



Government
Actuary's
Department

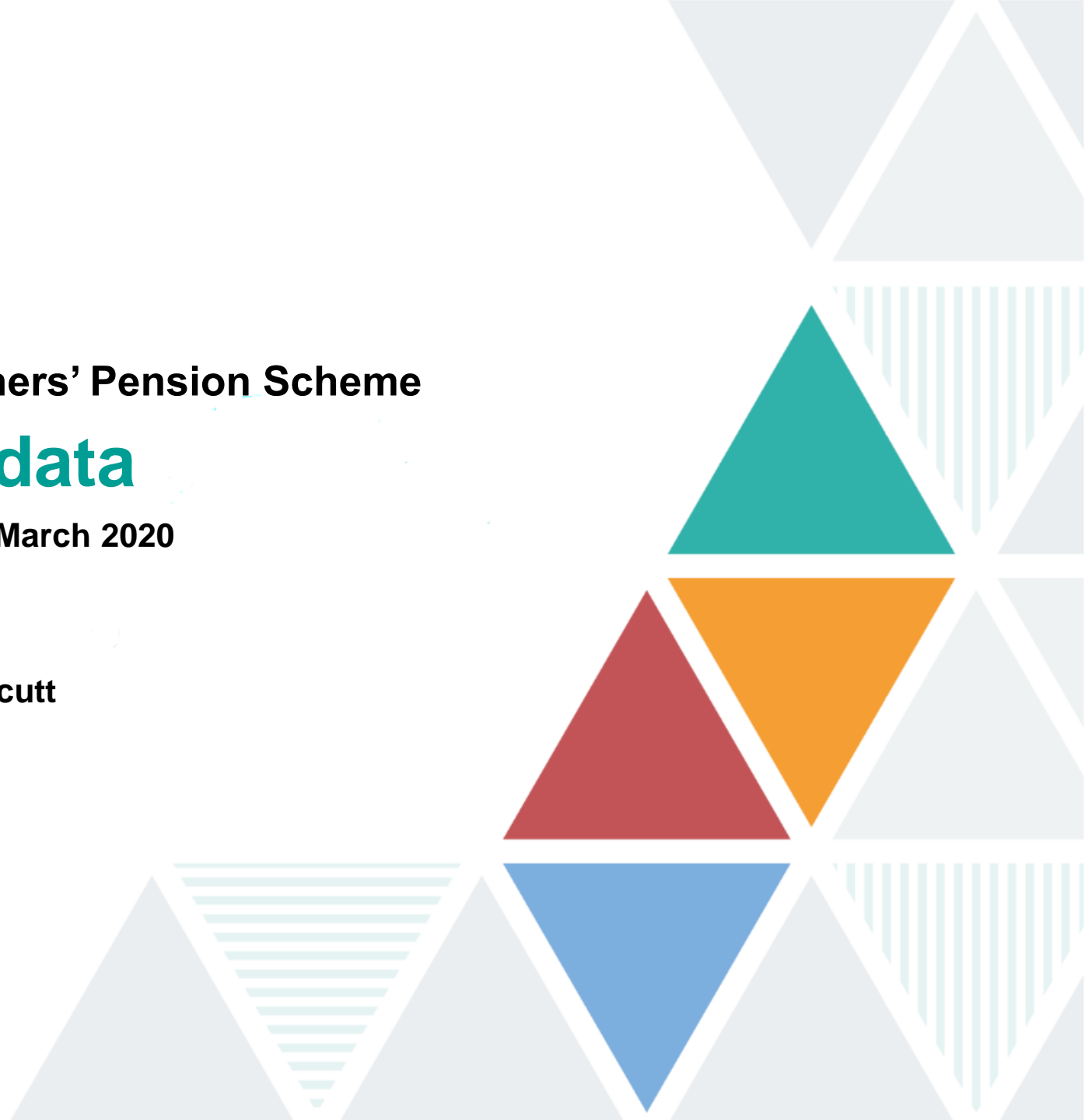
Northern Ireland Teachers' Pension Scheme

Membership data

Actuarial valuation as at 31 March 2020

Greg Donaldson and Ben Scutt

19 October 2023



Highlights

NITPS valuation data



64k

Members as at
31 March 2020

+ 6.6% vs. 2016

Initial data quality

97.5%

Proportion of 'at 31 March 2020' records provided
which we are able to use.

Improvement vs. 96.9% in 2016

Key headlines

The system the Department of Education (Northern Ireland) (DENI) uses to administer the Northern Ireland Teachers' Pension Scheme (NITPS) was updated shortly after the effective date of this valuation. This change led to challenges in extracting a set of data for the valuation. Further details are provided on pages 6 and 27 of this report.

As a consequence, it was agreed with DENI that the 2020 valuation would be undertaken using membership data available from the previous administration software platform, using a similar extraction process to the membership data as at 31 March 2016.

In the time, and with the resources, available it was not possible to update the new system's extraction process to match the legacy approach. However, DENI has provided GAD with reassurance that no data issues have been identified, as part of the system transition, which would undermine the use of the legacy approach.

Data quality after checks and adjustments



After making the necessary adjustments detailed in this report, we conclude that the data is appropriate for the purpose of the 2020 NITPS valuation. However, a different approach to adjusting data could still lead to different valuation results.

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Any terms that appear in this report in underlined text are defined in the **Glossary**.

At the Government Actuary's Department (GAD) we seek to achieve a high standard in all our work. We are accredited under the Institute and Faculty of Actuaries' Quality Assurance Scheme. Our website describes [the standards](#) we apply.

1. Introduction

Who is this report for?

This report is addressed to the Department of Education (Northern Ireland).

The Department of Finance's Directions (the Directions) requires the scheme actuary to provide information about the scheme and data. The purpose of this report is to provide the data we will be using and to help readers be confident that the results of the valuation are fit for purpose.

Why has the data been collected?

This data is needed to carry out an actuarial valuation of the NITPS as at 31 March 2020, in accordance with the Directions. This data will be used to set actuarial assumptions, and together the data and assumptions will be used to calculate valuation results.

Why is the data important?

The results of the valuation are critically dependent on the quality of the data used. Poor data could lead to employers making different decisions due to paying too high or too low a contribution rate, or to benefit changes being made unnecessarily.

This data is often used for other important work as well, including NITPS annual Resource Accounts.

Results

Assumptions

Data

Data is the first and most important building block of an actuarial valuation.

2. Data as at 31 March 2020

Who provided the data?

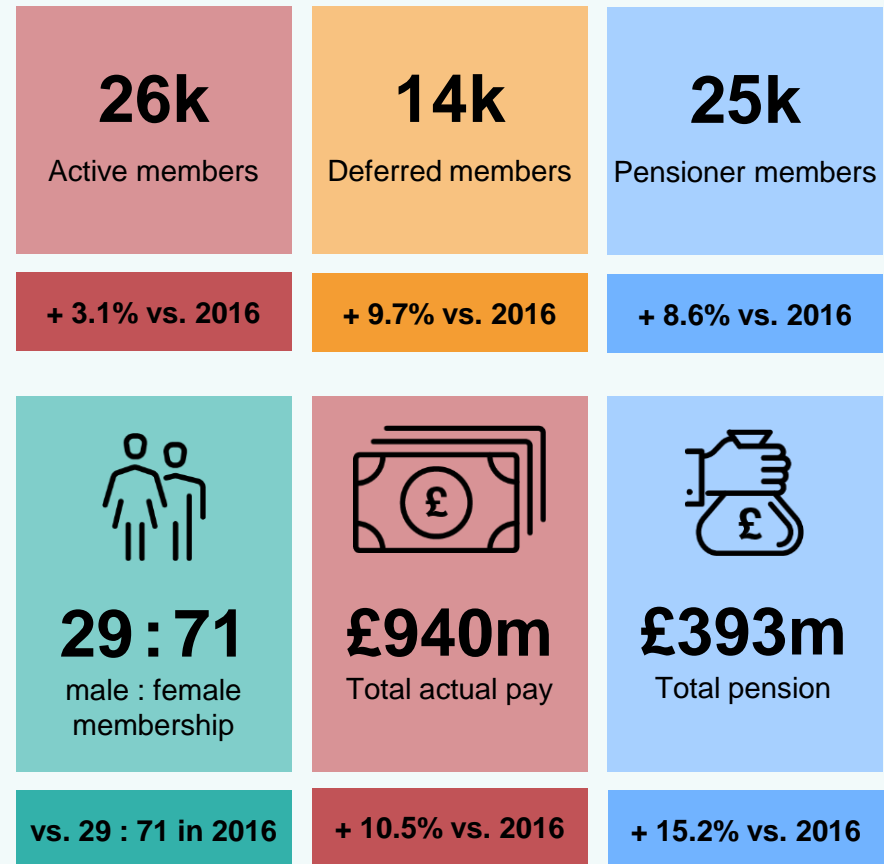
This data was provided by the administrators of the NITPS, DENI.

What is the data used for?

It will be used to calculate the results of the 2020 NITPS valuation, specifically:

- employer contribution rates due from 2024
- the cost cap cost of the scheme
- actuarial liabilities as at 31 March 2020.

Detailed data summaries are included in [Appendix A – Detailed summaries: data as at 31 March 2020](#).



