

Title: Same-Sex Marriage and Opposite-Sex civil Partnerships in Northern Ireland IA No: CO2019 RPC Reference No: N/A Lead department or agency: GEO/NIO Other departments or agencies:	Impact Assessment (IA)			
	Date: 12/12/2019			
	Stage: Final			
	Source of intervention: Domestic			
	Type of measure: Secondary Legislation			
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Summary: Intervention and Options **RPC Opinion:** RPC Opinion Status

Cost of Preferred (or more likely) Option (in 2016 prices)			
Total Net Present Social Value	Business Net Present Value	Net cost to business per year	Business Impact Target Status
-£0.5m	-£7.9m	£0.9m	Not a regulatory provision

What is the problem under consideration? Why is government intervention necessary?
 There is an inequality in Northern Ireland between same and opposite-sex couples in accessing ways to formalise their relationships. Same-sex couples in Northern Ireland can only form a civil partnership, and opposite-sex couples can only form a marriage. The government supported an amendment to the Northern Ireland (Executive Formation etc.) Act 2019 (‘the EF Act’) that extends marriage to same-sex couples and civil partnerships for opposite-sex couples in Northern Ireland. Section 8 of the EF Act requires the Secretary of State to make regulations no later than 13 January 2020 so that couples in Northern Ireland are eligible to form same-sex marriages and opposite-sex civil partnerships. The duty came into force on 22 October 2019 in the absence of a restored Northern Ireland Executive

What are the policy objectives and the intended effects?
 We plan to introduce regulations to extend eligibility requirements so that couples in Northern Ireland can give notice that they will enter into same-sex civil marriages and opposite-sex civil partnerships from the statutory deadline of 13 January 2020. Existing legislation that explicitly prohibits these relationships in Northern Ireland will be amended by the regulations required under the EF Act. We will also need to make consequential changes to a range of other legislation including that relating to parenthood, pension entitlements and other financial provision including social security, religious protections, and recognition of similar relationships formed overseas to have a robust regime in place for the 13 January deadline.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
 The government is committed to delivering on this statutory duty so that couples can give notice of their intent to form a same-sex marriage or an opposite-sex civil partnership in Northern Ireland on 13 January 2020. We have therefore not considered alternatives to regulations. When considering how to remove the inequality of access to civil partnerships in England and Wales, government considered a range of options, which we outlined in a Command Paper in May 2018.

Will the policy be reviewed? It will not be reviewed. **If applicable, set review date:** N/A

Does implementation go beyond minimum EU requirements?		Yes			
Is this measure likely to impact on trade and investment?		No			
Are any of these organisations in scope?		Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)		Traded: N/A		Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: Julian Smith Date: 19 December 2019

Summary: Analysis & Evidence

Policy Option 1

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year 2019	PV Base Year 2020	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -£19.9m	High: £32.0m	Best Estimate: -£0.6m

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0.6	0.2	2.3
High	0.6	2.6	21.6
Best Estimate	0.6	1.1	9.5

Description and scale of key monetised costs by 'main affected groups'

The key monetised annual recurring cost is from survivors' benefits to a partner's private sector DB occupational pension scheme, for couples aged 65+ who would not get married but would form an opposite-sex civil partnership (OSCP), and couples who would not get a same-sex civil partnership but would enter a marriage. As such, the reform impacts on businesses with DB pensions schemes only. Familiarisation costs for pension schemes to implement the new legislation have also been estimated.

Other key non-monetised costs by 'main affected groups'

These reforms will also have costs to the public sector from DB public sector pensions schemes, and from other tax impacts (e.g. married tax allowance, social security etc.). The GEO are currently working with HMT, DWP, and other departments to assess the overall impact of OSCPs and SSM on public expenditure.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	0.0	0.2	1.7
High	0.0	4.1	34.3
Best Estimate	0.0	1.1	8.9

Description and scale of key monetised benefits by 'main affected groups'

There may be economic benefits resulting from the introduction of SSM if it leads to a greater number of same-sex marriage ceremonies and civil partnerships after the change. A key monetised benefit is the income from survivors' benefits to individuals whose partners were enrolled in a private sector DB pension but have died. This is a transfer from businesses to individuals. It has not been possible to monetise other benefits from the introduction of opposite-sex civil partnerships and same-sex marriages, due to a lack of evidence in this area.

