Revaluation (version 1.4)

Note that this paper was drafted for administering authorities in England and Wales and reflects the legislative references and scheme commencement date (1 April 2014) applicable to the LGPS in England and Wales. Administering authorities in Scotland who refer to this document will need to allow for appropriate changes to legislative references and to the scheme commencement date (1 April 2015) in Scotland.

Summary

The basis of in service revaluation for active accounts is, for mid-year joiners, to provide a full year's revaluation adjustment both to the closing balance of year one / opening balance of year two and full year revaluation thereafter in line with Treasury Revaluation Orders (except in the year of cessation of active membership). There is no immediate part year revaluation adjustment at the date of cessation of active membership but there is a revaluation adjustment applied to the closing balance 1 second after midnight on the 31 March immediately following the day upon which the member ceased active membership. Increases thereafter will be by Pensions Increase (Review) Orders and, where appropriate, Guaranteed Minimum Pensions Increase Orders. However, section 9(6) of the Public Service Pensions Act 2013 provides that, in the case of a deferred benefit, revaluation in line with Treasury Revaluation Orders (and not in line with Pensions Increase (Review) Orders) will apply if the member re-joins the LGPS, aggregates the periods of membership, and any one gap in the person's public service pensionable service does not exceed 5 years.

It should be noted that the method of in service revaluation no longer corresponds with the method of revaluing a closing balance for the purposes of the Annual Allowance test from 1 April 2015. Prior to 1 April 2015 both the scheme year and the pension input period were aligned from 1 April to 31 March inclusive. Thereafter, whilst the scheme year remains unchanged the pension input period deviated to: -

- 1 April 2015 to 5 April 2016 inclusive, and
- 6 April 2016 to 5 April 2017 inclusive, and
- 6 April to 5 April inclusive thereafter.

Active Account

Active accounts will consist of the following elements:

Opening Balance – calculated as closing balance of previous scheme year adjusted by the Treasury Revaluation Order index.

Earned Pension – the amount of pension accrued during the scheme year calculated as pensionable pay divided by 49 (or divided by 98 for a 50/50 member).

Adjustments – these are additions such as any pension derived from a transfer in received in the scheme year, and Additional Pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted and paid for by the employer in the scheme year; and any deductions relating to Pensions Sharing Orders and Annual Allowance Scheme Pays Offset elections.

Closing Balance – the total of the opening balance, earned pension and additional pension elements.

Deferred / Retirement Pension Account

These accounts will consist of the following elements:

Opening Balance (First Year) – calculated as the amount transferred from the active account.

Closing Balance (First Year) – the total of the opening balance and any pension deduction (e.g. on account of a Pension Sharing Order or Annual Allowance Scheme Pays Offset).

Opening Balance (Second Year onwards) – the closing balance of the previous year revalued at the beginning of the second year by an adjusted ('tweaked') Treasury Order revaluation, unless the Treasury Order is negative, in which case:

- for mid-year leavers with deferred benefits at 31 March a negative revaluation adjustment will be applied in line with the HM Treasury Revaluation Order (i.e. a pro-rata adjustment but with no 'tweak') and the PI applied will be 0%, and
- for mid-year leavers with a pension in payment at 31 March there will be no negative revaluation adjustment under the HM Treasury Revaluation Order (i.e. it will be treated as 0%) and the PI applied will be 0%.

Pensions Increase – increases due under the Pensions Increase (Review) Orders¹ (proportioned as required by the Order) and Guaranteed Minimum Pensions Increase Orders.

Adjustments - these are any deductions relating to Pensions Sharing Orders and Annual Allowance Scheme Pays Offset elections.

Closing Balance (Second Year onwards) - the total of the opening balance and any pension deduction.

Revaluation at one second after midnight of the 31 March of the year of leaving (if the Treasury Order revaluation <u>is not</u> negative)

If the Treasury Order revaluation on 31 March of the year of leaving is not a negative figure then the Treasury Order revaluation is an adjusted calculation (commonly known as 'the tweak') in order to ensure there is no double indexation.

- Step 1 on 31 March of the year of leaving, calculate a full years Pension Increase on the closing balance at year ending 31 March, using the Pensions Increase (Review) Order for the immediately following April.
- Step 2 calculate the closing balance required before the appropriate part year Pension Increase is applied to the pension in payment in the April after leaving active membership to result in the value in step 1
- Step 3 subtract the opening balance from the value calculated in step 2 to produce the adjusted revaluation amount.

The value of the adjusted revaluation adjustment is then added to the closing balance at one second after midnight of the 31 March of the year of leaving to give the opening balance for the year after leaving.

¹ In the case of a deferred member the Pensions Increase is not due until the benefit is brought into payment and the member has met a qualifying condition for payment of PI under the Pensions (Increase) Act 1971. Thus, the PI amounts are not technically placed in the member's account until the PI payment is due under the Act but, from a systems software point of view, it may be decided to hold against the member's account each year the PI that would be due under the Act if the member had already met a qualifying condition.

Without the above revaluation adjustment calculation the member would get double indexation. For example, assume a member leaves on 30^{th} September with an accrued pension at the date of leaving of £100 and that a full year's CPI is 5%. If the accrued pension is increased by 2.5% under the Treasury Order at one second after midnight of the 31 March after leaving, the accrued pension would increase to £102.50. If PI of 2.5% is then added in April that will bring the figure to £105.06. However, if the member had been active throughout the whole year, or had been a deferred or pensioner member throughout the whole year, the pension would only have increased to £105.00 (not to £105.06). Thus, to avoid the leaver in the above example getting 2.5% on the £2.50 revaluation (resulting in double indexation), steps 1 to 3 have to be performed. Those steps mean that the Treasury Order revaluation takes the accrued pension to £102.44 at one second after midnight of 31 March to which 2.5% PI is added in April, bringing the total to £105.00 i.e.

One second after midnight on 31 March Step 1: £100.00 x 105% = £105.00 Step 2: £105.00/102.5 x 100 = £102.44 Step 3: £102.44 - £100.00 = £2.44 <u>April</u> £102.44 x 102.5% = £105.00

If the member has a Pension Debit applied to the account the revaluation adjustment calculation is even more convoluted and involves a 4 Step process. The 4 Step process is shown in Example 2A.

Revaluation at one second after midnight of the 31 March of the year of leaving (if the Treasury Order revaluation <u>is</u> negative)

If the Treasury Order revaluation on 31 March of the year of leaving is a negative figure then the Treasury Order revaluation adjustment is simply applied (pro-rata if the member was a mid-year leaver) at one second after midnight of the 31 March (not adjusted "tweaked" calculation) and Pensions Increase of 0% is applied on the first Monday falling on or after the following 6th April. The exception is where a member both ceased active membership and commenced payment of benefits (or died leaving a survivor entitled to benefits) within the same Scheme year. In that case, the negative Treasury Order revaluation is **not** applied at one second after midnight of the 31 March and Pensions Increase of 0% is applied on the first Monday falling on or after 6th April. Note: for the avoidance of doubt, the exception does not apply to a member who retired or died on 31 March (i.e. whose last day of membership was 31 March) as such a member is treated as an active member on 31 March and so would have the full negative Treasury Order revaluation adjustment applied.

Note concerning the examples

Examples 1 to 3 show a detailed breakdown of accruals, adjustments, Treasury Order revaluation and Pensions Increase. Pensions administration software providers may wish to consider holding a detailed breakdown to separately record each element of a member's pension build up as this

 a) recognises that, for example, additional pension purchased under regulation 16 via an APC or SCAPC will be subject to an actuarial adjustment on retirement on redundancy or efficiency grounds before Normal Pension Age whereas the main LGPS pension (and any additional pension granted by the employer under regulation 31) would not be subject to such an adjustment, and

- b) may simplify the eventual calculation of a surviving partner's / children's pension (as some elements count towards a child's and / or partner's pension and some do not for example, an annual allowance scheme pays offset deduction impacts on the member's pension but not on a partner's or child's pension; a Pension Sharing Order impacts on the member's and partner's pension but not a child's pension), and
- c) recognises that where there is a pension debit held against a member's account, the timing of increases to that debit must match the timing of the increase on the pension credit (i.e. the first Monday on or after 6 April and not on 1 April).
- d) recognises that, as confirmed in paragraph 2.3 of the Secretary of State's Scheme Pays Guidance dated 12 April 2016, the Relevant Date (also known as the implementation date) of an Annual Allowance Scheme Pays Offset deduction will be the day coincident with the end of the pension input period. Note: The LGPC have raised a query regarding the impact of the Treasury Order revaluation, using a relevant date of 5 April to apply the Scheme Pays Offset and have raised such concerns with both DCLG and Scottish Government. Depending upon the outcome, this guide may need to be further revised, this is highlighted at the appropriate places within this guide.

Examples 4 – 14 have been shown in a simplified format.

Example 15 details a member who was paid Tier 3 ill health benefits and whose benefits were reviewed under regulations 37(9) and (10) of the LGPS Regulations 2013 by the former scheme employer who makes a determination to uplift those benefits to Tier 2.

If a member with a deferred pension or a deferred refund in respect of only pre 1 April 2014 membership:

- a) rejoins the Scheme at the beginning of or part way through a Scheme year post 31 March 2014 (i.e. there is a break in membership of the LGPS which straddles 31 March 2014 / 1 April 2014), and
- b) aggregates membership, and
- c) had a continuous break of more than five years in active membership of a public service pension scheme

the CETV for the pre 1 April 2014 membership will purchase an amount of pension in the member's 2014 Scheme pension account. It will simply, like any other transfer in, buy whatever amount of pension it buys. The examples in this paper are calculated in that manner.

If a member with a deferred pension or a deferred refund in respect of only pre 1 April 2014 membership:

- a) rejoins the Scheme at the beginning of or part way through a Scheme year post 31 March 2014 (i.e. there is a break in membership of the LGPS which straddles 31 March 2014 / 1 April 2014), and
- b) aggregates membership, and

- c) had a continuous break of five years or less in active membership of a public service pension scheme, and
- d) where the member has a deferred benefit, does not elect within 12 months of rejoining the LGPS to be treated as if regulation 5(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014 applied

the CETV for the pre 1 April 2014 membership will purchase an amount of pension in the member's 2014 Scheme pension account. It will simply, like any other transfer in, buy whatever amount of pension it buys². The examples in this paper are calculated in that manner.

If a member with a deferred pension awarded before 1 April 2014:

- a) rejoins the Scheme at the beginning of or part way through a Scheme year post 31 March 2014 (i.e. there is a break in membership of the LGPS which straddles 31 March 2014 / 1 April 2014), and
- b) aggregates membership, and
- c) had a continuous break of five years or less in active membership of a public service pension scheme, and
- d) elects within 12 months of rejoining the LGPS to be treated as if regulation 5(1) of the LGPS (Transitional Provisions and Savings) Regulations 2014 applied

the CETV for the pre 1 April 2014 membership will purchase pre 2014 membership (not an amount of pension in the member's 2014 Scheme pension account).

A transfer in may be processed part way through a Scheme year. Although a transfer in might only have been received on 30 March it will receive a full year's revaluation(unless the transfer was received in the Scheme year in which the member ceased active membership, in which case it will, like the rest of the member's accrued pension, only receive a part year's revaluation to the date of leaving). This is because it is the sum in the member's account on 31 March that is revalued. If a different approach had been taken and the member had received no revaluation (because the sum had only been in the account for a day) this could have led to IDRP complaints if there had been delays in the transfer in process.

² It is not clear why, where a member left prior to 1 April 2014 with a deferred refund and rejoins the Scheme on or after 1 April 2014 and has not had a continuous break in active membership of a public service pension scheme of more than 5 years, regulation 10(5) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 requires that the transfer value in respect of the pre 1 April 2014 membership should purchase an amount of earned pension in the member's active pension account (rather than final salary membership in accordance with section 20 of, and paragraph 1 of Schedule 7 to, the Public Service Pensions Act 2013). Clarification has been sought from DCLG.

It is also not clear why, if a deferred member **does not** elect to be treated as if he / she had been an active member on 31 March 2014 and 1 April 2014 and elects to aggregate, regulation 10(6) of the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 requires that the transfer value in respect of the pre 1 April 2014 membership should purchase an amount of earned pension in the member's active pension account (rather than final salary membership in accordance with section 20 of, and paragraph 1 of Schedule 7 to, the Public Service Pensions Act 2013). Clarification has been sought from DCLG.

In practice it would be wise to hold Pension Debits following implementation of a Pension Sharing Order separately from the member's pension account as:

- a) they are revalued on the first Monday falling on or after 6 April each year (and not on 1 April each year) in order to mirror the increase in the Pension Credit, and
- b) when benefits crystallise, the pension debit might have to be adjusted in accordance with actuarial guidance from the Secretary of State.

It would also be wise to hold annual allowance scheme pays offset deductions separately from the member's pension account as, when benefits crystallise, the deduction might have to be adjusted in accordance with actuarial guidance from the Secretary of State.

Example 1 – revaluation of active account

A member:

Active account

- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (and the transfer included a pre 6 April 1988 GMP of £52 and a post 5 April 1988 GMP of £13)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019, and
- leaves on 15 December 2021.

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Scheme Year	Opening Balance	Earned Pension		Adjustr	nents*		Scheme Year Ending	Closing Balance	Tre	asury Oro	der Reva	luation		Value to Carry
Starting			TV in	AP	PSO	AA	(or date a/c closed)		Earned Pension	TV in	AP	PSO	AA	Forward
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£0.00	£855.53
1 April 2016	£955.52	£419.27	£200.00	50.00	£0.00	£0.00	21 March 2017	£1 473 00	£1,273.90 x	£200.00 x 3% =	50.00	£0.00	£0.00	£1 519 12
	2000.00	2410.57	2200.00	20.00	20.00	20.00	31 Walch 2017	£1,473.90	£1,735.59 x	£206.00 x 3% =	20.00	20.00	20.00	£1,310.12
1 April 2017	£1,518.12	£423.47	£0.00	£0.00	£0.00	£0.00	31 March 2018	£1,941.59	3% = £52.07	£6.18 £212.18	£0.00	£0.00	£0.00	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	£0.00	£0.00	£0.00	31 March 2019	£2,428.41	£2,216.23 x 3% = £66.49	x 3% = £6.36	£0.00	£0.00	£0.00	£2,501.26
1 April 2010	£2 501 26	£422.67	£0.00	\$50.00	£0.00	50.00	21 March 2020	62 084 02	£2,716.39 x	£218.54 x 3% =	£50.00 x 3% =	£0.00	50.00	62 074 48
	22,301.20	2400.07	20.00	230.00	20.00	20.00		£2,904.93	$f_{3,236,66}$ x	£225.10 x 3% =	£51.50 x 3% =	20.00	20.00	23,074.40
1 April 2020	£3,074.48	£438.78	£0.00	£0.00	£0.00	£0.00	31 March 2021	£3,513.26	3% = £97.10	£6.75	£1.55	£0.00	£0.00	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	£0.00	£0.00	£0.00	15 Dec 2021	£3,951.57						

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred or retirement account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021. The amount of £3,951.57 is made up of:

Revalued Earned Pension	Revalued TV in	Revalued AP	Revalued PSO	Revalued AA	Total
£3,294.22 + £372.45 = £3,666.67	£200.00 + £31.85 = £231.85	£50.00 + £3.05 = £53.05	£0.00	£0.00	£3,951.57

Example 2 – active account closed, transferred to deferred pension account

Take the member in Example 1 who left on 15 December 2021 (with a deferred pension). An amount of £3,951.57 is transferred from the active account to become the opening balance in the deferred account. Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year in deferment after that.