Pension amounts include the April 2020 pension increase.

3. Movements data

What is movements data used for?

We requested movements data in order to review existing assumptions about the scheme membership and propose new assumptions where appropriate. Agreed assumptions are then used to carry out valuation calculations.

Membership reconciliation

Movements data can also be used to perform a reconciliation which compares data as at 31 March 2016 and 31 March 2020 against movements occurring between this period, to check that membership figures are in agreement.

Movements data received

Movements data for 2016 to 2020 was provided by the administrators of the NITPS, DENI.

Unfortunately, our initial analysis of this movements data, extracted using the new system processes (see page 27), was that it was not sufficiently credible to carry out a robust analysis of the scheme's experience since the previous valuation.

As a result, we were unable to use the movements data to inform the assumptions review or to support a reconciliation with prior membership data.

We subsequently processed a set of movements data produced using the legacy system. This showed a high number of withdrawals and re-entries into active service. Further details of this feature of the legacy system can be found in our [2016 report](#).

Due to the timing of when the legacy movements data became available, and the withdrawal recording issue above, we were not able to use the data for setting scheme demographic assumptions for this valuation. Further details of that process are provided in our Advice on Assumptions report dated 19 October 2023.

In reviewing the legacy system movements data, we have not identified any new issues of concern which would undermine the credibility of other aspects of the legacy extracts.

4. Checks and adjustments

Why is this data checked?

We carry out checks to ensure this data is fit for purpose for the valuation. These checks also help us to understand and describe limitations on the valuation results due to data omissions. This is also a professional actuarial requirement.

What checks are carried out?

We carry out checks on aggregated statistics produced from the data, and on a record by record basis. A simplified process diagram is shown to the right.

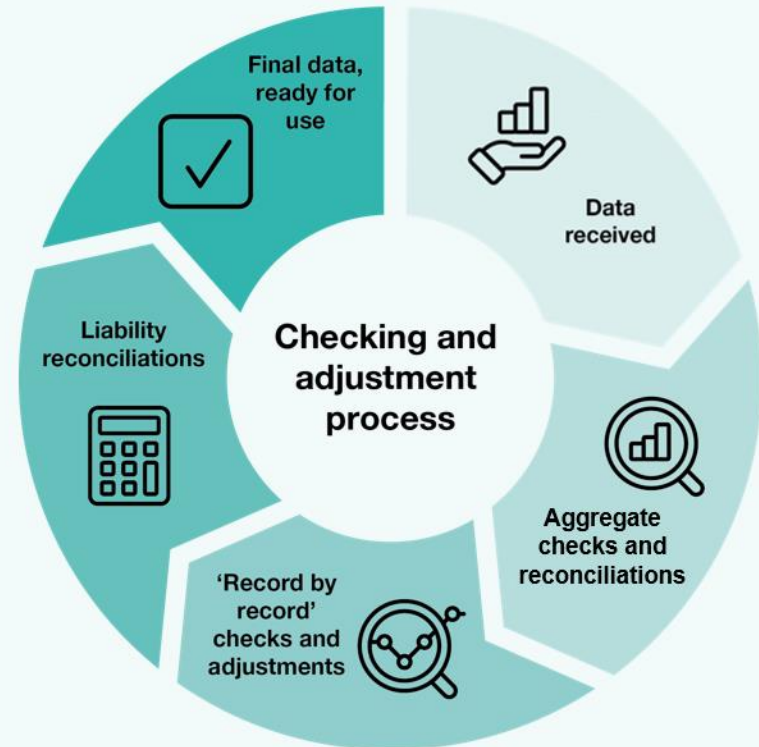
What happens to unreliable data?

Where our checks show that a data record seems to be unreliable, it is either excluded or adjusted. We do this to make sure the data is appropriate for calculating valuation results.

Where we exclude valid data records, we typically compensate for this by scaling up similar, included records.

Where can I find out more?

A detailed summary of what we've done is contained in [Appendix B – Checks, adjustments and uncertainty](#).



After checks & adjustments:

After finalising our checks and adjustments we will consider potential data improvements. We will engage with scheme manager on any issues we have identified to improve future data submissions, where possible and as appropriate.

5. Data quality

Who is responsible for data quality?

DENI is responsible for ensuring appropriate data is provided in order to support the legislative requirement to perform a valuation.

It is the Department’s responsibility to ensure that data that is provided is in line with our specifications.

Was the data provided of good quality?

The percentage of data which was able to be used and not subject to exclusion is shown to the right. High percentages suggest good quality data; although it should be noted that due to the issues with the original data received, these statistics shown have only been calculated using the revised data extracted from the legacy administration software platform (see page 27).

Can the data be used for the valuation?

Yes. After making the adjustments detailed in this report, we believe the data is appropriate for the purposes of the 2020 valuation.

Initial data quality

97.5%

Proportion of ‘at 31 March 2020’ records provided which we are able to use

Improvement vs. 96.9% in 2016

100.0%

Actives

89.7%

Deferreds

100.0%

Pensioners

Improvement vs. 99.1% in 2016

Improvement vs. 88.4% in 2016

No change vs. 100.0% in 2016

Data quality after checks & adjustments



After making the necessary adjustments detailed in this report, we conclude that the data is appropriate for the purpose of the 2020 NITPS valuation.

6. Impact of data limitations

Do data limitations cause uncertainty?

Yes. Our checks and adjustments aim to ensure that the data is appropriate for use in valuation calculations. However, our checks do not constitute a full audit of the data and our adjustments, although reasonable in our view, may not mean that the dataset adopted accurately reflects the true data of the scheme. This means that there is **residual data uncertainty**.

Is data uncertainty a significant issue?

Residual data uncertainty can potentially have an impact on valuation results, including for example on the cost cap cost of the scheme and any resulting impact on member benefits.

However, in large and complex data sets this uncertainty is normal and is not usually a cause for concern.

In our view, the residual uncertainty present in this data is not significant enough to dissuade users from taking actions recommended from this valuation.

Where can I find out more?

A more detailed summary of residual data uncertainty is set out in [Appendix B – Checks, adjustments and uncertainty](#).



7. Limitations

Data

In preparing this report, GAD has relied on data and other information supplied by the scheme administrators, DENI, as described in the report. GAD has not sought independent verification around its general completeness and accuracy (beyond our comparisons with the relevant Resource Accounts).

Any checks that GAD has made are limited to those described in the report, including those relating to the overall reasonableness and consistency of the data. These checks do not represent a full independent audit of the data supplied.

Throughout this report, the totals given for summed data may not be exactly the same as the sum of the components shown due to rounding effects.

Department of Finance Directions

Throughout this report, in any place where we indicate the potential variability of valuation results, these take into account the Department of Finance Directions for the 2020 valuations.

Sharing

This report has been prepared for the use of DENI. This report will be published as part of completing the 2020 valuation of the NITPS, and we are content for DENI to release this report to third parties, provided:

- It is released in full
- The advice is not quoted selectively or partially;
- GAD is identified as the source of the report, and;
- GAD is notified of such release

Other than DENI, no person or third party is entitled to place any reliance on the contents of this report, 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 report.

This report will be published by GAD as part of completing the 2020 valuation of the scheme.

Compliance statement:

This report has been prepared in accordance with the applicable Technical Actuarial Standards: TAS 100 and TAS 300 issued by the Financial Reporting Council (FRC). The FRC sets technical standards for actuarial work in the UK.

Appendix A

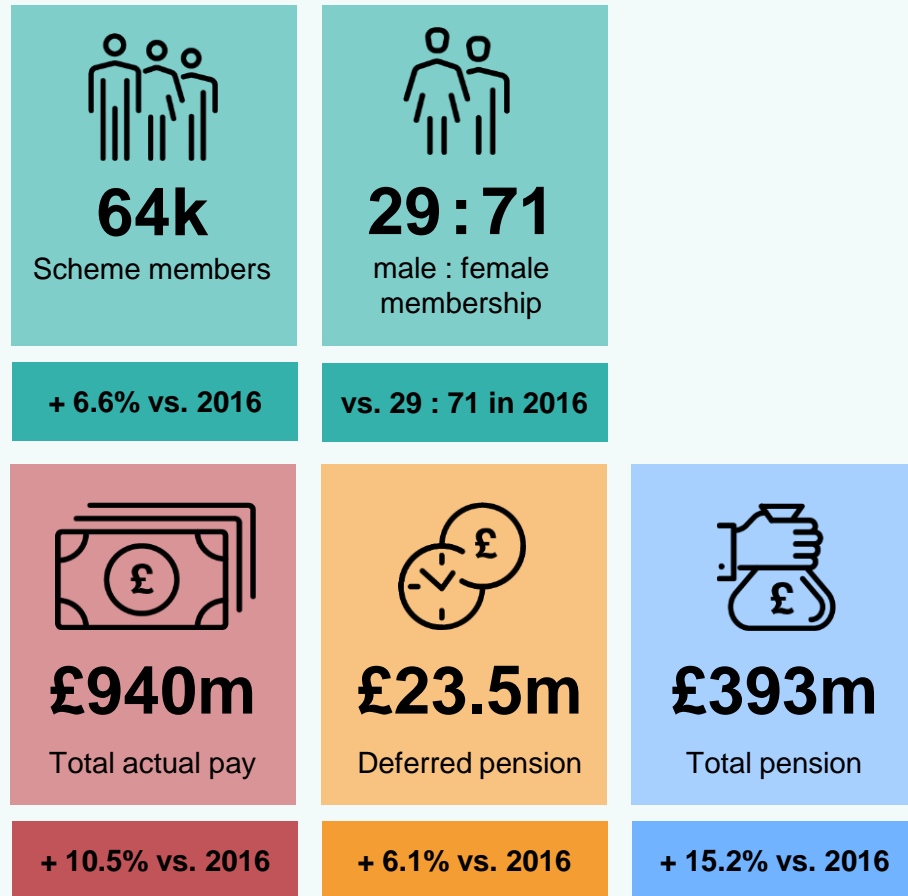
Detailed summaries: Data as at 31 March 2020



