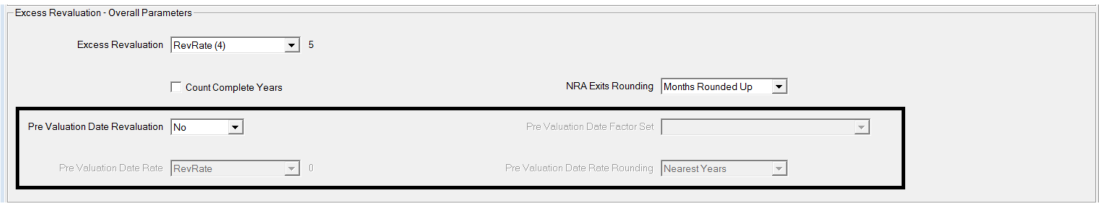
Contents

1 Scope

Note that this document is based on version 9.25 of SuperVal. Any screenshots which may be included from previous versions of SuperVal are not materially different from those in V9.25.

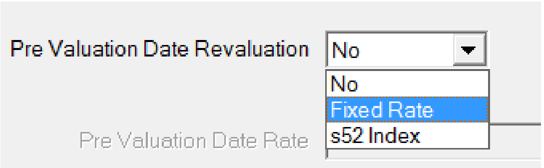
2 Set Up

2.1.1 On the Financial tab in the Deferreds module there are inputs for the Pre-Valuation Date revaluation:



2.2 Pre Valuation Date Revaluation

2.2.1 If pensions are to be valued as for previous versions of SuperVal (i.e. by specifying all data items at Valuation Date), then this field needs to be set to “N – No”:

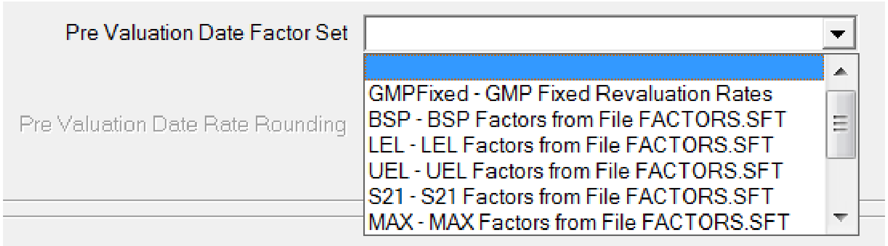


2.2.2 To allow for fixed rate revaluation of XS pension between DOL and Valuation Date, option “F – Fixed Rate” should be chosen.

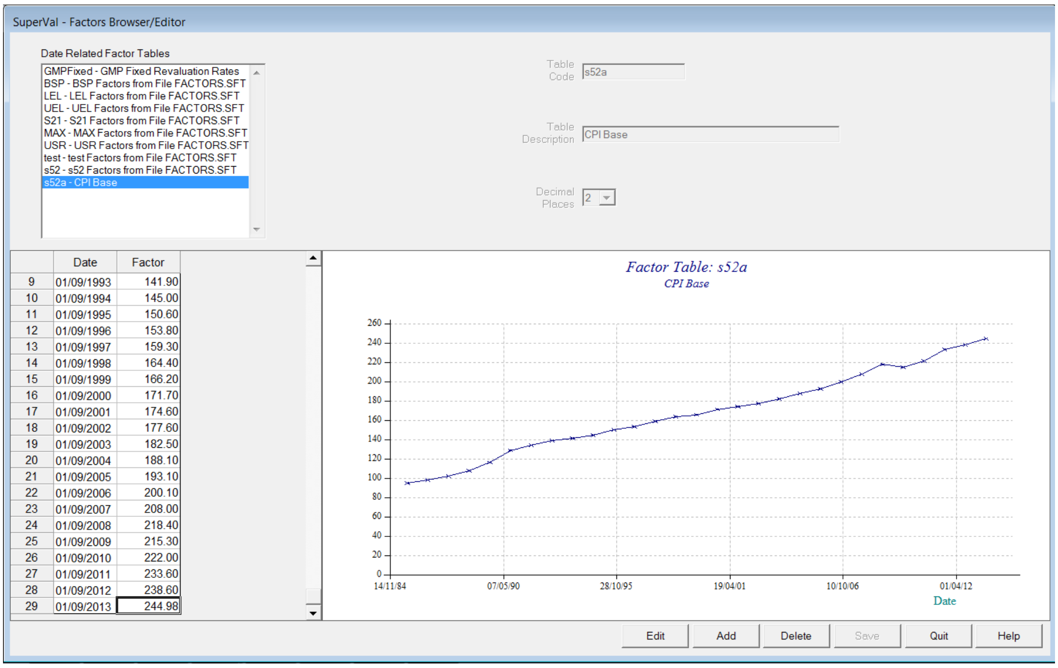
2.2.3 To allow for revaluation of XS pension between DOL and Valuation Date in line with a specified index (e.g. RPI), option “I – s52 Index” should be chosen.