Deferred account

Scheme Year Starting	Opening Balance		Ма	de up of	:		PI Order Reval'n on first Monday	Post Leaving Adjustments		Scheme Year Ending (or	Closing Balance	Treasury Order Reval'n	Value to Carry Forward
		Revalued Earned Pension + Pl	Reval- ued TV in + PI	Reval- ued AP + PI	Revalued PSO + PI	Reval ued AA + PI	on or after 6 April	PŜO	AA	date a/c closed)			
16 Dec 2021	£3 951 57	£3 666 67	£231.85	£53.05	£0.00	£0.00	NI/A	£0.00	£0.00	31 Mar 2022	£3 051 57	£104 00*	£4 055 57
10 Dec 2021	20,001.07	20,000.07	2201.00	200.00	20.00	20.00	£4,055.57 x 4% x 4/12 =	20.00	20.00	31 Wai 2022	20,001.07	2104.00	24,000.07
1 Apr 2022	£4,055.57	£3,763.18	£237.95	£54.44	£0.00	£0.00	£54.06	£0.00	£0.00	31 Mar 2023	£4,109.63	N/A	£4,109.63
1 Apr 2022	64 100 62	£3,763.18 + £50.18 =	£237.95 + £3.17 =	£54.44 + £0.72 =	50.00	50.00	£4,109.63 x 4%	50.00	50.00	21 Mar 2024	64 274 02	N/A	64 274 02
1 Apr 2023	24,109.03	£3,013.30	£241.12	£53.10	20.00	£0.00	= £104.39	20.00	£0.00	31 IVIAI 2024	14,214.02	N/A	14,274.02
		+ £202.72	+ £12.81	+ £2.93									
		=	=	=			£4,274.02 x 4%						
1 Apr 2024	£4,274.02	£3,965.90	£250.76	£57.37	£0.00	£0.00	= £170.96	£0.00	£0.00	31 Mar 2025	£4,444.98	N/A	£4,444.98
		£3,763.18 + £361.36	£237.95 + £22.84	£54.44 + £5.22									
1 Apr 2025	£4 444 08	= £4 124 54	= £260.70	=	£0.00	£0.00	£4,444.98 x 4%	£0.00	£0.00	31 Mar 2026	£4 622 78	NI/A	£4 622 78
1 Apr 2020	24,444.30	£3,763,18	2200.73	£54.44	20.00	20.00	- 2177.00	20.00	20.00	51 10121 2020	24,022.70	IN/ <i>F</i> 3	24,022.70
		+ £526.34	£237.95	+ £7.61									
		=	+ £3.27 =	=			£4,622.78 x 4%						
1 Apr 2026	£4,622.78	£4,289.52	£271.22	£62.05	£0.00	£0.00	= £184.91	£0.00	£0.00	31 Mar 2027	£4,807.69	N/A	£4,807.69
		£3,763.18	£237.95	054.44									
		+	+ £44.12	£54.44			£4 807 60 x 4%						
1 Apr 2027	£4,807.69	£4,461.10	£282.07	£10.09	£0.00	£0.00	$= \pounds 192.31$	£0.00	£0.00	31 Mar 2028	£5,000.00	N/A	£5,000.00

				= £64.53									
				£54.44									
		£3,763.18	£237.95	+									
		+ £876.37	+ £55.40	£12.67									
		=	=	=			£5,000.00 x 4%						
1 Apr 2028	£5,000.00	£4,639.55	£293.35	£67.11	£0.00	£0.00	= £200.00	£0.00	£0.00	15 Dec 2028	£5,200.00	N/A	

*Note:

Step 1: £3,951.57 x 104% = £4,109.63 Step 2: £4,109.63/101.333 x 100 = £4,055.57 Step 3: £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation) With each element of the revalued pension being calculated as follows: Earned pension: £3,666.67 x 104% = £3,813.34/101.333 x 100 = £3,763.18 - £3,666.67 = £96.51 TV in: £231.85 x 104% = £241.12/101.333 x 100 = £237.95 - £231.85 = £6.10 AP: £53.05 x 104% = £55.17/101.333 x 100 = £54.44 - £53.05 = £1.39

NB: If the Treasury Order revaluation had been negative, say -0.5%, then the calculation would have commenced as follows:

Scheme Year Starting	Opening Balance		Ма	de up of	:		PI Order Reval'n on first Monday	Po Leav Adjust	st /ing ments	Scheme Year Ending (or	Closing Balance	Treasury Order Reval'n	Value to Carry Forward
		Revalued Earned Pension + Pl	Reval- ued TV in + PI	Reval- ued AP + PI	Revalued PSO + PI	Reval ued AA + PI	on or after 6 April	PSO	AA	date a/c closed)			
16 Dec 2021	£3,951.57	£3,666.67	£231.85	£53.05	£0.00	£0.00	N/A	£0.00	£0.00	31 Mar 2022	£3,951.57	-£13.17*	£3,938.40
1 Apr 2022	£3,938.40	£3,654.45	£231.08	£52.87	£0.00	£0.00	£3,938.40 x 0% x 4/12 = £0.00	£0.00	£0.00	31 Mar 2023	£3,938.40	N/A	£3,938.40

* £3,951.57 x (-0.5% x 8/12) = -£13.17

Example 3 – deferred account closed and transferred to a pension account

The deferred member in Example 2 is female and attains age 60 on 16 December 2028 and opts to draw pension (with no commutation) but, as the pension is paid 6 years before NPA (which, currently, is reached on 6 September 2035), there is an actuarial reduction of 29.89%. The deferred account is closed and the amount to be transferred to the pensioner account on that day is £5,200.01 which includes PI up to April 2028 (to which an actuarial reduction is to be applied) and the remaining pre 6 April 1988 and post 5 April 1988 figures (i.e. that part of the GMP which was left after the Pension Sharing Order had been applied) which have been revalued under section 148 Orders to £79.04 and £19.76 respectively. PI is 4% each year apart from April 2031 when it is 2%. Note that whereas the pre 6 April 1988 GMP would not normally be subject to PI and the post 5 April 1988 GMP Increase would normally be 3% under the GMP Increase Order each 6 April apart from April 2031 when it would be 2%, as the member is retiring at GMP age (16 December 2028) but SPA is not attained until 6 September 2035, the member is treated as AP<GMP during that period, and so (in addition to the statutory increases on the post '88 GMP of up to 3%) the Scheme is responsible for applying full PI to the pre 88 GMP and excess over 3% to the post '88 GMP during that period. Any increase applied to the GMP should be calculated on the weekly values and then grossed up to 52 weeks, however, for the ease of this example we have used the annual figures.

Scheme Year Starting	Openi ng		Made up of:						Pre 6 April 1988	Post 5 April 1988	Post 5 April 1988	PI Order Reval'n	Adju mer	ıst- nts	Sche me	Closing Ba to be Carrie
	Ce	Earned Pension	TV in	AP	PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon-day on or after 6 April)	GMP Increas e in excess of 3%(on first Monda y on or after 6 April)	GMP Increas e capped at 3% on 6 April	Monday on or after 6 April	PSO	AA	Year Endin g (or date a/c close d)	Forward
6 Dec 2028	£5,200. 00 - 29.89% = £3,645. 72	£3,763.1 8 - 29.89% - (£79.04 + £19.76) -	£237.95 – 29.89% = £166.83	£54.44 29.89% = £38.17	£0.00	£0.00	£79.04	£19.76	N/A	N/A	N/A	£1,144.43 (accumulat ed PI on deferred benefit) $-$ 29.89% = £802.36	£0.00	£0.00	31 Mar	£3 645 72

Pension account

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£4,022. £2,539.5 £1.62 = 31 Mar	
1 Apr 2032 06 6 £166.83 £38.17 £0.00 £0.00 £79.04 £19.76 £11.65 £2.26 £1,325.04 £0.00 £0.00 2033 £4,	4,182.91
£20.36 £2,744.56	
x 1% = +	
£0.20 + £1,325.04	
£90.69 x £0.60 = £22.02 x 4% =	
4% = £0.80 x 3% = £162.78 +	
£3.63 + £0.66 + £1,325.04	
£4,182. £2,539.5 £11.65 = £2.26 = = 31 Mar	
1 Apr 2033 91 6 £166.83 £38.17 £0.00 £0.00 £79.04 £19.76 £15.28 £2.92 £1,487.84 £0.00 £0.00 2034 £4,	4,350.18
£4,350. £2,539.5 £94.32 x £20.56 £22.68 £2,744.56 31 Mar	
1 Apr 2034 18 6 £166.83 £38.17 £0.00 £0.00 £79.04 £19.76 4% = x 1% = x 3% = + £0.00 £0.00 2035 £4,	4,524.14

				£3.77 + £15.28 =	£0.21 + £0.80 =	£0.68 + £2.92 =	£1,487.84 x 4% =		
				£19.05	£1.01	£3.60	£169.30 +		
							£1,487.84 =		
							£1,657.12		

Example 1A – revaluation of active account

A member has the same details as the member is Example 1 but also has a Pension Debit:

- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (and the transfer included a pre 6 April 1988 GMP of £52 and a post 5 April 1988 GMP of £13)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019
- has a Pension Debit of £800 on 16 June 2020 on account of a Pension Sharing Order, and
- leaves on 15 December 2021.

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021 and PI for April 2021 is 3%.

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Earned Pension	Adjustments Scheme Closing Year Ending (or date a/c closed) Balance TV in AP PSO			ion	Value to Carry Forward						
		PSO		TV in	AP	PSO	AA			Earned Pension	TV in	AP	AA	
1 April 2014	£0.00	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£0.00	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£855.53
1 April 2016	£855.53	£0.00	£418.37	£200.00	£0.00	£0.00	£0.00	31 March 2017	£1,473.90	£1,273.90 x 3% = £38.22	$\pounds 200.00$ x 3% = $\pounds 6.00$	£0.00	£0.00	£1.518.12
1 April 2017	£1,518.12	£0.00	£423.47	£0.00	£0.00	£0.00	£0.00	31 March 2018	£1,941.59	£1,735.59 x 3% = £52.07	£206.00 x 3% = £6.18	£0.00	£0.00	£1,999.84
1 April 2018	£1,999.84	£0.00	£428.57	£0.00	£0.00	£0.00	£0.00	31 March 2019	£2,428.41	£2,216.23 x 3% = £66.49	£212.18 x 3% = £6.36	£0.00	£0.00	£2,501.26

Active account

1											£218.54	£50.0		
										£2,716.39 x	x 3% =	0 x		
										3% = £81.49	£6.56	3% =		
1 April 2019	£2,501.26	£0.00	£433.67	£0.00	£50.00	£0.00	£0.00	31 March 2020	£2,984.93			£1.50	£0.00	£3,074.48
		£0.00									£225.10	£51.5		
										£3,236.66 x	x 3% =	0 x		
										3% = £97.10	£6.75	3% =		
1 April 2020	£3,074.48		£438.78	£0.00	£0.00	- £800.00	£0.00	31 March 2021	£2,713.26			£1.55	£0.00	£2,818.66
		(-£800.00 x												
		3%) x												
		10/12** =												
1 April 2021	£2,818.66	-£20.00	£332.91	£0.00	£0.00	£0.00	£0.00	15 Dec 2021	£3,131.57					
Total for														
each														
element		-£20.00	£3,297.20	£200.00	50.00	- £800.00	£0.00			£369.47	£31.85	£3.05	£0.00	

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member and / or the employer during the scheme year via an additional pension contract / shared cost additional pension contract

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

** The increase is 10/12ths because paragraph 4.4 of the GAD guidance at

http://www.lgpsregs.org/images/SecStateGuidance/PensionDebitsGuidanceApr2016.pdf says that the debit should be revalued from the Transfer day (i.e. from the date the Pension Sharing Order takes effect)

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred or retirement account on 16 December 2021 is £3,131.57 which includes revaluation up to 31 March 2021. The amount of £3,131.57 is made up of:

Revalued Earned Pension	Revalued TV in	Revalued AP	Revalued PSO	Revalued AA	Total
£3,294.22 + £372.45 = £3,666.67	£200.00 + £31.85 = £231.85	£50.00 + £3.05 = £53.05	-£800 + -£20.00 = -£820.00	£0.00	£3,131.57

Note that upon the Pension Sharing Order taking effect in June 2020, the ex-spouse (male) was credited with an amount of £825.00. His Credit Member's account would be as follows:

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance to be Carried Forward
16 June 2020	£825.00	N/A	£0.00	31 Mar 2021	£825.00
1 Apr 2021	£825.00	£825.00 x (3% x 10/12*) = £20.63	£0.00	31 Mar 2022	£845.63

*Key:

The increase is 10/12ths because section 8(2A) of the Pensions Increase Act 1971 says that "A pension which is attributable to a pension credit shall be deemed for purposes of this Act to begin on the day on which the order or provision on which the credit depends takes effect."

Example 2A – active account closed, transferred to deferred pension account

Take the member in Example 1A who left on 15 December 2021 (with a deferred pension). An amount of £3,131.57 is transferred from the active account to become the opening balance in the deferred account. Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year in deferment after that.

