignoring the pension debit) and the value of the pension debit. The gross transfer amount should be used in the normal Club transfer in calculation, as per section 3.1.8, to determine the service credit.

3.1.12 The value of the pension debit should be used to calculate a pension debit in NFPS using the following formula:

$$TV_{debit} \div [(F_p + 0.5 \times F_{sur}) \times AMC]$$

TV_{debit}	value of the pension debit as advised by the sending scheme
F_p	factor for member's pension – Table A1 or A2
F_{sur}	factor for survivor's pension – Table A1 or A2
AMC	the adjustment for market conditions, as used by the previous scheme

The factors used should be for the same age as that used by the previous scheme to calculate the Club transfer value.

3.1.13 After transfer the pension debit should be revalued in the normal way up to retirement.

3.1.14 Alerting members to the statutory CETV transfer route

In the following circumstances, a statutory CETV (ie non-Club) transfer may produce a greater service credit for the member:

- the Club transfer value offered by the previous scheme is smaller than the statutory CETV available, or
- the member suffers a reduction in pensionable pay on transfer.

On receiving a request for a Club service credit quotation, the fire pension administrator should alert the member to the possibility that, in the circumstances mentioned above, processing the transfer as a statutory CETV could result in a higher service credit in NFPS than the Club transfer route. It would then be for the member to consider acting on the information by requesting a statutory CETV quotation from the former scheme.

3.1.15 Members' records

As well as service credit and GMP details, a record should be kept of:

- amount of the transfer value received
- the portion of the transfer value identified as section 9(2B) rights
- length of service credit that is section 9(2B) rights
- length of qualifying service transferred from the former scheme

3.2 Statutory CETV transfers in

3.2.1 On receipt of a statutory CETV (ie non-Club transfer value), the service credit awarded to the transferring member shall be calculated as follows.

3.2.2 **The relevant date**

The age, pensionable pay, GMP, and AMC used in the calculation should be determined as at the relevant date for the calculation. The relevant date is the date on which the transfer payment is received, except where:

- The transfer payment is received within 12 months of the member joining or rejoining a fire authority, in which case the relevant date is the date of joining or rejoining.
- An officer requests a quotation of the service credit in advance of the transfer value being paid. If the transfer payment is subsequently received within 3 months of the calculation date for the quotation, and if the amount of the transfer value is unchanged from the amount used in the quotation, the relevant date is the same as used for the quotation (ie the quoted service credit is honoured).

3.2.3 **Receiving a transfer that includes a GMP**

The NFPS is able to receive statutory CETV (ie non-Club) transfers from former schemes that include GMPs. The GMP amount must be revalued to the relevant date. In cases where:

- the last day of service in the former scheme is in the same tax year as the relevant date; or
- the former scheme revalues GMP by Section 148 orders and the GMP has been revalued to the tax year in which the relevant date falls;

the GMP given by the former scheme may be used.

3.2.4 Otherwise administrators should apply using the appropriate form to the National Insurance Contributions Office of HMRC requesting the GMP appropriate to the relevant date, revalued by reference to Section 148 orders. This GMP amount must be used in the check described at 3.2.5 and in the service credit calculation at section 3.2.11.

3.2.5 Before a statutory CETV is accepted a check must be conducted to ensure that the transfer value is large enough to ensure that the GMP liability will be covered. Such part of the transfer value as relates to pension benefit accrual before 6th April 1997 must be at least as great as the product of:

- the annual amount of the GMP revalued up to the calculation date, and
- the factor specified below:

Age	Factor
29 or under	8
30 to 39	9
40 to 49	10
50 or over	12

If this test is not satisfied, the transfer cannot be accepted by the NFPS.

3.2.6 In a case where a transfer cannot be accepted because the GMP test at section 3.2.5 is not satisfied, the NFPS would nevertheless be able to accept a transfer value in respect of the benefits in excess of the GMP, with the GMP liability remaining with the former scheme.

3.2.7 **Calculation of the service credit**

The age, pensionable pay, GMP, and AMC used in the calculation should be determined as at the relevant date.

3.2.8 The figure for the member's pay should be their pensionable pay in NFPS expressed as an annual rate (ie as would be used in the calculation of lump sum death grant) as at the relevant date.

3.2.9 If the member is working as a retained firefighter in NFPS, the service credit awarded shall nevertheless count as full time service. It shall be calculated using member's full-time equivalent pensionable pay. If the member is employed concurrently as a full-time firefighter and a retained firefighter, the service credit shall be awarded in respect of the member's full-time appointment.

3.2.10 The factor for the survivor's pension does not depend on whether or not the member has a partner who would qualify for a survivor's pension in the event of the member's death.

3.2.11 The formula used to calculate the service credit is as follows:

$$\mathbf{[\ TV \div AMC\ +\ (PRE\ GMP\ +\ 0.25 \times POST\ GMP) \times F_{gmp}\ ] \div 1yr}$$

TV	the transfer value
AMC	adjustment for market conditions – Table D2
PRE GMP	annual GMP accrued before 6.4.88 revalued up to the relevant date
POST GMP	annual GMP accrued after 6.4.88 revalued up to the relevant date
F_{gmp}	factor for GMP saving – Table C1 or C2
1yr	the cost of one year's accrual, as calculated in section 3.2.12

3.2.12 The cost of one year's accrual is calculated as

$$[\ F_p\ +\ 0.5 \times F_{sur}\ ] \times PAY \div 60$$

F_p	factor for member's pension – Table C1 or C2
F_{sur}	factor for survivor's pension – Table C1 or C2
PAY	member's pensionable pay in NFPS, see sections 3.2.8 and 3.2.9

3.2.13 **Section 9(2B) rights**

If the transfer value received includes benefits in respect of service after 6 April 1997 in a contracted out pension scheme, the NFPS service credit in respect of benefits identified by the former scheme as post-97 contracted-out rights must be recorded as Section 9(2B) rights. The length of the service credit that counts as Section 9(2B) rights is determined as follows:

$$[\ TV_{post97} \div AMC\ ] \div 1yr$$

$TV_{post\ 97}$	the portion of the transfer value identified as post-1997 contracted-out rights
AMC	adjustment for market conditions – Table D2
1yr	the cost of one year's accrual, as calculated in section 3.2.12

3.2.14 **Members' records**

As well as service credit and GMP details, a record should be kept of:

- amount of the transfer value received
- the portion of that transfer value identified as section 9(2B) rights
- length of service credit that is section 9(2B) rights
- if the actual length of NFPS membership is less than two years, the length of qualifying service transferred from the former scheme

3.2.15 **Transfers from overseas schemes**

Transfer payments can be received from recognised overseas pension schemes (ie schemes which are regulated and approved for tax purposes by the tax authorities in the country in which they are established). The transfer payment does not necessarily have to come from a Qualifying Recognised Overseas Pension Scheme listed on HMRC's website. Note that pension schemes established in the Isle of Man or the Channel Islands are classed as overseas schemes.

3.2.16 The service credit should be calculated in the same way as for other non-Club transfers.

4 Pension sharing on divorce

4.1 Introduction

4.1.1 This section sets out the method and instructions for calculating cash equivalents on divorce, and calculating pension credits and pension debits.

4.1.2 Section 4.2 discusses the calculation of the cash equivalent at the various stages of divorce proceedings.

4.1.3 Sections 4.3 and 4.4 set out the calculations of the cash equivalents for pensioners and for active and deferred members.

4.1.4 Section 4.5 discusses the calculation of the value of the benefits that will be transferred to the ex-spouse or ex-civil partner after the court has issued the pension sharing order.

4.1.5 Section 4.6 sets out the calculation of the pension credit for the ex-spouse or ex-civil partner.

4.1.6 Section 4.7 sets out the calculation of the member's pension debit.

4.2 Calculation of the cash equivalent

4.2.1 The first stage will be to provide the member with a calculation of the cash equivalent of their entitlements in the scheme, at the date of the calculation. The methodology for former members who are receiving pension benefits at the date of the calculation is set out in section 4.3. Section 4.4 covers the provisions for serving firefighters and deferred pensioners.

4.2.2 The methods described should be used both when a member applies for a quotation of the value of the benefits during the divorce proceedings, and after a pension sharing order has been made.

4.2.3 Calculation date

The date for the calculation will depend on the stage of the divorce:

- If a quotation is required for part of the proceedings, in Scottish cases, the date will usually be specified by the court. For divorces in England and Wales, the date used should be consistent with the date used for normal transfer value calculations (ie the guarantee date).
- If the calculation is being done after a pension sharing order has been made, the calculation date should be the transfer date (or effective date). This is the date when the order takes effect, and on which pension debits and credits are awarded.

4.2.4 The age of the member and the adjustment for market conditions should be calculated at this date. Benefits should also be taken at this date, as described later.

4.3 Members already in receipt of benefits

4.3.1 Members already in receipt of benefits do not have an entitlement to a cash equivalent transfer value. The pensioner cash equivalent value can be calculated using the method and factors in this note, but *should be used for divorce purposes only*.

4.3.2 There are three sets of tables:

- Table F: Pensioners who retired on ordinary grounds
- Table G: Pensioners who retired on ill health grounds
- Table H: Adjustment for Market Conditions – to be used for pensioner cash equivalents

4.3.3 The main difference between Table F and Table G is that Table G allows for the heavier mortality experienced on average by those who retire due to ill health.

4.3.4 Table H should only be used for ill health pensioners under the age of 55 where full pension increases are payable in the period up to age 55. If pension increases are not payable before age 55 then the case should be referred to the relevant Fire Pensions Team, as per section 1.2.2.

4.3.5 **Calculation**

The pensioner cash equivalent should be calculated as follows:

$$[CP \times F_p + SUR \times F_{sur} - (PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}] \times AMC$$

CP	current member's pension, see section 4.3.7
SUR	pension payable on the death of the member to their spouse or partner, see section 4.3.7
PRE GMP	annual GMP accrued before 6.4.88, including revaluation to the calculation date, see section 4.3.9
POST GMP	annual GMP accrued after 6.4.88, including revaluation to the calculation date, see section 4.3.9
F_p	factor for member's pension – Table F1, F2, G1 or G2
F_{sur}	factor for survivor's pension – Table F1, F2, G1 or G2
F_{gmp}	factor for GMP saving – Table F1, F2, G1 or G2
AMC	adjustment for market conditions for pensioners – Table H, see section 4.3.12

4.3.6 The appropriate factors should be taken from the tables in force at the date of the calculation, using the member's age at that date.

4.3.7 **Pension benefits**

The member's pension (CP) should be the rate of pension in payment at the calculation date, including additional pension from CPD or LDI contributions. The survivor's pension (SUR) should be the rate payable if the member had died immediately before the calculation date. The last pension increase should be that awarded up to and including the April increase immediately before the calculation date.

4.3.8 If the member's pension is reduced due to abatement or suspension due to reemployment, then the abatement reduction should be ignored for the purpose of this calculation. Benefits should be calculated as though the member had ceased reemployment on the date of calculation, and valued accordingly.

4.3.9 **Guaranteed Minimum Pension**

The cash equivalent must be adjusted to reflect the increases on the Guaranteed Minimum Pension (GMP) that are the responsibility of the State after State Pension Age. The State is generally responsible for all the increases on the pre April 1988 GMPs, and increases above 3% per annum on the post April 1988 GMPs.

4.3.10 Where the member is below State Pension Age, the GMP should include revaluation up to and including the increase in the April immediately before the calculation date, using Section 148 orders, in line with normal practice for cash equivalent transfer values. Where the member has passed State Pension Age, the pre 1988 GMP should be at the rate at State Pension Age. The post 1988 GMP should include the increases granted by the scheme on that part of the benefits up to and including the April increase immediately before the calculation date (ie 3% per annum or the pension increase order if less). Annual GMP figures can be obtained by multiplying the weekly GMP figures by 52.

4.3.11 The sum of the GMP in respect of service up to 5 April 1988 and 25% of the GMP in respect of service after that date should be multiplied by the appropriate factor in the tables and the resulting figure used in the cash equivalent calculation.