Other key non-monetised benefits by 'main affected groups'

It is difficult to identify benefits from this measure which can be monetised, but non monetised benefits include giving people equal access to ways of formalising their relationships. This closes an existing inequality in the law. There is also some evidence that marriage for same-sex couples could improve the health and wellbeing of lesbian, gay, bisexual and transgender (LGB&T) people.

Key assumptions/sensitivities/risks

Discount rate (%)

3.5%

Estimated take-up of OSCPs, SSMs and the number of individuals with survivor rights to DB pensions that will form an OSCP are key sensitivities in our analysis. 68% of opposite-sex unmarried couples and 71% of same-sex couples not in a civil partnership are already assumed to have survivor right to DB pensions. The chairperson of each private sector DB pension scheme is assumed to need 2 hours to familiarise themselves with the new regulatory requirements of this measure.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: £1.0	Benefits: 0.0	Net: £1.0	
			N/A

Evidence Base

Problem under consideration

Background

Couples in Northern Ireland have access to different forms of legal relationship based on their sexual orientation, or more specifically whether their partner is of the same or the opposite sex. Same-sex couples in Northern Ireland can only form a civil partnership, and opposite-sex couples can only form a marriage.

Civil partnerships were created in 2004 for same-sex couples so that they could formalise their relationships at a time when marriage was not available to them. Same-sex marriage was permitted in England and Wales and Scotland in 2014 by the Marriage (Same sex Couples) Act 2013 and the Marriage and Civil Partnership (Scotland) Act 2014 but the legislation was not extended to Northern Ireland. Civil partnerships remained available only to same-sex couples across the United Kingdom.

This resulted in a situation in Great Britain where same-sex couples could marry or form a civil partnership, but opposite-sex couples could only form a marriage. In June 2018 the Supreme Court found that that approach was incompatible with the European Convention on Human Rights and so the government agreed to extend civil partnerships to opposite-sex couples in England and Wales via the Civil Partnerships (Opposite-Sex Couples) Regulations 2019. Scotland has also introduced legislation that will allow opposite-sex couples to form civil partnerships. Couples in Northern Ireland have seen no change in their option to marry or form a civil partnership since 2004.

The government supported an amendment to the Northern Ireland (Executive Formation etc.) Act 2019 ("the EF Act") that extends marriage to same-sex couples and civil partnerships for opposite-sex couples in Northern Ireland. Section 8 of the EF Act requires the Secretary of State to make regulations no later than 13 January 2020 so that couples in Northern Ireland are eligible to form same-sex marriages and opposite-sex civil partnerships. The duty came into force on 22 October 2019 in the absence of a restored Northern Ireland Executive.

The government is committed to delivering on this statutory duty so that couples can give notice of their intent to form a same-sex marriage or an opposite-sex civil partnership in Northern Ireland on 13 January 2020, with the first ceremonies likely to take place from 10 February.

Affected groups

The change in law will affect three main groups: (1) those wishing to enter into a marriage with someone of the same sex, (2) those wishing to enter into a civil partnership with someone of the opposite sex, and (3) anyone seeking to change their legal gender while remaining in their marriage or civil partnership.

Same-sex couples have, since December 2005, been able to register a civil partnership in Northern Ireland. Twelve same-sex civil partnerships were registered in Northern Ireland in the last month of 2005, and 116 same-sex civil partnerships were registered during 2006, the first full year they were available. From 2006 to 2017, numbers have fluctuated between 84 and 116, with an average of 99 same-sex civil partnerships per year.