Deferred account

Scheme	Opening		Made up of:					Po	st	Scheme	Closing	Treasury	Value to
Starting	Balance						first Monday	Leav Adiust	ments	rear Ending (or	Balance	Order Reval'n	Carry Forward
		Revalued Earned Pension + Pl	Revalued TV in + PI	Reval- ued AP + PI	PSO + PI	Reval ued AA + PI	on or after 6 April	PSO	AA	date a/c closed)			
16 Dec 2021	£3,131.57	£3,666.67	£231.85	£53.05	-£800.00 + -£20.00 = -£820.00	£0.00	N/A	£0.00	£0.00	31 Mar 2022	£3,131.57	£104.00*	£3,235.57
					-£800.00 + -£20.00 =		-£820.00 x 4% = -£32.80 + [£3,763.18 + £237.95 + £54.44] x						
1 Apr 2022	£3,235.57	£3,763.18	£237.95	£54.44	-£820.00	£0.00	4% x 4/12 = £54.07	£0.00	£0.00	31 Mar 2023	£3,256.84	N/A	£3,256.84
1 Apr 2023	£3,256.84	£3,763.18 + £50.18 = £3,813.36	£237.95 + £3.17 = £241.12	£54.44 + £0.72 = £55.16	-£800.00 + -£52.80 = -£852.80	£0.00	£3,256.84 x 4% = £130.27	£0.00	£0.00	31 Mar 2024	£3,387.11	N/A	£3,387.11
1 Apr 2024	£3,387.11	£3,763.18 + £202.71 = £3,965.89	£237.95 + £12.81 = £250.76	£54.44 + £2.93 = £57.37	-£800.00 + -£86.91 = -£886.91	£0.00	£3,387.11 x 4% = £135.48	£0.00	£0.00	31 Mar 2025	£3,522.59	N/A	£3,522.59
1 Apr 2025	£3,522.59	£3,763.18 + £361.35 = £4,124.53	£237.95 + £22.84 = £260.79	£54.44 + £5.22 = £59.66	-£800.00 + -£122.39 = -£922.39	£0.00	£3,522.59 x 4% = £140.90	£0.00	£0.00	31 Mar 2026	£3,663.49	N/A	£3,663.49
1 Apr 2026	£3,663.49	£3,763.18 + £526.33 = £4,289.51	£237.95 + £33.27 = £271.22	£54.44 + £7.61 = £62.05	-£800.00 + -£159.29 = -£959.29	£0.00	£3,663.49 x 4% = £146.54	£0.00	£0.00	31 Mar 2027	£3,810.03	N/A	£3,810.03

				£54.44									
		£3,763.18	£237.95 +	+	-£800.00 +								
		+ £697.91	£44.12	£10.09	-£197.66 =								
	£3,810.03	=	=	=	-£997.66		£3,810.03 x 4%				£3,962.43		£3,962.43
1 Apr 2027		£4,461.09	£282.07	£64.53		£0.00	= £152.40	£0.00	£0.00	31 Mar 2028		N/A	
				£54.44									
		£3,763.18	£237.95 +	+	-£800.00 +								
		+ £876.35	£55.40	£12.67	-£237.56 =								
	£3,962.43	=	=	=	-£1,037.56		£3,962.43 x 4%				£4,120.93		
1 Apr 2028		£4,639.53	£293.35	£67.11		£0.00	= £158.50	£0.00	£0.00	15 Dec 2028		N/A	

Deferred account

*Note:

Step 1: £3,131.57 x 104% = £3,256.83

Step 2: [£3,666.67 + £231.85 + £53.05] = £3,951.57 x 104% = £4,109.63

Step 3: £4,109.63/101.333 x 100 = £4,055.57

Step 4: £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation)

With each element of the revalued pension being calculated as follows:

Earned pension: £3,666.67 x 104% = £3,813.34/101.333 x 100 = £3,763.18 - £3,666.67 = £96.51

TV in: £231.85 x 104% = £241.12/101.333 x 100 = £237.95 - £231.85 = £6.10

AP: £53.05 x 104% = £55.17/101.333 x 100 = £54.44 - £53.05 = £1.39

Example 3A – deferred account closed and transferred to a pension account

The deferred member in Example 2A is female and attains age 60 on 16 December 2028 and opts to draw pension (with no commutation) but, as the pension is paid 6 years before NPA (which, currently, is reached on 6 September 2035), there is an actuarial reduction of 29.89%. The deferred account is closed and the amount to be transferred to the pensioner account on that day is £4,120.93 which includes PI up to April 2028 (to which an actuarial reduction is to be applied) and the remaining pre 6 April 1988 and post 5 April 1988 figures (i.e. that part of the GMP which was left after the Pension Sharing Order had been applied) which have been revalued under section 148 Orders to £79.04 and £19.76 respectively. PI is 4% each year apart from April 2031 when it is 2%. Note that whereas the pre 6 April 1988 GMP would not normally be subject to PI and the post 5 April 1988 GMP Increase would normally be 3% under the GMP Increase Order each 6 April apart from April 2031 when it would be 2%, as the member is retiring at GMP age (16 December 2028) but SPA is not attained until 6 September 2035, the member is treated as AP<GMP during that period, and so (in addition to the statutory increases on the post '88 GMP of up to 3%) the Scheme is responsible for applying full PI to the pre 88 GMP and excess over 3% to the post '88 GMP during that period. Any increase applied to the GMP should be calculated on the weekly values and then grossed up to 52 weeks, however, for the ease of this example we have used the annual figures.

Pension account

Scheme Year Starting	Opening Balance	Earned Pension	TV in	Mad AP	le up of: PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Incr- ease (on first Mon- day on or after 6 April)	Post 5 April 1988 GMP Increas e in excess of 3%(on first Monda y on or after 6 April)	Post 5 April 1988 GMP Incr- ease (cappe d at 3%) on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adj me PSO	ust- nts AA	Scheme Year Ending (or date a/c closed)	Closing Balance to be Carried Forward
16 Dec 2028	£4,120.93 - 29.89% = £2,889.18	£3,763.18 - 29.89% - (£79.04 + £19.76) = £2,539.56	£237.95 - 29.89% = £166.83	£54.44 29.89% = £38.17	£800 - 29.89% = -£560.88	£0.00	£79.04	£19.76	N/A	N/A	N/A	£865.36 (accumulated PI on deferred benefit) – 29.89% = £606.70	£0.00	£0.00	31 Mar 2029	£2,889.18

$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$																	
$ \begin{bmatrix} x & x & x & y & y & z \\ y & y & y & y & z \\ 1 & Apr 2029 & F2,899,18 & F2,539,56 & F166,83 & F38,17 & -F560,88 & F0.00 & F79.04 & F19.76 & F19.76 & F19.76 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F29.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.96 & 718.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.26 & F19.86 & F19.86 & F18.78 & F18.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.76 & F19.86 & F18.78 & F18.32 & F0.00 & F20.00 & F20.04 & F19.76 & F19.76 & F19.96 & F18.78 & F18.32 & F18.$											£19.76						
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$											x 1% =		£2,183.68 +				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $											£0.20		£606.70 x				
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$										£79.04			4% =				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										x 4% =		£19.76	£111.62 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										£3.16		x 3% =	f606.70 =			31 Mar	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	1 Apr 2029	£2.889.18	£2.539.56	£166.83	£38,17	-£560.88	£0.00	£79.04	£19.76			£0.59	£718.32	£0.00	£0.00	2030	£3.004.75
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $		22,000.10	22,000.00	2100100	200111	2000100	20.00	2.0.0	~	£82.20	£19.96	20.00	2: :0:01	20.00	20.00		20,000
$ \begin{bmatrix} 23,004.75 \\ E2,539.56 \\ E166.83 \\ E3,112 \\ E3,124.3 \\ E3,124.4 \\ E3,314.89 \\ $										x 4% =	x 1% =	£20.35	£2 183 68 +				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $										$f_{329} +$	$f_{0,20} +$	x 3% =	$f718.32 \times 4\% =$				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										$f_{3,16} =$	$f_{0,20} =$	$f_{0} = 61 + 100$	£116.08 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		£3 004 75								£6.45	£0.40	£0.59	£718 32 -			31 Mar	
$\begin{array}{ c c c c c c c c c c c c c c c c c c c$	1 Apr 2030	20,004.70	£2,539,56	£166.83	£38.17	-£560.88	£0.00	£79.04	£19.76	20.10	20.10	=£1.20	£834.40	£0.00	£0.00	2031	£3.124.93
$\begin{array}{c c c c c c c c c c c c c c c c c c c $			22,000100	2.00.00	200111	2000.00	20.00	2.0.01	2.0.0	£85 49	£20.16	~=0	200	20.00	20.00		20,12100
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										x 2% =	x 0% =	£20.96	£2 183 68 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										f_{1}^{2}	$f_{0,00} +$	x 2% -	£834 40 x 2%				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										$f_{645} =$	$f_{0,000} =$	$f_{0} 42 +$	- f60.36 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		£3 124 3								£8 16	£0.40	$f_{120} = 120$	f = 200.00 + f = 10000 + f = 100000 + f = 100000 + f = 1000000 + f = 1000000 + f = 100000 + f = 1000			31 Mar	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	1 Apr 2031	20,121.0	£2 539 56	£166.83	£38 17	-£560.88	£0.00	£79.04	£19.76	20.10	20.10	£1.62	£894 76	£0.00	£0.00	2032	£3 187 42
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$			22,000100	2.00.00	200111	2000.00	20.00	2.0.01	2.0.0	£87 20	£20.16	£21.38	f2 183 68 +	20.00	20.00		20,101112
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										x 4% =	x 1% =	x 3% =	£894 76 x 4%				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										f_{349+}	$f_{0,20} +$	$f_{0}64 +$	= f123 14 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		£3 187 42								$f_{8,16} =$	$f_{0,20} =$	$f_{162} =$	f 894.76 =			31 Mar	
$\begin{array}{c c c c c c c c c c c c c c c c c c c $	1 Apr 2032	20,107.12	£2.539.56	£166.83	£38.17	-£560.88	£0.00	£79.04	£19.76	£11.65	£0.60	£2.26	£1.017.90	£0.00	£0.00	2033	£3.314.89
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										£90.69	£20.36						
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										x 4% =	x 1% =	£22.02	£2.183.68 +				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										£3.63 +	£0.20 +	x 3% =	£1.017.90 x				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $										£11.65	$\pounds 0.60 =$	£0.66 +	$4\% = \pounds128.06$				
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		£3.314.89								=	£0.80	£2.26 =	+ £1.017.90 =			31 Mar	
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	1 Apr 2033		£2,539.56	£166.83	£38.17	-£560.88	£0.00	£79.04	£19.76	£15.28		£2.92	£1,145.96	£0.00	£0.00	2034	£3,447.44
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $			1							£94.32	£20.56		,,				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $										x 4% =	x 1% =	£22.68	£2.183.68 +				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $										£3.77 +	£0.21 +	x 3% =	£1.145.96 x				
$ \begin{array}{ c c c c c c c c c c c c c c c c c c c$										£15.28	£0.80 =	£0.68 +	$4\% = \pounds133.19$				
1 Apr 2034 £2,539.56 £166.83 £38.17 -£560.88 £0.00 £79.04 £19.76 £19.05 £3.60 £1,279.15 £0.00 £0.00 2035 £3,585.29		£3.447.44								=	£1.01	£2.92 =	+ £1.145.96 =			31 Mar	
	1 Apr 2034	-,	£2,539.56	£166.83	£38.17	-£560.88	£0.00	£79.04	£19.76	£19.05		£3.60	£1,279.15	£0.00	£0.00	2035	£3,585.29

Example 4 – member leaves with deferred benefit, rejoins within 5 years and aggregates membership / benefits

The member in example 1 left on 15 December 2021 with a deferred benefit, rejoins the LGPS on 1 February 2026 and aggregates the periods of membership / benefits.

There will have been Treasury Order revaluation on pension accrued to 15 December 2021 and PI from 16 December 2021 to April 2025 (although, technically, PI was not actually payable because the member was a deferred member). However, because section 9(6) of the Public Service Pensions Act 2013 provides that Treasury Order revaluation will apply if any gap in a person's pensionable service does not exceed 5 years, the member is given Treasury Order revaluation for the period of deferment (which, in the LGPS, in effect equals the notional PI accrued during that period, unless a Treasury Order during any of that period was negative). Thus, the closing balances for years ending 31 March 2022 to 31 March 2025 each get a full year's Treasury Order revaluation and a part year of PI), the notional Treasury Order revaluation adjustment performed at 31 March 2022 should now be ignored and the member given a full year's Treasury Order revaluation. The net result, assuming Treasury Order revaluation of 3% for scheme years to 31 March 2021 and 4% for years thereafter, is as follows:

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	31 March 2022	£3,951.57	x 4% = £158.06	£4,109.63
1 April 2022	£4,109.63*	N/A	£0.00	31 March 2023	£4,109.63	x 4% = £164.39	£4,274.02
1 April 2023	£4,274.02	N/A	£0.00	31 March 2024	£4,274.02	x 4% = £170.96	£4,444.98
1 April 2024	£4,444.98	N/A	£0.00	31 March 2025	£4,444.98	x 4% = £177.80	£4,622.78
1 April 2025	£4,622.78	£98.00	£0.00	31 March 2026	£4,720.78	x 4% = £188.83	£4,909.61

*The reason that the opening balance for 1 April 2022 in example 2 is £4,055.57 and not £4,109.63 (as above) is because the PI in example 2 did not apply under the Pensions Increase (Review) Order until 11 April 2022 when the amount in the account went up to £4,109.63. In example 4 the closing balance at 31 March 2022 is increased under the Treasury Revaluation Orders at one second after midnight on 31 March 2022 so that the opening balance on 1 April 2022 is £4,109.63. So, the difference is that in example 4 the amount in the account is £4,109.63 on 1 April 2022 whereas in example 2 the amount in the account did not go up to that figure until 11 April 2022 (due to the fact that the PI (Review) Order applies from a later date than the Treasury Revaluation Order).

Notes:

- i) if a Pensions Increase (Review) Order during the period of deferment in Example 4 had been 0% due to negative inflation and the Treasury Order Revaluation in that year had been a minus figure, the value of the members benefits would, on aggregation, be less than the value had the member kept the benefits separate.
- ii) the principles set out in example 4 would equally apply if the member had left on 15 December 2021 with a deferred refund, rejoined the LGPS on 1 February 2026 and aggregated the periods of membership / benefits.

Example 4A – member leaves with deferred benefit, rejoins within 5 years and aggregates membership / benefits The member in example 1A left on 15 December 2021 with a deferred benefit, rejoins the LGPS on 1 February 2026 and aggregates the periods of membership / benefits.

