



# HSC Pension Scheme

## Summary of the 2020 assumptions used in the actuarial valuation as at 31 March 2020

This report is supplemental to the Advice on assumptions report dated 26 October 2023 and should be read in conjunction with that report. This report contains further details of the 'scheme-set' assumptions to be adopted for the actuarial valuation of the HSC Pension Scheme as at 31 March 2020, including sample rates and values. The assumptions adopted at the previous valuation as at 31 March 2016 are set out in our Advice on assumptions report for that valuation, located at the following <https://www.gov.uk/government/publications/public-service-pensions-2016-actuarial-valuation-reports/public-service-pensions-2016-actuarial-valuation-reports>.

### Mortality after retirement

Baseline mortality	Standard table	Adjustment
<b>Males</b>		
Retirements in normal health	S3NMA	91%
Current ill-health pensioners	S3IMA	134%
Future ill-health pensioners	S3IMA	134%
Dependants	S3DMA	82%
<b>Females</b>		
Retirements in normal health	S3NFA	103%
Current ill-health pensioners	S3IFA	134%
Future ill-health pensioners	S3IFA	134%
Dependants	S3DFA	89%

### Commutation of pension for cash at retirement

	1995 section	2008 section	2015 scheme
<b>Males and females</b>	10% (M)/ 12% (F)	20%	20%



## Retirement ages

### Age retirement rates for 1995 section

Age	Male rates					Female rates				
	Non-manual	MHO	Manual	Practitioner	Special Class Nurses	Non-manual	MHO	Manual	Practitioner	Special Class Nurses
50	0.01	0.03	0.02	0.01	0.02	0.01	0.03	0.01	0.00	0.01
51	0.01	0.02	0.01	0.01	0.02	0.01	0.02	0.01	0.00	0.01
52	0.01	0.02	0.02	0.01	0.02	0.01	0.02	0.01	0.00	0.01
53	0.01	0.02	0.02	0.01	0.02	0.01	0.02	0.01	0.00	0.01
54	0.02	0.13	0.02	0.02	0.05	0.01	0.11	0.01	0.01	0.05
55	0.04	0.50	0.05	0.06	0.30	0.05	0.48	0.03	0.05	0.35
56	0.04	0.24	0.05	0.05	0.13	0.04	0.22	0.02	0.05	0.15
57	0.05	0.27	0.06	0.10	0.16	0.05	0.20	0.04	0.07	0.16
58	0.08	0.25	0.06	0.16	0.21	0.06	0.23	0.04	0.14	0.18
59	0.12	0.29	0.09	0.28	0.16	0.10	0.26	0.07	0.21	0.20
60	0.33	0.33	0.25	0.63	0.42	0.30	0.35	0.19	0.69	0.39
61	0.19	0.27	0.14	0.32	0.31	0.24	0.30	0.23	0.27	0.35
62	0.20	0.34	0.17	0.25	0.24	0.31	0.38	0.31	0.35	0.40
63	0.22	0.28	0.17	0.25	0.29	0.27	0.35	0.23	0.23	0.34
64	0.32	0.72	0.37	0.28	0.76	0.30	0.69	0.25	0.29	0.62
65	0.51	1.00	0.59	0.47	1.00	0.39	1.00	0.35	0.57	1.00
66	0.30		0.32	0.23		0.27		0.25	0.26	
67	0.28		0.29	0.33		0.28		0.19	0.28	
68	1.00		1.00	1.00		1.00		1.00	1.00	

### Age retirement rates for 2008 section

Age	Male rates			Female rates		
	Non-Manual	Manual	Practitioner	Non-Manual	Manual	Practitioner
55	0.02	0.02	0.02	0.02	0.02	0.02
56	0.02	0.02	0.02	0.02	0.02	0.02
57	0.02	0.02	0.02	0.02	0.02	0.02
58	0.02	0.02	0.02	0.02	0.02	0.02
59	0.03	0.03	0.03	0.03	0.03	0.03
60	0.04	0.04	0.04	0.04	0.04	0.04
61	0.05	0.05	0.05	0.05	0.05	0.05
62	0.06	0.06	0.06	0.06	0.06	0.06
63	0.07	0.07	0.07	0.07	0.07	0.07
64	0.08	0.08	0.08	0.08	0.08	0.08
65	0.94	0.90	0.87	0.92	0.94	0.87
66	0.55	0.70	0.32	0.45	0.50	0.40
67	0.50	0.55	0.32	0.40	0.50	0.40
68	0.50	0.50	0.32	0.35	0.50	0.40
69	0.55	0.40	0.32	0.35	0.50	0.40
70	1.00	1.00	1.00	1.00	1.00	1.00

## Age retirement rates for 2015 Scheme

	<i>All members (and applicable to all service)</i>
NPA*	1
NPA-1	0.08
NPA-2	0.07
NPA-3	0.06
NPA-4	0.05
NPA-5	0.04
NPA-6	0.03
NPA-7	0.02
NPA-8	0.02
NPA-9	0.02
NPA-10	0.02
NPA-11}	0.01
NPA-12} to min age 55	0.01
NPA-13}	0.01

\* NPA in 2015 scheme in all cases

Retirements are assumed to occur on a member's birthday.

## Rates of leaving service

No net withdrawals are assumed for practitioner or special class members in the 1995 section. The following table shows the rates (net of re-entry within 5 years) for all other members.

Age	Duration of service	
	0-1 year	Over 1 year
≤ 17	0.20	0.03
20	0.10	0.02
25	0.02	0.02
30	0.02	0.02
45+	0.02	0.02

## Promotional pay increases

Age	Males	Females
	Index value*	Index value*
20	74	77
25	100	100
30	126	125
35	153	140
40	177	146
45	191	152
50	199	157
55	201	161
60	202	164
65	202	164

\*Relative to an index value of 100 at age 25

## Rates of ill-health retirement

Age	Males	Females
20	0.0002	0.0002
25	0.0003	0.0003
30	0.0004	0.0004
35	0.0008	0.0007
40	0.0012	0.0010
45	0.0026	0.0015
50	0.004	0.002
55	0.008	0.006
60	0.010	0.012
62	0.012	0.014
64	0.012	0.016
66	0.014	0.018
68	0	0

\*Rates are zero if above the NPA of the relevant section

In all scheme sections, 75% of ill-health retirements are assumed to qualify for upper tier awards.

## Mortality before retirement

Age	Males	Females
20	0.0002	0.0002
25	0.0002	0.0002
30	0.0003	0.0002
35	0.0005	0.0003
40	0.0006	0.0003
45	0.0009	0.0005
50	0.0012	0.0008
55	0.0019	0.0011
60	0.0030	0.0017
65	0.0048	0.0025

## Family statistics

### Proportion married or partnered at death

Age	Members leaving service before 31 March 2008		Members in service on or after 31 March 2008	
	Males	Females	Males	Females
50	72%	52%	76%	54%
60	72%	52%	76%	54%
70	72%	45%	74%	46%
80	60%	22%	61%	23%
90	34%	7%	34%	7%

## **Other assumptions**

Only a legal spouse of a member leaving before 31 March 2008 is eligible for a dependant's pension. Other dependants may be eligible to dependant's pension for members in service on or after 1 April 2008.

Dependants are assumed to be of the opposite gender as the member. Male members are assumed to be three years older than their partners and female members are assumed to be three years younger than their partners.

**26 October 2023**