4.3.12 **Adjustment for Market Conditions**

The cash equivalent calculation includes an Adjustment for Market Conditions (AMC). This AMC factor depends on the member's age at the guarantee date and the yield on index-linked government bonds. The appropriate yield to be used is the average of the yields on the FT Actuaries index of index-linked stocks for redemption periods of over 15 years assuming 0% and 5% inflation. The yield on first working day of the calendar month into which the calculation date falls should be used.

4.3.13 The AMC factors for pensioners are shown in Table H. Where the appropriate yield is not a whole number, the factor should be obtained by interpolating between the closest two factors, to produce the AMC factor for the calculation of the cash equivalent.

4.4 Active members and deferred pensioners

4.4.1 Where the benefits have not yet come into payment, the cash equivalent value quoted should be the same as the statutory CETV (ie non-Club transfer value) that would be payable. This should generally be calculated using the same approach as would apply to a normal non-Club transfer value, even if the member is not normally entitled to a transfer value.

4.4.2 The benefits to be valued for serving firefighters are those that would be payable if the member had left service on the date of the calculation – either deferred benefits or the payment of immediate benefits. Those with less than 3 months of service would normally be entitled only to a refund of contributions. However, deferred benefits should be valued for divorce purposes.

4.4.3 The cash equivalent value should be calculated in accordance with section 2.2 of this note.

4.5 Calculation of the value of the shareable rights

4.5.1 When a pension sharing order is received from the Court, the first stage is to check that all the necessary information has been provided and any charges requested at this stage have been paid. The value of the member's benefits should be recalculated, as described in sections 4.3 and 4.4. In the case of an active member, the benefits should be those to which the member would be entitled if pensionable service had terminated immediately before the transfer day: the day when the order takes effect. The cash equivalent should be based on the age, and benefits of the member at the transfer date.

4.5.2 For divorces under English law, the pension sharing order will specify the percentage of the member's benefits that the ex-spouse or ex-civil partner will be entitled to. The member's cash equivalent obtained in 4.5.1 should be multiplied by this percentage, to give the value of the ex-spouse or ex-civil partner's benefits, or the ex-spouse or ex-civil partner's cash equivalent (ESCE):

$$\mathbf{ESCE = (\ CE \times appropriate\ percentage \div 100\ ) - Charges}$$

CE	cash equivalent of the member's benefits at the transfer date
Charges	are any charges to cover the cost of the work generated by the pension sharing order, which the fire authority have decided should be deducted from the value of benefits awarded to the ex-spouse or ex-civil partner

4.5.3 Under Scottish law, the pension sharing order will usually specify a monetary amount (MA). The percentage for the pension debit should be calculated as the ratio of the monetary amount and the cash equivalent:

$$\mathbf{appropriate\ percentage = (\ MA \div CE\ ) \times 100}$$

4.5.4 When the appropriate percentage is used to calculate the ex-spouse or ex-civil partner's cash equivalent as in 4.5.2, the ESCE will be equal to the monetary amount specified in the order, less charges.

4.5.5 The value of the shareable rights calculated in this way should be used to derive both the pension debit and the pension credit, as described in sections 4.6 and 4.7.

4.6 Calculation of the pension credit for the ex-spouse or ex-civil partner

4.6.1 This section sets out the method for calculating the pension credit payable to the ex-spouse or ex-civil partner following the issue of a pension sharing order by the Court. Table J sets out the factors needed to calculate the pension credit for the ex-spouse or ex-civil partner, and Table K includes the market adjustment factors required.

4.6.2 The factors should be based on the age and gender of the ex-spouse or ex-civil partner on the transfer date and the market conditions at that time. Do not use the age and gender of the member.

4.6.3 Calculation where the member is a current pensioner

If the member is a current pensioner, the pension credit as at the calculation date will be:

$$(ESCE \div AMC) \div F_p$$

ESCE	the ex-spouse or ex-civil partner's cash equivalent – see section 4.5.2
F_p	factor for ex-spouse or ex-civil partner pension – Table J
AMC	adjustment for market conditions – Table K, see section 4.6.5

4.6.4 Calculation where the member is an active member or a deferred pensioner

If the member is an active member or a deferred pensioner, the pension credit as at the calculation date will be:

$$(ESCE \div AMC) \div F_p$$

ESCE	the ex-spouse or ex-civil partner's cash equivalent – see section 4.5.2
F_p	factor for ex-spouse or ex-civil partner pension – Table J
AMC	adjustment for market conditions – Table K, see section 4.6.5

4.6.5 Adjustment for Market Conditions

The calculation includes an Adjustment for Market Conditions (AMC). This AMC factor depends on the ex-spouse or ex-civil partner's age at the transfer date and the yield on index-linked government bonds. The appropriate yield to be used is the average yield on the FT Actuaries index of index-linked stocks for redemption periods of over 15 years assuming 0% and 5% inflation. The yield on the first working day of the calendar month into which the transfer date falls should be used.

4.6.6 The AMC factors to use in pension credit calculations are shown in Table K. Where the appropriate yield is not a whole number, the factor should be obtained by interpolating between the closest two factors, to produce the AMC factor for the calculations. Although the same yield is used for calculating the member's cash equivalent and the ex-spouse or ex-civil partner's pension credit, the AMC factor will not necessarily be the same, as it will depend on the ex-spouse or ex-civil partner's age and will be based on the factors in Table K.

4.6.7 **Pension credit benefits**

The pension credit will be paid when the ex-spouse or ex-civil partner reaches age 65, or from the transfer date if the ex-spouse or ex-civil partner is over age 65.

4.6.8 The ex-spouse or ex-civil partner's pension credit will be subject to pension increases with effect from the transfer date, under the provisions of the Pensions (Increase) Acts.

4.6.9 If the pension credit was calculated under 4.6.4, then the ex-spouse or ex-civil partner will have the option to commute part of the pension credit for a lump sum when they reach age 65, or immediately if they are already aged over 65. Up to 25% of the pension credit can be commuted for a lump sum, with £12 of lump sum provided for each £1 of pension credit given up.

4.7 Calculation of the pension debit

4.7.1 This section sets out the method and instructions for calculating the pension debit to be applied to the member's benefits following the issue of a pension sharing order by the Court:

- Where the member is a pensioner, the debit will apply to the member's own pension with effect from the transfer date, and also to the pension payable to a future surviving spouse, civil partner or other qualifying partner on the member's death.
- Where the member is a deferred pensioner, the debit will apply to the member's pension at the point when the pension becomes payable. The debit will also apply to the pension payable to a future surviving spouse, civil partner or other qualifying partner on the member's death.
- Where the member is still contributing to the scheme, the debit will be calculated assuming retirement at age 65. If the member retires at an earlier age, the debit will be reduced. The debit will also apply to the pension payable to a future surviving spouse, civil partner or other qualifying partner on the member's death.

4.7.2 **Pension debit for current pensioner**

The pension sharing order will specify the percentage of the member's benefits that the ex-spouse or ex-civil partner will be entitled to, for divorces in England and Wales. For Scottish divorces the value of the cash equivalent to be shared will be specified, and the proportion will be calculated as described at 4.5.3.

4.7.3 The debit applying to the member's pension will be:

$$\mathbf{MEMDEB = CP \times appropriate\ percentage \div 100}$$

The debit applying to any future surviving spouse, civil partner or other qualifying partner's pension will be:

$$\mathbf{SURDEB = SUR \times appropriate\ percentage \div 100}$$

The debit applying to the GMP pension will be:

$$\mathbf{PREGMPDEB = PRE\ GMP \times appropriate\ percentage \div 100}$$

$$\mathbf{POSTGMPDEB = POST\ GMP \times appropriate\ percentage \div 100}$$

CP, SUR, PRE GMP and POST GMP are defined in section 4.3.

4.7.4 **Pension debit for a deferred pensioner**

The principle is the same as for the pensioner, except that the debit will not start to be deducted until the member's benefits come into payment.

4.7.5 The debit should be expressed as a debit to the member's benefits at exit:

MEMDEB = Member's pension at exit × appropriate percentage ÷ 100

SURDEB = Survivor's pension at exit × appropriate percentage ÷ 100

PREGMPDEB = PRE GMP at exit × appropriate percentage ÷ 100

POSTGMPDEB = POST GMP at exit × appropriate percentage ÷ 100

4.7.6 At retirement, both the benefit and the debit should be revalued from the date of exit to the date of retirement, and the revalued debit should be subtracted from the revalued benefit.

If the member's deferred pension comes into payment before age 65, whether on voluntary early retirement or on grounds of ill health, the debit applied should be reduced. This is because the debit will be applied over a longer period than was assumed in calculating the original amount of the debit, and so a lower amount should be deducted. The pension debit will be:

MEMDEB × PI × MEMERF

MEMDEB	pension debit to the member's pension at exit – see 4.7.5
PI	the pension increase uprating factor between the date of exit and the date of retirement
MEMERF	early retirement factor – Table L1 or M1, as appropriate

4.7.7 **Pension debit for a active member**

The principle is that the debit acts like a negative deferred pension. The debit should be expressed as a debit to the member's benefits at the transfer date, as used to calculate the cash equivalent in section 4.4:

MEMDEB = Member's pension at transfer date × appropriate percentage ÷ 100

SURDEB = Survivor's pension at transfer date × appropriate percentage ÷ 100

PREGMPDEB = PRE GMP at transfer date × appropriate percentage ÷ 100

POSTGMPDEB = POST GMP at transfer date × appropriate percentage ÷ 100

4.7.8 There is a complication where the member is aged 60 and over would be entitled to the immediate payment of a pension if they left on the transfer date. The complication is that we do not know when the debit can be deducted. In these cases, the debit applying to the member's pension should be re-expressed as an equivalent debit from age 65, as follows:

MEMDEB = Member's pension × appropriate percentage ÷ 100 ÷ MEMERF

MEMERF	early retirement factor – Table L1

The factors from Table L1 should be based on the member's age in years and complete months at the transfer date. Note that in the above formulae, you divide by the early retirement factor, not multiply.

This adjustment for members aged 60 and over does not apply to the debit applied to the spouse, civil partner or other qualifying partner's pension, or the debit applied to the GMP.

4.7.9 When the member retires, the total pension is calculated in accordance with the regulations, initially ignoring the pension debit. The pension is then reduced to allow for the pensions debit. The debit should be revalued from the transfer date to the date of retirement.

4.7.10 The pension debit applied to the member's pension is reduced if the benefits are put into payment before age 65, irrespective of whether or not the retirement is on grounds of ill health. This is because the debit will be applied over a longer period than was assumed in calculating the original amount of the debit, and so a lower amount should be deducted.

The pension debit will be:

MEMDEB × PI × MEMERF

MEMDEB	pension debit at the transfer date – see 4.7.7 or 4.7.8
PI	the pension increase uprating factor between the transfer date and the date of retirement
MEMERF	early retirement factor – Table L1 or M1, as applicable

4.7.11 **Pension debits – future spouses**

The benefits payable to a new spouse, new civil partner or other partner who is eligible to a pension on the member's death should be reduced by the survivor's pension debit, revalued using the pension increase uprating factors. No spouse or civil partner's benefits will be payable to the person who was party to the divorce resulting in the pension sharing order (except in the unlikely situation that the member remarried or entered into a new civil partnership with his or her ex-spouse or ex-civil partner).

4.7.12 **Pension debits – other benefits**

No debit will be applied to a child's pension.

No debit will be made to the lump sum death grant payable to firefighters who were contributing to the scheme at their death.

4.7.13 For the purpose of determining aggregate pension contributions under Part 3 Rule 8 (Refund of aggregate pension contributions) the member's aggregate pension contributions paid before the effective date of the pension share should be reduced by a debit equal to the percentage ordered by the court, or as calculated in 4.5.

5 Example Calculations

This section provides examples of the calculations described by this note.

For the purposes of these examples, we have assumed that no charges are applied under 4.5.2.

Figures in these example calculations are rounded to a suitable level of accuracy. Where a figure is shown as an intermediate step in the calculation, subsequent steps will use this rounded figure as written on the page. It is also perfectly acceptable to perform these calculations on a computer spreadsheet, such as MS Excel. In this case the figures calculated in the intermediate steps will usually not be rounded, so the final answer may be slightly different to that shown in these examples. The difference will not be significant and both methods are valid. However, when performing calculations for paper based calculations, the figures calculated as intermediate steps should not be rounded to a lower level of accuracy than used in these examples.