There will have been Treasury Order revaluation on pension accrued to 15 December 2021 and PI from 16 December 2021 to April 2025 (although, technically, PI was not actually payable because the member was a deferred member). However, because section 9(6) of the Public Service Pensions Act 2013 provides that Treasury Order revaluation will apply if any gap in a person's pensionable service does not exceed 5 years, the member is given Treasury Order revaluation for the period of deferment (which, in the LGPS, in effect equals the notional PI accrued during that period, unless a Treasury Order during any of that period was negative). Thus, the closing balances for years ending 31 March 2022 to 31 March 2025 each get a full year's Treasury Order revaluation and a part year of PI), the notional Treasury Order revaluation adjustment performed at 31 March 2022 should now be ignored and the member given a full year's Treasury Order revaluation. The net result, assuming Treasury Order revaluation of 3% for scheme years to 31 March 2021, PI for April 2021 is 3%, and Treasury Order revaluation and PI are 4% for years thereafter, is as follows:

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April (re PSO)	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£0.00	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£0.00	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£0.00	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£0.00	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£0.00	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48

							(£2,713,26 + £800,00) x	
1 April 2020	£3,074.48	£0.00	£438.78	- £800.00	31 March 2021	£2,713.26	$3\% = \pounds105.40$	£2,818.66
•		(-£800.00 x						
		3%) x 10/12*						
							(£3,131.57 + £820.00) x	
1 April 2021	£2,818.66	-£20.00	£332.91	£0.00	31 March 2022	£3,131.57	$4\% = \pounds158.06$	£3,289.63
		(-£800.00 +						
		-£20.00) x						
		4% =					(£3,256.83 + £852.80) x	
1 April 2022	£3,289.63	-£32.80	N/A	£0.00	31 March 2023	£3,256.83	$4\% = \pounds164.39$	£3,421.22
		(-£800.00 +						
		-£52.80) x						
		4% =					(£3,387.11 + £886.91) x	
1 April 2023	£3,421.22	-£34.11	N/A	£0.00	31 March 2024	£3,387.11	$4\% = \pounds170.96$	£3,558.07
		(-£800.00 +						
		-£86.91) x						
		4% =					(£3,522.59 + £922.39) x	
1 April 2024	£3,558.07	-£35.48	N/A	£0.00	31 March 2025	£3,522.59	4% = £177.80	£3,700.39
		(-£800.00 +						
		-£122.39) x						
		4% =					(£3,761.49 + £959.29) x	
1 April 2025	£3,700.39	-£36.90	£98.00	£0.00	31 March 2026	£3,761.49	4% = £188.83	£3,950.32

* The increase is 10/12ths because paragraph 4.4 of the GAD guidance at

http://www.lgpsregs.org/images/SecStateGuidance/PensionDebitsGuidanceApr2016.pdf says that the debit should be revalued from the Transfer day (i.e. from the date the Pension Sharing Order takes effect)

Notes:

- i) if a Pensions Increase (Review) Order during the period of deferment in Example 4A had been 0% due to negative inflation and the Treasury Order Revaluation in that year had been a minus figure, the value of the members benefits would, on aggregation, be less than the value had the member kept the benefits separate.
- ii) the principles set out in example 4A would equally apply if the member had left on 15 December 2021 with a deferred refund, rejoined the LGPS on 1 February 2026 and aggregated the periods of membership / benefits.

Example 5 - member leaves with deferred benefit, has a continuous break in active membership of any public service pension scheme of more than 5 years, rejoins the LGPS and aggregates membership / benefits. The member in example 1 left on 15 December 2021 with a deferred benefit, rejoins the LGPS on 1 February 2027 and immediately aggregates the periods of membership / benefits.

Assume Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

As the member has rejoined and has had a continuous break in active membership of any public service pension scheme of more than 5 years, section 9(6) of the Public Service Pensions Act 2013 does not apply. Thus, the member moves from an active account (which increases by Treasury Revaluation Orders), to a deferred account (which increases by Pensions Increase (Review) Orders), and back to an active account (which increases by Treasury Revaluation Orders) by Treasury Revaluation Orders) as shown below.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

Active account

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021.

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year in deferment after that.

Deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£3,951.57	N/A	£0.00	31 March 2022	£3,951.57	£104.00*	£4,055.57
1 April 2022	£4,055.57	x 4% x 4/12 = £54.06	£0.00	31 March 2023	£4,109.63	N/A	£4,109.63
1 April 2023	£4,109.63	x 4% = £164.39	£0.00	31 March 2024	£4,274.02	N/A	£4,274.02
1 April 2024	£4,274.02	x 4% = £170.96	£0.00	31 March 2025	£4,444.98	N/A	£4,444.98
1 April 2025	£4,444.98	x 4% = £177.80	£0.00	31 March 2026	£4,622.78	N/A	£4,622.78
1 April 2026	£4,622.78	x 4% = £184.91	£0.00	31 Jan 2027	£4,807.69		

*Note:

Step 1: £3,951.57 x 104% = £4,109.63 Step 2: £4,109.63/101.333*100 = £4,055.57 Step 3: £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation)

When the member rejoins the LGPS on 1 February 2027 the member immediately elects to aggregate benefits. The deferred account is closed and a CETV in respect of the amount in the account (i.e. £4,807.69 which includes Pensions Increase to April 2026) is used to purchase an amount of earned pension in the member's new active account on the relevant date of 20 March 2027 (date of election to transfer as per paragraph 3.6 of the Interfund GAD Guidance dated 14 April 2016). For the purposes of this example it has been assumed that the CETV purchases non-club earned pension of £4,807.69. However, in reality the amount of earned pension bought by the transfer will be different to the closing value of pension held in the deferred account.

Assume Treasury Revaluation Orders are 4.0001% for the scheme year ending 31 March 2027 and 4% for the scheme years ending 31 March 2028 onwards.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 Feb 2027	£0.00	£92.14	£4,807.69	31 March 2027	£4,899.83	X 4.0001% = £196.00	£5,095.83
1 April 2027	£5,095.83	£560.35	£0.00	31 March 2028	£5,656.18	x 4% = £226.25	£5,882.43
1 April 2028	£5,882.43	£565.98	£0.00	31 March 2029	£6,448.41	x 4% = £257.94	£6,706.35
1 April 2029	£6,706.35	£571.36	£0.00	31 March 2030	£7,277.71	x 4% = £291.11	£7,568.82

Active account

Notes:

- as, under regulation 18(5) of the LGPS Regulations 2013, payment of a refund of contributions must be made within 5 years of ceasing membership of the LGPS, aggregation of a deferred refund after a 5 year break is not be possible (as the refund should already have been paid by then).
 - Paragraph 3.4 of the Secretary of State guidance which can be found at <u>http://www.lgpsregs.org/images/SecStateGuidance/InterfundTransferGuidanceApr2016.pdf</u> states that the amount of earned pension under regulations 10(4), (5) and (6) of the 2014 Scheme Transitional Regulations should be calculated by treating the total transfer value received as an incoming non-club transfer.

Example 5A - member leaves with deferred benefit, has a continuous break in active membership of any public service pension scheme of more than 5 years, rejoins the LGPS and aggregates membership / benefits

The member in example 5 does not aggregate immediately but aggregates on 4 April 2027 (i.e. after the 31 March / 1 April 2027 Treasury Revaluation Order but before the PI date of 12 April 2027).

Assume Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

The relevant calculations would then have been as follows.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

Active account

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021.

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year in deferment after that. Assume the Treasury Revaluation Orders during the period of deferment are also 4%.

Deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£3,951.57	N/A	£0.00	31 March 2022	£3,951.57	£104.00*	£4,055.57
1 April 2022	£4,055.57	x 4% x 4/12 = £54.06	£0.00	31 March 2023	£4,109.63	N/A	£4,109.63
1 April 2023	£4,109.63	x 4% = £164.39	£0.00	31 March 2024	£4,274.02	N/A	£4,274.02
1 April 2024	£4,274.02	x 4% = £170.96	£0.00	31 March 2025	£4,444.98	N/A	£4,444.98
1 April 2025	£4,444.98	x 4% = £177.80	£0.00	31 March 2026	£4,622.78	N/A	£4,622.78
1 April 2026	£4,622.78	x 4% = £184.91	£0.00	31 March 2027	£4,807.69	N/A	£4,807.69
1 April 2027	£4,807.69		£0.00	3 April 2027	£4,807.69		

*Note:

Step 1: £3,951.57 x 104% = £4,109.63 Step 2: £4,109.63/101.333*100 = £4,055.57 Step 3: £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation)

When the member rejoins the LGPS on 1 February 2027 the member does not immediately confirm they do not wish to retain separate benefits but confirms this (and therefore confirms their wish to aggregate benefits) on 4 April 2027. At that point the deferred account is closed and a CETV in respect of the amount in the account (i.e. £4,807.69 which includes Pensions Increase to April 2026) is used to purchase an amount of earned pension in the member's new active account on 4 April 2027. For the purposes of this example it has been assumed that the CETV purchases non-club earned pension of £4,807.69. However, in reality the amount of earned pension bought by the transfer will be different to the closing value of pension held in the deferred account.

Assume Treasury Revaluation Orders are 4% for the scheme years ending 31 March 2027 onwards.

Active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 Feb 2027	£0.00	£92.14	£0.00	31 March 2027	£92.14	X 4% = £3.69	£95.83
1 April 2027	£95.83	£560.35	£4,807.69	31 March 2028	£5,463.87	£656.18 x 4% = £26.25 Plus [(£4,807.69 + 4% = £192.31) = £218.56*	£5,682.43
1 April 2028	£5,682.43	£565.98	£0.00	31 March 2029	£6,248.41	x 4% = £249.94	£6,498.35
1 April 2029	£6,498.35	£571.36	£0.00	31 March 2030	£7,069.71	x 4% = £282.79	£7,352.50

* As the benefits were aggregated on 4 April 2027 the CETV only included PI to April 2026. Of course, the simplest way around this problem would be to ensure that the member in the above case aggregates after 12 April 2027. By aggregating after 12 April 2027, the CETV used to purchase earned pension would have included the 4% PI due under the PI (Review) Order 2027 (as shown in Example 5B).

Notes:

i) see notes (i) and (ii) under Example 5.

Example 5B - member leaves with deferred benefit, has a continuous break in active membership of any public service pension scheme of more than 5 years, rejoins the LGPS and aggregates membership / benefits The member in example 5 does not aggregate immediately but aggregates on 1 May 2027 (i.e. after the PI date of 12 April 2027).

Assume Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

The relevant calculations would then have been as follows.

Active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021.

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year in deferment after that.

Deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£3,951.57	N/A	£0.00	31 March 2022	£3,951.57	£104.00*	£4,055.57
1 April 2022	£4,055.57	x 4% x 4/12 = £54.06	£0.00	31 March 2023	£4,109.63	N/A	£4,109.63
1 April 2023	£4,109.63	x 4% = £164.39	£0.00	31 March 2024	£4,274.02	N/A	£4,274.02
1 April 2024	£4,274.02	x 4% = £170.96	£0.00	31 March 2025	£4,444.98	N/A	£4,444.98
1 April 2025	£4,444.98	x 4% = £177.80	£0.00	31 March 2026	£4,622.78	N/A	£4,622.78
1 April 2026	£4,622.78	x 4% = £184.91	£0.00	31 March 2027	£4,807.69	N/A	£4,807.69
1 April 2027	£4,807.69	x 4% = £192.31	£0.00	30 April 2027	£5,000.00		

*Note:

Step 1: £3,951.57 x 104% = £4,109.63 Step 2: £4,109.63/101.333*100 = £4,055.57 Step 3: £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation)

When the member rejoins the LGPS on 1 February 2027 the member does not immediately confirm they do not wish to retain separate benefits but confirms this (and therefore confirms their wish to aggregate benefits) on 1 May 2027. At that point the deferred account is closed and a CETV in respect of the amount in the account (i.e. £5,000.00 which includes Pensions Increase to April 2027) is used to purchase an amount of earned pension in the member's new active account on 1 May 2027. For the purposes of this example it has been assumed that the CETV purchases non-club earned pension of £5,000.00. However, in reality the amount of earned pension bought by the transfer will be different to the closing value of pension held in the deferred account.

Assume Treasury Revaluation Orders are 4% for the scheme years ending 31 March 2027 onwards.

Active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 Feb 2027	£0.00	£92.14	£0.00	31 March 2027	£92.14	X 4% = £3.69	£95.83
1 April 2027	£95.83	£560.35	£5,000.00	31 March 2028	£5,656.18	x 4% = £226.25	£5,882.43
1 April 2028	£5,882.43	£565.98	£0.00	31 March 2029	£6,448.41	x 4% = £257.94	£6,706.35
1 April 2029	£6,706.35	£571.36	£0.00	31 March 2030	£7,277.71	x 4% = £291.11	£7,568.82

Notes:

i) see notes (i) and (ii) under Example 5.

Example 6 – active account closed and transferred to pension account (showing impact of purchase of additional pension, pension sharing order before retirement, annual allowance scheme pays at retirement, commutation, and pension sharing order after retirement)

A member:

- commences on 1 July 2014
- purchases £200 additional pension by a lump sum Additional Pension Contribution (APC) in August 2016 and a further £50 additional pension by the same method in May 2019
- has a Pension Debit of £800 in June 2020 on account of a Pension Sharing Order,
- retires at age 66 (the member's NPA) on 15 December 2021 and commutes £625 of pension for a lump sum,
- makes an Annual Allowance Scheme pays election immediately before retiring which, in accordance with actuarial guidance from the Secretary of State, reduces the annual pension amount by £180 per year, and
- remarries after retirement and has a further Pension Debit of £150 in August 2024 on account of a Pension Sharing Order.

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April PSO	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£0.00	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£0.00	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£0.00	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£0.00	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	

Active account

								£2,501.26
1 April 2019	£2,501.26	£0.00	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£0.00	£438.78	- £800.00	31 March 2021	£2,713.26	£3,513.26 x 3% = £105.40	£2,818.66
1 April 2021	£2,818.66	(-£800.00 x 3%) x 10/12* = -£20.00	£332.91	£0.00	15 Dec 2021	£3,131.57		

When the member retires on 15 December 2021 the active account is closed and the amount to be transferred to the retirement pension account on 16 December 2021 is £3,131.57 which includes revaluation up to 31 March 2021 less £625 (commutation)

** The increase is 10/12ths because paragraph 4.4 of the GAD guidance at http://www.lgpsregs.org/images/SecStateGuidance/PensionDebitsGuidanceApr2016.pdf says that the debit should be revalued from the Transfer day (i.e. from the date the Pension Sharing Order takes effect)
Pension account

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Scheme	Opening	Basic	Pre 6	Post 5	Pre 6	Post 5	PI Order	Adjustments	Scheme Year	Treasury	Closing
Year	Balance	Pension	April	April	April	April 1988	Reval'n on	-	Ending (or date	Order	Balance
Starting			1988	1988	1988	GMP	first		a/c closed)	Reval'n	to be
			GMP	GMP	GMP	Increase	Monday on				Carried
					Increase	on 6 April	or after 6				Forward
							April				
	£3,131.57 -										
	$\pounds 180.00^{**} =$										
	£2,951.57 -										
	(commuted										
	pension) =	£2.326.57									£2.409.38
16 Dec 2021	£2,326.57	~_,	N/A	N/A	N/A	N/A	N/A	£0.00	31 March 2022	£82.81*	,
							[-£820.00 x				
							4% =				
							-£32.80] +				
							[£3,146.57^^				
							101 333 v				
							101.333 X				
	£2.409.38	£2,409.38					1.333%] =				£2.419.63
1 April 2022	,		N/A	N/A	N/A	N/A	£10.25	£0.00	31 March 2023	N/A	,
•							£2,419.63 x				
							4% = £96.79 +				
	£2,419.63	£2,409.38					£10.25 =				£2,516.42
1 April 2023			N/A	N/A	N/A	N/A	£107.04	£0.00	31 March 2024	N/A	
							£2,516.42 x	0450 00 (0400 40			
	£2 516 42	£2 400 28					4% = £100.66	-£150.00 (£138.10			62 467 09
1 April 2024	£2,310.42	£2,409.30	ΝΙ/Δ	NI/A	NI/A	NI/A	$+ \pounds 107.04 =$	f11 90 from PI	31 March 2025	NI/A	£2,407.00
1 April 2024		£2 409 38				11/7	£2/167.08		51 Waton 2020	11/7	
		- £138.10					x 4% = £98.68				
		=					+ (£207.70 -				
	£2,467.08	£2,271.28					£11.90) =				
1 April 2025			N/A	N/A	N/A	N/A	£294.48	£0.00	31 March 2026	N/A	£2,565.76

*Step 1: £2,326.57 x 104% = £2,419.63 Step 2: Revalued earned pension + revalued TV in + revalued AP – commutation - AA [£3,666.67 + £231.85 + £53.05 - £625.00 - £180.00] = £3,146.57 x 104% = £3,272.43 Step 3: £3,272.43/101.333*100 = £3,229.38 Step 4: £3,229.38 - £3,146.57 = £82.81 (adjusted revaluation)

**As the member made a Scheme Pays election immediately before retirement then, although paragraph 2.3 of the Secretary of State Scheme Pays guidance dated 12 April 2016 provides that the amount of the deduction shall be calculated based on the member's age at 5 April following retirement, the actual deduction is made at the point of retirement.

