Government
Actuary's
Department

Judicial Pension Scheme 2022

Early payment of pension

Factors and guidance

Date: 24 March 2022

Contents

1   Introduction

1.1   This note is addressed to the Lord Chancellor in his capacity as the Scheme Manager of the Judicial Pension Scheme 2022 (JPS 2022). JPS 2022 will come into force on 1st April 2022 and will be established under the Judicial Pension Regulations 2022 ("the Regulations").

1.2   The purpose of this note is to provide the Lord Chancellor with specific factors and accompanying guidance to demonstrate how the early payment reduction amounts should be calculated in the JPS 2022.

1.3   The guidance and examples contained within this note are intended to demonstrate how these factors are to be applied to determine the early payment reduction amount for members who have not reached normal pension under the JPS 2022.

1.4   The amount of the early payment reduction (if any) under the Regulations is to be determined by the scheme manager after consultation with the scheme actuary or taking into account tables prepared by the scheme actuary, in accordance with the interpretation of 'early payment reduction' and 'actuarial reduction' (Regulation 2) under the Regulations. This guidance is issued by the Government Actuary's Department (GAD), acting in its capacity as actuarial adviser, in order to provide tables suitable to be used for this purpose.

1.5   The factors provided in this note have been prepared in light of our advice to the Ministry of Justice (MoJ) dated 11 October 2021 and its instructions following that advice.

1.6   This guidance note is applicable to benefits accrued in JPS 2022 only.

1.7   A member may have benefits in both the JPS 2022 scheme and another pre-2022 judicial pension scheme(s). For the purposes of calculating a member's early retirement pension before any commutation option is exercised, the member's pre 2022 and post 2022 early retirement pensions should be calculated separately using the relevant guidance notes and regulations.

Implementation and Review

1.8   This guidance note, and the factors contained within, will apply from 1 April 2022. This implementation date has been determined by MoJ.

1.9   Appendix B provides details of the principal assumptions underlying the factor tables in this guidance.

1.10   Section 4 sets out the limitations of the factors and this guidance.

1.11   This guidance has been written for pension administrators and assumes some knowledge of general pension terminology, and some familiarity with retirement calculations for JPS 2022. Any questions concerning the application of the guidance should, in the first instance, be referred to MoJ.

1.12   In line with best practice and in order to make sure that factors are being used as intended and the instructions are fit for purpose, we suggest that some example calculations are sent to GAD for review.

1.13   The factors contained in this guidance will be subject to review periodically. This will depend on external circumstances, for example whenever there is a change in the SCAPE basis; when changes in the actuarial assumptions adopted for other scheme factors take place; or following each future actuarial valuation where mortality and other relevant experience is reviewed or if other credible and material information comes to light.

Third party reliance

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

1.15   Other than MoJ and the scheme administrators, no person or third party is entitled to place any reliance on the contents of this guidance, except to any extent explicitly stated herein. GAD has no liability to any person or third party for any action taken or for any failure to act, either in whole or in part, on the basis of this guidance, whether or not GAD has agreed to the disclosure of its advice to the third party.

2 Calculation of early retirement reduction

2.1 Early payment reduction factors are used to reduce benefits of members who wish to retire before their normal pension age (NPA). NPA in the JPS 2022 is State Pension Age, subject to a minimum of age 65.

2.2 The tables in Appendix A set out the following factors:

- Table A5 (Addendum factor workbook table number 410) – Early payment reduction factors in respect of benefits linked to NPA of 65.

- Table A6 (Addendum factor workbook table number 411) – Early payment reduction factors in respect of benefits linked to NPA of 66.

- Table A7 (Addendum factor workbook table number 412) – Early payment reduction factors in respect of benefits linked to NPA of 67.

- Table A8 (Addendum factor workbook table number 413) – Early payment reduction factors in respect of benefits linked to NPA of 68.

- Table A9 (Addendum factor workbook table number 422) – Early payment reduction factors in respect of benefits linked to NPA of 65 for pension credit members where they do not have the option of commutation at retirement.

