

Retirement calculator

News story

GAD has developed a retirement calculator designed to help public sector pension scheme members understand benefits options information in their pensions more clearly.



GAD's member-based innovation

The Government Actuary's Department (GAD) has developed an online tool that provides benefits options information to public sector pension scheme members. The retirement calculator is designed to help people understand their pensions more clearly.

We developed the retirement calculator to help people understand their pension implications following the McCloud legal ruling. The judgment means some pension scheme members have a choice between 2 different types of benefits. The choice is between legacy schemes (typically final salary schemes) and reformed schemes (typically career average revalued earnings schemes.)

Working it out

The retirement calculator uses projections to illustrate what people will get at their chosen retirement age for both options.

Once people add in basic details, this new calculator takes pay rises and working patterns into account. The resulting information then helps scheme members to understand the different benefits they may be eligible for during the remedy period.

Understanding benefits

The idea was developed by GAD actuary John Bayliss. He said: "This is really about helping members understand their benefits and putting this into

context. We expect this will sit along with other member information on pension portals. Once people answer some quick questions, the system will determine if they will be affected. It then refers pension scheme members to the retirement calculator.

“This is new for GAD and over the course of the last year we’ve had to learn some elements of how to do this from scratch. We intend to apply this learning in different areas such as live interactive reporting which we’ve not been able to do before.”

Member-focused

GAD used web programming and software to make the retirement calculator more responsive and interactive. This is so that it leads to a better experience for clients and pension scheme members.

The first retirement calculator is set to go live in March and will be rolled out to several clients across the public sector throughout the UK in the coming financial year.

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