*** Revalued earned pension + revalued TV in + revalued AP – commutation - AA [£3,666.67 + £231.85 + £53.05 - £625.00 – £180.00] = £3,146.57

Notes:

 if an active member leaves, draws retirement benefits in the year of leaving and has commuted pension into lump sum, only the post commutation pension amount in the member's pension account is subject, in the first year, to the first year revaluation adjustment and, thereafter, to Pensions Increase. There is no balancing Treasury Order revaluation payment to the lump sum at one second after midnight of the 31 March following retirement in these circumstances.

Example 7 – flexible retirement, member chooses to take part of accrued pension

A member (male):

- commences on 1 July 2014
- purchases £200 additional pension by a lump sum Additional Pension Contribution (APC) in August 2016 and a further £50 additional pension by the same method in May 2019
- takes flexible retirement at age 60 on 15 December 2021,
- decides to draw 75% of accrued pension and commutes £300 of pension for a lump sum

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501,26	£433.67	£50.00	31 March 2020	£2.984.93	x 3% = £89.55	£3.074.48
1 April 2020	£3.074.48	£438.78	£0.00	31 March 2021	£3.513.26	x 3% = £105.40	£3.618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		,

Active account

When the member takes flexible retirement on 15 December 2021 the active account remains open and 75% of the pension in the account (i.e. £2,963.68) is transferred to the retirement pension account on 16 December 2021, leaving £987.89 in the active account (with both figures including revaluation up to 31 March 2021). The £987.89 is comprised of £904.66 (25% of opening balance at 1 April 2021) plus £83.23 (25% of earned pension to 15 December 2021).

Active account post flexible retirement

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
4.4 mil 2024	C004.C0	£83.23 + £123.60* =	CO 00	04 March 2000	C1 111 10	x 4% =	C4 455 05
1 April 2021	£904.66	£206.83	£0.00	31 March 2022	£1,111.49	£44.40	£1,155.95
1 April 2022	£1,155.95	£449.83	£0.00	31 March 2023	£1,605.78	x 4% = £64.23	£1,670.01
1 April 2023	£1,670.01	£455.61	£0.00	31 March 2024	£2,125.62	x 4% = £85.02	£2,210.64
1 April 2024	£2,210.64	£469.47	£0.00	31 March 2025	£2,680.11	x 4% = £107.20	£2,787.31
1 April 2025	£2,787.31	£475.57	£0.00	31 March 2026	£3,262.88	x 4% = £130.52	£3,393.40

*£83.23 is the earned pension from 1 April 2021 to 15 December 2021 which has not be drawn on flexible retirement and £123.60 is the earned pension from 16 December 2021 to 31 March 2022.

Pension account

The member has retired at age 60 with an NPA of 66 so the pension is reduced by 29% and the member has commuted £300 of pension for a lump sum. Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance To be Carried Forward
16 Dec 2021	(£2,963.68 - 29%) - £300 (commuted pension) = £1,804.21	£1,804.21	N/A	N/A	N/A	N/A	N/A	£0.00	31 March 2022	£47.49*	£1,851.70
1 April 2022	£1,851.70	£1,851.70	N/A	N/A	N/A	N/A	£1,851.70 x 1.333% = £24.68	£0.00	31 March 2023	N/A	£1,876.38
1 April 2023	£1,876.38	£1,851.70	N/A	N/A	N/A	N/A	£1,876.38 x 4% = £75.06 + £24.68 = £99.74	£0.00	31 March 2024	N/A	£1,951.44
1 April 2024	£1,951.44	£1,851.70	N/A	N/A	N/A	N/A	£1,951.44 x 4% = £78.06 + £99.74 = £177.80	£0.00	31 March 2025	N/A	£2,029.50
1 April 2025	£2,029.50	£1,851.70	N/A	N/A	N/A	N/A	£2,029.50 x 4% = £81.18 + £177.80 = £258.98	£0.00	31 March 2026	N/A	£2,110.68

*Step 1: £1,804.21 x 104% = £1,876.38 Step 2: £1,876.38/101.333 x 100 = £1,851.70 Step 3: £1,851.70 - £1,804.21 = £47.49 (adjusted revaluation) Note: If an active member leaves, draws retirement benefits in the year of leaving and has commuted pension into lump sum, only the post commutation pension amount in the member's pension account is subject, in the first year, to the first year revaluation adjustment and, thereafter, to Pensions Increase. There is no balancing Treasury Order revaluation payment to the lump sum at one second after midnight on the 31 March following retirement in these circumstances.

Example 8 – death in service leaving a partner and / or children

A member dies in service leaving a partner and / or children. At the point of death the member's benefits will not have been fully revalued. The partner's / children's accounts will be created following the member's death³. These will be revalued to the 31 March preceding the date of death. In the April following the date of death the partner's / children's accounts will be revalued using the same methodology as if the member had retired.

Example – a member:

- date of birth 16 December 1960 (Normal Pension Age 66)
- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (no GMP involved)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019 (which does not include additional survivor pension)
- dies in service on 15 December 2021,
- leaves a widow and one eligible child

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

³ From a systems software point of view, it might be decided to create a shadow partner's and shadow children's account at the point the member joins the LGPS and revalue those shadow accounts each year.

Active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
		0.405.40				x 3% = £12.16	
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	001 001 00	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

When the member dies in service the member's account is closed and a survivor's account is opened for the widow and a survivor's account is opened for the child.

The amount to be transferred to the widow's account is calculated as follows:

Scheme Year	Opening	Earned	Adjustments	Scheme	Closing	Treasury	Value to
Starting	Balance	Pension	-	Year Ending	Balance	Order	Carry
				(or date a/c		Revaluation	Forward
				closed)			
		£405.18 x					
		49/160 =					
1 April 2014	£0.00	£124.09	£0.00	31 March 2015	£124.09	x 3% = £3.72	£127.81
		£413.27 x					
		49/160 =				x 3% =	
1 April 2015	£127.81	£126.56	£0.00	31 March 2016	£254.37	£7.63	£262.00
		£418.37 x					
		49/160 =	£200.00 x 49/160				
1 April 2016	£262.00	£128.13	= £61.25	31 March 2017	£451.38	x 3% = £13.54	£464.92
		£423.47 x					
		49/160 =					
1 April 2017	£464.92	£129.69	£0.00	31 March 2018	£594.61	x 3% = £17.84	£612.45
		£428.57 x					
		49/160 =					
1 April 2018	£612.45	£131.25	£0.00	31 March 2019	£743.70	x 3% = £22.31	£766.01
		£433.67 x					
		49/160 =	$\pounds 50.00 \times 0 =$				
1 April 2019	£766.01	£132.81	£0.00	31 March 2020	£898.82	x 3% = £26.96	£925.78
		£438.78 x					
		49/160 =					
1 April 2020	£925.78	£134.38	£0.00	31 March 2021	£1,060.16	x 3% = £31.80	£1,091.96
		£332.91 x					
	04 004 00	49/160 =					
1 April 2021	£1,091.96	£101.95	£0.00	15 Dec 2021	£1,193.91		

Enhancement for Tier 1 III-Health 5 years enhancement based on APP of £21,750

£21,750/160 * 5 years = £679.69 enhancement for Widow

A sum of \pounds 1,873.60 (\pounds 1,193.91 + \pounds 679.69) is transferred to the widow's account.

Widow's pension account

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

	Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance To be Carried Forward
	16 Dec 2021	£1,873.60	£1,873.60	N/A	N/A	N/A	N/A	N/A	£0.00	31 March 2022	£49.31*	£1,922.91
	4.4. 10000	04.000.04	04.000.04		N 1/A		N1/A	£1,922.91 x 1.333% =	00.00		N1/A	04 0 40 5 4
-	1 April 2022	£1,922.91	£1,922.91	N/A	N/A	N/A	N/A	£25.63	£0.00	31 March 2023	N/A	£1,948.54
	1 April 2023	£1.948.54	£1.922.91	N/A	N/A	N/A	N/A	\pounds 1,948.54 X 4% = \pounds 77.94 + \pounds 25.63 = \pounds 103.57	£0.00	31 March 2024	N/A	£2.026.48
-	4. April 2024	62,020,40	64,000,04	N//A	NI/A	N//A	NI/A	$\pounds 2,026.48 \times 4\%$ = $\pounds 81.06 +$ $\pounds 103.57 =$	CO 00	24 March 2025	NI/A	60,407,54
-	1 April 2024	£2,026.48	£1,922.91	IN/A	IN/A	IN/A	IN/A	± 104.03	£0.00	31 March 2025	IN/A	£2,107.54
	1 April 2025	£2.107.54	£1.922.91	N/A	N/A	N/A	N/A	$\pounds 2,107.54 \times 4\% =$ $\pounds 84.30 + \pounds 184.63$ $= \pounds 268.93$	£0.00	31 March 2026	N/A	£2.191.84

*Step 1 - £1,873.60 x 104% = £1,948.54

Step 2 –£1,9,48.54/101.333*100 = £1,922.91

Step 3 - £1,922.91 - £1,873.59 = £49.31 (adjusted revaluation)

The amount to be transferred to the child's account is calculated as follows:

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year	Closing Balance	Treasury Order	Value to Carry
otarting	Dulunoo			Ending (or date a/c closed)	Dulunoo	Revaluation	Forward
1 April 2014	£0.00	£405.18 x 49/320 = £62.05	£0.00	31 March 2015	£62.05	x 3% = £1.86	£63.91
1 April 2015	£63.91	£413.27 x 49/320 = £63.28	£0.00	31 March 2016	£127.19	x 3% = £3.82	£131.01
1 April 2016	£131.01	£418.37 x 49/320 = £64.06	£200.00 x 49/320 = £30.63	31 March 2017	£225.70	x 3% = £6.77	£232.47
1 April 2017	£232.47	£423.47 x 49/320 = £64.84	£0.00	31 March 2018	£297.31	x 3% = £8.92	£306.23
1 April 2018	£306.23	£428.57 x 49/320 = £65.62	£0.00	31 March 2019	£371.85	x 3% = £11.16	£383.01
1 April 2019	£383.01	£433.67 x 49/320 = £66.41	£50.00 x 0 = £0.00	31 March 2020	£449.42	x 3% = £13.48	£462.90
1 April 2020	£462.90	£438.78 x 49/320 = £67.19	£0.00	31 March 2021	£530.09	x 3% = £15.90	£545.99
1 April 2021	£545.99	£332.91 x 49/320 = £50.98	£0.00	15 Dec 2021	£596.97		

Enhancement for Tier 1 III-Health 5 years enhancement based on APP of £21,750 \pounds 21,750/320 * 5 years = £339.84 enhancement for Child A sum of £936.81(£596.97 + £339.84) is transferred to the child's account..

Child's pension account

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP	Post 5 April 1988 GMP Increase	PI Order Reval'n on first Monday on or after 6	Adjustments	Scheme Year Ending (or date a/c	Treasury Order Revaluation	Closing Balance to be Carried
					Increase	on 6 April	April		closed)		Forward
16 Dec 2021	£936.81	£936.81	N/A	N/A	N/A	N/A	N/A	£0.00	31 March 2022	£24.65*	£961.46
							£961.46 x				
1 April 2022	5061 46	5061 46	NI/A	NI/A	NI/A	NI/A	1.333% =	£0.00	31 March 2023	NI/A	£074 28
	2901.40	2301.40				11/7	£974.28 x 4% =	20.00	31 Warch 2023	11/7	2374.20
							£38.97 + £12.82				
1 April 2023	£974.28	£961.46	N/A	N/A	N/A	N/A	= £51.79	£0.00	31 March 2024	N/A	£1,013.25
							£1,013.25 x 4%				
							= £40.53 +				
1 April 2024	£1,013.25	£961.46	N/A	N/A	N/A	N/A	$\pounds 51.79 = \pounds 92.32$	£0.00	31 March 2025	N/A	£1,053.78
							$\pounds1,053.78 \times 4\% =$				
							£42.15 + £92.32				
1 April 2025	£1,053.78	£961.46	N/A	N/A	N/A	N/A	= £134.47	£0.00	31 March 2026	N/A	£1,095.93

*Step 1 - £936.81 x 104% = £974.28

Step 2 -£974.28/101.333*100 = £961.46

Step 3 - £961.46 - £936.81 = £24.65 (adjusted revaluation)

Example 9 – member leaves with deferred benefit and dies before the following April leaving a widow

A member leaves with a deferred benefit but dies shortly thereafter and before the April following the date of leaving. At the point of death the member's benefits will not have been fully revalued under Treasury Revaluation orders. The partner's / children's accounts will be created and revalued. The death grant is calculated as shown in the table below: -

		_
Establish fo	rmula variables	_
		_
Step 1	5 x Pension at date of ceasing membership	A
		_
<u>Step 2</u>	Revaluation adjustment by Treasury Order (only to be applied where date of death is on or after 1 April following the cessation of active membership)	
Step 2.1	Treasury Order, zero or positive	
	Increase A by Treasury Order tweak	В
or		
Step 2.2	Treasury Order negative	
	Reduce A by actual negative Treasury Order (only apply negative Treasury Order revaluation where date of deferment and date of death do not occur within the same scheme year)	С
<u>Step 3</u>	Calculate retirement pension paid - NOT APPLICABLE	
Step 4	Basic commuted lump sum (without the application of any pensions Increase) - NOT APPLICABLE	_
Step 5	Cumulative pension increase factor, applicable on the date of death	G

1 1

Death Grant F	ormula	
Either	A or (where applicable) B or C	
Total	Multiplied by G	
Outcome	Death Grant	
	Notes:	
Variables A to will not be able to the net deat	F are always calculated in accordance with the LGPS Regulations which excludes the Pensions Increase Act. For this reason administrators e to balance any physical pension payments made to scheme members with the calculations herein. Thereafter, pensions Increase is adde th grant to bring the outcome in line with current values.	d

Example – a member:

- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (no GMP involved)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019 (which does not include additional survivor pension)
- leaves on 15 December 2021 with a deferred pension
- dies on 30 January 2022,
- leaves a widow but no eligible children

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

Active account

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021.