- Table A10 (Addendum factor workbook table number 423) – Early payment reduction factors in respect of benefits linked to NPA of 66 for pension credit members where they do not have the option of commutation at retirement.

- Table A11 (Addendum factor workbook table number 424) – Early payment reduction factors in respect of benefits linked to NPA of 67 for pension credit members where they do not have the option of commutation at retirement.

- Table A12 (Addendum factor workbook table number 425) – Early payment reduction factors in respect of benefits linked to NPA of 68 for pension credit members where they do not have the option of commutation at retirement.

2.3 The age of the member at the effective date of the member's retirement claim (early retirement date) should be calculated in whole years and complete months, part months ignored, as appropriate. This age should then be used to identify the correct factor from the tables.

2.4 Where the member's NPA is not an integer, the reduction factor should be calculated by linear interpolation between the reduction factors that would have applied if NPA were the nearest integer age below actual NPA and the nearest integer age above the actual NPA. See section 3 of this guidance for an example of this.

2.5   Separate factors are provided for pension credit members where the associated pension debit member was a pensioner at the time the pension credit was implemented. In this case, our understanding is the pension credit member does not have the option to commute from their pension credit at retirement which is reflected in the factors in tables A9-A12.

2.6   Administrators should therefore determine the status of the associated pension debit member before calculating the early retirement pension for any pension credit members.

2.7   For the avoidance of doubt, pension credit cases where the associated pension debit member was an active or deferred at the time the pension credit was implemented should use the factors in tables A5-A8 as for scheme members without a pension credit. The factors in tables A5-A8 assume that the member does have the option to commute on retirement.

2.8   The pension following early retirement (ERP) is calculated as follows:

$$ERP = Pension \times ERF_{NPA}$$

In this calculation:

'Pension' is the pension at the early retirement date, which was eligible to be paid unreduced from the member's NPA, including the relevant in-service or deferred revaluation up to the early retirement date.

'ERF$_{NPA}$' is the early payment reduction factor that applies for the member, calculated in accordance with paragraphs 2.2 to 2.4.

2.9   The early payment reduction for the member is equal to the member's pension before adjustment for early retirement less the ERP, where Pension and ERP are defined as in paragraph 2.5.

$$Early\ Payment\ Reduction = Pension - ERP$$

2.10   The Lord Chancellor has confirmed that State Pension Age for the purpose of calculating early payment of pension should be as set out in legislation in force at the time of retirement. Factors are provided to accommodate the range of pension ages members will have in relation to service on and after 1 April 2022 in accordance with current legislation.

Early retirement before age 55

2.11 This guidance should not be used to calculate the reductions to be applied to members aged below 55 at the date of payment. Such cases should be referred to MoJ, for onward transmission to GAD. Factors for age 54 are included in the table in order to calculate the reduction for a member with an NPA that is not a whole number of years who wishes to retire aged 55.

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3   Examples

Example 1: Standard earned pension only

Member age at retirement	62 years and 5 months (complete years and months only, part months ignored)
Member NPA	67
Full retirement standard earned pension at early retirement date	£10,000 p.a.
Dependant earned pension at early retirement date	£3,750 p.a.

Based on the member's NPA, the correct table to use is Table A7 NPA 67 **(Table 412 in the Addendum factor workbook).** The member's age at his retirement is 62 years and 5 months therefore the correct factor is **0.802**.

The member's early retirement pension ('ERP') is calculated as follows.

ERP   = £10,000 p.a. x 0.802

= £8,020 p.a.

Therefore, the early payment reduction is as follows.

Early Payment Reduction   = £10,000 p.a. - £8,020 p.a.

= £1,980 p.a.

The dependant's pension is not reduced and therefore remains £3,750 p.a.

Example 2: Standard earned pension only, non-integer NPA

Member age at retirement	62 years and 5 months (complete years and months only, part months ignored)
Member NPA	67 years and 7 months
Full retirement standard earned pension at early retirement date	£10,000 p.a.
Dependant earned pension at early retirement date	£3,750 p.a.