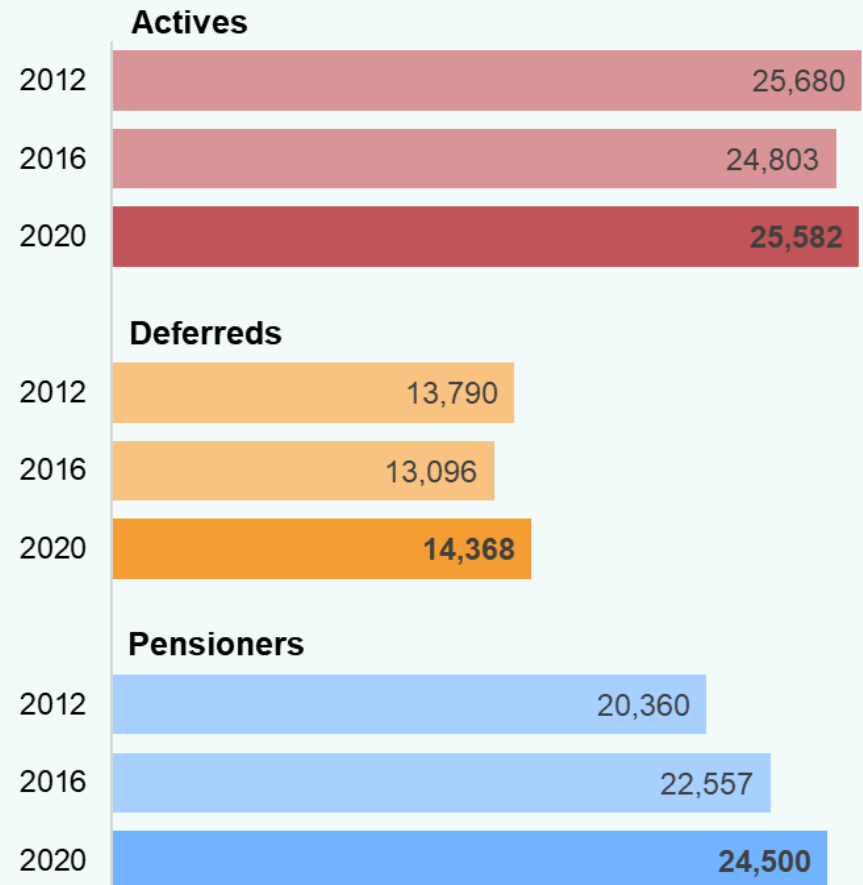
Scheme data

As at 31 March 2020

Summary statistics



Membership over time



Pension amounts include the April 2020 pension increase

Scheme membership

As at 31 March 2020

The chart shows the distribution of the membership by age and gender. There are significantly more female than male members across all categories.

Pensioner/dependant numbers begin increasing from around age 55 and peak between ages 65 and 75.

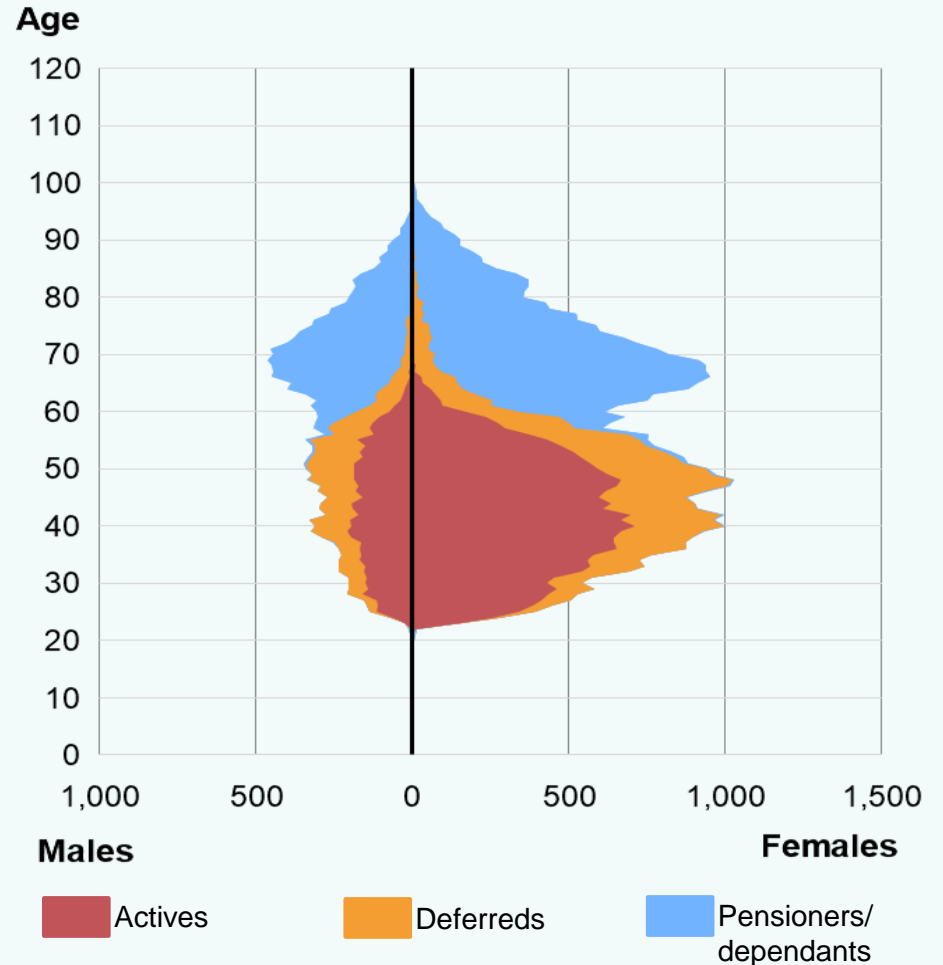
This corresponds with generally declining numbers of active members and deferred members from age 55.

Some deferred members have still not claimed their pensions, despite being over normal pension age.

Where can I see more?

[Appendix C – Tables of summary statistics](#)