Deferred ac	count						
Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluati on	Value to Carry Forward
16 Dec 2021	£3,951.57	N/A	£0.00	30 Jan 2022	N/A	N/A	N/A

When the member dies on 30 January 2022 the deferred account is closed and a survivor's account is opened for the widow.

The amount to be transferred to the widow's account is calculated as follows:

Scheme Year	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending	Closing Balance	Treasury Order	Value to Carry
Starting	Dulanco			(or date a/c closed)	Dulaneo	Revaluation	Forward
1 April 2014	£0.00	£405.18 x 49/160 = £124.09	£0.00	31 March 2015	£124.09	x 3% = £3.72	£127.81
1 April 2015	£127.81	£413.27 x 49/160 =	£0.00	31 March 2016	£254 37	x 3% =	£262.00
1 April 2016	£262.00	£418.37 x 49/160 = £128.13	£200.00 x 49/160 = £61.25	31 March 2017	£451.38	x 3% = £13.54	£464.92
1 April 2017	£464.92	£423.47 x 49/160 = £129.69	£0.00	31 March 2018	£594.61	x 3% = £17.84	£612.45
1 April 2018	£612.45	$\pounds428.57 \times 49/160 = $ $\pounds131.25$	£0.00	31 March 2019	£743.70	x 3% = £22.31	£766.01
1 April 2019	£766.01	$\pounds 433.67 \times 49/160 = $ $\pounds 132.81$	$\pounds 50.00 \times 0 = $ $\pounds 0.00$	31 March 2020	£898.82	x 3% = £26.96	£925.78
1 April 2020	£925.78	$\pounds 438.78 \times 49/160 =$ $\pounds 134.38$	£0.00	31 March 2021	£1,060.16	x 3% = £31.80	£1,091.96
1 April 2021	£1,091.96	£332.91 X 49/160 = £101.95	£0.00	30 Jan 2022	£1,193.91		

A sum of £1,193.91 is transferred to the widow's account.

Widow's pension account

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance to be Carried Forward
31 Jan 2022	£1,193.91	£1,193.91	N/A	N/A	N/A	N/A	N/A	£0.00	31 March 2022	£31.43*	£1,225.34
1 April 2022	£1,225.34	£1,225.34	N/A	N/A	N/A	N/A	£1,225.34 x 1.333% = £16.33	£0.00	31 March 2023	N/A	£1,241.67
1 April 2023	£1,241.67	£1,225.34	N/A	N/A	N/A	N/A	£1,241.67 x 4% = £49.67 + £16.33 = £66.00	£0.00	31 March 2024	N/A	£1,291.34
1 April 2024	£1,291.34	£1,225.34	N/A	N/A	N/A	N/A	£1,291.34 x 4% = £51.65 + £66.00 = £117.65	£0.00	31 March 2025	N/A	£1,342.99
1 April 2025	£1,342.99	£1,225.34	N/A	N/A	N/A	N/A	£1,342.99 x 4% = £53.72 + £117.65 = £171.37	£0.00	31 March 2026	N/A	£1,396.71

*Step 1 - £1,193.91 x 104% = £1,241.67

Step 2 -£1,241.67/101.333*100 = £1,225.34

Step 3 - £1,225.34 - £1,193.91 = £31.43 (adjusted revaluation)

Note: The same level of widow's pension would, in effect, be calculated where:

 a) the member left with a deferred benefit, retired shortly thereafter and died shortly after that, with the death occurring before the April following the date of leaving. At the point of death the member's benefits will not have been fully revalued. The partner's / children's accounts will be created and revalued. However, assuming the deceased member only had post 31 March 2014 pension rights, the death grant is calculated as shown in example 11. b) the member retired but died shortly thereafter and before the April following the date of leaving. At the point of death the member's benefits will not have been fully revalued. The partner's / children's accounts will be created and revalued. However, assuming the deceased member only had post 31 March 2014 pension rights, the death grant is calculated as shown in example 11.

Example 10 – member leaves with deferred benefit and dies in a year after the year of leaving, with a widow

A member leaves with a deferred benefit and dies in a year after that of leaving but before the deferred benefit is brought into payment. The member's account will have been revalued correctly and will have had PI applied (notionally, at least, because PI is not actually due until the member draws the benefits or dies, whichever is the earlier). The partner's / children's accounts will be created following the member's death⁴. These will include any Treasury Order revaluation to the 31 March preceding the date of death in the same way as the member's account has been revalued (and include PI due to the partner / child, which was only notionally due to the member). In the April following the date of death the partner's / children's accounts will be revalued by PI. The death grant is calculated as shown in the table below.

Formula for Post-31 March 2014 Death Grant - Death of a deferred member

Establish formula variables

Step 1	5 x Pension at date of ceasing membership	Α
		-
<u>Step 2</u>	Revaluation adjustment by Treasury Order (only to be applied where date of death is on or after 1 April following the cessation of active membership)	
Step 2.1	Treasury Order, zero or positive	
or	Increase A by Treasury Order tweak	В
01		
Step 2.2	Treasury Order negative	
	Reduce A by actual negative Treasury Order (only apply negative Treasury Order revaluation where date of deferment and date of death do not occur within the same scheme year)	с

⁴ From a systems software point of view, it might be decided to create a shadow partner's and shadow children's account at the point the member joins the LGPS and revalue those shadow accounts each year.

Step 3	Calculate retirement pension paid - NOT APPLICABLE	
Step 4	Basic commuted lump sum (without the application of any pensions Increase) - NOT APPLICABLE	
Step 5	Cumulative pension increase factor, applicable on the date of death	G
Death Grant	Formula	
Either	A or (where applicable) B or C	
Total	Multiplied by G	
Outcome	Death Grant	
	Notes:	
Variables A will not be a	to F are always calculated in accordance with the LGPS Regulations which excludes the Pensions Increase Act. For this reason administrate ble to balance any physical pension payments made to scheme members with the calculations herein. Thereafter, pensions Increase is add to the net death grant to bring the outcome in line with current values.	ors led

Example

A member:

- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (no GMP involved)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019 (which did not include additional survivor pension)
- makes an Annual Allowance Scheme pays election in 2020/21 which, in accordance with actuarial guidance from the Secretary of State, reduces the annual pension amount by £180 per year
- leaves on 15 December 2021 with a deferred pension

- dies on 30 January 2023
- leaves a widow but no eligible children

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	-£180.00*	15 Dec 2021	£3,771.57		

Active account

* The amount of deduction for the annual allowance scheme pays election (£180) is made on 5 April 2021 after the Treasury Order Revaluation is applied at one second after midnight on 31 March 2021, as confirmed in paragraph 2.3 of the Secretary of State's Scheme Pays Guidance dated 12 April 2016 which says that the Relevant Date (also known as the implementation date) of a scheme pays offset will be the day coincident with the end of the pension input period. Note: Although the table above reflects the wording of the current Secretary of State guidance the LGPC Secretariat has questioned DCLG as to whether the guidance is correct (i.e. should it be amended to say that the amount of the Scheme Pays deduction should include the amount of HM Treasury revaluation applied on 1 April 2021).

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,771.57 which includes revaluation up to 31 March 2021.

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£3,771.57	N/A	£0.00	31 March 2022	£3,766.17	£99.26*	£3,870.83
1 April 2022	£3,870.83	x 3% = £51.60	£0.00	30 Jan 2023	£3,922.43	N/A	£3,922.43

*Note:

Step 1 - £3,771.57 x 104% = £3,922.43 Step 2 -£3,922.43/101.333*100 = £3,870.83 Step 3 - £3,870.83 - £3,771.57 = £99.26 (adjusted revaluation)

When the member dies on 30 January 2023 the deferred account is closed and a survivor's account is opened for the widow. The amount to be transferred to the widow's account is calculated as follows:

From active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18 x 49/160 = £124.09	£0.00	31 March 2015	£124.09	x 3% = £3.72	£127.81
1 April 2015	£127.81	£413.27 x 49/160 = £126.56	£0.00	31 March 2016	£254.37	x 3% = £7.63	£262.00
1 April 2016	£262.00	£418.37 x 49/160 = £128.13	£200.00 x 49/160 = £61.25	31 March 2017	£451.38	x 3% = £13.54	£464.92
1 April 2017	£464.92	£423.47 x 49/160 = £129.69	£0.00	31 March 2018	£594.61	x 3% = £17.84	£612.45
1 April 2018	£612.45	£428.57 x 49/160 = £131.25	£0.00	31 March 2019	£743.70	x 3% = £22.31	£766.01

1 April 2019	£766.01	£433.67 x 49/160 = £132.81	$\pounds 50.00 \times 0 = \pounds 0.00$	31 March 2020	£898.82	x 3% = £26.96	£925.78
1 April 2020	£925.78	£438.78 x 49/160 = £134.38	£0.00	31 March 2021	£1,060.16	x 3% = £31.80	£1,091.96
1 April 2021	£1,091.96	£332.91 x 49/160 = £101.95	-£180.00* x 0 = £0.00	15 Dec 2021	£1,193.91		

* In accordance with paragraph 2.9 of the GAD Guidance dated 12 April 2016 a scheme pays offset does not reduce any survivor benefits. <u>Note</u>: Although the table above reflects the wording of the current Secretary of State guidance the LGPC Secretariat has questioned DCLG as to whether the guidance is correct (i.e. should it be amended to say that the amount of the Scheme Pays deduction should include the amount of HM Treasury revaluation applied on 1 April 2021).

From deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£1,193.91	N/A	£0.00	31 March 2022	£1,193.91	£31.43*	£1,225.34
1 April 2022	£1,225.34	x 4% x 4/12 = £16.33	£0.00	30 Jan 2023	£1,241.67	N/A	£1,241.67

*Note: Step 1 - £1,193.91 x 104% = £1,241.67 Step 2 -£1,241.67/101.333*100 = £1,225.34 Step 3 - £1,225.34 - £1,193.91 = £31.43 (adjusted revaluation)

A sum of £1,241.67 is transferred to the widow's account on 31 January 2023.

Widow's pension account Assume PI for April 2023 and thereafter is 4%.

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance to be Carried Forward
31 Jan 2023	£1,241.67	£1,225.34	N/A	N/A	N/A	N/A	£1,225.34 x 1.333% = £16.33	£0.00	31 March 2023	N/A	£1,241.67
1 April 2023	£1,241.67	£1,225.34	N/A	N/A	N/A	N/A	$\pounds 1,241.67 \times 4\% = $ $\pounds 49.67 + \pounds 16.33 = $ $\pounds 66.00$	£0.00	31 March 2024	N/A	£1,291.34
1 April 2024	£1,291.34	£1,225.34	N/A	N/A	N/A	N/A	£1,291.34 x 4% = £51.65 + £66.00 = £117.65	£0.00	31 March 2025	N/A	£1,342.99
1 April 2025	£1,342.99	£1,225.34	N/A	N/A	N/A	N/A	£1,342.99 x 4% = £53.72 + £117.65 = £171.37	£0.00	31 March 2026	N/A	£1,396.71

Example 11 – member leaves with a deferred benefit which is brought into payment and subsequently dies leaving a widow

A member leaves with a deferred benefit and dies several years later but after the deferred benefit is brought into payment. The member's account will have been revalued correctly and will have had PI applied (or notionally, at least, in the case of a member whose deferred benefit is brought into payment under age 55 on health grounds but the member does not satisfy the PI Act 1971 definition of being disabled by a physical or mental infirmity which results in the member being permanently incapacitated from engaging in any regular full-time employment). The partner's / children's accounts will be created following the member's death⁵. These will include any Treasury Order revaluation to the 31 March following the date of leaving in the same way as the member's account had been revalued (and include PI due to the partner / child, which may have only notionally been due to the member). In the April following the date of death the partner's / children's accounts will be revalued by PI. Assuming the deceased member only had post 31 March 2014 pension rights, the death grant is calculated as shown in the table below: -

Formula for	Post-31 March 2014 Death Grant - Death of a pensioner		
The formula	a herein applies to the following circumstances: -		
	Payment of benefits takes place day after ceasing pensionable membership		
	Payment of benefits takes place at some time after the day after ceasing pensionable membership		
	None of the member's pension includes pre 1 April 2014 benefits		
Establish fo	rmula variables		
Step 1	10 x pre-commuted pension at date of ceasing membership	Α	
<u>Step 2</u>	Revaluation adjustment by Treasury Order (only to be applied where date of death is on or after 1 April following the cessation of active membership)		
Step 2.1	Treasury Order, zero or positive		
or	Increase A by Treasury Order tweak	В	

⁵ From a systems software point of view, it might be decided to create a shadow partner's and shadow children's account at the point the member joins the LGPS and revalue those shadow accounts each year.

Step 2.2	Treasury Order negative	
	Reduce A by actual negative Treasury Order(only apply negative Treasury Order revaluation where date of deferment and date of death do not occur within the same scheme year)	с
<u>Step 3</u>	Calculate retirement pension paid	
Step 3.1	Amount of post commuted pension at date of ceasing membership paid up to and including 31 March following the cessation of active membership (excluding pensions increase)	D
Step 3.2	Amount of post commuted pension (either, after the application of Treasury Order increase tweak or application of Treasury Order reduction as appropriate) paid on and after 1 April following the cessation of active membership up to and including date of death (excluding pensions increase)	E
Step 4	Basic commuted post 31 March 2014 lump sum (without the application of any pensions increase)	F
Step 5	Cumulative pension increase factor, applicable on the date of death	G
Death Grant	Formula	
Either	A or (where applicable) B or C	+
Less	D (where appropriate) and/or E (where appropriate)	
Less	F (where appropriate)	+
Total	Multiplied by G	\downarrow
Outcome	Death Grant	

	Notes:	
Variables A will not be a to the net d	to F are always calculated in accordance with the LGPS Regulations which excludes the Pensions Increase Act. For this reason administrat able to balance any physical pension payments made to scheme members with the calculations herein. Thereafter, pensions Increase is a eath grant to bring the outcome in line with current values.	ors Ided

Example

A member (male):

- commences on 1 July 2014
- receives a transfer in during 2016/17 which purchases additional pension of £200 (no GMP involved)
- purchases £50 additional pension by a lump sum Additional Pension Contribution (APC) in May 2019 (which did not include additional survivor pension)
- leaves on 15 December 2021 with a deferred pension
- draws the deferred pension on 30 January 2023, aged 64, 1 year before Normal Pension Age with a 6% reduction to the pension,
- decides to commute £300 of pension for a lump sum
- dies on 2 February 2024
- leaves a widow but no eligible children

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2021.