This member has a non-integer NPA. The factors for integer NPAs immediately above and below the actual NPA are calculated and linear interpolation used to determine the correct factor at NPA. In this case the integers immediately below and above NPA are 67 and 68 respectively.

The factors to be used for the linear interpolation are as follows:

- 62 years 5 months for a member with NPA 67, i.e. **0.802** from Table A7 NPA 67 **(Table 412 in the Addendum factor workbook)**;

  and

- 62 years 5 months for a member with NPA 68, i.e. **0.761** from Table A8 NPA 68 **(Table 413 in the Addendum factor workbook)**.

The factor at NPA (ERF$_{NPA}$) is then calculated as follows:

$$ERF_{NPA} = \frac{5}{12} \times 0.802 + \frac{7}{12} \times 0.761$$

$$ERF_{NPA} = \mathbf{0.778}$$

The factor at NPA 67 is given a weighting of 5/12 and the NPA 68 factor a weighting of 7/12 because the member's NPA is 67 and 7 months, which is 7/12 of the way to age 68 from age 67.

The member's early retirement pension ('ERP') is then calculated as before.

ERP = £10,000 p.a. x 0.778

= £7,780 p.a.

Therefore, the early payment reduction is as follows.

Early Payment Reduction   = £10,000 p.a. - £7,780 p.a.

                            = £2,220 p.a.

The dependant's pension is not reduced and therefore remains £3,750 p.a.

Example 3: Pension credit member where they do not have the option of commutation at retirement

Pension credit member age at retirement	62 years and 5 months (complete years and months only, part months ignored)
Pension credit member NPA	67
Full retirement standard earned pension at early retirement date	£5,000 p.a.
Dependant earned pension at early retirement date	£1,875 p.a.

Based on the pension credit member's NPA, the correct table to use is Table A11 NPA 67 **(Table 424 in the Addendum factor workbook).** The member's age at his retirement is 62 years and 5 months therefore the correct factor is **0.784**.

The member's early retirement pension ('ERP') is calculated as follows.

ERP   = £5,000 p.a. x 0.784

        = £3,920 p.a.

Therefore, the early payment reduction is as follows.

Early Payment Reduction   = £5,000 p.a. - £3,920p.a.

                            = £1,080 p.a.

The dependant's pension is not reduced and therefore remains £1,875 p.a.

Example 4: Pension credit member where they do have the option of commutation at retirement:

Pension credit member age at retirement	62 years and 5 months (complete years and months only, part months ignored)
Pension credit member NPA	67
Full retirement standard earned pension at early retirement date	£5,000 p.a.
Dependant earned pension at early retirement date	£1,875 p.a.

Based on the pension credit member's NPA, the correct table to use is Table A7 NPA 67 **(Table 412 in the Addendum factor workbook).** The member's age at his retirement is 62 years and 5 months therefore the correct factor is 0.802.

The member's early retirement pension ('ERP') is calculated as follows.

ERP $\quad$ = £5,000 p.a. x 0.802

$\qquad$ = £4,010.00 p.a.

Therefore, the early payment reduction is as follows.

Early Payment Reduction $\quad$ = £5,000 p.a. - £4,010.00 p.a.

$\qquad\qquad\qquad\qquad\quad$ = £990.00 p.a.

The dependant's pension is not reduced and therefore remains £1,875 p.a.

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4   Limitations

4.1   This guidance should not be used for any purpose other than those set out in this guidance.

4.2   The factors contained in this guidance are subject to regular review. Scheme managers and administrators need to ensure that they are using the latest factors, as relevant, when processing cases.

4.3   Advice provided by GAD must be taken in context and is intended to be considered in its entirety. Individual sections, if considered in isolation, may be misleading, and conclusions reached by a review of some sections on their own may be incorrect. GAD does not accept responsibility for advice that is altered or used selectively. Clarification should be sought if there is any doubt about the intention or scope of advice provided by GAD.