5.1 Club transfer out

The following information is needed for this calculation:

A.	Member date of birth	25 May 1971
B.	Last date of service	10 Aug 2006
C.	Guarantee date	11 Aug 2006
D.	Member age as at calculation date	35
E.	Marital status	Not required
F.	Gender	Male
G.	Final Pensionable Pay	£22,000
H.	Reckonable service	122 days
I.	Pre 6/4/88 GMP	£0
J.	Post 6/4/88 GMP	£0
K.	Have the figures in I & J been revalued?	N/A
L.	Yield used to determine the AMC factor	1.00%
M.	Additional Pension from CPD contributions or LSI	nil

Formula

From 2.1.12, the formula to calculate the Club transfer value is:

$$\mathbf{[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -}$$

$$\mathbf{(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC}$$

Inputs

CP = (1 ÷ 60) x 22,000 x (122 ÷ 365) = £122.56 pa

SUR = 0.5 x 122.56 = £61.28 pa

APB_{pen} and APB_{sur} = £0.00

Pre GMP & Post GMP = 0; so F_{gmp} will not be required

F_p = 5.68 (from table A1 "Pension of £1 pa" column)

F_{sur} = 1.37 (from table A1 "Survivor's pension of £1 pa" column)

AMC = 1.22 (from table D2 – take the yield from the 1% column)

Calculation

Substituting these values into the formula we get:

TV = [(122.56 x 5.68) + (61.28 x 1.37) – 0] x 1.22

= [696.14 + 83.95] x 1.22

= 780.09 x 1.22

= 951.71

Therefore the Transfer Value out is **£951.71**.

5.2 Club transfer out (Female Deferred Member aged 60 or above)

The following information is needed for this calculation:

A.	Member date of birth	17 December 1947
B.	Last date of service	21 March 2009
C.	Guarantee date	22 March 2009
D.	Member age	61 years
E.	Gender	Female
F.	Final Pensionable Pay	£34,500
G.	Reckonable service (including transferred-in service)	21 year 112 days
H.	Pre 6/4/88 GMP	£520 pa
I.	Post 6/4/88 GMP	£884 pa
J.	Have the figures in H & I been revalued?	Yes
K.	Yield used to determine the AMC factor	1.00%[1]
L.	Additional Pension from CPD contributions or LSI	nil

Formula

From 2.1.12, the formula to calculate the Club transfer value is:

$$\mathbf{[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -}$$

$$\mathbf{(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC}$$

Inputs

CP = (1÷60) x 34,500 x (21 + (112÷365)) = £12,251.44 pa

SUR = 0.5 x 12,251.44 = £6,125.72 pa

APB_{pen} and APB_{sur} = £0.00

F_p = 14.49 (from Table A3 "Pension of £1 pa" column)

F_{sur} = 0.97 (from Table A3 "Survivor's pension of £1 pa" column)

$F_{Pre\ GMP}$ = -0.02 (from Table A3 "Deduction for Pre 88 GMP of £1" column)

$F_{Post\ GMP}$ = -2.48 (from Table A3 "Deduction for Post 88 GMP of £1" column)

AMC = 1.15 (from Table D2 "1%" column - see **K.** above)

Calculation

Substituting these values into the formula we get:

TV = [(12,251.44 x 14.49) + (6,125.72 x 0.97)
– (520 x -0.02) – (884 x -2.48)] x 1.18

= [177,523.37 + 5,941.95 + 10.40 + 2,192.32] x 1.15

= 185,668.04 x 1.15

= 213,518.24

Therefore the Transfer Value out is **£213,518.24**.

[1] This yield is an assumed figure for calculation example purposes only and is not the actual yield on 1 March 2009.

5.3 Statutory CETV transfer out

The following information is needed for this calculation:

A.	Member date of birth	14 Feb 1961
B.	Last date of service	10 Sep 2006
C.	Guarantee date	11 Sep 2006
D.	Member age as at calculation date	45
E.	Marital status	Not required
F.	Gender	Male
G.	Final Pensionable Pay	£36,000
H.	Reckonable service	5 years, 150 days
	of which:	
	Current service in NFPS	150 days
	Service credit from CETV transfer value received	5 years
I.	CETV received by Fire Authority	£67,300
J.	Pre 6/4/88 GMP	£520 pa (£10 per week)
K.	Post 6/4/88 GMP	£780 pa (£15 per week)
L.	Have the figures in J & K been revalued?	Yes
M.	Yield used to determine the AMC factor	0.5%
N.	Additional Pension from CPD contributions or LSI	nil

Formula

From 2.2.1, the formula to calculate the statutory transfer value is:

$$\mathbf{[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -}$$

$$\mathbf{(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC}$$

Inputs

CP = (1 ÷ 60) x 36,000 x (5 + (150 ÷ 365)) = £3,246.58 pa

APB_{pen} and APB_{sur} = £0.00

SUR = 0.5 x 3,246.58 = £1,623.29 pa

F_p = 7.92 (from Table A1 "Pension of £1 pa" column)

F_{sur} = 1.89 (from Table A1 "Survivor's pension of £1 pa" column)

F_{gmp} = 2.64 (from Table A1 "Saving factor for GMP of £1 pa" column)

AMC = 0.5 x (1.31 + 1.22) = 1.27 (this is the interpolated value given a yield of 0.5% - see **M**- with values from Table D1 "0%" and "1%" column)

Calculation

Substituting these values into the formula we get:

TV = [(3,246.58 x 7.92) + (1,623.29 x 1.89)
– ([520 + (0.25 x 780)] x 2.64)] x 1.27

= [(25,712.91 + 3,068.02) – ([520 + 195] x 2.64)] x 1.27

= [28,780.93 – 1,887.60] x 1.27

= 26,893.33 x 1.27

= 34,154.53

Therefore the Transfer Value out is **£34,154.53**.

Underpin

For the underpin calculation, first a transfer value needs to be calculated for the current period of service in NFPS – see section 2.2.3.

Underpin Calculation inputs

CP = (1 ÷ 60) x 36,000 x (150 ÷ 365) = £246.58 pa

SUR = 0.5 x 246.58 = £123.29 pa

$F_{p,}$ F_{sur} and AMC are unchanged, and F_{gmp} is not required for the underpin calculation.

Underpin Calculation

Substituting these values into the transfer value formula, we get:

TV_{ActSer} = [(246.58 x 7.92) + (123.29 x 1.89) – 0] x 1.27

= [1,952.91 + 233.02] x 1.27

= 2,185.93 x 1.27

= 2,776.13

Therefore the Transfer Value out for the 150 days' service is **£2,776.13**.

Using 2.2.2, the underpin formula and value is:

Underpin = TV_{ActSer} + TV_{in}

= 2,776.13 + 67,300

= 70,076.13

The Underpin value is higher than the statutory CETV. Therefore the higher transfer value of **£70,076.13** should be issued (see 2.2.6).

5.4 Club transfer in

The following information is needed for this calculation:

A.	Member date of birth	25 May 1971
B.	Last date of service	1 Aug 2004
C.	Guarantee date	2 Aug 2006
D.	Member age	35
E.	Marital status	Not required
F.	Gender	Female
G.	Pay at date of leaving used by previous scheme	£40,000
H.	Transfer Value from previous scheme	£51,621.62
I.	TV in respect of section 9(2B) rights	£38,520.32
J.	Pre 6/4/88 GMP	£0
K.	Post 6/4/88 GMP	£780 pa (£15 per week)
L.	Have the figures in J & K been revalued?	Yes
M.	Yield used to determine the AMC factor	1.50%
N.	Factor used by previous scheme to increase the accrued pension benefits between the last date of service and the guarantee date	1.0483

Cost of 1 year's accrual

First we must calculate the cost of one year's accrual (of benefits) (see 3.1.9):

$$\mathbf{1yr = [\, F_p + 0.5 \times F_{sur} \,] \times PAY \div 60}$$

F_p = 7.99 (from Table B2 - "Pension of £1 per annum" column)

F_{sur} = 0.60 (from Table B2 - "Survivor's pension of £1 pa" column)

PAY = £40,000 x 1.0483 (see **G.** and **N.** above, and 3.1.5)

= £41,932

Substituting these values into the formula above we get:

1yr = [7.99 + (0.5 x 0.60)] x 41,932 ÷ 60

= 8.29 x 41,932 ÷ 60

= 5,793.60

Therefore the cost of one year's accrual is **£5,793.60**

Service credit

From 3.1.8, the formula used to calculate service credit is:

Service Credit = [TV ÷ AMC + (PRE GMP + 0.25 × POST GMP) × F_{gmp}] ÷ 1yr

We have:

TV = £51,621.62 (see **H.**)

AMC = 0.5 x (1.22 + 1.12) = 1.17 (this is the interpolated value given a yield of 1.50% - see **M.** - with values from Table D2 "1%" and "2%" column)

Pre GMP = £0 pa (see **J.**)

Post GMP = £780 pa (see **K.**)

F_{gmp} = 1.86 (from Table B2 "Saving factor for GMP of £1 pa" column)

1yr = £5,793.60 (as calculated earlier)

Substituting these values into the formula above we get:

Service Credit = [(51,621.62 ÷1.17) + ([0 + 0.25 x 780] x 1.86)] ÷ 5,793.60

= (44,121.04 + (195 x 1.86)) ÷ 5,793.60

= (44,121.04 + 362.70) ÷ 5,793.60

= 44,483.74 ÷ 5,793.60

= 7.678 years

= 7 years 0.678 x 365 days

= 7 years 248 days (rounding up to nearest day)

Therefore the total service credit is **7 years 248 days**.

Service credit in respect of section 9(2B) rights (see 3.1.10)

Service credit $_{post97}$ = [TV_{post97} ÷ AMC] ÷ 1yr

TV_{post97} = £38,520.32 (see **I.**)

AMC = 1.17 (from above)

1yr = £5,793.60 (from above)

Substituting these values into the formula above we get:

TV_{post97} = (38,520.32 ÷1.17) ÷ 5,793.60

= 32,923.35 ÷ 5,793.60

= 5.683 years

Therefore the service credit in respect of section 9(2B) rights is **5 years 250 days**.

5.5 Statutory CETV transfer in

The following information is assumed for this calculation:

A.	Member date of birth	25 May 1961
B.	Relevant date	2 Aug 2006
C.	Member age	45
D.	Marital status	Not required
E.	Gender	Male
F.	Annual rate of Pensionable Pay in NFPS	£40,000
G.	Transfer Value in from previous scheme	£165,439.10
H.	TV in respect of section 9(2B) rights	£62,743.22
I.	Pre 6/4/88 GMP	£520 pa (£10 per week)
J.	Post 6/4/88 GMP	£780 pa (£15 per week)
K.	Have the figures in J & K been revalued?	Yes
L.	Yield used to determine the AMC factor	2.46%[1]

Cost of 1 year's accrual

First we must calculate the cost of one year's accrual (of benefits) (see 3.2.12):

$$\mathbf{1yr = [\ F_p + 0.5 \times F_{sur}\ ] \times PAY \div 60}$$

F_p = 18.17 (from Table C1 "Pension of £1 pa" column)

F_{sur} = 2.92 (from Table C1 "Survivor's pension of £1 pa" column)

PAY = £40,000 (see **F.**)

(This is the member's pensionable pay in the NFPS expressed as an annual rate, ie as would be used in the calculation of a lump sum death grant.)

Substituting these values into the formula above we get:

1yr = [18.17 + (0.5 x 2.92)] x (40,000 ÷ 60)

= [18.17 + 1.46] x 666.67

= 19.63 x 666.67

= 13,086.73

Therefore the cost of one year's accrual is **£13,086.73**

[1] This yield is an assumed figure for calculation example purposes only and is not the actual yield on 1 Aug 2006

Service credit

From 3.2.11, the formula used to calculate service credit is:

Service Credit = [TV ÷ AMC + (PRE GMP + 0.25 × POST GMP) × F_{gmp}] ÷ 1yr

TV = £165,439.10 (see **G.**)

AMC = (0.54 x 1.12) + (0.46 x 1.04) = 1.0832 (this is the interpolated value given a yield of 2.46% - see **L.** - with values from Table D2 "2%" and "3%" column)

Pre GMP = £520 (see **I.**)

Post GMP = £780 (see **J.**)

F_{gmp} = 2.64 (from Table C1 "Saving factor for GMP of £1 pa" column)

1yr = £13,093.40 (as calculated earlier)

Substituting these values into the formula above we get:

Service Credit = ([165,439.10 ÷ 1.0832] + [(520 + [0.25 x 780]) x 2.64]) ÷ 13,086.73

= (152,731.81 + [(520 + 195) x 2.64]) ÷ 13,086.73

= (152,731.81 + [715 x 2.64]) ÷ 13,086.73

= (152,731.81 + 1,887.60) ÷ 13,086.73

= 154,619.41 ÷ 13,086.73

= 11.815 years

= 11 years 0.815 x 365 days

= 11 years 298 days (rounding up to nearest day)

Therefore the total service credit is **11 years 298 days**.