Membership distribution



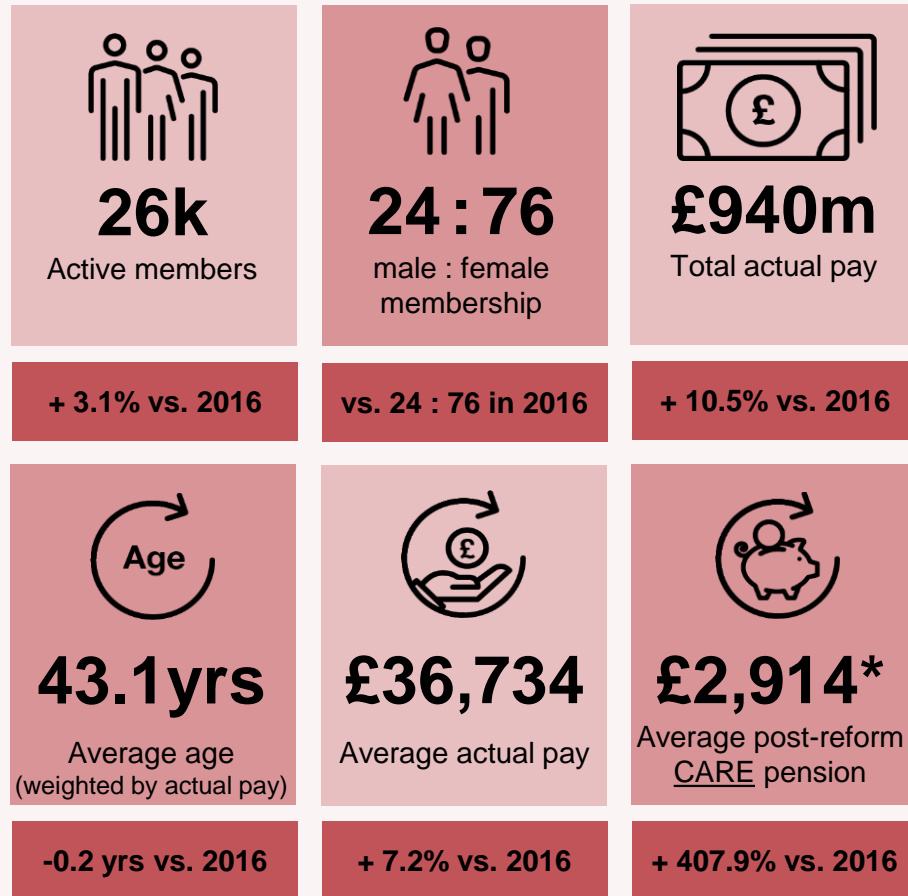
Actives



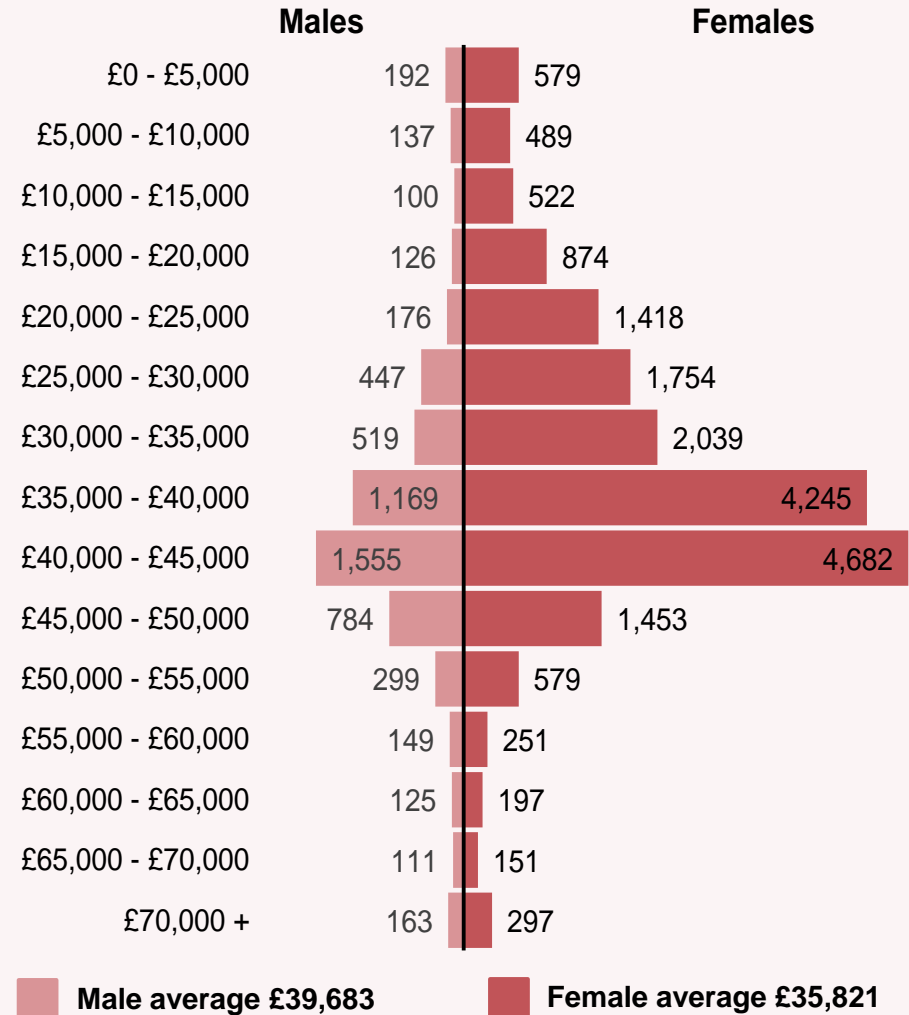
Actives data

As at 31 March 2020

Summary statistics



Actual pay distribution



*Average is only for members who have post-reform CARE pension. Post-reform CARE pensions include pension revaluation to April 2020.

Active membership

As at 31 March 2020

For members with service before 2015, this chart shows the members' legacy scheme at the valuation date.

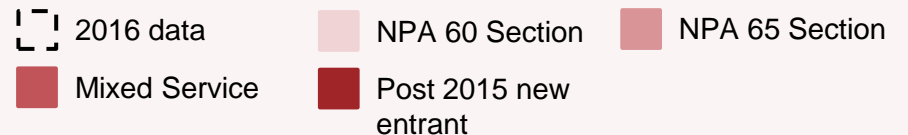
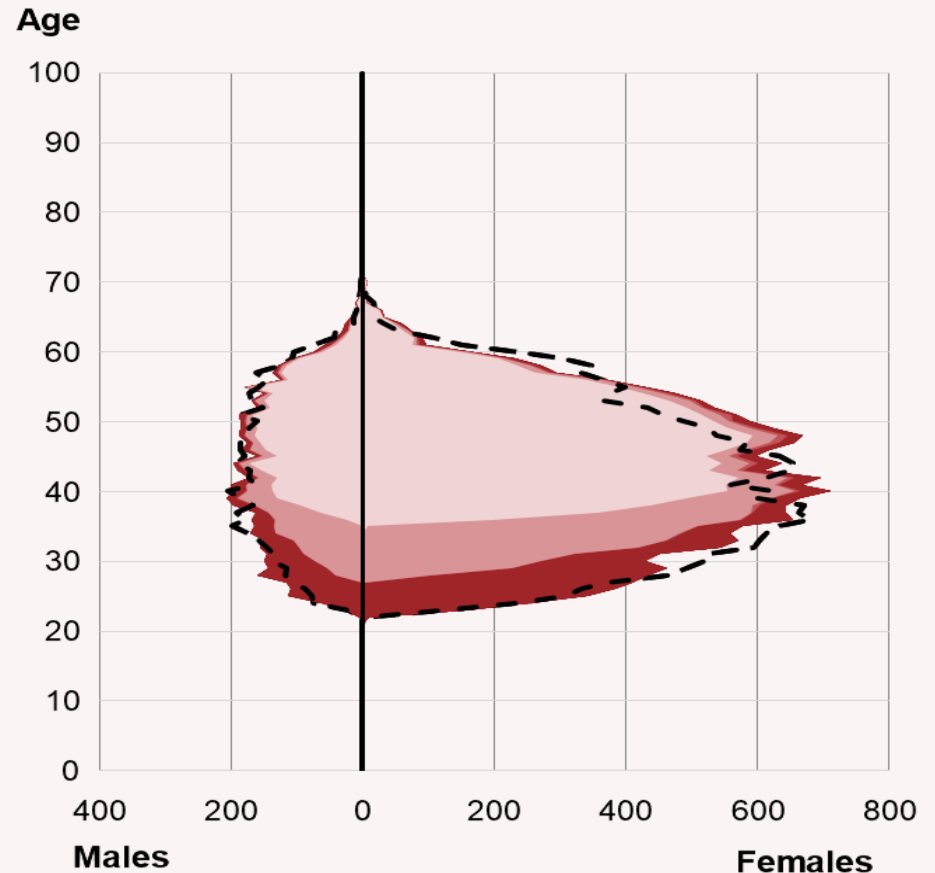
There are more female than male members across all ages.

The majority of active members have legacy Normal Pension Age (NPA) 60 Section or NPA 65 Section benefits.

Over time, the proportion of members with legacy NPA 60 Section or NPA 65 Section benefits should fall as members retire and are replaced by members with only 2015 Scheme benefits. From 1 April 2022, all future service will be in the 2015 Scheme.

There are some fluctuations in active membership numbers by age, but overall, the active membership profile by age is similar in 2020 compared with 2016.

Membership distribution



Where can I see more?

[Appendix C – Tables of summary statistics](#)

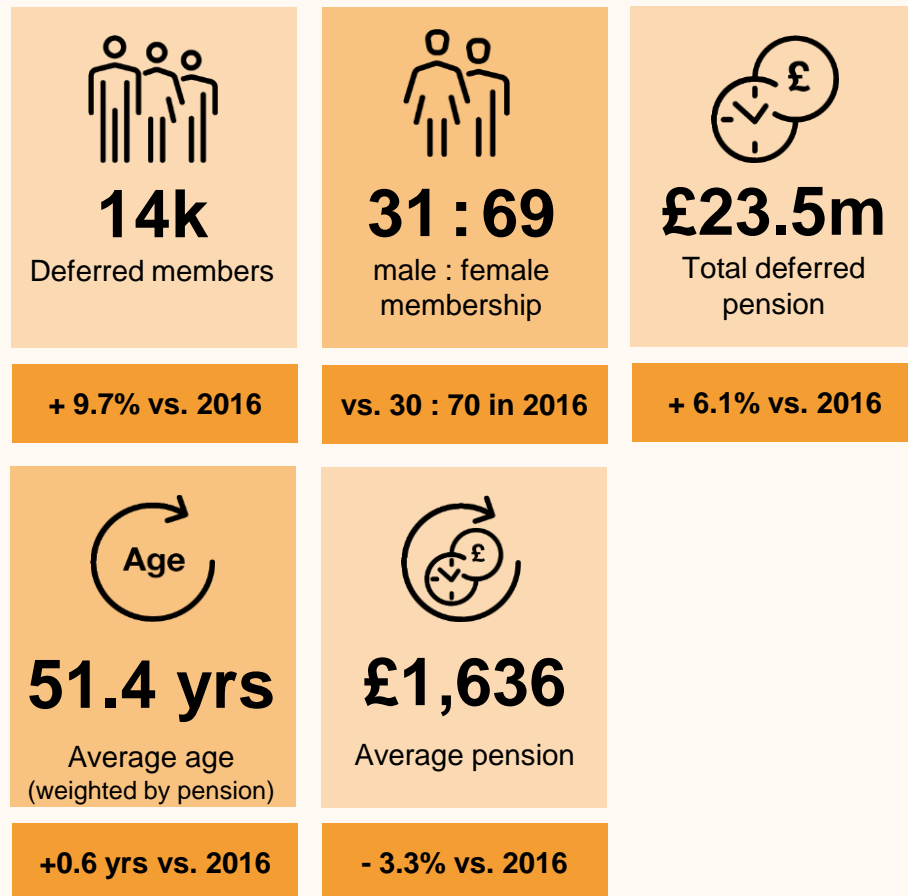
Defferreds



Deferreds data

As at 31 March 2020

Summary statistics



Deferred pension distribution



Pension amounts include the April 2020 pension increase.