4.4   This guidance only covers the actuarial principles around the calculation and application of early payment of pension factors. Any legal advice in this area should be sought from an appropriately qualified person or source.

4.5   Scheme managers and administrators should satisfy themselves that early payment of pension calculations and benefit awards comply with all legislative requirements including, but not limited to, tax and contracting-out requirements.

4.6   This guidance is based on the Regulations in force at the time of writing. It is possible that future changes to the Regulations might create inconsistencies between this guidance and the Regulations. If users of this guidance believe there to be any such inconsistencies, they should bring this to the attention of MoJ and GAD. Under no circumstances should this guidance take precedence over the Regulations. Administrators should ensure that they comply with all relevant Regulations.

Appendix A: Factors

Table A5 (Table 410 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 65

months	Age at early retirement (complete years and months, ignoring part months)											
	54	55	56	57	58	59	60	61	62	63	64	65
0	0.622	0.647	0.673	0.701	0.730	0.761	0.795	0.830	0.868	0.909	0.953	1.000
1	0.624	0.649	0.675	0.703	0.733	0.764	0.798	0.833	0.872	0.913	0.957	
2	0.626	0.651	0.678	0.706	0.735	0.767	0.801	0.837	0.875	0.916	0.961	
3	0.629	0.653	0.680	0.708	0.738	0.770	0.804	0.840	0.878	0.920	0.965	
4	0.631	0.656	0.682	0.710	0.740	0.772	0.806	0.843	0.882	0.924	0.969	
5	0.633	0.658	0.685	0.713	0.743	0.775	0.809	0.846	0.885	0.927	0.973	
6	0.635	0.660	0.687	0.715	0.746	0.778	0.812	0.849	0.889	0.931	0.976	
7	0.637	0.662	0.689	0.718	0.748	0.781	0.815	0.852	0.892	0.935	0.980	
8	0.639	0.664	0.691	0.720	0.751	0.784	0.818	0.856	0.895	0.938	0.984	
9	0.641	0.667	0.694	0.723	0.753	0.786	0.821	0.859	0.899	0.942	0.988	
10	0.643	0.669	0.696	0.725	0.756	0.789	0.824	0.862	0.902	0.946	0.992	
11	0.645	0.671	0.698	0.728	0.759	0.792	0.827	0.865	0.906	0.949	0.996	

Table A6 (Table 411 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 66

months	Age at early retirement(complete years and months, ignoring part months)												
	54	55	56	57	58	59	60	61	62	63	64	65	66
0	0.593	0.616	0.641	0.667	0.695	0.725	0.757	0.791	0.827	0.865	0.907	0.952	1.000
1	0.595	0.619	0.643	0.670	0.698	0.728	0.760	0.794	0.830	0.869	0.911	0.956	
2	0.597	0.621	0.646	0.672	0.700	0.730	0.762	0.797	0.833	0.872	0.914	0.960	
3	0.599	0.623	0.648	0.674	0.703	0.733	0.765	0.800	0.836	0.876	0.918	0.964	
4	0.601	0.625	0.650	0.677	0.705	0.736	0.768	0.803	0.840	0.879	0.922	0.968	
5	0.603	0.627	0.652	0.679	0.708	0.738	0.771	0.806	0.843	0.883	0.926	0.972	
6	0.605	0.629	0.654	0.681	0.710	0.741	0.774	0.809	0.846	0.886	0.929	0.976	
7	0.607	0.631	0.657	0.684	0.713	0.744	0.776	0.812	0.849	0.890	0.933	0.980	
8	0.609	0.633	0.659	0.686	0.715	0.746	0.779	0.815	0.853	0.893	0.937	0.984	
9	0.611	0.635	0.661	0.688	0.718	0.749	0.782	0.818	0.856	0.897	0.941	0.988	
10	0.613	0.637	0.663	0.691	0.720	0.751	0.785	0.821	0.859	0.900	0.944	0.992	
11	0.615	0.639	0.665	0.693	0.723	0.754	0.788	0.824	0.862	0.904	0.948	0.996	