Service credit in respect of section 9(2B) rights (see 3.2.13)

Service credit $_{post97}$ = [TV_{post97} ÷ AMC] ÷ 1yr

TV_{post97} = £62,743.22 (see **H.**)

AMC = 1.0832 (from above)

1yr = £13,086.73 (as calculated above)

Substituting these values into the formula above we get:

TV_{post97} = (62,743.22 ÷ 1.0832) ÷ 13,086.73

= 57,923.95 ÷ 13,086.73

= 4.426 years

Therefore the service credit in respect of section 9(2b) rights is **4 years 156 days**.

5.6 Pension sharing order for an active member

5.6.1 Action at time of pension sharing order

Calculation of cash equivalent

A quotation of the Cash Equivalent value of the member's benefits will have been provided previously, during the divorce proceedings. However the Cash Equivalent must be recalculated once the pension sharing order has been made. The following information is needed for this calculation:

A.	Member date of birth	14 Feb 1981
B.	Calculation date	11 Sep 2016
C.	Member age as at calculation date	35
D.	Gender	Male
E.	Final Pensionable Pay	£36,000
F.	Reckonable service	10 years
G.	Pre 6/4/88 GMP	nil
H.	Post 6/4/88 GMP	nil
I.	Yield used to determine the AMC factor	2.40%[1]
J.	Additional Pension from CPD contributions or LSI	nil

From 2.2.1, the formula to calculate the Cash Equivalent is:

$$\mathbf{[(CP + APB_{pen}) \times F_p + (SUR + APB_{sur}) \times F_{sur} -}$$

$$\mathbf{(PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC}$$

We have:

CP = (1 ÷ 60) x 36,000 x 10 = £6,000 pa

APB_{pen} ,APB_{sur} = £0.00

SUR = 0.5 x 6,000 = £3,000 pa

F_{gmp} is not required as PRE GMP and POST GMP are both zero

F_p = 5.68 (from table A1 "Pension of £1 pa" column)

F_{sur} = 1.37 (from table A1 "Survivor's pension of £1 pa" column)

AMC = (0.6 x 1.12) + (0.4 x 1.04) = 1.088 (this is the interpolated value given a yield of 2.40% – see **I.** above - with values from Table D1 "2%" and "3%" column)

Substituting these values into the formula we get:

CE = [(6,000 x 5.68) + (3,000 x 1.37)] x 1.088

= [(34,080 + 4,110)] x 1.088

= 38,190 x 1.088

[1] This yield is an assumed figure for calculation example purposes only and is not the actual yield for September 2016.

= 41,550.72

Therefore the Cash Equivalent is **£41,550.72,**.

Calculation of the value of sharable rights

The following information is required from the pension sharing order:

K. Proportion to which ex-spouse is entitled 40%

From 4.5.2, the formula used to calculate the shareable rights is:

ESCE = (CE × appropriate percentage ÷ 100) – Charges

There are no implied charges for this example. Therefore:

ESCE = 41,550.72 x (40 ÷ 100)

= £16,620.29

Calculation of the pension credit

The following information is required:

L. Ex-spouse date of birth 9 July 1984
M. Ex-spouse age at calculation date 32
N. Ex-spouse gender Female

From 4.6.4, where the member is an active and the ex-spouse is aged under 65, the formula used to calculate the pension credit is as follows:

(ESCE ÷ AMC) ÷ (F_p)

ESCE = £16,620.29 (as calculated above)

AMC = (0.6 x 1.12) + (0.4 x 1.04) = 1.088 (this is the interpolated value given a yield of 2.40% **-** see **I.** - with values from Table K "2%" and "3%" column)

F_p = 5.43 (from Table J "Females - Pension of £1 per annum" column)

Therefore:

Pension Credit = (16,620.29 ÷ 1.088) ÷ (5.43)

= 15,276.00 ÷ 5.43

= £2,813.26

The pension credit will come in to payment when the ex-spouse reaches age 65. The ex-spouse will have the option to commute part of the pension for a lump sum payment at age 65.

Calculation of the pension debit

From 4.7.7, the formulae used to calculate the pension debits for an active member are:

MEMDEB = Member's pension at transfer date × appropriate percentage ÷ 100

SURDEB = Survivor's pension at transfer date × appropriate percentage ÷ 100

See the calculation of the cash equivalent for member's pension (CP) and survivor's pension (SUR). Substituting these into the formulae above we have:

MEMDEB = 6,000 x (40 ÷ 100)

= £2,400

SURDEB = 3,000 x (40 ÷ 100)

= £1,200

As there is no GMP, PREGMPDEB and POSTGMPDEB are both zero.

5.6.2 **Action at retirement**

The member retires from the fire service at age 55.

O.	Date of retirement	14 February 2036
P.	Age at retirement	55 years, 0 months
Q.	Final pensionable pay	£105,500
R.	Reckonable Service	29 years, 156 days
S.	Pre 6/4/88 GMP	nil
T.	Post 6/4/88 GMP	nil
U.	Pension increases factor	1.81

First we calculate the member's benefits, initially ignoring the pension debit:

Full Pension = (1 ÷ 60) x 105,500 x (29 + (156 ÷ 365)) = £51,743.17 pa

Full Survivor's pension = 0.5 x 51,743.17 = £25,871.59 pa

Now from 4.7.9 and 4.7.10, the formulae used to calculate the debits to apply at retirement are:

[MEMDEB × PI × MEMERF] , [SURDEB × PI]

We have

PI = 1.81 (see **T.** above)

MEMDEB = £2,400 pa (from earlier)

SURDEB = £1,200 pa (from earlier)

MEMERF = 0.563 (from Table L1 for a member aged 55 years, 0 months)

Therefore:

Pension debit = 2,400 x 1.81 x 0.563

= £2,445.67 pa

Survivor's pension debit = 1,200 x 1.81

= £2,172 pa

Therefore the member's actual entitlement to benefits at retirement after the application of the pension debit will be:

Actual Pension = 51,743.17 – 2,445.67 = £49,297.50 pa

Actual Survivor's Pension = 25,871.59 – 2,172 = £23,699.59 pa

5.7 Pension sharing order for a deferred member

5.7.1 Action at time of pension sharing order

Calculation of cash equivalent

A quotation of the Cash Equivalent value of the member's benefits will have been provided previously, during the divorce proceedings. However the Cash Equivalent must be recalculated once the pension sharing order has been made. The following information is needed for this calculation:

A.	Member date of birth	1 April 1981
B.	Calculation date	17 April 2016
C.	Member age as at calculation date	35
D.	Gender	Male
E.	Date of Exit	12 April 2011
F.	Deferred benefits at exit	
	Member pension	£2,000 pa
	Survivor's pension	£1,000 pa
	Pre 6/4/88 GMP	nil
	Post 6/4/88 GMP	nil
G.	Pension increase factor from exit to calculation date	1.2
H.	Yield used to determine the AMC factor	2%[1]

From 2.2.1, the formula to calculate the Cash Equivalent is:

$$\mathbf{[CP \times F_p + SUR \times F_{sur} - (PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}] \times AMC}$$

We have:

CP = 2,000 x 1.2 = £2,400 pa

SUR = 1,000 x 1.2 = £1,200 pa

Pre GMP & Post GMP = 0; so F_{gmp} will not be required

F_p = 5.68 (from Table A1 "Pension of £1 pa" column)

F_{sur} = 1.37 (from Table A1 "Survivor's pension of £1 pa" column)

AMC = 1.12 (from Table D1 "2%" column - see **H.** above)

Substituting these values into the formula above we get:

CE = [(2,400 x 5.68) + (1,200 x 1.37) – 0] x 1.12

= [13,632 + 1,644] x 1.12

= 15,276 x 1.12

= £17,109.12

[1] This yield is an assumed figure for calculation example purposes only and is not the actual yield for April 2016.

Therefore the Cash Equivalent is **£17,109.12.**

Calculation of the value of sharable rights

In this case the pension sharing order was issued under Scottish law.

I. Monetary amount to which ex-spouse is entitled £6,000

From 4.5.3, we convert this amount into a percentage as follows:

appropriate percentage = (MA ÷ CE) x 100

= (6,000 ÷ 17,109.12) x 100

= 35.07 %

Calculation of the pension credit

The following information is required

J.	Ex-spouse date of birth	15 February 1982
K.	Ex-spouse age at calculation date	34
L.	Ex-spouse gender	Female

From 4.6.4, where the member is a deferred member and the ex-spouse is aged under 65, the formula used to calculate the pension credit is as follows:

(ESCE ÷ AMC) ÷ [F_p]

ESCE = £6,000 (as given above)

AMC = 1.12 (from Table K "2%" column - see **H.** earlier)

F_p = 5.43 (from Table J "Females – Pension of £1 per annum" column)

Therefore:

Pension Credit = (6,000 ÷ 1.12) ÷ [5.43]

= 5.357.14 ÷ 5.43

= £986.58

Calculation of the pension debit at exit

From 4.7.5, the formulae used to calculate the pension debits for a deferred member are:

MEMDEB = Member's pension at exit × appropriate percentage ÷ 100

SURDEB = Survivor's pension at exit × appropriate percentage ÷ 100

See **F.** earlier for the member's pension and survivor's pension at exit. Substituting into the immediately preceding formulae we have:

MEMDEB = [2,000 x (35.07 ÷ 100)]

= £701.40

SURDEB = 1,000 x (35.07 ÷ 100)

= £350.70

As there is no GMP, PREGMPDEB and POSTGMPDEB are both zero.

5.7.2 **Action at retirement**

The member receives their deferred pension at age 65

M.	Date of retirement	2 June 2046
N.	Age at retirement	65
O.	Pension increases factor from exit to retirement	2.9

First we calculate the member's benefits, initially ignoring the pension debit:

Full Pension = 2,000 x 2.9 = £5,800

Full Survivor's pension = 1,000 x 2.9 = £2,900

From 4.7.6, the debit is revalued from the date of exit to the date of retirement:

Pension debit = 701.40 x 2.9

= £2,034.06

Survivor's pension debit = 350.70 x 2.9

= £1,017.03

Therefore the member's actual entitlement to benefits at retirement after the application of the pension debit will be:

Actual Pension = 5,800 – 2,034.06 = £3,765.94

Actual Survivor's Pension = 2,900 – 1,017.30 = £1,882.70

5.8 Pension sharing order for a current pensioner

A quotation of the Cash Equivalent value of the member's benefits will have been provided previously, during the divorce proceedings. However the Cash Equivalent must be recalculated once the pension sharing order has been made. The following information is needed for this calculation:

A.	Member date of birth	1 April 1994
B.	Calculation date	27 July 2055
C.	Member age as at calculation date	61
D.	Gender	Female
E.	Current benefits	
	Member pension	£2,000 pa
	Survivor's pension	£1,000 pa
	Pre 6/4/88 GMP	nil
	Post 6/4/88 GMP	nil
F.	Yield used to determine the AMC factor	2.00%[1]

From 4.3.5, the formula to calculate a cash equivalent for a pensioner is:

$$\mathbf{[CP \times F_p + SUR \times F_{sur} - (PRE\ GMP + 0.25 \times POST\ GMP) \times F_{gmp}\ ] \times AMC}$$

We have:

CP and SUR have been given in **E.** above.

