

**Explanation of why differences between the start and end CETVs are in some cases considerably higher than real increases in CETVs.**

EPN710 contains guidance on the pension information relating to senior staff to be included in Remuneration Reports in resource accounts.

Section 13 Annex C of the Employer Pension Guide which is attached to the EPN explains the concepts of Cash Equivalent Transfer Values (CETVs), real increases in CETVs, and their use in Remuneration Reports.

Remuneration reports show the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e., because of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.