

SCHEDULE 3

Regulation 26(1) and (2)

Value data

PART 1

Value data requirements

1.—(1) For members with money purchase benefits other than collective money purchase benefits, trustees or managers of the pension scheme must provide the value data referred to in sub-paragraph (2).

(2) The value data required is—

- (a) an accrued pot value;
- (b) from 1st October 2023, once a pension illustration has been given—
 - (i) an annualised accrued value, prepared using the methodology set out in the relevant guidance, less the elements regarding future contributions and growth, and calculated as if the individual has reached their retirement date on the illustration date;
 - (ii) if held, a projected pot value, prepared using the methodology set out in the relevant guidance;
 - (iii) an annualised projected value, prepared using the methodology set out in the relevant guidance.

(3) The value data referred to in sub-paragraph (b)(i) to (iii) may be provided on a voluntary basis before 1st October 2023, or between that date and a scheme producing a pension illustration, using the version of the relevant guidance available at the illustration date.

2.—(1) For members with benefits that are not money purchase benefits other than cash balance benefits, trustees or managers of the pension scheme must provide the following value data—

- (a) for active members—
 - (i) an accrued value calculated in accordance with the scheme’s rules and valued to the illustration date, as if the individual has reached their retirement date on the illustration date and without regard to possible increases in earnings;
 - (ii) a projected value calculated in accordance with the scheme’s rules and without regard to possible increases in earnings, that would be payable from the date benefits are payable if pensionable service were to end on the member reaching their retirement date;
- (b) for deferred members—
 - (i) an accrued value calculated in accordance with the scheme’s rules and valued to the illustration date and as if the individual has reached their retirement date on the illustration date, or
 - (ii) a simplified accrued value (“the alternative accrued value”), calculated using a method of adjustment which trustees or managers consider to be appropriate (such as using inflation figures or other percentages from the most recent version of the Occupational Pensions (Revaluation) Order)⁽¹⁾ and valued to the illustration date

(1) For example, see [S.I. 2021/1308](#)

and as if the individual has reached their retirement date on the illustration date, where each of the following conditions applies—

- (aa) no more than 2 years has passed since the scheme connected to the Money and Pensions Service;
- (bb) a value in accordance with paragraph (i) could not be provided within the timescales referred to in regulation 26(5)(b)(ii) without disproportionate cost and within a reasonable time;
- (cc) trustees or managers are content that the alternative accrued value is an appropriate representation of the value of the benefits.

(2) In respect of sub-paragraph (1)—

- (a) value data may be provided as an income or a fixed lump sum or both (where a fixed lump sum is the actuarial value of a benefit which is designed to be taken as a lump sum);
- (b) value data requirements apply—
 - (i) in the case of a Chapter 1 pension scheme, from whichever of the following occurs sooner—
 - (aa) the date when the scheme issues a Remediable Service Statement within the meaning of section 29 of the Public Service Pensions and Judicial Offices Act 2022(2) to relevant members, or
 - (bb) 1st April 2025;
 - (ii) in the case of a public service pension scheme whose members work for the judiciary, from whichever of the following occurs sooner—
 - (aa) the date when the scheme issues an Information Statement within the meaning of section 64 of the Public Service Pensions and Judicial Offices Act 2022 to relevant members, or
 - (bb) 1st April 2025 (even if an Information Statement has not been issued);
 - (iii) in the case of a local government scheme within the meaning of section 86(1) of the Public Service Pensions and Judicial Offices Act 2022, from 1st April 2025;
 - (iv) in the case of a parliamentary pension scheme, from 1st April 2025;
- (c) value data may be provided on a voluntary basis sooner than it is required to be provided in under paragraph (b).

(3) In relation to Chapter 1 schemes, trustees or managers must provide two alternatives in respect of the values referred to in sub-paragraph (1)(a) and (b), to reflect the differing benefits that a member of the scheme may receive in respect of the period from 1st April 2015 to 31st March 2022—

- (a) if any election under section 10 of the Public Service Pensions and Judicial Offices Act 2022 that could be made in relation to the member's remediable service were not made, or
- (b) if any election under section 10 of the Public Service Pensions and Judicial Offices Act 2022 that could be made in relation to the member's remediable service were made.

(4) In respect of a pension scheme which provides benefits that are not money purchase benefits, in circumstances where a benefit under the scheme is comprised of tranches (meaning different elements which could be paid from different retirement dates, or for different periods of time, or at different rates), trustees or managers must do the following in respect of the values referred to in sub-paragraph (1)—

- (a) they must provide whichever of the following they consider would provide the best representation of the benefit—

(2) 2022 c. 7.

- (i) a combined value covering all the tranches of benefit, along with a single common retirement date, or
 - (ii) a separate set of values for different combinations of tranches of benefits, along with a retirement date in relation to each;
 - (b) they must provide a message, in accordance with data standards published from time to time by the Money and Pensions Service, explaining the circumstances in which a benefit referred to may cease or reduce from a certain age.
- (5) In this paragraph “Chapter 1 scheme” means a public service pension scheme other than a scheme for the judiciary or for local government workers.