Active account

Scheme Year Starting	Opening Balance	Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18	£0.00	31 March 2015	£405.18	x 3% = £12.16	£417.34
1 April 2015	£417.34	£413.27	£0.00	31 March 2016	£830.61	x 3% = £24.92	£855.53
1 April 2016	£855.53	£418.37	£200.00	31 March 2017	£1,473.90	x 3% = £44.22	£1,518.12
1 April 2017	£1,518.12	£423.47	£0.00	31 March 2018	£1,941.59	x 3% = £58.25	£1,999.84
1 April 2018	£1,999.84	£428.57	£0.00	31 March 2019	£2,428.41	x 3% = £72.85	£2,501.26
1 April 2019	£2,501.26	£433.67	£50.00	31 March 2020	£2,984.93	x 3% = £89.55	£3,074.48
1 April 2020	£3,074.48	£438.78	£0.00	31 March 2021	£3,513.26	x 3% = £105.40	£3,618.66
1 April 2021	£3,618.66	£332.91	£0.00	15 Dec 2021	£3,951.57		

When the member leaves on 15 December 2021 the active account is closed and the amount to be transferred to the deferred account on 16 December 2021 is £3,951.57 which includes revaluation up to 31 March 2021.

Assume PI for 11 April 2022 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2021). PI is 4% each year thereafter.

Deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
	£3,951.57						
16 Dec 2021		N/A	£0.00	31 March 2022	£3,951.57	£104.00*	£4,055.57
		x 4% x 4/12 =					
1 April 2022	£4,055.57	£54.06	£0.00	30 Jan 2023	£4,109.63	N/A	£4,109.63

*Note:

Step 1 - £3,951.57 x 104% = £4,109.63

Step 2 –£4,109.63/101.333*100 = £4,055.57

Step 3 - £4,055.57 - £3,951.57 = £104.00 (adjusted revaluation)

Pension account

When the member draws the deferred pension on 30 January 2023 the deferred account is closed and the amount to be transferred to the pension account on that date is £4,109.63 (less 6% for early payment and less £300 commuted for a lump sum).

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP	Post 5 April 1988 GMP Increase	PI Order Reval'n on first Monday on or after 6	Adjustments	Scheme Year Ending (or date a/c	Treasury Order Revaluation	Closing Balance to be Carried
					Increase	on 6 April	April		closed)		Forward
	(£4,109.63	£4,055.57 –					£4,055.57 x				
	-6%) = £	6% =					1.333% =				
	- £300	£3,812.24 –					$\pounds 54.06 - 6\% =$				
	(commuted	£296.05					£50.82 - £3.96				
	pension) =	commutation					commutation =				
31 Jan 2023	£3,563.05	= £3,516.19	N/A	N/A	N/A	N/A	£46.86	£0.00	31 March 2023	N/A	£3,563.05
							£3,516.19 + £46.86				
							x 4% = £142.52 +				
1 April 2023	£3,563.05	£3,516.19	N/A	N/A	N/A	N/A	$\pounds46.86 = \pounds189.38$	£0.00	2 Feb 2024	N/A	£3,705.57

Scheme Opening Year Balance Starting		Earned Pension	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
1 April 2014	£0.00	£405.18 x 49/160 = £124.09	£0.00	31 March 2015	£124.09	x 3% = £3.72	£127.81
1 April 2015	£127.81	£413.27 x 49/160 = £126.56	£0.00	31 March 2016	£254.37	x 3% = £7.63	£262.00
1 April 2016	£262.00	£418.37 x 49/160 = £128.13	£200.00 x 49/160 = £61.25	31 March 2017	£451.38	x 3% = £13.54	£464.92
1 April 2017	£464.92	£423.47 x 49/160 = £129.69	£0.00	31 March 2018	£594.61	x 3% = £17.84	£612.45
1 April 2018	£612.45	£428.57 x 49/160 = £131.25	£0.00	31 March 2019	£743.70	x 3% = £22.31	£766.01
1 April 2019	£766.01	£433.67 x 49/160 = £132.81	£50.00 x 0 = £0.00	31 March 2020	£898.82	x 3% = £26.96	£925.78
1 April 2020	£925.78	£438.78 x 49/160 = £134.38	£0.00	31 March 2021	£1,060.16	x 3% = £31.80	£1,091.96
1 April 2021	£1,091.96	£332.91 x 49/160 = £101.95	£0.00	15 Dec 2021	£1,193.91		

The amount to be transferred to the widow's account upon the member dying on 2 February 2024 is calculated as follows: **From active account**

From deferred account

Scheme Year Starting	Opening Balance	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Closing Balance	Treasury Order Revaluation	Value to Carry Forward
16 Dec 2021	£1,193.91	N/A	£0.00	31 March 2022	£1,193.91	£31.43*	£1,225.34
1 April 2022	£1,225.34	x 4% x 4/12 = £16.33	£0.00	30 Jan 2023	£1,241.67	N/A	£1,241.67

*Note:

•

Step 1 - £1,193.91 x 104% = £1,241.67

Step 2 –£1,241.67/101.333*100 = £1,225.34

Step 3 - £1,225.34 - £1,193.91 = £31.43 (adjusted revaluation)

From the pension account

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance At Year Ending 31 March
							£1,225.34 x				
31 Jan 2023	£1,225.34	£1,225.34	N/A	N/A	N/A	N/A	£16.33	£0.00	31 March 2023	N/A	£1,241.67
							£1,225.34 + £16.33				
1 April 2022	£1 2 <i>4</i> 1 67	£1 225 24	NI/A	NI/A	NI/A	NI/A	$x 4\% = \pounds 49.67 + $	£0.00	2 Eab 2024	NI/A	£1 201 24

Note that the actuarial adjustment and commutation amounts deducted from the scheme member's account do not impact on the amount of the widow's (or any children's) pension.

A sum of £1,291.34 is transferred to the widow's account on 3 February 2024.

Widow's account

Scheme Year Starting	Opening Balance	Basic Pension	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	Pre 6 April 1988 GMP Increase	Post 5 April 1988 GMP Increase on 6 April	PI Order Reval'n on first Monday on or after 6 April	Adjustments	Scheme Year Ending (or date a/c closed)	Treasury Order Revaluation	Closing Balance At Year Ending 31 March
							£1,225.34 + £16.33 x				
							$4\% = \pounds 49.67 + \pounds 16.33$				
3 Feb 2024	£1,291.34	£1,225.34	N/A	N/A	N/A	N/A	= £66.00	£0.00	31 March 2024	N/A	£1,291.34
							£1,225.34 + £66.00 x				
							$4\% = \pounds 51.65 + \pounds 66.00$				
1 April 2024	£1,291.34	£1,225.34	N/A	N/A	N/A	N/A	£117.65	£0.00	31 March 2025	N/A	£1,342.99

Note: The same level of widows pension would, in effect, be calculated where a member retires and dies after the April following the date of retirement. The member's account will have been revalued correctly and will have had PI applied. The partner's / children's accounts will be created following the member's death⁶. These will include any revaluation to the 31 March following the date of leaving in the same way as the member's account has been revalued (and include PI due to the partner / child). In the April following the date of death the partner's / children's accounts will be revalued by PI. Assuming the deceased member only had post 31 March 2014 pension rights, the death grant will be calculated as shown in the table below: -

Formula for P	ost-31 March 2014 Death Grant - Death of a pensioner	
The formula h	erein applies to the following circumstances: -	
	Payment of benefits takes place day after ceasing pensionable membership	
	Payment of benefits takes place at some time after the day after ceasing pensionable membership	
	None of the member's pension includes pre 1 April 2014 benefits	

⁶ From a systems software point of view, it might be decided to create a shadow partner's and shadow children's account at the point the member joins the LGPS and revalue those shadow accounts each year.

Establish fo	rmula variables	
Step 1	10 x pre-commuted pension at date of ceasing membership	А
<u>Step 2</u>	Revaluation adjustment by Treasury Order (only to be applied where date of death is on or after 1 April following the cessation of	
	active membership)	
Step 2.1	Treasury Order, zero or positive	
or	Increase A by Treasury Order tweak	В
Step 2.2	Treasury Order negative	
	Reduce A by actual negative Treasury Order(only apply negative Treasury Order revaluation where date of deferment and date of death do not occur within the same scheme year)	с
<u>Step 3</u>	Calculate retirement pension paid	
Step 3.1	Amount of post commuted pension at date of ceasing membership paid up to and including 31 March following the cessation of active membership (excluding pensions increase)	D
Step 3.2	Amount of post commuted pension (either, after the application of Treasury Order increase tweak or application of Treasury Order reduction as appropriate) paid on and after 1 April following the cessation of active membership up to and including date of death (excluding pensions increase)	E
Step 4	Basic commuted post 31 March 2014 lump sum (without the application of any pensions increase)	F
Step 5	Cumulative pension increase factor, applicable on the date of death	G

Death Grant F	ormula	
Either	A or (where applicable) B or C	
Less	D (where appropriate) and/or E (where appropriate)	
Less	F (where appropriate)	
Total	Mulitiplied by G	
Outcome	Death Grant	
	Notes:	
Variables A to will not be able to the net deat	F are always calculated in accordance with the LGPS Regulations which excludes the Pensions Increase Act. For this reason administrate e to balance any physical pension payments made to scheme members with the calculations herein. Thereafter, pensions Increase is ac th grant to bring the outcome in line with current values.	ors Ided

Example 12

A member:

- commences on 1 July 2014
- leaves on 15 December 2016 with a deferred benefit, and
- draws immediate (unreduced) pension on 1 May 2017 (on attaining NPA).

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2016, 4% for 31 March 2017 and PI for April 2017 onwards is 4%.

Active account

Scheme Year	Opening Balance	Earned Pension	Adjustments*				Scheme Year Ending	Closing Balance	Treasury Order Revaluation					Value to Carry
Starting			TV in	AP	PSO	AA	(or date a/c closed)		Earned Pension	TV in	AP	PSO	AA	Forward
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£0.00	£855.53
1 April 2016	£855.53	£209.18	£00.00	£0.00	£0.00	£0.00	15 December 2016	£1,064.71						£1,064.71

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

When the member leaves on 15 December 2016 the active account is closed and the amount to be transferred to the deferred account on 16 December 2016 is £1,064.71 which includes revaluation up to 31 March 2016. The amount of £1,064.71 is made up of:
Revalued Earned Pension	Revalued TV in	Revalued AP	Revalued PSO	Revalued AA	Total
£1,030.61 + £34.10 = £1,064.71	£0.00	£0.00	£0.00	£0.00	£1,064.71

An amount of £1,064.71 is transferred from the active account to become the opening balance in the deferred account. Assume Treasury Order for 31 March 2017 is 4% and PI for 10 April 2017 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2016).

Deferred account

Scheme Year Starting	Opening Balance		Ма	de up of	:		PI Order Reval'n on first Monday	Po Leav Adjust	st /ing ments	Scheme Year Ending (or	Closing Balance	Treasury Order Reval'n	Value to Carry Forward
		Revalued Earned Pension + Pl	Reval- ued TV in + PI	Reval- ued AP + PI	Revalued PSO + PI	Reval ued AA + PI	on or after 6 April	PSO	AA	date a/c closed)			
16 Dec 2016	£1,064.71	£1,064.71	£0.00	£0.00	£0.00	£0.00	N/A	£0.00	£0.00	31 Mar 2017	£1,064.71	£28.02*	£1,092.73
1 Apr 2017	£1,092.73	£1,092.73	£0.00	£0.00	£0.00	£0.00	£1,092.73 x 4% x 4/12 = £14.57	£0.00	£0.00	30 Apr 2017	£1,092.73	N/A	£1,107.30

*Note:

Step 1: £1,064.71 x 104% = £1,107.30 Step 2: £1,107.30/101.333 x 100 = £1,092.73 Step 3: £1,092.73 - £1,064.71 = £28.02 (adjusted revaluation)

An amount of £1,107.30 is transferred from the deferred account to become the opening balance in the pension account. Assume PI for April 2018 onwards is 4%.

Pension account

Scheme Year	Opening Balance			Made	e up of:				Pre 6 April 1988	Post 5 April 1988	PI Order Reval'n on first Monday	Adj me	ust- nts	Scheme Year	Closing Balance
Starting		Earned Pension	TV in	TV in AP PSO AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon- day on or after 6 April)	GMP Increase on 6 April	on or after 6 April	PSO	AA	Ending (or date a/c closed)	to be Carried Forward		
1 May 2017	£1,107.30	£1,092.73	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£14.57	£0.00	£0.00	31 Mar 2018	£1,107.30
											£1,092.73 + £14.57 x 4% = £44.29 + £14.57 =			31 Mar	
1 Apr 2018	£1,107.30	£1,092.73	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£58.86	£0.00	£0.00	2019	£1,151.59

Example 13

A member:

- commences on 1 July 2014
- leaves on 15 December 2016 with a deferred benefit, and
- draws immediate (unreduced) pension on 3 April 2017 (on attaining NPA).

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2016, 4% for 31 March 2017 and PI for April 2017 onwards is 4%.

Active account

Scheme Year	Opening Balance	Earned Pension		Adjustr	nents*		Scheme Year Ending	Closing Balance	Tre	asury Oro	der Reva	luation		Value to Carry
Starting			TV in	AP	PSO	AA	(or date a/c closed)		Earned Pension	TV in	AP	PSO	AA	Forward
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£0.00	£855.53
1 April 2016	£855.53	£209.18	£00.00	£0.00	£0.00	£0.00	15 December 2016	£1,064.71						£1,064.71

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

When the member leaves on 15 December 2016 the active account is closed and the amount to be transferred to the deferred account on 16 December 2016 is £1,064.71 which includes revaluation up to 31 March 2016. The amount of £1,064.71 is made up of:

Revalued Earned Pension	Revalued TV in	Revalued AP	Revalued PSO	Revalued AA	Total
£1,030.61 + £34.10 = £1,064.71	£0.00	£0.00	£0.00	£0.00	£1,064.71

An amount of £1,064.71 is transferred from the active account to become the opening balance in the deferred account. Assume Treasury Order for 31 March 2017 is 4%.

Deferred account

Scheme Year Starting	Opening Balance		Ма	de up of	:		PI Order Reval'n on first Monday	Po Leav Adjust	st ring ments	Scheme Year Ending (or	Closing Balance	Treasury Order Reval'n	Value to Carry Forward
		Revalued Earned Pension + Pl	Reval- ued TV in + PI	Reval- ued AP + PI	Revalued PSO + PI	Reval ued AA + PI	on or after 6 April	PSO	AA	date a/c closed)			
16 Dec 2016	£1,064.71	£1,064.71	£0.00	£0.00	£0.00	£0.00	N/A	£0.00	£0.00	31 Mar 2017	£1,064.71	£28.02*	£1,092.73
1 Apr 2017	£1,092.73	£1,092.73	£0.00	£0.00	£0.00	£0.00	N/A	£0.00	£0.00	2 Apr 2017	£1,092.73	N/A	£1,092.73

*Note:

Step 1: £1,064.71 x 104% = £1,107.30 Step 2: £1,107.30/101.333 x 100 = £1,092.73 Step 3: £1,092.73 - £1,064.71 = £28.02 (adjusted revaluation)

An amount of £1,092.73 is transferred from the deferred account to become the opening balance in the pension account. Assume PI for 10 April 2017 is 4% for a full year (and 1.333% proportioned for the period from 16 December 2016) and is 4% thereafter.