Deferred membership

As at 31 March 2020

For members with service before 2015, this chart shows the members' legacy scheme at the valuation date.

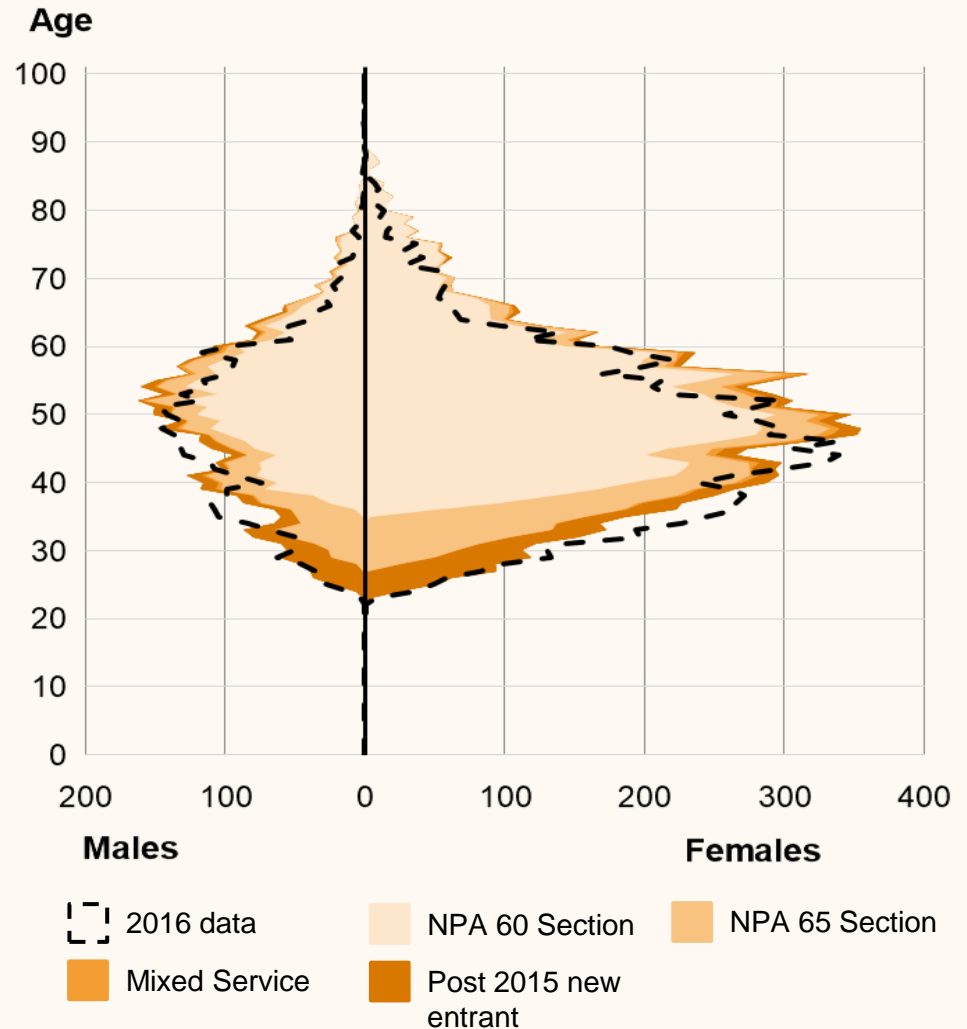
There are more female members than male members across all ages.

The majority of deferred members have legacy NPA 60 Section or NPA 65 Section benefits (shown by the lightest two shades).

There are deferred members over normal pension age who have not yet claimed the pension they are entitled to.

Overall, compared with 2016 (shown by the dotted black line), the deferred population has aged slightly.

Membership distribution



Where can I see more?

[Appendix C – Tables of summary statistics](#)

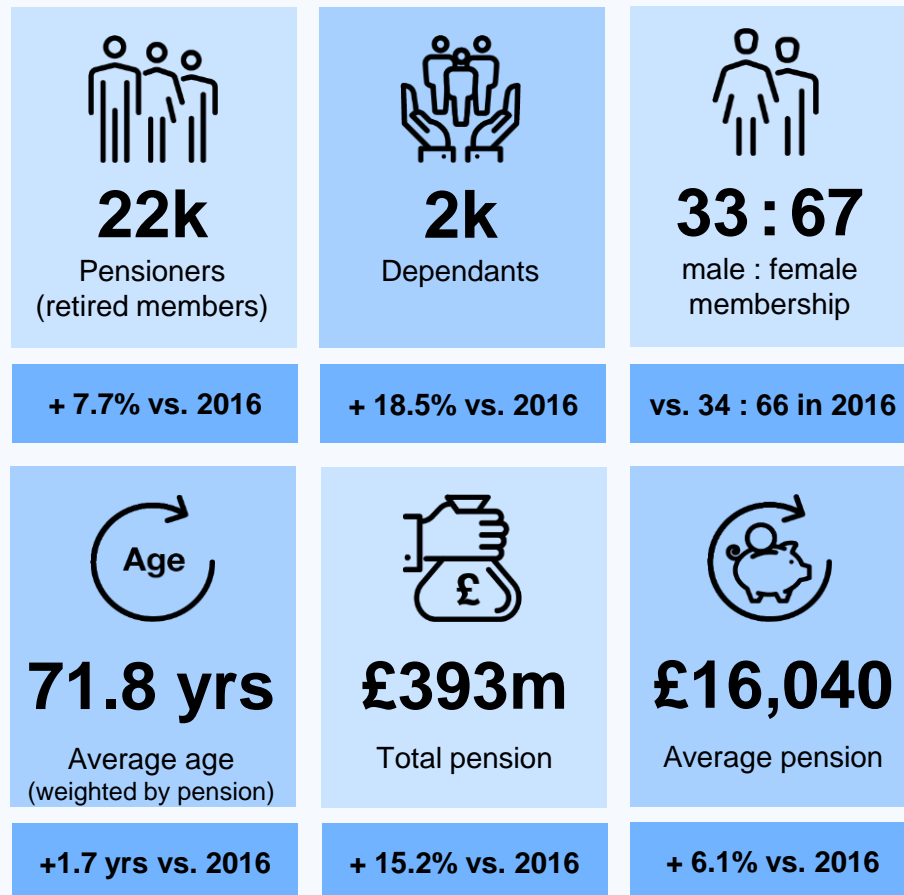
Pensioners



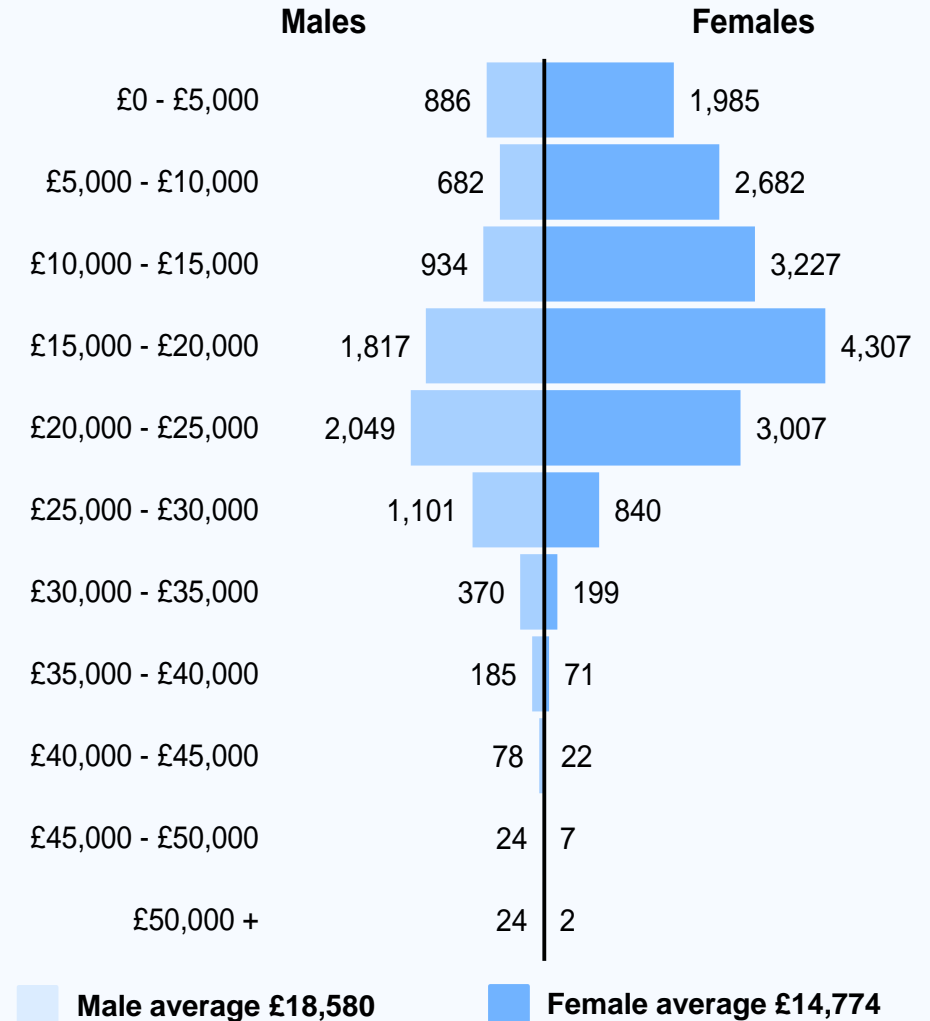
Pensioner data

As at 31 March 2020

Summary statistics



Pensioner data pension distribution



Pension amounts include the April 2020 pension increase.