2.3 S52 Index

2.3.1 If a user selects “s52 Index” from the Pre Valuation Date Revaluation, then they are presented with a list of factor tables stored in SVFACTORS.SF:

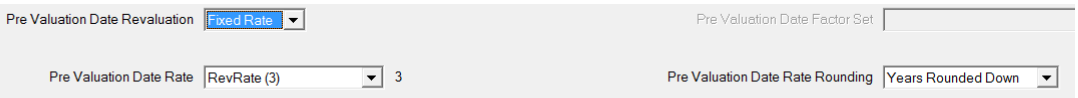


2.3.2 Data can then be input for the relevant index values. The table below is based on CPI values for September of each year. The frequency of index values required is to be determined by the user (in the example below it is yearly, but monthly or even daily values can be specified if necessary).



2.4 Fixed Rate

2.4.1 If a user selects Fixed Rate, the system automatically shows the two relevant fields of Pre Valuation Date Rate and Pre Valuation Date Rate Rounding:



2.4.2 The rounding options are the same as the Post valuation date revaluation options, but be aware that the two periods Pre Valuation Date and Post Valuation date are calculated independently by the system, and so the rounding options should be considered carefully.

3 SuperVal Methodology

3.1 Revaluation from Date of Leaving to Date of Valuation

3.1.1 F – Fixed Rate

If "F – Fixed Rate" pre-Valuation revaluation is chosen, then SuperVal will just apply the rate as per the rounding convention you have specified, based on the period between DOL and Valuation Date.

3.1.2 I – s52 index

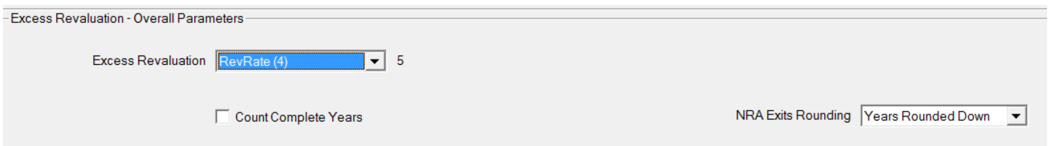
If "I – s52 Index" pre-Valuation revaluation is chosen, then SuperVal will take the index value as at the Valuation Date (or the nearest preceding date if an index value is not defined for the Valuation Date itself) and divide this by the index value as at the DOL specified (again, it will take the nearest preceding date if an index value is not defined for DOL itself). The result will be multiplied by the relevant pension value at DOL to arrive at the pension value at Valuation Date.

3.1.3 Ensure that this table is up to date – or you could easily end up missing out some revaluation for the majority of members.

3.1.4 Note that under this method, any input in the "Pre-Valn Date Rate Rounding" field will be ignored in the calculation.

3.2 Revaluation from Date of Valuation to Normal Retirement Age

3.2.1 Once SuperVal has revalued the pensions at DOL to Valuation Date, it will then revalue benefits from Valuation Date to NRA as per previous versions of SuperVal.



3.2.2 Note – if you have complete years rounding, then be careful you don't end up missing out a years revaluation. Eg say period from DOL to VDATE is 9.8 years, and VDATE to NRD is 10.4 years (and so total period from DOL to NRD is 20.2 years).If you specify "YD" for both "NRA Exits Rounding" and "Pre-Valn Date Rate Rounding", then SuperVal will apply 9 years revaluation to VDATE, and 10 years after it – and so miss out a years revaluation.

Statutory Revaluation of Pensions to NRA

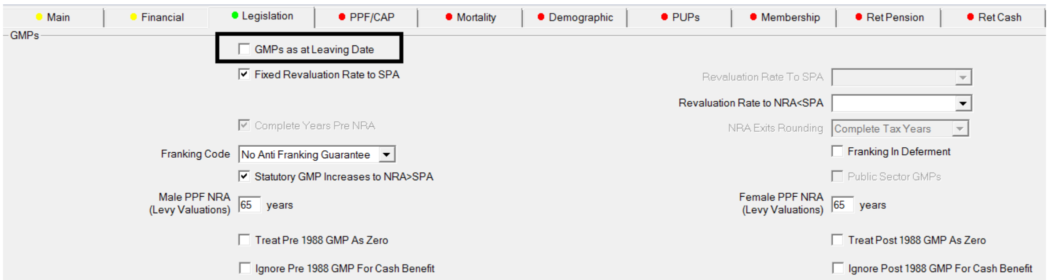
3.2.3 Users should note that the above methodology for revaluing pensions from DOL to NRA is not in line with statutory revaluation requirements – it is just an approximation.

4 Revaluation of GMP

4.1 Fixed Rate Revaluation DOL to DOV

4.1.1 SuperVal now has the capacity to revalue from Date of Leaving to Date of Valuation, but only if the method of revaluation uses the Fixed Rate of Revaluation.

4.1.2 Users must press the small checkbox on the Legislation tab:



4.1.3 To use this GMP0 and GMPE0 should contain data as at Date of Leaving.

4.1.4 The Fixed Revaluation Rates and the dates at which they apply are recorded in the SVfactors.SF file as the GMPFixed table.

4.2 Calculation Methodology

4.2.1 The system will calculate revaluation to DOV as:

Tax Years from Date of Leaving to State Pension Date
less
Tax Years from Date of Valuation to State Pension Date

4.2.2 This is different from how the excess is revalued as the whole deferral period is considered up to SPA, which should ensure the correct number of revaluations are applied.

4.2.3 This approach leaves the current method of revaluing from Date of Valuation unchanged. If users do not wish to use this new functionality, then leave this box unchecked and the existing methodology will be used.