Table A7 (Table 412 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 67

months	Age at early retirement (complete years and months, ignoring part months)													
	54	55	56	57	58	59	60	61	62	63	64	65	66	67
0	0.565	0.587	0.610	0.635	0.662	0.690	0.720	0.752	0.786	0.823	0.862	0.905	0.951	1.000
1	0.566	0.589	0.612	0.637	0.664	0.692	0.723	0.755	0.789	0.826	0.866	0.909	0.955	
2	0.568	0.591	0.614	0.640	0.666	0.695	0.725	0.758	0.792	0.830	0.869	0.912	0.959	
3	0.570	0.593	0.617	0.642	0.669	0.697	0.728	0.761	0.795	0.833	0.873	0.916	0.963	
4	0.572	0.595	0.619	0.644	0.671	0.700	0.731	0.763	0.798	0.836	0.877	0.920	0.967	
5	0.574	0.597	0.621	0.646	0.673	0.702	0.733	0.766	0.802	0.839	0.880	0.924	0.971	
6	0.576	0.599	0.623	0.648	0.676	0.705	0.736	0.769	0.805	0.843	0.884	0.928	0.975	
7	0.578	0.601	0.625	0.651	0.678	0.707	0.739	0.772	0.808	0.846	0.887	0.931	0.979	
8	0.579	0.602	0.627	0.653	0.680	0.710	0.741	0.775	0.811	0.849	0.891	0.935	0.984	
9	0.581	0.604	0.629	0.655	0.683	0.712	0.744	0.778	0.814	0.853	0.894	0.939	0.988	
10	0.583	0.606	0.631	0.657	0.685	0.715	0.747	0.780	0.817	0.856	0.898	0.943	0.992	
11	0.585	0.608	0.633	0.659	0.688	0.717	0.749	0.783	0.820	0.859	0.901	0.947	0.996	

Table A8 (Table 413 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 68

| | Age at early retirement (complete years and months, ignoring part months) | | | | | | | | | | | | | | |
months	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
0	0.537	0.558	0.580	0.604	0.629	0.656	0.684	0.714	0.747	0.782	0.819	0.859	0.902	0.949	1.000
1	0.539	0.560	0.582	0.606	0.631	0.658	0.687	0.717	0.750	0.785	0.822	0.863	0.906	0.953	
2	0.540	0.562	0.584	0.608	0.633	0.660	0.689	0.720	0.753	0.788	0.826	0.866	0.910	0.958	
3	0.542	0.563	0.586	0.610	0.636	0.663	0.692	0.722	0.756	0.791	0.829	0.870	0.914	0.962	
4	0.544	0.565	0.588	0.612	0.638	0.665	0.694	0.725	0.758	0.794	0.832	0.874	0.918	0.966	
5	0.546	0.567	0.590	0.614	0.640	0.667	0.697	0.728	0.761	0.797	0.836	0.877	0.922	0.970	
6	0.547	0.569	0.592	0.616	0.642	0.670	0.699	0.731	0.764	0.800	0.839	0.881	0.926	0.975	
7	0.549	0.571	0.594	0.618	0.644	0.672	0.702	0.733	0.767	0.803	0.842	0.884	0.930	0.979	
8	0.551	0.573	0.596	0.621	0.647	0.675	0.704	0.736	0.770	0.807	0.846	0.888	0.934	0.983	
9	0.553	0.575	0.598	0.623	0.649	0.677	0.707	0.739	0.773	0.810	0.849	0.892	0.938	0.987	
10	0.554	0.576	0.600	0.625	0.651	0.679	0.709	0.741	0.776	0.813	0.852	0.895	0.941	0.992	
11	0.556	0.578	0.602	0.627	0.653	0.682	0.712	0.744	0.779	0.816	0.856	0.899	0.945	0.996	

