



# Government Actuary's Department

## **Local Government Pension Scheme (Northern Ireland)**

**Application of a Pension Credit to the former Spouse or Civil Partner of  
the member (2015 scheme)**

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## 1 Introduction

- 1.1 The Department for Communities (“DfC”) is required under the Local Government Pension Scheme Regulations (Northern Ireland) 2014 (‘the 2014 Regulations’) (SRNI 2014/188), to issue actuarial guidance on the calculation of the pension credit for the former spouse or civil partner (the “pension credit member”) following a divorce proceeding.
- 1.2 This addendum updated some of the factors in the note “Application of a Pension Credit to the Former Spouse or Civil Partner of the Member” dated 19 March 2015.
- 1.3 The remainder of this introduction contains:
  - > details of the implementation and future review of this guidance, and
  - > statements about third party reliance and liability
- 1.4 Appendix A sets out updated factors that replace Table 4.1 and Table 4.2 in the note dated 19 March 2015. The other factors in the note dated 19 March 2015 are unchanged.

### Implementation and Review

- 1.5 DfC is required to consult GAD before issuing actuarial guidance under the 2014 Regulations [Regulation 2(3) of the 2014 Regulations].
- 1.6 As part of this consultation DfC has asked GAD to recommend actuarial guidance in respect of the regulations detailed above. This document, together with the guidance dated 19 March 2015, forms GAD’s recommendation for the actuarial guidance required by these regulations.
- 1.7 This note has effect only when this guidance is issued by DfC to the Northern Ireland Local Government Officers’ Superannuation Committee (NILGOSC) in accordance with Regulation 2(3) of the 2014 Regulations, and is subject to the implementation instructions provided at that time.
- 1.8 The guidance dated 19 March 2015 provides the relevant legislative references.
- 1.9 The important notes set out in Appendix C of the 19 March 2015 guidance apply to this guidance as well.
- 1.10 This guidance has been written for pension administrators and assumes some knowledge of general pension terminology, and some familiarity with retirement calculations for the Local Government Pension Scheme. Any questions concerning the application of the guidance should, in the first instance, be referred to DfC.



- 1.11 The factors contained in this note are taken from other guidance prepared by GAD, which will be reviewed periodically. This will depend on external circumstances, for example when the LGPS cash equivalent transfer value basis is reviewed; when changes in the actuarial assumptions adopted for other scheme factors take place; or following each triennial cycle of future valuations of the LGPS.

#### **Use of this note**

- 1.12 This note has been prepared for DfC and can be relied upon by them. We are content for this note to be released to third parties, provided that:
- > it is released in full, together with the note dated 19 March 2015;
  - > the advice is not quoted selectively or partially; and
  - > GAD is identified as the source of the note.
- 1.13 DfC have instructed GAD that, in line with the HMRC limits, pension credit members are not entitled to commute their pension for a lump sum if at the time the pension credit was created, the member's ex-spouse or former civil partner's pension that was being shared with the member was actually in payment.
- 1.14 Third parties may wish to seek their own actuarial advice where appropriate. GAD has no liability to any person or third party for any act or omission taken, either in whole or in part, on the basis of this note.

#### **Third party reliance**

- 1.15 When issued by DfC in accordance with paragraph 1.7 above, this note should be used, together with the note dated 19 March 2015, as the actuarial guidance required under the regulations cited. Other than for this purpose, no person or third party is entitled to place any reliance on the contents of this note, except to any extent explicitly stated herein.



## 2 Examples

- 2.1 The calculation methodology is unchanged from the previous guidance and therefore examples in the previous guidance, updated for factors in this guidance can be used for illustrative purposes.



## Appendix A: Factors

Table 4.1 – Males

Age last birthday at relevant date	Factor
16	4.63
17	4.75
18	4.86
19	4.98
20	5.11
21	5.24
22	5.37
23	5.51
24	5.64
25	5.78
26	5.92
27	6.07
28	6.23
29	6.38
30	6.54
31	6.71
32	6.87
33	7.05
34	7.22
35	7.41
36	7.59
37	7.79
38	7.98
39	8.18
40	8.40

Age last birthday at relevant date	Factor
41	8.61
42	8.83
43	9.06
44	9.30
45	9.53
46	9.77
47	10.03
48	10.29
49	10.55
50	10.83
51	11.11
52	11.40
53	11.71
54	12.01
55	12.33
56	12.67
57	13.02
58	13.38
59	13.76
60	14.16
61	14.58
62	15.02
63	15.48
64	15.96

### Notes

1. The factor should reflect the age and gender of the former spouse or civil partner on the Transfer day (not the age and gender of the member).
2. At a future date it will be necessary to extend this table to allow for former spouses or civil partners aged over 64 last birthday who have not yet reached their Normal Pension Age. Such cases cannot currently arise and this guidance is likely to have been revised before such a case will exist.



**Table 4.2 – Females**

Age last birthday at relevant date	Factor
16	4.89
17	5.02
18	5.14
19	5.27
20	5.40
21	5.54
22	5.68
23	5.82
24	5.96
25	6.11
26	6.26
27	6.42
28	6.59
29	6.76
30	6.93
31	7.10
32	7.29
33	7.46
34	7.65
35	7.85
36	8.05
37	8.26
38	8.46
39	8.68
40	8.91

Age last birthday at relevant date	Factor
41	9.13
42	9.37
43	9.61
44	9.86
45	10.12
46	10.38
47	10.65
48	10.93
49	11.22
50	11.52
51	11.83
52	12.15
53	12.47
54	12.81
55	13.16
56	13.54
57	13.91
58	14.30
59	14.71
60	15.14
61	15.59
62	16.04
63	16.53
64	17.03

**Notes**

1. The factor should reflect the age and gender of the former spouse or civil partner on the Transfer day (not the age and gender of the member).
2. At a future date it will be necessary to extend this table to allow for former spouses or civil partners aged over 64 last birthday who have not yet reached their Normal Pension Age. Such cases cannot currently arise and this guidance is likely to have been revised before such a case will exist.