3.—(1) For members with cash balance benefits, trustees or managers of the pension scheme must provide the following value data—

- (a) for active members—
 - (i) an accrued fund value calculated in accordance with the scheme’s rules, valued to the illustration date and without regard to possible increases in earnings;
 - (ii) a projected fund value calculated in accordance with the scheme’s rules and without regard to possible increases in earnings, that would be payable from the date benefits are payable if pensionable service were to end on the member reaching their retirement date;
- (b) for deferred members, an accrued fund value which is calculated in accordance with the scheme’s rules and valued to the illustration date.

(2) For members with cash balance benefits, trustees or managers of the pension scheme must also provide the following value data from 1st October 2023—

- (a) for active members—
 - (i) an annualised accrued value based on the accrued fund value referred to in sub-paragraph (1)(a)(i), and prepared using the methodology set out in the relevant guidance, less the elements regarding future contributions and growth, and calculated as if the individual has reached their retirement date on the illustration date;
 - (ii) an annualised projected value based on the projected fund value referred to in sub-paragraph (1)(a)(ii), and calculated in accordance with the relevant guidance, less the elements regarding future contributions and growth;
- (b) for deferred members, an annualised accrued value based on the scheme’s rules and calculated as if the individual has reached their retirement date on the illustration date.

(3) The value data referred to in paragraph (2)—

- (a) may be provided on a voluntary basis before 1st October 2023, using the version of the relevant guidance available prior to 1st October 2023;
- (b) need not be provided if the cash balance benefit was set up in a way that was designed to provide a lump sum on retirement.

4. For members with collective money purchase benefits, trustees or managers of the pension scheme must provide the following value data—

- (a) for active members—
 - (i) an annualised accrued value, calculated as if the individual has reached their retirement date on the illustration date and valued to the illustration date;

- (ii) an annualised projected value based on the scheme’s rules and calculated as if the individual has reached their retirement date on the illustration date, as if future contributions continue, and without regard to future increases in earnings;
 - (b) for deferred members, an annualised projected value based on the scheme’s rules and valued to the illustration date.
5. For members with hybrid benefits, trustees or managers of the pension scheme must supply value data which they consider best represents the value of the member’s benefits under the scheme, calculated in accordance with what the trustees or managers consider to be the appropriate methodology from paragraphs 1 to 4 and indicating which methodology they have applied to the calculation for each benefit.

6. In this Schedule—

- (a) references to deferred members are to be treated as including pension credit members;
- (b) the following definitions apply—
 - “accrued value” means an accrued pot value, an accrued fund value, or an annualised accrued value;
 - “accrued fund value” means the current value of a member’s accrued rights, expressed as a single amount;
 - “accrued pot value” means the current value of a member’s pension benefits, expressed as a single amount;
 - “annualised accrued value” means the current value of a member’s pension benefits, expressed as an annual income;
 - “annualised projected value” means an estimate of the value of a member’s pension benefits expressed as an annual income at their retirement date;
 - “cash balance benefit” has the meaning given by section 75 of the Pension Schemes Act 2015;
 - “cash balance scheme” means a scheme which provides cash balance benefits, whether or not the scheme also provides other benefits;
 - “lump sum benefit” means a benefit designed to provide a capital value, rather than an income or an amount commuted into a lump sum;
 - “pension illustration” means an illustration referred to in paragraph 6(1) of Schedule 6 to the 2013 Regulations;
 - “projected fund value” means an estimate of the value of a member’s accrued rights at their retirement date, expressed as a single amount;
 - “projected pot value” means an estimate of the value of a member’s pension benefits at their retirement date, expressed as a single amount;
 - “projected value” means a projected pot value, a projected fund value, or an annualised projected value;
 - “relevant guidance” has the meaning given by regulation 2(1) of the 2013 Regulations.

PART 2

Exemption from certain projected value data requirements

7.—(1) In respect of members with—

- (a) money purchase benefits other than collective money purchase benefits, or

- (b) hybrid benefits, where the benefit is calculated with reference to both money purchase benefits and benefits other than money purchase benefits,

trustees or managers are not required to provide the projected pot values and annualised projected values specified in sub-paragraphs (2)(b)(ii) and (iii) respectively of paragraph 1 of Part 1, where all of the criteria in sub-paragraph (2) are met in relation to the member.

- (2) The criteria are—

- (a) the value of the member's accrued rights to money purchase benefits under the scheme, determined in accordance with the relevant guidance, was less than £5,000 on the last illustration date in respect of which the information listed in Part 2 of Schedule 6 to the 2013 Regulations was last given;
- (b) since the previous illustration date, no contributions (including transfers of pension rights and pension credits) have been made to the scheme by, or on behalf of, the member in respect of the member's money purchase benefits;
- (c) the trustees or managers of the scheme have previously given notice to the member that the information listed in Part 2 of Schedule 6 to the 2013 Regulations will not be given to the member again unless further contributions referred to in paragraph (b) have been made.

(3) But even if an exemption applies under sub-paragraph (1), trustees or managers may provide projected values despite not being required to do so.

- (4) In respect of members with—

- (a) money purchase benefits other than collective money purchase benefits, or
- (b) hybrid benefits, where the benefit is calculated with reference to both money purchase benefits and benefits other than money purchase benefits,

trustees or managers are not required to provide any projected values referred to in Part 1 for a member within 2 years of their retirement date.

(5) But even if an exemption applies under sub-paragraph (4), trustees or managers may provide projected values despite not being required to do so.