



# The Local Government Pension Scheme (Scotland)

## 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 1 March 2024 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 Local Government Pension Scheme Scotland as at 31 March 2020, including sample rates and values. The assumptions adopted at the previous valuation as at 31 March 2017 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_M	113%
Current ill-health pensioners	S3IMA	148%
Future ill-health pensioners	S3IMA	148%
Dependants	S3DMA	110%
<b>Females</b>		
Retirements in normal health	S3NFA_M	115%
Current ill-health pensioners	S3IFA	159%
Future ill-health pensioners	S3IFA	159%
Dependants	S3NFA_H	114%

### Commutation of pension for cash at retirement

	Pre-2009 service	2009-2015 service	Post 2015 service
<b>Males and females</b>	10%	22.5%	22.5%



## Retirement ages

Members joining on or after 1 December 2006, all members not entitled to unreduced benefits before age 65 under the 'Rule of 85', and all members entitled to unreduced benefits between ages 60 and 65 under the 'Rule of 85'

Age	NPA 65	NPA 66	NPA 67	NPA 68
55	0.000	0.000	0.000	0.000
56	0.000	0.000	0.000	0.000
57	0.000	0.000	0.000	0.000
58	0.000	0.000	0.000	0.000
59	0.000	0.000	0.000	0.000
60	0.070	0.000	0.000	0.000
61	0.070	0.070	0.000	0.000
62	0.070	0.070	0.070	0.000
63	0.070	0.070	0.070	0.070
64	0.070	0.070	0.070	0.070
65	1.000	0.070	0.070	0.070
66	1.000	1.000	0.070	0.070
67	1.000	1.000	1.000	0.070
68	1.000	1.000	1.000	1.000

## Members entitled to unreduced benefits at age 60 under the rule of 85

Age	NPA 65	NPA 66	NPA 67	NPA 68
55	0.002	0.002	0.001	0.001
56	0.002	0.002	0.001	0.001
57	0.002	0.002	0.001	0.001
58	0.002	0.002	0.001	0.001
59	0.002	0.002	0.001	0.001
60	0.100	0.100	0.059	0.031
61	0.083	0.083	0.050	0.026
62	0.083	0.083	0.078	0.026
63	0.083	0.083	0.078	0.074
64	0.083	0.083	0.078	0.074
65	1.000	0.083	0.078	0.074
66	1.000	1.000	0.078	0.074
67	1.000	1.000	1.000	0.074
68	1.000	1.000	1.000	1.000

## Rates of leaving service

Age	Male %	Female %
20	12	14
25	10	10
30	7	7
35	5	6
40	3	4
45	3	4
50	2	3
55	2	3
60	1	2
65	1	2

## Promotional pay increases

Age	Men and Women
20	93
25	93
30	100
35	107
40	109
45	111
50	112
55	112
60	112
65	112

\* Relative to an index value of 100 at age 30.

## Rates of ill-health retirement

Age	Men %	Women %
20	0.00	0.00
25	0.00	0.02
30	0.02	0.03
35	0.03	0.05
40	0.05	0.07
45	0.11	0.11
50	0.29	0.22
55	0.60	0.57
60	1.20	1.09
65*	1.91	1.70

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

It is assumed that 70% of ill-health retirements qualify for tier 1 benefits and 30% for tier 2 benefits.

## Mortality before retirement

Age	Men %	Women %
20	0.02	0.01
25	0.02	0.01
30	0.03	0.02
35	0.03	0.03
40	0.06	0.04
45	0.09	0.07
50	0.15	0.10
55	0.23	0.14
60	0.42	0.28
65	0.72	0.48

## Family statistics

### Recommended proportion married or partnered at retirement for future pensioners

Proportion married or partnered at retirement	
Men	80%
Women	75%

These are set in line with ONS population projection statistics as per the 2020 LGPS E&W assumptions.

### Recommended proportion married or partnered for current pensioners (at the valuation date)

Age	Men	Women
60	80%	75%
70	78%	57%
80	64%	28%
90	36%	8%

## Other assumptions

Men are assumed to be three years older than their partners and women are assumed to be two years younger than their partners.

**1 March 2024**