Pre GMP & Post GMP = 0; so F_{gmp} will not be required

F_p = 17.73 (from Table F2 "Pension of £1 pa" column)

F_{sur} = 0.97 (from Table F2 "Survivor's pension of £1 pa'' column)

AMC = 1.10 (from Table H "2%" column - see **F.** above)

Substituting these values into the formula we get:

CE = [(2,000 x 17.73) + (1,000 x 0.97) – 0] x 1.10

= [35,460 + 970] x 1.10

= 36,430 x 1.10

= £40,073

Therefore the Cash Equivalent is **£40,073**.

Calculation of the value of sharable rights

The following information is required from the pension sharing order.

G.	Proportion to which ex-spouse is entitled	40%

From 4.5.2, the formula used to calculate the shareable rights is:

(CE x appropriate percentage / 100) – Charges

There are no implied charges for this example. Therefore:

[1] This yield is an assumed figure for calculation example purposes only and is not the actual yield for July 2055.

ESCE = 40,073 x (40 ÷ 100)

= £16,029.20

Calculation of the pension credit

The following information is required:

H.	Ex-spouse date of birth	15 March 1988
I.	Ex-spouse age at calculation date	67
J.	Ex-spouse gender	Male

From 4.6.3, the formula used to calculate the pension credit for an ex-spouse, if the member is a current pensioner, is:

(ESCE ÷ AMC) ÷ Fp

ESCE = £16,029.20 (as given above)

AMC = 1.09 (from Table K "2%" column - see **F.**)

F_p = 14.78 (from Table J "Males - Pension of £1 per annum" column)

Therefore:

Pension Credit = (16,029.20 ÷ 1.09) ÷ 14.78

= 14,705.69 ÷ 14.78

= £994.97

The pension credit will come into payment immediately. The ex-spouse will **NOT** have the option to commute pension for a lump sum.

Calculation of the pension debit

From 4.7.2, the formulae used to calculate the pension debits for a current pensioner are:

MEMDEB = CP × appropriate percentage ÷ 100

SURDEB = SUR × appropriate percentage ÷ 100

Member's pension and survivor's pension are given in **E.** earlier. Therefore:

MEMDEB = [2,000 x (40 ÷ 100)]

= £800

SURDEB = [1,000 x (40 ÷ 100)]

= £400

As there is no GMP, PREGMPDEB and POSTGMPDEB are both zero.

A pension debit of £800 and a survivor's pension debit of £400 will take effect immediately.

6 Tables of factors

Table A1: Transfer value factors for deferred benefits payable from 65

Males

Age last birthday at relevant date	Pension of £1 pa	Survivor's pension of £1 pa		Saving factor for GMP of £1 pa[1]	GMP valuation factor (for use in 2.2.7)
		With Partner	Without Partner		
18	3.23	0.74	0.74	1.59	5.20
19	3.35	0.76	0.76	1.62	5.30
20	3.46	0.79	0.79	1.65	5.40
21	3.58	0.82	0.82	1.68	5.51
22	3.70	0.85	0.85	1.71	5.61
23	3.82	0.89	0.89	1.75	5.72
24	3.95	0.92	0.92	1.78	5.82
25	4.08	0.96	0.96	1.81	5.94
26	4.22	0.99	0.99	1.85	6.05
27	4.36	1.03	1.03	1.88	6.16
28	4.51	1.07	1.07	1.92	6.28
29	4.66	1.11	1.11	1.96	6.40
30	4.81	1.15	1.15	1.99	6.52
31	4.98	1.19	1.19	2.03	6.64
32	5.14	1.23	1.23	2.07	6.77
33	5.32	1.28	1.28	2.11	6.90
34	5.49	1.32	1.32	2.15	7.03
35	5.68	1.37	1.37	2.19	7.16
36	5.87	1.42	1.42	2.23	7.30
37	6.07	1.46	1.46	2.27	7.43
38	6.28	1.51	1.51	2.32	7.58
39	6.49	1.57	1.57	2.36	7.72
40	6.71	1.62	1.62	2.40	7.86
41	6.93	1.67	1.67	2.45	8.01
42	7.17	1.73	1.73	2.49	8.16
43	7.41	1.78	1.78	2.54	8.32
44	7.66	1.84	1.84	2.59	8.47
45	7.92	1.89	1.89	2.64	8.63
46	8.19	1.95	1.95	2.69	8.79
47	8.47	2.01	2.01	2.74	8.96
48	8.76	2.07	2.07	2.79	9.13
49	9.06	2.13	2.13	2.84	9.30
50	9.37	2.19	2.19	2.90	9.48
51	9.70	2.24	2.24	2.95	9.66
52	10.03	2.30	2.30	3.01	9.84
53	10.38	2.36	2.36	3.06	10.03
54	10.75	2.42	2.42	3.12	10.22

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table A1: Transfer value factors for deferred benefits payable from 65 *continued*

Males

Age last birthday at relevant date	Pension of £1 pa	Survivor's pension of £1 pa		Saving factor for GMP of £1 pa[1]	GMP valuation factor (for use in 2.2.7)
		With Partner	Without Partner		
55	11.12	2.48	2.48	3.18	10.42
56	11.52	2.54	2.54	3.24	10.62
57	11.93	2.59	2.59	3.31	10.83
58	12.35	2.65	2.65	3.37	11.04
59	12.8	2.71	2.71	3.44	11.25
60	13.27	2.75	2.75	3.51	11.49
61	13.79	2.79	2.79	3.58	11.73
62	14.33	2.83	2.83	3.66	11.99
63	14.9	2.86	2.86	3.75	12.26
64	15.49	2.89	2.89	3.83	12.78

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table A2: Transfer value factors for deferred benefits payable from 65

Females

Age last birthday at relevant date	Pension of £1 pa	Survivor's pension of £1 pa		Saving factor for GMP of £1 pa[1]	GMP valuation factor (for use in 2.2.7)
		With Partner	Without Partner		
18	3.40	0.34	0.34	-0.65	6.01
19	3.52	0.36	0.36	-0.66	6.13
20	3.65	0.37	0.37	-0.68	6.25
21	3.77	0.38	0.38	-0.69	6.36
22	3.89	0.40	0.40	-0.70	6.48
23	4.03	0.41	0.41	-0.71	6.60
24	4.16	0.42	0.42	-0.73	6.73
25	4.30	0.44	0.44	-0.74	6.85
26	4.45	0.46	0.46	-0.76	6.98
27	4.60	0.47	0.47	-0.77	7.11
28	4.75	0.49	0.49	-0.78	7.24
29	4.91	0.50	0.50	-0.80	7.38
30	5.08	0.52	0.52	-0.81	7.52
31	5.25	0.53	0.53	-0.83	7.66
32	5.43	0.55	0.55	-0.84	7.80
33	5.61	0.57	0.57	-0.86	7.95
34	5.80	0.58	0.58	-0.88	8.10
35	5.99	0.60	0.60	-0.89	8.25
36	6.20	0.62	0.62	-0.91	8.41
37	6.41	0.64	0.64	-0.93	8.57
38	6.62	0.66	0.66	-0.94	8.73
39	6.85	0.68	0.68	-0.96	8.89
40	7.08	0.70	0.70	-0.98	9.06
41	7.32	0.71	0.71	-1.00	9.23
42	7.57	0.73	0.73	-1.02	9.40
43	7.82	0.75	0.75	-1.04	9.58
44	8.09	0.77	0.77	-1.06	9.76
45	8.36	0.79	0.79	-1.08	9.94
46	8.64	0.81	0.81	-1.10	10.13
47	8.94	0.83	0.83	-1.12	10.33
48	9.24	0.84	0.84	-1.14	10.53
49	9.56	0.86	0.86	-1.16	10.73
50	9.89	0.87	0.87	-1.18	10.94
51	10.23	0.89	0.89	-1.21	11.15
52	10.58	0.90	0.90	-1.23	11.37
53	10.95	0.91	0.91	-1.25	11.59
54	11.33	0.92	0.92	-1.28	11.82

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 250% of the GMP amount in respect of service after that date.

Table A2: Transfer value factors for deferred benefits payable from 65 *continued*

Females

Age last birthday at relevant date	Pension of £1 pa	Survivor's pension of £1 pa		Saving factor for GMP of £1 pa[1]	GMP valuation factor (for use in 2.2.7)
		With Partner	Without Partner		
55	11.73	0.93	0.93	-1.30	12.05
56	12.14	0.94	0.94	-1.33	12.30
57	12.56	0.95	0.95	-1.36	12.54
58	13.01	0.96	0.96	-1.39	12.80
59	13.47	0.96	0.96	-1.44	13.32
60	13.96	0.97	0.97	-1.00	13.62

Table A3: Transfer value factors for deferred benefits payable from 65

Females ages 60 and above

Age last birthday at relevant date	Pension of £1 pa	Survivor's pension of £1 pa		Deduction for Pre-88 GMP[1]	Deduction for Post-88 GMP	GMP valuation factor (for use in 2.2.7)
		With Partner	Without Partner			
60	13.96	0.97	0.97	-1.00	-3.37	13.62
61	14.49	0.97	0.97	-0.02	-2.48	13.44
62	15.03	0.97	0.97	1.00	-1.55	13.26
63	15.61	0.96	0.96	2.06	-0.59	13.06
64	16.21	0.96	0.96	3.16	0.41	12.86

[1] When calculating the deduction for GMP for females aged 60 or above, the factors given should be applied to the annual amount of the GMP after late retirement increase of 1/7% per week.

Table B1: Club incoming transfer service credit factors

Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
18	4.36	0.74	0.74	1.59
19	4.51	0.76	0.76	1.62
20	4.67	0.79	0.79	1.65
21	4.82	0.82	0.82	1.68
22	4.99	0.85	0.85	1.71
23	5.15	0.89	0.89	1.75
24	5.33	0.92	0.92	1.78
25	5.51	0.96	0.96	1.81
26	5.69	0.99	0.99	1.85
27	5.88	1.03	1.03	1.88
28	6.08	1.07	1.07	1.92
29	6.28	1.11	1.11	1.96
30	6.49	1.15	1.15	1.99
31	6.71	1.19	1.19	2.03
32	6.94	1.23	1.23	2.07
33	7.17	1.28	1.28	2.11
34	7.41	1.32	1.32	2.15
35	7.66	1.37	1.37	2.19
36	7.92	1.42	1.42	2.23
37	8.19	1.46	1.46	2.27
38	8.47	1.51	1.51	2.32
39	8.75	1.57	1.57	2.36
40	9.05	1.62	1.62	2.40
41	9.35	1.67	1.67	2.45
42	9.67	1.73	1.73	2.49
43	9.99	1.78	1.78	2.54
44	10.33	1.84	1.84	2.59
45	10.68	1.89	1.89	2.64
46	11.05	1.95	1.95	2.69
47	11.43	2.01	2.01	2.74
48	11.82	2.07	2.07	2.79
49	12.22	2.13	2.13	2.84
50	12.64	2.19	2.19	2.90
51	13.08	2.24	2.24	2.95
52	13.53	2.30	2.30	3.01
53	14.01	2.36	2.36	3.06
54	14.50	2.42	2.42	3.12

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table B1: Club incoming transfer service credit factors

continued

Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
55	15.01	2.48	2.48	3.18
56	15.54	2.54	2.54	3.24
57	16.09	2.59	2.59	3.31
58	16.66	2.65	2.65	3.37
59	17.28	2.71	2.71	3.44
60	17.36	2.75	2.75	3.51
61	17.01	2.79	2.79	3.58
62	16.65	2.83	2.83	3.66
63	16.29	2.86	2.86	3.75
64	15.93	2.89	2.89	3.83

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table B2: Club incoming transfer service credit factors

Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
18	4.54	0.34	0.34	1.35
19	4.70	0.36	0.36	1.38
20	4.86	0.37	0.37	1.41
21	5.02	0.38	0.38	1.43
22	5.19	0.40	0.40	1.46
23	5.37	0.41	0.41	1.49
24	5.55	0.42	0.42	1.51
25	5.73	0.44	0.44	1.54
26	5.93	0.46	0.46	1.57
27	6.13	0.47	0.47	1.60
28	6.33	0.49	0.49	1.63
29	6.55	0.50	0.50	1.66
30	6.77	0.52	0.52	1.69
31	7.00	0.53	0.53	1.72
32	7.23	0.55	0.55	1.76
33	7.48	0.57	0.57	1.79
34	7.73	0.58	0.58	1.82
35	7.99	0.60	0.60	1.86
36	8.26	0.62	0.62	1.89
37	8.54	0.64	0.64	1.93
38	8.83	0.66	0.66	1.97
39	9.13	0.68	0.68	2.00
40	9.44	0.70	0.70	2.04
41	9.75	0.71	0.71	2.08
42	10.08	0.73	0.73	2.12
43	10.42	0.75	0.75	2.16
44	10.78	0.77	0.77	2.20
45	11.14	0.79	0.79	2.24
46	11.52	0.81	0.81	2.28
47	11.91	0.83	0.83	2.33
48	12.32	0.84	0.84	2.37
49	12.74	0.86	0.86	2.42
50	13.18	0.87	0.87	2.46
51	13.63	0.89	0.89	2.51
52	14.10	0.90	0.90	2.56
53	14.59	0.91	0.91	2.61
54	15.10	0.92	0.92	2.66

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table B2: Club incoming transfer service credit factors

continued

Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
55	15.63	0.93	0.93	2.71
56	16.17	0.94	0.94	2.77
57	16.74	0.95	0.95	2.82
58	17.33	0.96	0.96	2.88
59	17.96	0.96	0.96	3.00
60	18.07	0.97	0.97	3.15
61	17.73	0.97	0.97	3.26
62	17.38	0.97	0.97	3.39
63	17.02	0.96	0.96	3.52
64	16.66	0.96	0.96	3.65

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table C1: Statutory CETV incoming transfer service credit factors

Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
18	14.42	2.07	2.07	1.59
19	14.64	2.10	2.10	1.62
20	14.84	2.13	2.13	1.65
21	15.05	2.16	2.16	1.68
22	15.29	2.20	2.20	1.71
23	15.52	2.24	2.24	1.75
24	15.75	2.28	2.28	1.78
25	15.97	2.33	2.33	1.81
26	16.19	2.37	2.37	1.85
27	16.40	2.41	2.41	1.88
28	16.60	2.45	2.45	1.92
29	16.79	2.49	2.49	1.96
30	16.97	2.53	2.53	1.99
31	17.15	2.57	2.57	2.03
32	17.31	2.61	2.61	2.07
33	17.46	2.65	2.65	2.11
34	17.58	2.68	2.68	2.15
35	17.69	2.71	2.71	2.19
36	17.81	2.74	2.74	2.23
37	17.91	2.77	2.77	2.27
38	18.00	2.80	2.80	2.32
39	18.07	2.83	2.83	2.36
40	18.13	2.85	2.85	2.40
41	18.17	2.87	2.87	2.45
42	18.20	2.89	2.89	2.49
43	18.21	2.90	2.90	2.54
44	18.20	2.92	2.92	2.59
45	18.17	2.92	2.92	2.64
46	18.13	2.92	2.92	2.69
47	18.07	2.92	2.92	2.74
48	18.01	2.91	2.91	2.79
49	17.94	2.90	2.90	2.84
50	17.87	2.88	2.88	2.90
51	17.80	2.86	2.86	2.95
52	17.73	2.84	2.84	3.01
53	17.66	2.80	2.80	3.06
54	17.60	2.75	2.75	3.12
55	17.56	2.70	2.70	3.18
56	17.58	2.64	2.64	3.24
57	17.66	2.58	2.58	3.31
58	17.77	2.51	2.51	3.37
59	17.81	2.48	2.48	3.44

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table C2: Statutory CETV incoming transfer service credit factors

Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum		Deduction for GMP of £1 per annum[1]
		Married	Unmarried	
18	14.76	1.10	1.10	1.35
19	14.98	1.11	1.11	1.38
20	15.19	1.13	1.13	1.41
21	15.42	1.14	1.14	1.43
22	15.66	1.16	1.16	1.46
23	15.90	1.18	1.18	1.49
24	16.14	1.20	1.20	1.51
25	16.37	1.22	1.22	1.54
26	16.60	1.23	1.23	1.57
27	16.82	1.25	1.25	1.60
28	17.03	1.26	1.26	1.63
29	17.23	1.28	1.28	1.66
30	17.42	1.29	1.29	1.69
31	17.60	1.31	1.31	1.72
32	17.77	1.32	1.32	1.76
33	17.93	1.34	1.34	1.79
34	18.06	1.34	1.34	1.82
35	18.19	1.35	1.35	1.86
36	18.31	1.36	1.36	1.89
37	18.42	1.37	1.37	1.93
38	18.51	1.38	1.38	1.97
39	18.59	1.38	1.38	2.00
40	18.66	1.39	1.39	2.04
41	18.71	1.39	1.39	2.08
42	18.74	1.38	1.38	2.12
43	18.76	1.38	1.38	2.16
44	18.76	1.38	1.38	2.20
45	18.74	1.37	1.37	2.24
46	18.70	1.36	1.36	2.28
47	18.65	1.34	1.34	2.33
48	18.58	1.32	1.32	2.37
49	18.52	1.30	1.30	2.42
50	18.46	1.28	1.28	2.46
51	18.39	1.25	1.25	2.51
52	18.32	1.22	1.22	2.56
53	18.25	1.18	1.18	2.61
54	18.20	1.14	1.14	2.66
55	18.17	1.10	1.10	2.71
56	18.19	1.05	1.05	2.77
57	18.27	1.00	1.00	2.82
58	18.38	0.94	0.94	2.88
59	18.43	0.91	0.91	3.00

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table D1: Adjustment for market conditions

Males and Females

Age last birthday at relevant date	Yield on index-linked stocks at relevant date[1]				
	0%	1%	2%	3%	4%
16 – 25	1.31	1.22	1.12	1.04	0.96
26 – 28	1.31	1.22	1.12	1.04	0.96
29 – 31	1.31	1.22	1.12	1.04	0.96
32 – 33	1.31	1.22	1.12	1.04	0.96
34 – 35	1.31	1.22	1.12	1.04	0.96
36 – 37	1.31	1.22	1.12	1.04	0.96
38	1.31	1.22	1.12	1.04	0.96
39	1.31	1.22	1.12	1.04	0.96
40	1.31	1.22	1.12	1.04	0.96
41	1.31	1.22	1.12	1.04	0.96
42	1.31	1.22	1.12	1.04	0.96
43	1.31	1.22	1.12	1.04	0.96
44	1.31	1.22	1.12	1.04	0.96
45	1.31	1.22	1.12	1.04	0.96
46	1.31	1.21	1.12	1.04	0.96
47	1.31	1.21	1.12	1.04	0.96
48	1.31	1.21	1.12	1.04	0.96
49	1.31	1.21	1.12	1.04	0.96
50	1.31	1.21	1.12	1.04	0.96
51	1.31	1.21	1.12	1.04	0.96
52	1.31	1.21	1.12	1.04	0.96
53	1.31	1.21	1.12	1.04	0.96
54	1.30	1.21	1.12	1.04	0.96
55	1.30	1.21	1.12	1.04	0.96
56	1.29	1.20	1.12	1.04	0.96
57	1.29	1.20	1.11	1.04	0.97
58	1.28	1.19	1.11	1.04	0.97
59	1.27	1.19	1.11	1.03	0.97
60	1.27	1.18	1.11	1.03	0.97
61	1.26	1.18	1.10	1.03	0.97
62	1.25	1.17	1.10	1.03	0.97
63	1.25	1.17	1.10	1.03	0.97
64	1.24	1.17	1.10	1.03	0.97

The market level adjustment is obtained from the table above by interpolation between the columns.

[1] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table D2: Adjustment for market conditions

Males and Females

Age last birthday at relevant date	Yield on index-linked stocks at relevant date[1]				
	0%	1%	2%	3%	4%
16 – 25	1.31	1.22	1.12	1.04	0.96
26 – 28	1.31	1.22	1.12	1.04	0.96
29 – 31	1.31	1.22	1.12	1.04	0.96
32 – 33	1.31	1.22	1.12	1.04	0.96
34 – 35	1.31	1.22	1.12	1.04	0.96
36 – 37	1.31	1.22	1.12	1.04	0.96
38	1.31	1.22	1.12	1.04	0.96
39	1.31	1.22	1.12	1.04	0.96
40	1.31	1.22	1.12	1.04	0.96
41	1.31	1.22	1.12	1.04	0.96
42	1.31	1.22	1.12	1.04	0.96
43	1.31	1.22	1.12	1.04	0.96
44	1.31	1.22	1.12	1.04	0.96
45	1.31	1.22	1.12	1.04	0.96
46	1.31	1.21	1.12	1.04	0.96
47	1.31	1.21	1.12	1.04	0.96
48	1.31	1.21	1.12	1.04	0.96
49	1.31	1.21	1.12	1.04	0.96
50	1.31	1.21	1.12	1.04	0.96
51	1.30	1.21	1.12	1.04	0.96
52	1.30	1.20	1.12	1.04	0.96
53	1.29	1.20	1.12	1.04	0.96
54	1.29	1.20	1.11	1.04	0.97
55	1.28	1.19	1.11	1.04	0.97
56	1.27	1.18	1.11	1.03	0.97
57	1.26	1.18	1.10	1.03	0.97
58	1.25	1.17	1.10	1.03	0.97
59	1.23	1.16	1.09	1.03	0.97
60	1.22	1.15	1.09	1.03	0.97
61	1.22	1.15	1.09	1.03	0.97
62	1.21	1.14	1.08	1.03	0.97
63	1.20	1.14	1.08	1.03	0.98
64	1.19	1.13	1.08	1.02	0.98

The market level adjustment is obtained from the table above by interpolation between the columns.

[1] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table E1: Not Required

Table F1: Pensioner cash equivalent factors for divorce purposes

Retirement *not* on grounds of ill health – Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
55	19.16	2.48	3.18
56	18.81	2.54	3.24
57	18.45	2.59	3.31
58	18.09	2.65	3.37
59	17.72	2.71	3.44
60	17.36	2.75	3.51
61	17.01	2.79	3.58
62	16.65	2.83	3.66
63	16.29	2.86	3.75
64	15.93	2.89	3.83
65	15.55	2.91	3.93
66	15.17	2.93	3.77
67	14.78	2.95	3.61
68	14.38	2.97	3.44
69	13.97	2.98	3.28
70	13.55	2.98	3.11
71	13.12	2.99	2.95
72	12.69	2.99	2.79
73	12.25	2.98	2.63
74	11.82	2.96	2.47
75	11.37	2.93	2.32
76	10.93	2.90	2.17
77	10.49	2.85	2.02
78	10.06	2.78	1.88
79	9.63	2.71	1.74
80	9.21	2.62	1.61
81	8.79	2.51	1.48
82	8.38	2.40	1.35
83	7.97	2.27	1.24
84	7.57	2.14	1.12
85	7.17	2.01	1.01

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table F2: Pensioner cash equivalent factors for divorce purposes

Retirement *not* on grounds of ill health – Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
55	19.79	0.93	2.71
56	19.46	0.94	2.77
57	19.12	0.95	2.82
58	18.77	0.96	2.88
59	18.42	0.96	3.00
60	18.07	0.97	3.15
61	17.73	0.97	3.26
62	17.38	0.97	3.39
63	17.02	0.96	3.52
64	16.66	0.96	3.65
65	16.28	0.95	3.64
66	15.91	0.94	3.48
67	15.51	0.93	3.32
68	15.12	0.92	3.16
69	14.71	0.90	3.00
70	14.30	0.88	2.85
71	13.87	0.86	2.69
72	13.45	0.84	2.54
73	13.01	0.82	2.39
74	12.57	0.79	2.24
75	12.13	0.77	2.10
76	11.68	0.74	1.96
77	11.23	0.71	1.82
78	10.79	0.67	1.69
79	10.34	0.64	1.56
80	9.90	0.61	1.44
81	9.45	0.57	1.33
82	9.01	0.53	1.21
83	8.57	0.50	1.11
84	8.13	0.46	1.01
85	7.70	0.42	0.91

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table G1: Ill health pensioner cash equivalent factors for divorce purposes