Table A9 (Table 422 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 65 for pension credit members who do not have the option of commutation at retirement

	Age at early retirement (complete years and months, ignoring part months)											
months	54	55	56	57	58	59	60	61	62	63	64	65
0	0.600	0.625	0.652	0.680	0.711	0.744	0.779	0.816	0.857	0.901	0.948	1.000
1	0.602	0.627	0.654	0.683	0.714	0.746	0.782	0.820	0.861	0.905	0.953	
2	0.604	0.629	0.656	0.685	0.716	0.749	0.785	0.823	0.864	0.909	0.957	
3	0.606	0.632	0.659	0.688	0.719	0.752	0.788	0.827	0.868	0.913	0.961	
4	0.608	0.634	0.661	0.690	0.722	0.755	0.791	0.830	0.872	0.917	0.966	
5	0.610	0.636	0.664	0.693	0.724	0.758	0.794	0.833	0.875	0.921	0.970	
6	0.612	0.638	0.666	0.696	0.727	0.761	0.797	0.837	0.879	0.925	0.974	
7	0.614	0.641	0.668	0.698	0.730	0.764	0.801	0.840	0.883	0.929	0.979	
8	0.616	0.643	0.671	0.701	0.733	0.767	0.804	0.843	0.886	0.933	0.983	
9	0.619	0.645	0.673	0.703	0.735	0.770	0.807	0.847	0.890	0.937	0.987	
10	0.621	0.647	0.675	0.706	0.738	0.773	0.810	0.850	0.894	0.941	0.991	
11	0.623	0.649	0.678	0.708	0.741	0.776	0.813	0.854	0.897	0.944	0.996	

Table A10 (Table 423 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 66 for pension credit members who do not have the option of commutation at retirement

months	Age at early retirement(complete years and months, ignoring part months)												
	54	55	56	57	58	59	60	61	62	63	64	65	66
0	0.569	0.593	0.618	0.645	0.674	0.705	0.738	0.774	0.812	0.853	0.898	0.947	1.000
1	0.571	0.595	0.620	0.647	0.676	0.708	0.741	0.777	0.815	0.857	0.902	0.951	
2	0.573	0.597	0.622	0.650	0.679	0.710	0.744	0.780	0.819	0.861	0.906	0.956	
3	0.575	0.599	0.625	0.652	0.682	0.713	0.747	0.783	0.822	0.865	0.910	0.960	
4	0.577	0.601	0.627	0.655	0.684	0.716	0.750	0.786	0.826	0.868	0.915	0.965	
5	0.579	0.603	0.629	0.657	0.687	0.719	0.753	0.790	0.829	0.872	0.919	0.969	
6	0.581	0.605	0.631	0.659	0.689	0.721	0.756	0.793	0.833	0.876	0.923	0.974	
7	0.583	0.607	0.634	0.662	0.692	0.724	0.759	0.796	0.836	0.880	0.927	0.978	
8	0.585	0.610	0.636	0.664	0.694	0.727	0.762	0.799	0.840	0.883	0.931	0.982	
9	0.587	0.612	0.638	0.667	0.697	0.730	0.765	0.802	0.843	0.887	0.935	0.987	
10	0.589	0.614	0.640	0.669	0.700	0.732	0.768	0.806	0.847	0.891	0.939	0.991	
11	0.591	0.616	0.643	0.671	0.702	0.735	0.771	0.809	0.850	0.895	0.943	0.996	