Pension account

Scheme Year	Opening Balance			Made	e up of:				Pre 6 April 1988	Post 5 April 1988	PI Order Reval'n on	Adj me	ust- nts	Scheme Year	Closing Balance
		Earned Pension	TV in	АР	PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon- day on or after 6 April)	GMP Increase on 6 April	on or after 6 April	PSO	AA	Ending (or date a/c closed)	to be Carried Forward
1 May 2017	£1,092.73	£1,092.73	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£1,092.73 x 4% x 4/12 = £14.57	£0.00	£0.00	31 Mar 2018	£1,107.30
1 Apr 2010	61 107 20	04 000 70	CO 00	50.00	<u> </u>	50.00	50.00	50.00	N/0	N/A	£1,092.73 + £14.57 x 4% = £44.29 + £14.57 =	50.00	50.00	31 Mar	01 454 50
1 Apr 2018	£1,107.30	£1,092.73	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£14.57 = £58.86	£0.00	£0.00	31 Mar 2019	

Example 14

A member:

- commences on 1 April 2014
- leaves on 31 March 2016, and
- draws immediate (unreduced) pension on 1 April 2016 (on attaining NPA).

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 through to 31 March 2016 and PI for April 2017 onwards is 4%.

Active account

Scheme Year	Opening Balance	Earned Pension		Adjustr	nents*		Scheme Year Ending	Closing Balance	Tre	asury Oro	der Reva	luation		Value to Carry
Starting			TV in	AP	PSO	AA	(or date a/c closed)		Earned Pension	TV in	AP	PSO	AA	Forward
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£0.00	£855.53

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

When the member leaves on 31 March 2016 the active account is closed and the amount to be transferred to the retirement account on 1 April 2016 is £855.53 which includes revaluation up to 31 March 2016.

This becomes the opening balance in the pension account. Assume PI for 10 April 2016 is 3% and for April 2017 onwards it is 4%.

Pension account

Scheme Year	Opening Balance			Made	e up of:				Pre 6 April 1988	Post 5 April 1988	PI Order Reval'n on first Monday	Adj me	ust- nts	Scheme Year	Closing Balance
Starting		Earned Pension	TV in	AP	PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon- day on or after 6 April)	GMP Increase on 6 April	on or after 6 April	PSO	AA	Ending (or date a/c closed)	to be Carried Forward
1 April 2016	£855.53	£855.53	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£0.00*	£0.00	£0.00	31 Mar 2017	£855.53
1 Apr 2017	£855.53	£855.53	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£855.53 x 4% = £34.22	£0.00	£0.00	31 Mar 2018	£889.75

*Note:

No PI is due in April 2016 under the Pensions Increase (Review) Order 2016 because the member left active membership of the scheme after the latest date to which the April 2016 Order would apply. The usual 3 step calculation required at 1 second after midnight on 31 March following cessation of active membership to avoid double indexation is not necessary as, in this case, there would be no double indexation – the member has the full Treasury Revaluation Order applied at 1 second past midnight of 31 March 2016, gets no PI in April 2016, and gets a full year's PI in April 2017.

Example 15

A member:

- commenced membership of the LGPS CARE scheme on 1 April 2014 (though initially joined the LGPS on 1 April 2004 and remained continuously thereafter a member). By virtue of regulation 7 of the LGPS (Transitional Provisions, Savings and Amendment Regulations) 2014 the member is entitled to count the membership built up prior to 1 April 2014 as qualifying service in the 2014 Scheme
- had employment terminated by a <u>Scheme employer</u> on the grounds of ill-health or infirmity of mind or body on 31 March 2016, and
- qualified for, and is paid, Tier 3 ill health benefits on 1 April 2016, and
- has benefits reviewed under regulations 37(7) and (10) of the LGPS Regulations 2013 by the former scheme employer who makes a determination to uplift those benefits to Tier 2 from 1 October 2018.

Treasury Revaluation Orders are 3% for the scheme years ending 31 March 2015 and 31 March 2016 and Pensions Increase for April 2017 onwards is 4%.

Active account

Scheme Vear	Opening Balance	Earned Pension		Adjustr	nents*		Scheme Year Ending	Closing Balance	Tre	asury Orc	ler Reva	luation		Value to
Starting	Dalance	T ension	TV in	AP	PSO	AA	(or date a/c closed)	Dalance	Earned Pension	TV in	AP	PSO	AA	Forward
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	£405.18 x 3% = £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
1 April 2015	£417.34	£413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£830.61	£830.61 x 3% = £24.92	£0.00	£0.00	£0.00	£0.00	£855.53

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

When the member left on 31 March 2016 the active account was closed and the amount to be transferred to the retirement account on 1 April 2016 was £855.53 which includes revaluation up to 31 March 2016.

This became the opening balance in the pension account. Assume PI for 10 April 2016 is 3% and for April 2017 onwards it is 4%.

Pension account

Scheme Year	Opening Balance			Made	e up of:				Pre 6 April 1988	Post 5 April 1988	PI Order Reval'n on	Adj me	ust- nts	Scheme Year	Closing Balance
Starting		Earned Pension	TV in	AP	PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon- day on or after 6 April)	GMP Increase on 6 April	on or after 6 April	PSO	AA	Ending (or date a/c closed)	to be Carried Forward
1 April 2016	£855.53	£855.53	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£0.00*	£0.00	£0.00	31 Mar 2017	£855.53
1 Apr 2017	£855.53	£855.53	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£855.53 x 4% = £34.22	£0.00	£0.00	31 Mar 2018	£889.75
1 Apr 2018	£889.75	£889.75**													

*Note:

No PI is due in April 2016 under the Pensions Increase (Review) Order 2016 because the member left active membership of the scheme after the latest date to which the April 2016 Order would apply. The usual 3 step calculation required at 1 second after midnight on 31 March following cessation of active membership to avoid double indexation is not necessary as, in this case, there would be no double indexation – the member has the full Treasury Revaluation Order applied at 1 second past midnight of 31 March 2016, gets no PI in April 2016, and gets a full year's PI in April 2017.

**Note:

The value of £889.75 would be paid up to and including 30 September 2018, thereafter the benefits are uplifted to Tier 2, see below:

Scheme employers' ability to uplift the member from Tier Three to Tier Two following the review (regulation 37(7) and (10)) The starting position is to look at regulation 39(8)(b) which says that the member's account is to be treated, on the date of the review decision under regulation 37(5) or the date of the determination under regulation 37(10) as if it were an active pension account for the purposes of the calculation of benefits to which the member is entitled. This is supplemented by regulation 25(5)(b) which says that when the active account is closed the retirement pension account must include the increase resulting from an uplift to Tier 2. Regulation 25(6) then says that in the year in which the member becomes a pensioner member (i.e. when the active account is closed) the account has to be adjusted by the Treasury Revaluation Order and regulation 25(7) says that the revalued amount is then subject to PI. If we follow the wording of the regulations as they stand it would mean that (for a person who initially left in one year and was uplifted to Tier 2 in the following year) we would have to treat them as an active member at the end of the year in which they left, meaning that they would get a full year's Treasury Revaluation increase and, presumably, treat them as becoming a pensioner from the date of the uplift to Tier 2 meaning that at the end of that year they would get a part year's TO revaluation and a part year's PI. This would, on the face of it, produce the same answer as if we followed the steps shown in the proposal below but has two fatal flaws:

- firstly, it only produces the same answer if inflation is not negative (as an active account can be reduced on account of a negative Treasury Order but a pension cannot be reduced)
- secondly, it fails to meet the requirements of the Pensions (increase) Act 1971 which, in section 8, says that the Pension Increase date is to be the day following the last day of service in respect of which the pension is payable

The regulations as presently drafted will not, therefore, produce the correct answer / comply with the PI Act in all cases. To ensure that the correct answer is produced and that we comply with the Pension Increase Act 1971 the only practical way to deal with these cases is as follows:

Step 1: Calculate Tier 2 uplift on the day after leaving active membership as if member had been awarded uplift on that date (in the case of this example that would be 1 April 2016 and let's assume an uplift of £2,000 pa) Step 2: Notionally drop this amount into the pension account on the last day of active membership. Note that although regulations 25(2)(e) and 25(5)(b) technically require that the amount should be dropped into the pension account on the first day the pension account is opened this would mean that, in the case of a person who retired on a 31 March, the amount of ill health enhancement would not get any Treasury Order revaluation on that 31 March (but they should do). Thus, to ensure the correct increases are awarded, the amount is dropped into the active pension account on the last day of active membership (which is what happens if an active member retires with an immediate Tier 2 pension i.e. regulation 39(1) requires that the active pension account is increased by the amount of ill health enhancement)

Step 3: Adjust (notional) value in pension account by Treasury Order 1 second after midnight on the following 1 April Step 4: Apply Pensions Increase to (notional) amount of pension on 6 April (or 1st Monday thereafter if 6th is not a Monday) Step 5: Apply any further Pensions Increase depending upon whether or not a further Pension Increase date has been passed (as per the PI Act 1971)

Step 6: Increase amount in pension account from the date of the review decision under regulation 37(5) or the date of the determination under regulation 37(10) to the value derived under steps 1 to 5 (in the case of this example that would be 31 October 2018)

Active account

Scheme Year	Opening Balance	Earned Pension		Adjustr	nents*		Scheme Year Ending	Closing Balance	Trea	asury Oro	der Reva	luation		Value to Carry
Starting			TV in	AP	PSO	AA	(or date a/c closed)		Earned Pension	TV in	AP	PSO	AA	Forward
									£405.18 x 3%					
1 April 2014	£0.00	£405.18	£0.00	£0.00	£0.00	£0.00	31 March 2015	£405.18	= £12.16	£0.00	£0.00	£0.00	£0.00	£417.34
		£413.27 +												
		£2,000.00							£2,413.27 x					
		=							3% = £72.40					
1 April 2015	£417.34	£2,413.27	£0.00	£0.00	£0.00	£0.00	31 March 2016	£2,413.27		£0.00	£0.00	£0.00	£0.00	£2,485.67

* Key:

TV in = pension purchased from a transfer in received in the scheme year

AP = additional pension purchased by the member during the scheme year via an additional pension contract / shared cost additional pension contract or granted by the employer in the scheme year

PSO = pension debit relating to a Pension Sharing Order implemented in the scheme year

AA = pension deduction relating to an annual allowance scheme pays election made in the scheme year

This becomes the new opening balance in the pension account. Assume PI for 10 April 2016 is 3% and for April 2017 onwards it is 4%.

Pension account

Scheme Year Starting	Opening Balance	Made up of:							Pre 6 April 1988	Post 5 April 1988	PI Order Reval'n on first Monday	Adjust- ments		Scheme Year	Closing Balance
		Earned Pension	TV in	AP	PSO	AA	Pre 6 April 1988 GMP	Post 5 April 1988 GMP	GMP Incr- ease (on first Mon- day on or after 6 April)	GMP Increase on 6 April	on or after 6 April	PSO	AA	(or date a/c closed)	Carried Forward
1 April 2016	£2,485.67	£2,485.67	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£0.00*	£0.00	£0.00	31 Mar 2017	£2,485.67
1 Apr 2017	£2.485.67	£2.485.67	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£2,485.67 x 4% = £99.43	£0.00	£0.00	31 Mar 2018	£2.585.10
1 Apr 2018	£2,585.10	£2,585.10*	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	N/A	N/A	£2,585.10 x 4% = £103.40	£0.00	£0.00	31 Mar 2018	£2,688.50

*Note:

No PI is due in April 2016 under the Pensions Increase (Review) Order 2016 because the member left active membership of the scheme after the latest date to which the April 2016 Order would apply. The usual 3 step calculation required at 1 second after midnight on 31 March following cessation of active membership to avoid double indexation is not necessary as, in this case, there would be no double indexation – the member has the full Treasury Revaluation Order applied at 1 second past midnight of 31 March 2016, gets no PI in April 2016, and gets a full year's PI in April 2017.

**Note:

The uplifted value of £2,585.10 pa would be paid on and after 1 October 2018.

Notes:

If in the first year (i.e. year of leaving) the PI Order index is zero and the Treasury Order is a minus then:

- for mid-year leavers with deferred benefits at 31 March a negative revaluation adjustment will be applied in line with the HM Treasury Revaluation Order (i.e. a pro-rata adjustment but with no 'tweak') and the PI applied will be 0%, and
- for mid-year leavers with a pension in payment at 31 March there will be no negative revaluation adjustment under the HM Treasury Revaluation Order (i.e. it will be treated as 0%) and the PI applied will be 0%.

If in the first year (i.e. year of leaving) the PI Order index is zero and the Treasury Order is a plus, we simply add the revaluation adjustment to the closing balance(prorata for mid-year leavers but without the 'tweak').

Although a revaluation adjustment only applies from the 1 April to date of leaving and PI will only be applied in the April after leaving from the PI payable date under the PI Order (which will be the first Monday on or after 6 April), there is no balancing amount due for the period from 1 April after the date of leaving to the day before the PI payable date (i.e. to the day before the first Monday falling on or after 6 April).

If an active member leaves, draws retirement benefits in the year of leaving and has commuted pension into lump sum, only the post commutation pension amount in the member's pension account is subject, in the first year, to the first year revaluation adjustment and, thereafter, to Pensions Increase. There is no balancing Treasury Order revaluation payment to the lump sum on the 31 March following retirement.

There is no balancing Treasury Order revaluation on any death grant on 31 March following death.

Where a member aggregates a deferred account or deferred refund account with an active account and any gap in the person's pensionable service does not exceed 5 years, the 'tweaked' revaluation adjustment performed at the April following the original date of leaving should be ignored and the member given a full year's Treasury Order revaluation for that year, each of the intervening years between leaving and rejoining, and the year of rejoining.

Disclaimer

This document has been prepared based on the LGPC Secretariat's understanding of the information presently available including the relevant Statutory Instruments governing the Local Government Pension Scheme, associated overriding legislation and relevant draft legislation. However, at the time of both writing and updating this guidance the Secretariat has not had sight of guidance issued by the Secretary of State covering the revaluation of CARE accounts within the LGPS. It represents the views of the Secretariat and should not be treated as a complete and authoritative statement of the law. Readers may wish, or will need, to take their own legal advice on the interpretation of any particular piece of legislation. No responsibility whatsoever will be assumed by the Local Government Association for any direct or

consequential loss, financial or otherwise, damage or inconvenience, or any other obligation or liability incurred by readers relying on information contained herein.

Terry Edwards 24 February 2014

Updated by Jayne Wiberg October 2016