Retirement on grounds of ill health – Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
20	27.16	1.08	1.46
21	26.99	1.12	1.49
22	26.81	1.17	1.52
23	26.62	1.21	1.55
24	26.43	1.26	1.58
25	26.24	1.31	1.61
26	26.04	1.35	1.64
27	25.83	1.41	1.67
28	25.63	1.46	1.70
29	25.41	1.51	1.74
30	25.20	1.57	1.77
31	24.98	1.62	1.80
32	24.75	1.68	1.84
33	24.52	1.74	1.87
34	24.28	1.80	1.91
35	24.04	1.87	1.95
36	23.79	1.94	1.98
37	23.54	2.00	2.02
38	23.28	2.07	2.06
39	23.01	2.15	2.10
40	22.73	2.22	2.14
41	22.45	2.29	2.18
42	22.17	2.36	2.22
43	21.87	2.44	2.26
44	21.57	2.52	2.31
45	21.27	2.59	2.35
46	20.96	2.67	2.39
47	20.64	2.75	2.44
48	20.31	2.83	2.48
49	19.98	2.91	2.53
50	19.64	2.99	2.58
51	19.30	3.07	2.63
52	18.95	3.15	2.68
53	18.58	3.24	2.73
54	18.22	3.32	2.78

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table G1: Ill health pensioner cash equivalent factors for divorce purposes *continued*

Retirement on grounds of ill health – Males

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
55	17.85	3.40	2.84
56	17.47	3.48	2.89
57	17.08	3.55	2.95
58	16.70	3.62	3.01
59	16.31	3.69	3.07
60	15.93	3.75	3.14
61	15.55	3.80	3.20
62	15.17	3.85	3.28
63	14.78	3.90	3.35
64	14.38	3.94	3.49
65	13.97	3.98	3.51
66	13.55	4.02	3.35
67	13.12	4.05	3.19
68	12.69	4.08	3.02
69	12.25	4.10	2.86
70	11.82	4.10	2.71
71	11.37	4.10	2.55
72	10.93	4.09	2.40
73	10.49	4.07	2.25
74	10.06	4.03	2.10
75	9.63	3.97	1.96
76	9.21	3.90	1.82
77	8.79	3.81	1.68
78	8.38	3.70	1.56
79	7.97	3.59	1.43
80	7.57	3.46	1.31
81	7.17	3.32	1.19
82	6.78	3.17	1.08
83	6.40	3.00	0.98
84	6.03	2.82	0.88
85	5.67	2.63	0.78

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table G2: Ill health pensioner cash equivalent factors for divorce purposes

Retirement on grounds of ill health – Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
20	27.25	0.53	1.14
21	27.09	0.55	1.16
22	26.93	0.57	1.19
23	26.76	0.59	1.21
24	26.58	0.61	1.23
25	26.41	0.63	1.25
26	26.23	0.65	1.28
27	26.04	0.67	1.30
28	25.85	0.70	1.33
29	25.66	0.72	1.35
30	25.46	0.74	1.38
31	25.25	0.77	1.40
32	25.04	0.79	1.43
33	24.83	0.82	1.46
34	24.61	0.84	1.48
35	24.38	0.87	1.51
36	24.15	0.90	1.54
37	23.91	0.92	1.57
38	23.67	0.95	1.60
39	23.42	0.98	1.63
40	23.16	1.01	1.66
41	22.90	1.04	1.69
42	22.63	1.06	1.72
43	22.35	1.09	1.76
44	22.07	1.12	1.79
45	21.78	1.14	1.82
46	21.49	1.16	1.86
47	21.19	1.19	1.90
48	20.88	1.21	1.93
49	20.57	1.24	1.97
50	20.25	1.26	2.01
51	19.92	1.28	2.05
52	19.59	1.30	2.09
53	19.24	1.32	2.13
54	18.90	1.34	2.18

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table G2: Ill health pensioner cash equivalent factors for divorce purposes *continued*

Retirement on grounds of ill health – Females

Age last birthday at relevant date	Pension of £1 per annum	Survivor's pension of £1 per annum	Saving factor for GMP of £1 per annum[1]
55	18.54	1.36	2.22
56	18.17	1.37	2.27
57	17.80	1.39	2.31
58	17.43	1.40	2.36
59	17.04	1.41	2.46
60	16.66	1.41	2.59
61	16.28	1.42	2.69
62	15.91	1.41	2.79
63	15.51	1.41	2.90
64	15.12	1.41	3.02
65	14.71	1.40	3.00
66	14.30	1.38	2.85
67	13.87	1.37	2.69
68	13.45	1.35	2.54
69	13.01	1.33	2.39
70	12.57	1.30	2.24
71	12.13	1.27	2.10
72	11.68	1.24	1.96
73	11.23	1.20	1.82
74	10.79	1.16	1.69
75	10.34	1.11	1.56
76	9.90	1.06	1.44
77	9.45	1.02	1.33
78	9.01	0.97	1.21
79	8.57	0.92	1.11
80	8.13	0.87	1.01
81	7.70	0.82	0.91
82	7.27	0.76	0.82
83	6.85	0.71	0.74
84	6.44	0.65	0.66
85	6.03	0.59	0.59

[1] When calculating the saving for GMP, the factor given should be applied to the sum of the GMP amount in respect of service up to 5.4.1988 and 25% of the GMP amount in respect of service after that date.

Table H: Adjustment for market conditions for use with Tables F and G

Males and Females

Age Last Birthday at Relevant Date	Yield on Index Linked Stocks at Relevant Date[1]				
	0.0%	1.0%	2.0%	3.0%	4.0%
20	1.26	1.18	1.10	1.03	0.97
21	1.26	1.18	1.10	1.03	0.97
22	1.26	1.18	1.10	1.03	0.97
23	1.26	1.18	1.10	1.03	0.97
24	1.26	1.18	1.10	1.03	0.97
25	1.26	1.18	1.10	1.03	0.97
26	1.26	1.18	1.10	1.03	0.97
27	1.26	1.18	1.10	1.03	0.97
28	1.26	1.18	1.10	1.03	0.97
29	1.26	1.18	1.10	1.03	0.97
30	1.26	1.18	1.10	1.03	0.97
31	1.26	1.18	1.10	1.03	0.97
32	1.26	1.18	1.10	1.03	0.97
33	1.26	1.18	1.10	1.03	0.97
34	1.26	1.18	1.10	1.03	0.97
35	1.26	1.18	1.10	1.03	0.97
36	1.26	1.18	1.10	1.03	0.97
37	1.26	1.18	1.10	1.03	0.97
38	1.26	1.18	1.10	1.03	0.97
39	1.26	1.18	1.10	1.03	0.97
40	1.26	1.18	1.10	1.03	0.97
41	1.26	1.18	1.10	1.03	0.97
42	1.26	1.18	1.10	1.03	0.97
43	1.26	1.18	1.10	1.03	0.97
44	1.26	1.17	1.10	1.03	0.97
45	1.25	1.17	1.10	1.03	0.97
46	1.25	1.17	1.10	1.03	0.97
47	1.25	1.17	1.10	1.03	0.97
48	1.25	1.17	1.10	1.03	0.97
49	1.25	1.17	1.10	1.03	0.97
50	1.25	1.17	1.10	1.03	0.97
51	1.25	1.17	1.10	1.03	0.97
52	1.25	1.17	1.10	1.03	0.97
53	1.25	1.17	1.10	1.03	0.97
54	1.25	1.17	1.10	1.03	0.97

[1] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table H: Adjustment for market conditions for use with Tables F and G *continued*

Males and Females

Age Last Birthday at Relevant Date	Yield on Index Linked Stocks at Relevant Date[1]				
	0.0%	1.0%	2.0%	3.0%	4.0%
55	1.25	1.17	1.10	1.03	0.97
56	1.25	1.17	1.10	1.03	0.97
57	1.25	1.17	1.10	1.03	0.97
58	1.24	1.17	1.10	1.03	0.97
59	1.24	1.17	1.10	1.03	0.97
60	1.24	1.17	1.10	1.03	0.97
61	1.24	1.17	1.10	1.03	0.97
62	1.24	1.16	1.10	1.03	0.97
63	1.24	1.16	1.09	1.03	0.97
64	1.24	1.16	1.09	1.03	0.97
65	1.24	1.16	1.09	1.03	0.97
66	1.23	1.16	1.09	1.03	0.97
67	1.23	1.16	1.09	1.03	0.97
68	1.23	1.16	1.09	1.03	0.97
69	1.23	1.16	1.09	1.03	0.97
70	1.23	1.16	1.09	1.03	0.97
71	1.22	1.15	1.09	1.03	0.97
72	1.22	1.15	1.09	1.03	0.97
73	1.22	1.15	1.09	1.03	0.97
74	1.22	1.15	1.09	1.03	0.97
75	1.22	1.15	1.09	1.03	0.97
76	1.21	1.15	1.08	1.03	0.97
77	1.21	1.14	1.08	1.03	0.97
78	1.21	1.14	1.08	1.03	0.97
79	1.20	1.14	1.08	1.03	0.97
80	1.20	1.14	1.08	1.03	0.98
81	1.20	1.14	1.08	1.03	0.98
82	1.19	1.13	1.08	1.02	0.98
83	1.19	1.13	1.08	1.02	0.98
84	1.18	1.13	1.07	1.02	0.98
85	1.18	1.12	1.07	1.02	0.98

[1] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table J: Factors for calculating the pension credit

Age last birthday at relevant date[1]	Males[2]	Females[3]
	Pension of £1 per annum	Pension of £1 per annum
16	3.02	3.18
17	3.12	3.29
18	3.23	3.40
19	3.35	3.52
20	3.46	3.65
21	3.58	3.77
22	3.70	3.89
23	3.82	4.03
24	3.95	4.16
25	4.08	4.30
26	4.22	4.45
27	4.36	4.60
28	4.51	4.75
29	4.66	4.91
30	4.81	5.08
31	4.98	5.25
32	5.14	5.43
33	5.32	5.61
34	5.49	5.80
35	5.68	5.99
36	5.87	6.20
37	6.07	6.41
38	6.28	6.62
39	6.49	6.85
40	6.71	7.08
41	6.93	7.32
42	7.17	7.57
43	7.41	7.82
44	7.66	8.09
45	7.92	8.36
46	8.19	8.64
47	8.47	8.94
48	8.76	9.24
49	9.06	9.56
50	9.37	9.89
51	9.70	10.23
52	10.03	10.58
53	10.38	10.95
54	10.75	11.33

[1] Use the age of the ex-spouse or ex-civil partner, not the age of the member
[2] Use the gender of the ex spouse or ex-civil partner, not the gender of the member
[3] Use the gender of the ex spouse or ex-civil partner, not the gender of the member

Table J: Factors for calculating the pension credit *continued*

Age last birthday at relevant date[1]	Males[2]	Females[3]
	Pension of £1 per annum	Pension of £1 per annum
55	11.12	11.73
56	11.52	12.14
57	11.93	12.56
58	12.35	13.01
59	12.80	13.47
60	13.27	13.96
61	13.79	14.49
62	14.33	15.03
63	14.90	15.61
64	15.49	16.21
65	15.55	16.28
66	15.17	15.91
67	14.78	15.51
68	14.38	15.12
69	13.97	14.71
70	13.55	14.30
71	13.12	13.87
72	12.69	13.45
73	12.25	13.01
74	11.82	12.57
75	11.37	12.13
76	10.93	11.68
77	10.49	11.23
78	10.06	10.79
79	9.63	10.34
80	9.21	9.90
81	8.79	9.45
82	8.38	9.01
83	7.97	8.57
84	7.57	8.13
85	7.17	7.70

[1] Use the age of the ex-spouse or the ex-civil partner, not the age of the member
[2] Use the gender of the ex-spouse or ex-civil partner, not the gender of the member
[3] Use the gender of the ex-spouse or ex-civil partner, not the gender of the member