Table A11 (Table 424 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 67 for pension credit members who do not have the option of commutation at retirement

months	Age at early retirement (complete years and months, ignoring part months)													
	54	55	56	57	58	59	60	61	62	63	64	65	66	67
0	0.539	0.561	0.585	0.611	0.638	0.667	0.698	0.732	0.768	0.807	0.850	0.896	0.945	1.000
1	0.541	0.563	0.587	0.613	0.640	0.670	0.701	0.735	0.771	0.811	0.853	0.900	0.950	
2	0.543	0.565	0.589	0.615	0.643	0.672	0.704	0.738	0.775	0.814	0.857	0.904	0.955	
3	0.544	0.567	0.592	0.617	0.645	0.675	0.707	0.741	0.778	0.818	0.861	0.908	0.959	
4	0.546	0.569	0.594	0.620	0.648	0.678	0.710	0.744	0.781	0.821	0.865	0.912	0.964	
5	0.548	0.571	0.596	0.622	0.650	0.680	0.712	0.747	0.784	0.825	0.869	0.916	0.968	
6	0.550	0.573	0.598	0.624	0.652	0.683	0.715	0.750	0.788	0.828	0.873	0.921	0.973	
7	0.552	0.575	0.600	0.627	0.655	0.685	0.718	0.753	0.791	0.832	0.876	0.925	0.977	
8	0.554	0.577	0.602	0.629	0.657	0.688	0.721	0.756	0.794	0.836	0.880	0.929	0.982	
9	0.556	0.579	0.604	0.631	0.660	0.691	0.724	0.759	0.798	0.839	0.884	0.933	0.986	
10	0.558	0.581	0.606	0.633	0.662	0.693	0.726	0.762	0.801	0.843	0.888	0.937	0.991	
11	0.559	0.583	0.609	0.636	0.665	0.696	0.729	0.765	0.804	0.846	0.892	0.941	0.995	

Table A12 (Table 425 in consolidated factors spreadsheet)
Early payment reduction factors in respect of benefits linked to NPA 68 for pension credit members who do not have the option of commutation at retirement

months	Age at early retirement (complete years and months, ignoring part months)														
	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68
0	0.510	0.531	0.553	0.577	0.603	0.630	0.660	0.692	0.726	0.762	0.802	0.846	0.893	0.944	1.000
1	0.511	0.533	0.555	0.579	0.605	0.633	0.663	0.694	0.729	0.766	0.806	0.849	0.897	0.949	
2	0.513	0.535	0.557	0.582	0.608	0.635	0.665	0.697	0.732	0.769	0.810	0.853	0.901	0.953	
3	0.515	0.536	0.559	0.584	0.610	0.638	0.668	0.700	0.735	0.772	0.813	0.857	0.905	0.958	
4	0.517	0.538	0.561	0.586	0.612	0.640	0.670	0.703	0.738	0.776	0.817	0.861	0.910	0.963	
5	0.518	0.540	0.563	0.588	0.614	0.643	0.673	0.706	0.741	0.779	0.820	0.865	0.914	0.967	
6	0.520	0.542	0.565	0.590	0.617	0.645	0.676	0.709	0.744	0.782	0.824	0.869	0.918	0.972	
7	0.522	0.544	0.567	0.592	0.619	0.648	0.678	0.711	0.747	0.786	0.828	0.873	0.922	0.977	
8	0.524	0.546	0.569	0.594	0.621	0.650	0.681	0.714	0.750	0.789	0.831	0.877	0.927	0.981	
9	0.525	0.548	0.571	0.597	0.624	0.653	0.684	0.717	0.753	0.792	0.835	0.881	0.931	0.986	
10	0.527	0.550	0.573	0.599	0.626	0.655	0.686	0.720	0.756	0.796	0.838	0.885	0.935	0.991	
11	0.529	0.551	0.575	0.601	0.628	0.657	0.689	0.723	0.759	0.799	0.842	0.889	0.940	0.995	

Appendix B: Principal assumptions underlying factors

Financial assumptions

Nominal discount rate	4.448% pa
CPI	2.00% pa
Real discount rate (in excess of CPI)	2.40% pa

Mortality assumptions

Base mortality tables and adjustments	Member: 92% of S2NMA_L (M) and 80% of S2NFA (F) (as per 2016 valuation)
Year of use	2020

Other assumptions

Proportion of male members for unisex factors	70%
Allowance for commutation	17.5%