

# GAD project helps 1,000+ pension scheme members

Pensions specialists at the Government Actuary's Department (GAD) have completed a project which involved compulsorily transferring the pension benefits of more than a thousand ex-civil servants back into the Civil Service Pension Scheme.

We provided actuarial advice to the different stakeholders involved in this project. These included the trustees of the Babcock Naval Services Pension Scheme (BNSPS), the Ministry of Defence (MOD) and the Cabinet Office as scheme manager to the Civil Service Pension Scheme.

GAD put 3 separate teams in place to avoid any conflicts of interest with 'ethical walls' maintained between the teams to ensure client confidentiality.

## **Transferring benefits**

BNSPS was created in 2002 when 1,500 ex-civil servants transferred employment to Babcock and a pension scheme was required that was 'broadly comparable' to the Civil Service Pension Scheme.

The security of members' benefits within the scheme was backed by MOD. The introduction of the government's Fair Deal (2013) policy of keeping staff like these in public service pension schemes, rather than in private sector 'broadly comparable' schemes, led to changes.

It was agreed that the ex-civil servants in the scheme would re-join the Civil Service Pension Scheme and their pension benefits in the Babcock scheme would compulsorily transfer back.

Pensions teams across GAD provided actuarial advice around the transfer back to the Civil Service Pension Scheme. The terms of the transfer were agreed in early 2018 after extensive discussions. Implementation began shortly after, and the project was completed in September 2019, having successfully transferred the members back to the Civil Service Pension Scheme.

## **Partnership working**

Commenting on the extensive project, GAD actuary, Natacha Lamaletie said: "This transfer was one of a kind because all the former civil servants, not just 'active members' in the scheme, were compulsorily transferred back to the Civil Service Pension Scheme.

"We ensured the project went smoothly and was completed on time. It was a joint effort between a number of GAD teams."

As part of the project, GAD also worked with the receiving pension

administrators to make sure their systems were set up to deal with taking on the members' benefits, ensuring seamless transition and payment of benefits.