Pensioner membership

As at 31 March 2020

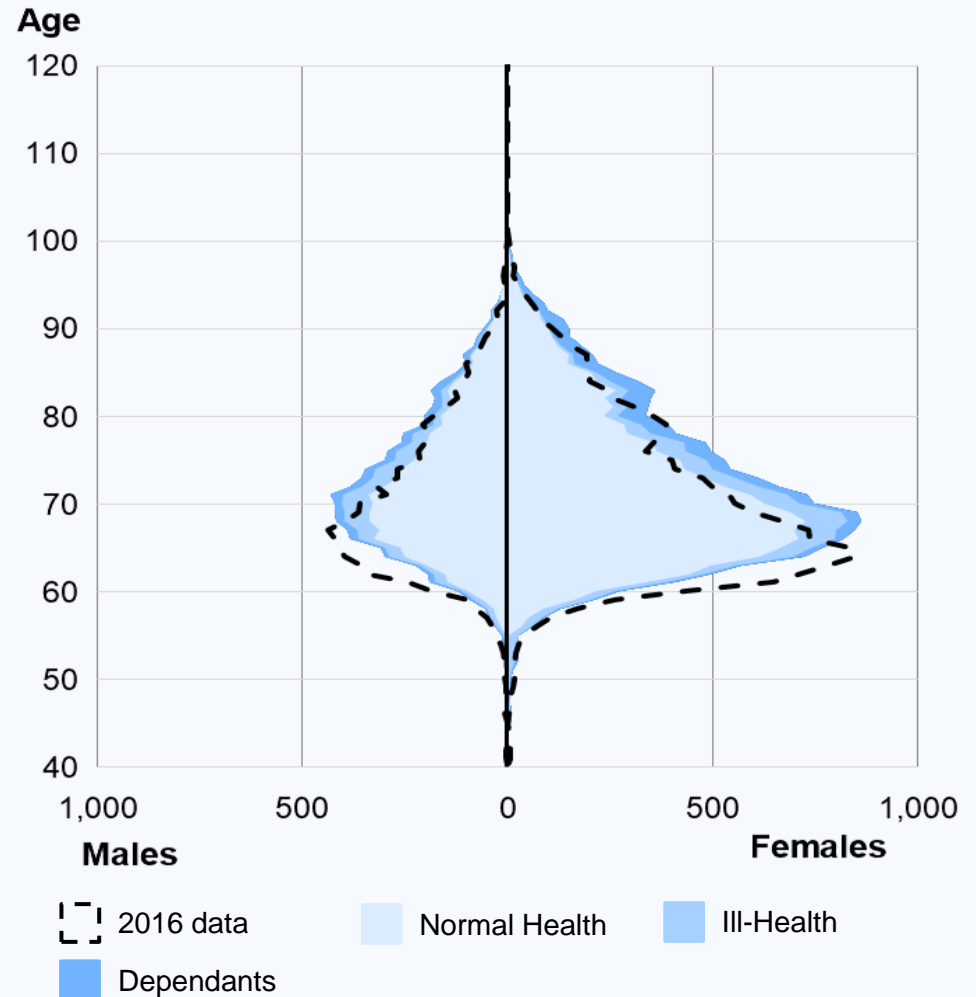
Membership distribution*

There are more female than male pensioners across all ages.

The majority of pensioners are those who retired in normal health (shown by the lightest shade).

There are also members who retired in ill-health and dependants (including children).

Overall, compared with 2016 (shown by the dotted black line), the pensioner population has aged slightly.



Where can I see more?

[Appendix C – Tables of summary statistics](#)

*This chart does not show members aged below 40 years.

Appendix B

Checks, adjustments and uncertainties



Checking and adjustment process



1. Data received

Our work starts when schemes provide data. This is collated and processed to remove any unnecessary personal information and to encrypt any personal information that needs to be retained.

All member data provided and discussed in this report was supplied to GAD from DENI as the NITPS administrators.

2. Aggregate checks and reconciliations

Initial checks carried out on the data are at an overall level, as opposed to an individual record basis.

Any unexpected changes compared to previous datasets are identified.

The data provided is then reconciled against that from a separate source (e.g. scheme resource accounts) to check for any potential issues.

3. 'Record by record' checks and adjustments

If the data passes our initial checks, we then undertake a series of automated, record by record checks to remove records that are deemed unreliable. For example, duplicate records, or those with missing key data. Where valid individual records are excluded, remaining records with similar characteristics are typically rated up to compensate for this, where appropriate.

4. Liability reconciliation

At the final checking stage, we use the adjusted data to calculate actuarial liabilities and reconcile them against those calculated in 2016, adjusted for cashflow information.

5. Final data, ready for use

After completion of checks and adjustments, the dataset is ready for calculating valuation results. We then decide whether, in our opinion, it is fit for the purpose of making decisions based on the valuation results.

If we notice significant issues at any stage of our checking process, we request new or additional data from the scheme administrator in order to correct or allow for them.

'Record by record' checks and adjustments

Process, limitations & uncertainty

We exclude individual records that have missing or unreliable key data and rate up similar remaining records to replace them, where appropriate.

This process assumes that the membership profile of excluded records is consistent with the profile of the similar reliable records. However, to the extent that this is not the case, there is a degree of uncertainty in the valuation results. Further details are set out in the section of this appendix titled 'Residual Data uncertainty'.

Overall, we believe this is a reasonable approach to take given the scarcity of alternative information.

Top 3 reasons for excluding records*

1,577	Missing benefit category information, and not expected to have a benefit entitlement (not rated up)
68	Deferred member recorded as having zero pension (rated up)
1	Reckonable service is outside of the acceptable range (not rated up)

* Some members may fail more than one exclusion check. Only one exclusion will apply in such cases. As a result, the total number of members failing a check can exceed the number of exclusions.

Summary of excluded records

1 Active excluded ~0.0% of total records	1,646 Deferreds excluded 10.3% of total records	1 Pensioner excluded ~0.0% of total records
Improvement vs. the 0.9% 2016 exclusion	Improvement vs. the 11.6% 2016 exclusion	No change vs. the ~0.0% 2016 exclusion

Overall 2.5% of total records were excluded (improvement compared with the 3.1% excluded in 2016).

Further information

After finalising our checks and adjustments we will consider potential data improvements. We will engage with the scheme manager on any issues we have identified to improve future data submissions, where possible and as appropriate.

Liability reconciliation

Summarised results

At the final data checking stage we carry out the following reconciliation.

Reconciliation against 2016 valuation results

This step assesses the expected versus calculated value of the scheme's actuarial liability as at 31 March 2020. The expected liability is calculated by adjusting the 2016 liabilities for cashflow information from the scheme's resource accounts, allowing for known pension increases and salary awards since 2016. Differences between expected and calculated liabilities could imply missing or incorrect data.



This check is within our tolerance levels.

Tolerance levels and uncertainty

All reconciliations have a **tolerance level**, within which we accept any differences and move on. Our tolerance levels vary between checks, depending on the level of accuracy we believe appropriate.

If differences fall outside of the acceptable tolerance levels, further investigations are carried out before deciding whether to accept, adjust, or reject the data provided.

Limitations

The results of these checks are heavily dependent on the accuracy and completeness of the information contained in the scheme's published resource accounts as at 31 March 2017, 2018, 2019 and 2020.

If any of this information is materially inaccurate the results of our checks will also be inaccurate. We believe this is a low risk, as the scheme's accounts have been audited.

Other non-standard adjustments

Summary

In addition, we sometimes make adjustments to data provided to correct known data issues.

We only do this when requested, and when it is more efficient for us to make simple changes than to request new data from administrators.

The key adjustments we have made for NITPS are detailed below.