Foreign citizens who enter into same-sex unions abroad will be affected in terms of how their relationship is treated within Northern Ireland. Northern Ireland currently treats same-sex relationships entered into abroad as civil partnerships, provided they meet certain criteria; in the future, overseas marriages of same-sex couples will normally be recognised as such in Northern Ireland in the same way as overseas marriages of opposite-sex couples are currently.

Under the changes in legislation opposite-sex couples will also be able to enter into civil partnerships for the first time. There are just under 50,000 cohabiting opposite-sex couples living in Northern Ireland¹, who will now have the choice of a civil partnership if they believe that marriage is not the decision for them, providing them with greater stability and security.

Rationale for intervention

The UK government is obliged by the EF Act to extend same-sex marriage and opposite-sex civil partnerships to Northern Ireland by secondary legislation that takes effect on or before 13 January 2020. Since 29 March 2014, same-sex couples have been able to marry under the law of England and Wales. Opposite-sex civil partnerships were implemented in England and Wales in 2019, with Scottish legislation currently before the Scottish Parliament.

Marriage and civil partnerships are both viewed by the government to be equally valid ways of formalising relationships. Civil partnership is seen as an alternative to marriage without its traditional associations, while for others, the tradition associated with marriage is exactly what lends its significance to the couple. Giving couples the same rights to gain legal recognition for their relationship will achieve fairness and equality between people of different sexual orientations.

Couples should be able to choose the form of commitment that best suits them, their relationship, and their beliefs. While many opposite-sex couples choose to formalise their relationship, others feel this is not an option suitable for them. Equally, many same-sex partners wish to formalise their relationship through marriage, but are currently prevented from doing so by the law.

Policy objective

The EF Act is clear that regulations must be in place no later than 13 January 2020 so that couples in Northern Ireland are eligible to form same-sex marriages and opposite-sex civil partnerships. Couples will need to give the usual 28 days notice of their intent to form such a relationship and so the first same-sex marriages and opposite-sex civil partnerships in Northern Ireland are expected to take place from 10 February 2020.

The EF Act also sets out that the Secretary of State may make regulations relating to religious protections associated with same-sex marriage and opposite-sex civil partnership; and for conversion between civil partnership and marriage (and vice versa). We have set out why it is necessary to consult the public on these two issues, meaning that this policy will be delivered in two tranches as follows:

- Tranche one: initial regulations to extend eligibility requirements so that couples in Northern Ireland can give notice that they will enter into same-sex civil marriages and opposite-sex civil partnerships from the statutory deadline of 13 January 2020; and
- Tranche two: further regulations introduced to a slightly later timescale (implementation later in 2020) covering in particular same-sex religious marriage and the appropriate religious protections; and conversion entitlements for marriage and civil partnership. These regulations would follow a public consultation on these two issues.

Existing legislation that explicitly prohibits these relationships in Northern Ireland will be amended by the regulations required under the EF Act. We will also need to make consequential changes to a range of other legislation including that relating to parenthood, pension entitlements and other financial provision including social security, religious protections, and recognition of similar relationships formed overseas to have a robust regime in place for the 13 January deadline.

A direct consequence of the introduction of same-sex marriage and opposite-sex civil partnership will be that couples are able to remain in their relationship if one partner changes their legal gender, rather than being required to dissolve their relationship (and forming a new relationship if they wish), as they must

¹ LFS, 2019. *Families by family type, regions of England, and UK constituent countries*. Available [here](#)

do now. We intend to mirror the policy in England and Wales that allows a couple in a civil partnership or marriage to remain in their relationship if one partner changes their legal gender, if their spouse or civil partner consents to the relationship continuing. This will require amendments to the Gender Recognition Act 2004 to extend these provisions to Northern Ireland.