Table K: Adjustment for market conditions for use with Table J

Males and Females

Age Last Birthday at Relevant Date[1]	Yield on Index Linked Stocks at Relevant Date[2]				
	0.0%	1.0%	2.0%	3.0%	4.0%
16	1.31	1.22	1.12	1.04	0.96
17	1.31	1.22	1.12	1.04	0.96
18	1.31	1.22	1.12	1.04	0.96
19	1.31	1.22	1.12	1.04	0.96
20	1.31	1.22	1.12	1.04	0.96
21	1.31	1.22	1.12	1.04	0.96
22	1.31	1.22	1.12	1.04	0.96
23	1.31	1.22	1.12	1.04	0.96
24	1.31	1.22	1.12	1.04	0.96
25	1.31	1.22	1.12	1.04	0.96
26	1.31	1.22	1.12	1.04	0.96
27	1.31	1.22	1.12	1.04	0.96
28	1.31	1.22	1.12	1.04	0.96
29	1.31	1.22	1.12	1.04	0.96
30	1.31	1.22	1.12	1.04	0.96
31	1.31	1.22	1.12	1.04	0.96
32	1.31	1.22	1.12	1.04	0.96
33	1.31	1.22	1.12	1.04	0.96
34	1.31	1.22	1.12	1.04	0.96
35	1.31	1.22	1.12	1.04	0.96
36	1.31	1.22	1.12	1.04	0.96
37	1.31	1.22	1.12	1.04	0.96
38	1.31	1.22	1.12	1.04	0.96
39	1.31	1.22	1.12	1.04	0.96
40	1.31	1.22	1.12	1.04	0.96
41	1.31	1.22	1.12	1.04	0.96
42	1.31	1.22	1.12	1.04	0.96
43	1.31	1.22	1.12	1.04	0.96
44	1.31	1.22	1.12	1.04	0.96
45	1.31	1.22	1.12	1.04	0.96
46	1.31	1.21	1.12	1.04	0.96
47	1.31	1.21	1.12	1.04	0.96
48	1.31	1.21	1.12	1.04	0.96
49	1.31	1.21	1.12	1.04	0.96
50	1.31	1.21	1.12	1.04	0.96
51	1.31	1.21	1.12	1.04	0.96
52	1.31	1.21	1.12	1.04	0.96
53	1.31	1.21	1.12	1.04	0.96
54	1.30	1.21	1.12	1.04	0.96

[1] Use the age of the ex-spouse or the ex-civil partner, not the age of the member
[2] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table K: Adjustment for market conditions for use with Table J *continued*

Males and Females

Age Last Birthday at Relevant Date[1]	Yield on Index Linked Stocks at Relevant Date[2]				
	0.0%	1.0%	2.0%	3.0%	4.0%
55	1.30	1.21	1.12	1.04	0.96
56	1.29	1.20	1.12	1.04	0.96
57	1.29	1.20	1.11	1.04	0.97
58	1.28	1.19	1.11	1.04	0.97
59	1.27	1.19	1.11	1.03	0.97
60	1.27	1.18	1.11	1.03	0.97
61	1.26	1.18	1.10	1.03	0.97
62	1.25	1.17	1.10	1.03	0.97
63	1.25	1.17	1.10	1.03	0.97
64	1.24	1.17	1.10	1.03	0.97
65	1.24	1.16	1.09	1.03	0.97
66	1.23	1.16	1.09	1.03	0.97
67	1.23	1.16	1.09	1.03	0.97
68	1.23	1.16	1.09	1.03	0.97
69	1.23	1.16	1.09	1.03	0.97
70	1.23	1.16	1.09	1.03	0.97
71	1.22	1.15	1.09	1.03	0.97
72	1.22	1.15	1.09	1.03	0.97
73	1.22	1.15	1.09	1.03	0.97
74	1.22	1.15	1.09	1.03	0.97
75	1.22	1.15	1.09	1.03	0.97
76	1.21	1.15	1.08	1.03	0.97
77	1.21	1.14	1.08	1.03	0.97
78	1.21	1.14	1.08	1.03	0.97
79	1.20	1.14	1.08	1.03	0.97
80	1.20	1.14	1.08	1.03	0.98
81	1.20	1.14	1.08	1.03	0.98
82	1.19	1.13	1.08	1.02	0.98
83	1.19	1.13	1.08	1.02	0.98
84	1.18	1.13	1.07	1.02	0.98
85	1.18	1.12	1.07	1.02	0.98

[1] Use the age of the ex-spouse or the ex-civil partner, not the age of the member
[2] Adjustment to be made to total transfer value calculated to allow for current yield on the FT-Actuaries index of index-linked government bonds with duration of 15 years or more averaged between the 0% and 5% inflation assumptions.

Table L1: Reduction to pension debit on retirement before age 65

Adjustment to pension – Males and Females

Age of the member when benefits come into payment[1]										
months	**55**	**56**	**57**	**58**	**59**	**60**	**61**	**62**	**63**	**64**
0	0.563	0.593	0.626	0.661	0.699	0.740	0.784	0.831	0.883	0.939
1	0.565	0.596	0.629	0.664	0.702	0.743	0.788	0.836	0.888	0.944
2	0.568	0.599	0.632	0.668	0.706	0.747	0.792	0.840	0.892	0.949
3	0.571	0.602	0.635	0.671	0.709	0.751	0.796	0.844	0.897	0.954
4	0.573	0.604	0.638	0.674	0.713	0.754	0.800	0.849	0.902	0.959
5	0.576	0.607	0.641	0.677	0.716	0.758	0.804	0.853	0.906	0.964
6	0.578	0.610	0.644	0.680	0.719	0.762	0.808	0.857	0.911	0.969
7	0.581	0.612	0.647	0.683	0.723	0.765	0.811	0.861	0.916	0.975
8	0.583	0.615	0.650	0.686	0.726	0.769	0.815	0.866	0.920	0.980
9	0.586	0.618	0.652	0.690	0.730	0.773	0.819	0.870	0.925	0.985
10	0.588	0.621	0.655	0.693	0.733	0.776	0.823	0.874	0.930	0.990
11	0.591	0.623	0.658	0.696	0.736	0.780	0.827	0.879	0.934	0.995

[1] Calculate the member's age in years and complete months

Table M1: Reduction to pension debit on ill health retirement

Adjustment to pension – Males and Females

Age of the member when benefits come into payment[2]							
months	**18**	**19**	**20**	**21**	**22**	**23**	**24**
0	0.101	0.105	0.109	0.114	0.118	0.123	0.128
1	0.101	0.105	0.109	0.114	0.119	0.123	0.128
2	0.102	0.106	0.11	0.114	0.119	0.124	0.129
3	0.102	0.106	0.11	0.115	0.119	0.124	0.129
4	0.102	0.106	0.111	0.115	0.12	0.125	0.13
5	0.103	0.107	0.111	0.115	0.12	0.125	0.13
6	0.103	0.107	0.111	0.116	0.121	0.125	0.131
7	0.103	0.107	0.112	0.116	0.121	0.126	0.131
8	0.104	0.108	0.112	0.117	0.121	0.126	0.131
9	0.104	0.108	0.112	0.117	0.122	0.127	0.132
10	0.104	0.108	0.113	0.117	0.122	0.127	0.132
11	0.105	0.109	0.113	0.118	0.123	0.128	0.133

Age of the member when benefits come into payment[1]										
months	**25**	**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**	**34**
0	0.133	0.139	0.144	0.151	0.157	0.164	0.171	0.178	0.186	0.194
1	0.134	0.139	0.145	0.151	0.157	0.164	0.171	0.179	0.186	0.194
2	0.134	0.140	0.145	0.152	0.158	0.165	0.172	0.179	0.187	0.195
3	0.135	0.140	0.146	0.152	0.159	0.165	0.172	0.18	0.188	0.196
4	0.135	0.141	0.146	0.153	0.159	0.166	0.173	0.18	0.188	0.197
5	0.135	0.141	0.147	0.153	0.16	0.166	0.174	0.181	0.189	0.197
6	0.136	0.142	0.148	0.154	0.16	0.167	0.174	0.182	0.190	0.198
7	0.136	0.142	0.148	0.154	0.161	0.168	0.175	0.182	0.190	0.199
8	0.137	0.143	0.149	0.155	0.161	0.168	0.175	0.183	0.191	0.199
9	0.137	0.143	0.149	0.155	0.162	0.169	0.176	0.184	0.192	0.200
10	0.138	0.144	0.150	0.156	0.162	0.169	0.177	0.184	0.192	0.201
11	0.138	0.144	0.150	0.156	0.163	0.170	0.177	0.185	0.193	0.202

Age of the member when benefits come into payment[1]										
months	**35**	**36**	**37**	**38**	**39**	**40**	**41**	**42**	**43**	**44**
0	0.202	0.211	0.221	0.231	0.241	0.252	0.264	0.277	0.290	0.304
1	0.203	0.212	0.222	0.232	0.242	0.253	0.265	0.278	0.291	0.305
2	0.204	0.213	0.222	0.232	0.243	0.254	0.266	0.279	0.292	0.306
3	0.204	0.214	0.223	0.233	0.244	0.255	0.267	0.280	0.293	0.308
4	0.205	0.214	0.224	0.234	0.245	0.256	0.268	0.281	0.295	0.309
5	0.206	0.215	0.225	0.235	0.246	0.257	0.269	0.282	0.296	0.310
6	0.207	0.216	0.226	0.236	0.247	0.258	0.270	0.283	0.297	0.311
7	0.207	0.217	0.227	0.237	0.248	0.259	0.271	0.284	0.298	0.313
8	0.208	0.218	0.227	0.238	0.249	0.260	0.273	0.285	0.299	0.314
9	0.209	0.218	0.228	0.239	0.250	0.261	0.274	0.287	0.300	0.315
10	0.210	0.219	0.229	0.239	0.251	0.262	0.275	0.288	0.302	0.316
11	0.210	0.220	0.230	0.240	0.251	0.263	0.276	0.289	0.303	0.318

Table M1: Reduction to pension debit on ill health retirement *continued*

Adjustment to pension – Males and Females

Age of the member when benefits come into payment[3]										
months	**45**	**46**	**47**	**48**	**49**	**50**	**51**	**52**	**53**	**54**
0	0.319	0.335	0.351	0.369	0.388	0.409	0.430	0.454	0.479	0.506
1	0.320	0.336	0.353	0.371	0.390	0.411	0.432	0.456	0.481	0.508
2	0.321	0.337	0.354	0.372	0.392	0.412	0.434	0.458	0.483	0.510
3	0.323	0.339	0.356	0.374	0.393	0.414	0.436	0.460	0.486	0.513
4	0.324	0.340	0.357	0.376	0.395	0.416	0.438	0.462	0.488	0.515
5	0.325	0.342	0.359	0.377	0.397	0.418	0.440	0.464	0.490	0.518
6	0.327	0.343	0.360	0.379	0.399	0.420	0.442	0.466	0.492	0.520
7	0.328	0.344	0.362	0.380	0.400	0.421	0.444	0.468	0.494	0.522
8	0.329	0.346	0.363	0.382	0.402	0.423	0.446	0.470	0.497	0.525
9	0.331	0.347	0.365	0.384	0.404	0.425	0.448	0.473	0.499	0.527
10	0.332	0.349	0.366	0.385	0.405	0.427	0.450	0.475	0.501	0.530
11	0.333	0.350	0.368	0.387	0.407	0.429	0.452	0.477	0.503	0.532

Age of the member when benefits come into payment[1]										
months	**55**	**56**	**57**	**58**	**59**	**60**	**61**	**62**	**63**	**64**
0	0.535	0.566	0.599	0.636	0.675	0.718	0.765	0.816	0.871	0.933
1	0.537	0.568	0.602	0.639	0.679	0.722	0.769	0.820	0.877	0.938
2	0.540	0.571	0.605	0.642	0.682	0.726	0.773	0.825	0.882	0.944
3	0.542	0.574	0.608	0.646	0.686	0.730	0.777	0.830	0.887	0.949
4	0.545	0.577	0.611	0.649	0.689	0.734	0.782	0.834	0.892	0.955
5	0.548	0.580	0.614	0.652	0.693	0.737	0.786	0.839	0.897	0.961
6	0.550	0.583	0.618	0.655	0.697	0.741	0.790	0.844	0.902	0.966
7	0.553	0.585	0.621	0.659	0.700	0.745	0.794	0.848	0.907	0.972
8	0.555	0.588	0.624	0.662	0.704	0.749	0.799	0.853	0.912	0.978
9	0.558	0.591	0.627	0.665	0.707	0.753	0.803	0.857	0.917	0.983
10	0.560	0.594	0.630	0.669	0.711	0.757	0.807	0.862	0.922	0.989
11	0.563	0.597	0.633	0.672	0.714	0.761	0.811	0.867	0.928	0.994