Data extraction process:

- At the time of the data collection exercise for the 2020 valuation, DENI was implementing a change to the systems it uses to administer the payment of benefits from the scheme. This change took effect from November 2020.
- As part of the system change, the processes used to extract the valuation data needed to be updated.
- A new process has been developed, and a valuation extract has been provided to GAD, as at 31 March 2020.
- However, this extract initially showed material differences to previous valuation extracts, and other independent sources of data.
- GAD has worked with DENI and the new system provider to identify, and mitigate, differences seen between the new and previous extracts. These changes will be implemented into the process used to produce future valuation data.
- However, in the time, and with the resources, available it has not been possible to fully update the new extraction process to mitigate all the inconsistencies identified.
- It has therefore been necessary for DENI to use the previous legacy administration systems to provide us with a valuation extract for use in the valuation as at 31 March 2020.
- This approach will not be possible for future valuations, and so GAD will continue to work with DENI and other parties to produce an updated extraction process.
- DENI has provided GAD with reassurance that throughout the change in administration system, it has not become aware of any new issues with the underlying data which would materially affect the valuation extracts.
- The scheme's accounting disclosures, and associated membership reconciliations, remain consistent with the extract GAD will use for the 2020 valuation.

Other non-standard adjustments

Actives:

- The salary data provided reflects salaries paid at the valuation date (i.e. the '2018 salary bandings'). A subsequent pay agreement after the valuation date awarded a backdated increase of 2%, effective from September 2019. We have therefore applied this increase to salaries as part of our data processing.
- 2015 Scheme pensions, associated with the backdated pay increase, are assumed to accrue after the valuation date, in line with contributions paid. No adjustment to the data is therefore required.
- In a small number of cases, missing salary information was populated using an alternate field, and associated information (including part time status as appropriate).
- A maximum number of 43 years' reckonable service is applied to the NPA 60 Section and NPA 65 Section service variables.

Deferreds:

- Records have been amended where protection status (i.e. protected, tapered protected or unprotected) appeared inconsistent in the data provided. This related to members accruing benefits in the 2015 Scheme, at the 2020 valuation date, but who did not have unprotected status in the data.

Pensioners:

- The proportion of benefits payable to a member's spouse in relation to NPA 60 Section benefits has been determined based on the member's date of birth.
- Members with an unknown 'pensioner type' (e.g. normal health pensioner, ill-health pensioner, dependant) were assigned a 'pensioner type' based on the member's age at the valuation date, and whether there was a spouse's benefit associated with the record.

Limitations and uncertainty

The extent to which the true data differs from the adjusted data we use in our calculations creates a degree of **uncertainty** in the valuation results. More details are set out in the section of this appendix titled 'residual data uncertainty'.

Residual data uncertainty

Summary

The previous sections of this appendix have described the checks and adjustments made to the data to ensure it is fit for the purpose of calculating valuation results.

However, there are risks that the adjustments we have made do not truly represent the underlying data of the scheme, or that the data provided did not truly represent the underlying data of the scheme and we have not made the necessary adjustments to ensure that it does.

Potential impact on valuation results

DENI has provided GAD with reassurance that in implementing its new administration system it has not identified any issues expected to materially affect the valuation data provided at 31 March 2020.

With that reassurance, we are comfortable that the checks and adjustments made are reasonable and that the data is appropriate for the purpose of the 2020 valuation. In our opinion, the potential impact of data uncertainty on the employer contribution rate and member outcomes (via the cost control mechanism) is:

- Employer contribution rate: The uncertainty will be captured together with other experience and changes through the 2024 (or subsequent) valuations and is expected to have an impact of the order of $\pm 0.5\%$ of pensionable pay.
- Member Outcomes: No impact expected



After making the necessary adjustments detailed in this report, we conclude that the data is appropriate for the purpose of the 2020 NITPS valuation.

Appendix C

Tables of summary statistics



Summary statistics – introduction

Categorisation

The membership data in this appendix is categorised by section. Where applicable, members are assigned to the legacy section that they have already accrued benefits in, even if they have now started to accrue benefits in the reformed section. This means that:

- Members who have legacy benefits only as at 31 March 2020 will be categorised under their respective legacy section.
- Members who have a combination of legacy and reformed benefits as at 31 March 2020 having transitioned from a legacy to reformed scheme will be categorised under their respective legacy section.
- Members who have reformed benefits only as at 31 March 2020 will be categorised under the reformed section.

Interpretation

This rest of this appendix summarises the scheme data, after adjustments, into a series of tables. An example is shown below.

The first number in each section of the table, in bold text, shows data as at 31 March 2020. The second number, in standard text, shows the change from data as at 31 March 2016 to data as at 31 March 2020.

Positive changes show increases between 2016 and 2020 and negative changes show decreases.

Example table

Section	Males	Females	Total
Legacy section 1	100 +10	100 +10	200 +20
Legacy section 2	100 +10	100 +10	200 +20
Reformed section	100 +10	100 +10	200 +20
All sections	300 +30	300 +30	600 +60

Summary statistics – actives 1

As at 31 March 2020

Number of members

Section	Males	Females	Total
NPA 60	3,386	11,412	14,798
	- 781	- 1,807	- 2,588
NPA 65	1,369	4,449	5,818
	- 112	- 270	- 382
Mixed Service	41	230	271
	- 25	- 79	- 104
Post 2015 new entrant	1,256	3,439	4,695
	+ 1,045	+ 2,808	+ 3,853
All sections	6,052	19,530	25,582
	+ 126	+ 653	+ 779

Average age* (years)

Section	Males	Females	Total
NPA 60	49.0	47.7	48.0
	+ 1.3	+ 2.0	+ 1.8
NPA 65	36.7	35.5	35.8
	+ 2.8	+ 3.4	+ 3.2
Mixed Service	46.3	47.0	46.8
	+ 3.2	+ 3.5	+ 3.5
Post 2015 new entrant	32.2	30.3	30.8
	+ 1.5	+ 2.4	+ 2.1
All sections	44.1	42.7	43.1
	- 0.8	+ 0.0	- 0.2

* Weighted by actual pay

Note: The first number in each section of the table, in bold text, shows data as at 31 March 2020. The second number, in standard text, shows the change from data as at 31 March 2016 to data as at 31 March 2020. Positive changes show increases between 2016 and 2020 and negative changes show decreases.

Summary statistics – actives 2

As at 31 March 2020

Total full-time equivalent pay (£m pa)

Section	Males	Females	Total
NPA 60	160 - 12.8%	500 - 6.9%	660 - 8.4%
NPA 65	53 + 15.6%	170 + 15.9%	223 + 15.8%
Mixed Service	2 - 34.9%	9 - 16.3%	10 - 19.7%
Post 2015 new entrant	- -	- -	- -
All sections	215 - 7.4%	678 - 2.3%	894 - 3.5%

Total actual pay (£m pa)

Section	Males	Females	Total
NPA 60	155 - 13.7%	448 - 7.4%	603 - 9.1%
NPA 65	51 + 24.2%	155 + 25.9%	206 + 25.5%
Mixed Service	1 - 36.7%	7 + 1.8%	8 - 6.6%
Post 2015 new entrant	33 + 788.0%	90 + 771.1%	123 + 775.5%
All sections	240 + 6.0%	700 + 12.2%	940 + 10.5%

Note: Full-time equivalent pay is only provided in respect of final salary members. This table therefore shows a closed group of members progressing through their teaching careers. We would expect total full-time equivalent pay to reduce over time as the number of members in the group declines.

Summary statistics – actives 3

As at 31 March 2020

Average full-time equivalent pay (£ pa)

Section	Males	Females	Total
NPA 60	47,393 + 7.4%	43,797 + 7.8%	44,620 + 7.6%
NPA 65	38,914 + 25.1%	38,191 + 22.9%	38,361 + 23.4%
Mixed Service	37,650 + 5.4%	38,018 + 12.3%	37,963 + 11.1%
Post 2015 new entrant	- -	- -	- -
All sections	44,889 + 10.4%	42,164 + 10.8%	42,790 + 10.7%

Average actual pay (£ pa)

Section	Males	Females	Total
NPA 60	45,823 + 6.2%	39,218 + 7.2%	40,730 + 6.8%
NPA 65	37,365 + 34.3%	34,790 + 33.6%	35,396 + 33.7%
Mixed Service	29,473 + 2.4%	30,147 + 36.6%	30,045 + 29.2%
Post 2015 new entrant	25,992 + 49.1%	26,258 + 59.8%	26,187 + 57.0%
All sections	39,683 + 3.8%	35,821 + 8.4%	36,734 + 7.2%

Note: Full-time equivalent pay is only provided in respect of final salary members. This table therefore shows a closed group of members all progressing through their teaching careers. We would expect average full-time equivalent pay to increase more than average actual pay between valuations.

Summary statistics – actives 4

As at 31 March 2020

Average reckonable service (years)*

Section	Males	Females	Total
NPA 60	17.3 - 1.9	15.8 - 1.3	16.2 - 1.5
NPA 65	3.5 - 0.0	3.4 + 0.0	3.4 + 0.0
Mixed Service	4.9 - 1.0	5.4 - 0.4	5.3 - 0.5
Post 2015 new entrant	- -	- -	- -
All sections	13.2 - 1.8	12.2 - 1.2	12.5 - 1.3

*Unweighted (shown for final salary sections only).

Total post-reform CARE pension (£m pa)#

Section	Males	Females	Total
NPA 60	12 + 500.8%	36 + 481.4%	48 + 486.0%
NPA 65	4 + 505.2%	13 + 492.0%	17 + 495.2%
Mixed Service	~0 + 234.2%	1 + 347.6%	1 + 324.0%
Post 2015 new entrant	1 + >1000%	3 + >1000%	5 + >1000%
All sections	17 + 537.4%	53 + 515.1%	70 + 520.4%

~ means the figure is too small to report.

The pension amounts include pension revaluation to April 2020.

Summary statistics – deferreds 1

As at 31 March 2020

Number of members

Section	Males	Females	Total
NPA 60	2,822	6,758	9,580
	- 115	- 277	- 392
NPA 65	1,000	2,035	3,035
	+ 78	+ 179	+ 257
Mixed Service	66	198	264
	- 1	- 4	- 5
Post 2015 new entrant	538	951	1,489
	+ 512	+ 900	+ 1,412
All sections	4,426	9,942	14,368
	+ 475	+ 797	+ 1,272

Average age* (years)

Section	Males	Females	Total
NPA 60	54.4	52.9	53.3
	+ 1.4	+ 1.4	+ 1.4
NPA 65	41.1	38.9	39.6
	+ 3.8	+ 2.7	+ 3.1
Mixed Service	52.2	51.4	51.6
	+ 2.0	+ 4.5	+ 3.9
Post 2015 new entrant	35.5	33.3	34.1
	+ 1.8	+ 6.4	+ 5.2
All sections	52.2	51.0	51.4
	+ 0.5	+ 0.6	+ 0.6

* Weighted by pension

Note: The first number in each section of the table, in bold text, shows data as at 31 March 2020. The second number, in standard text, shows the change from data as at 31 March 2016 to data as at 31 March 2020. Positive changes show increases between 2016 and 2020 and negative changes show decreases.

Summary statistics – deferreds 2

As at 31 March 2020

Total deferred pension (£m pa)

Section	Males	Females	Total
NPA 60	5.7 - 3.3%	14.1 - 0.9%	19.8 - 1.6%
NPA 65	0.9 + 89.7%	1.8 + 92.9%	2.7 + 91.8%
Mixed Service	0.1 - 0.8%	0.5 - 5.7%	0.6 - 4.6%
Post 2015 new entrant	0.2 + >1000%	0.3 + >1000%	0.4 + >1000%
All sections	6.8 + 5.8%	16.7 + 6.2%	23.5 + 6.1%

Average deferred pension (£ pa)

Section	Males	Females	Total
NPA 60	2,007 + 0.6%	2,094 + 3.1%	2,068 + 2.4%
NPA 65	886 + 74.8%	884 + 76.0%	885 + 75.6%
Mixed Service	1,976 + 1.0%	2,276 - 3.9%	2,201 - 2.8%
Post 2015 new entrant	280 + 935.2%	285 + 779.2%	283 + 825.3%
All sections	1,544 - 5.5%	1,677 - 2.3%	1,636 - 3.3%

Pension amounts include the April 2020 pension increase.

Note:

Please note that in the 2016 valuation report, the post 2015 Scheme pension was not included in the total pension or the average total pension figures shown in these tables. For the total pension, the impact is very small and so the figures round to the same figure (other than for NPA 65 Section female members, which would have been £0.1m higher). For the average pensions there are some differences. For the purpose of the summaries above, we have compared the 2020 data to what was reported in the 2016 valuation report.

Summary statistics – pensioners 1

As at 31 March 2020

Number of members

Type	Males	Females	Total
Normal Health	6,334 + 330	12,686 + 1,238	19,020 + 1,568
Ill-Health	1,117 - 35	1,998 + 40	3,115 + 5
Dependants	699 + 167	1,666 + 203	2,365 + 370
All sections	8,150 + 462	16,350 + 1,481	24,500 + 1,943

Average age* (years)

Type	Males	Females	Total
Normal Health	72.7 + 1.8	71.5 + 1.5	72.0 + 1.6
Ill-Health	70.6 + 2.9	69.2 + 2.3	69.8 + 2.5
Dependants	66.9 + 0.1	76.1 + 2.1	74.2 + 1.5
All sections	72.3 + 1.9	71.5 + 3.1	71.8 + 1.7

* Weighted by pension

Note: The first number in each section of the table, in bold text, shows data as at 31 March 2020. The second number, in standard text, shows the change from data as at 31 March 2016 to data as at 31 March 2020. Positive changes show increases between 2016 and 2020 and negative changes show decreases.

Summary statistics – pensioners 2

As at 31 March 2020

Total pension (£m pa)

Type	Males	Females	Total
Normal Health	128 + 11.9%	199 + 18.4%	327 + 15.7%
Ill-Health	20 + 4.5%	31 + 9.9%	51 + 7.7%
Dependants	3 + 55.0%	12 + 28.9%	16 + 33.4%
All sections	151 + 11.5%	242 + 17.7%	393 + 15.2%

Average pension (£ pa)

Type	Males	Females	Total
Normal Health	20,248 + 6.0%	15,659 + 6.8%	17,187 + 6.2%
Ill-Health	17,956 + 7.8%	15,275 + 7.7%	16,237 + 7.5%
Dependants	4,476 + 18.0%	7,426 + 13.1%	6,554 + 12.5%
All sections	18,580 + 5.1%	14,774 + 7.1%	16,040 + 6.1%

Pension amounts include the April 2020 pension increase.

Appendix D

Glossary



Glossary 1

Actuarial liability	The monetary amount assessed, in today's terms, as being required to meet all future payments due in respect of current benefit entitlements. It is dependent on assumptions about future financial conditions and membership changes.
CARE	CARE stands for Career Average Revalued Earnings and refers to a methodology whereby earnings over a member's working lifetime in the scheme are used in the calculation of their benefits in the reformed scheme (referred to as the 2015 Scheme in this report).
Cost cap cost	<p>A way of measuring the cost of benefits being provided from the 2015 Scheme, which is then compared to a 'target cost'. The NITPS target cost is set at 13.2% of pay.</p> <p>If the results of the valuation show that the cost cap cost is more than 3% of pensionable pay away from the target cost, and the cost of the scheme still results in a breach once the impact of the economic check is taken into account, changes must be made to the 2015 Scheme (e.g. to the benefits provided) to bring the cost cap cost back to the target cost.</p>
Directions	<p>A document published by Department of Finance and referred to in The Public Service Pensions (Valuations and Employer Cost Cap) Directions (Northern Ireland) 2014, which sets out the process and requirements for carrying out valuations, including the results which need to be disclosed.</p> <p>Directions were first published in 2014 and have been updated several times since then.</p>
Employer contribution rates	<p>The percentage of scheme members' salaries which employers are required to pay in order to:</p> <ul style="list-style-type: none">• meet the costs of benefits currently being built up by active members• make good any shortfall in the notional amounts set aside to cover benefits already built up. <p>The result is heavily dependent on assumptions about future financial conditions and membership changes.</p>
McCloud	McCloud refers to a legal judgment made in December 2018. The England and Wales Court of Appeal judgment upheld claims of age discrimination brought by some firefighters and members of the judiciary against 'transitional protection' rules. These rules determined the date on which some members would move between <u>reformed and legacy sections</u> of the scheme.

Glossary 2

<p>Normal pension age</p>	<p>The age at which a member in normal health is entitled to unreduced benefits. This age varies in different scheme sections:</p> <ul style="list-style-type: none"> • Age 60 for the <u>legacy scheme</u> benefits (NPA 60 Section) • Age 65 for the <u>legacy scheme</u> benefits (NPA 65 Section) • Members with mixed benefits could have a normal pension age of 60 (NPA 60 Section) and 65 (NPA 65 Section) – referred to as Mixed Service in this report. • State Pension Age (SPA) (ie currently ages 65 to 68 depending on date of birth) for the reformed scheme benefits.
<p>Pension increase</p>	<p>Public service pensions are increased under the provisions of the Pensions (Increase) Act 1971 and Section 59 of the Social Security Pensions Act 1975.</p>
<p>Pension revaluation</p>	<p>The rate at which the <u>CARE</u> pension is revalued each year a member is an active member.</p>
<p>Professional actuarial requirements</p>	<p>The professional requirements that we have complied with when completing this actuarial valuation include:</p> <ol style="list-style-type: none"> 1. Technical Actuarial Standards: TAS 100 and TAS 300, issued by the Financial Reporting Council (FRC) 2. The Actuaries’ Code, issued by the Institute and Faculty of Actuaries (IFoA) 3. The Civil Service Code. <p>GAD is also accredited under the IFoA’s Quality Assurance Scheme. More details can be found in our terms of reference.</p>

Glossary 3

Rate up	A term used to refer to any multiplicative adjustments made to data in order to correct for known issues. For example, if it appears that a group of members have been omitted from the data we've received and salaries are understated by 2% as a result, we might apply a 'rate up' of 2% to the salary data we actually hold as a correction. Although the term 'rate up' implies an increase, we might also 'rate down' if appropriate to do so.
Reformed and legacy sections	The reformed section of the scheme is the section that was set up in line with The Public Service Pensions Act 2013, and which came into force on 1 April 2015 (referred to as the 2015 Scheme in this report). All non-reformed sections are known as legacy sections. This terminology is used in the McCloud judgment .
Section	The membership data in Appendix C is categorised by section. Members who have legacy and reformed benefits, or legacy only benefits, will be categorised under the legacy section . Members who have reformed benefits only will be categorised under the reformed section .