Options considered

In ending the inequality between same-sex and opposite-sex couples in terms of their access to ways of formalising their relationships, the following options were available:

- i. **Option 1 (Business as usual):** Maintaining the status quo, so that same-sex couples can only enter into civil partnerships, and opposite-sex couples can only enter into marriages
- ii. **Option 2 (preferred):** Extend civil partnerships to opposite-sex couples, and civil marriage to same-sex couples.

Option 3, an alternative approach would have been to end same-sex civil partnerships and to only allow same-sex couples to marry in the future (as the Republic of Ireland has done). This, however, would deny opposite-sex couples who do not wish to marry the opportunity to formalise their relationships, and would deviate from the position in England and Wales.

As the UK government is required by law (EF Act 2019) to extend same-sex marriage and opposite-sex civil partnerships to Northern Ireland by 13 January 2020, **Options 1 and 3** are not considered in this impact assessment, and only **Option 2** is taken forward.

Option 1 (Business as usual), is used as our counterfactual with which we form our cost estimates.

Evidence on take up

Opposite-sex civil partnerships

There is uncertainty over the estimated take up of OSCPs in Northern Ireland, due to the complex personal and social reasons for entering into a formalised union with a partner. OSCPs will be a new type of formalised relationship for opposite-sex couples, where only marriage has been available previously. Unlike in England and Wales, where a significant campaign existed to extend civil partnerships to opposite-sex couples, no such campaign exists in Northern Ireland and there has been little coverage of interest so we therefore do not know how couples will react.

Given this uncertainty, this impact assessment will look at the introduction of OSCPs under a number of 'take up' scenarios. The estimates will utilise international evidence and the results of a representative survey of British demand for OSCPs (the OSCPs survey), commissioned by the Government Equalities Office (GEO) in 2018.² The results of this survey have been extrapolated to Northern Ireland.

With OSCPS, we assume that couples will enter into civil partnerships where they are unwilling to enter into marriages, thereby increasing the number of couples in formalised relationship. The costs associated with this increase in formalised relationships comes about as more people are entitled to survivor benefits from pensions. The main costs associated with introducing OSCPs are therefore increased survivor benefits from private sector Defined Benefit (DB) pension schemes, and from potential survivor benefits for the State Pension.

Same-sex marriage

Data from England and Wales and from the Republic of Ireland on same-sex marriages and civil partnerships showed an increase in the overall numbers of formalised same-sex relationships per year (calculated as same-sex marriages and same-sex civil partnerships combined) after same-sex marriage was legalised. We use this experience to assume a similar pattern of take up in Northern Ireland.

This impact assessment only covers same-sex civil marriage, and it is likely that a small proportion of same-sex couples who wish to eventually marry will await the results of the consultation into same-sex

² YouGov, 2018. Civil Partnerships Survey, fieldwork 10-18 September 2018

religious marriage. Religious same-sex marriage is out of scope for this impact assessment, but we take same-sex marriage data at face value for an estimate of same-sex civil marriage take-up – this way we reduce the risk of underestimating the take-up of same-sex civil marriage.

As with OSCP, any increase in the number of formalised relationships (marriages plus civil partnerships) will mean that more people are entitled to survivor benefits from private sector DB pension schemes, which again forms the main cost for the introduction of same-sex marriages in Northern Ireland.

Appraisal (costs and benefits)

This impact assessment takes into account what are effectively two changes in legislation: the extension of marriage to same-sex couples, and the extension of civil partnerships to opposite-sex couples. There are different costs associated with each of these changes.

For SSM, we use the experiences of England and Wales, as well as the Republic of Ireland, to assume there will be an increase in formalised same-sex relationships. As civil partnerships will remain available for same-sex couples in Northern Ireland, the form of same-sex relationship that couples choose will not make a difference to costs, as the entitlement to survivors' benefits from pensions will be the same regardless of whether they choose a marriage or a civil partnership. The cost of introducing SSM in Northern Ireland will therefore not depend on the take up of same-sex marriage, but the take-up of formalised same-sex relationships overall. This also accounts for the fact that legalisation of same-sex marriage will have a cultural effect in Northern Ireland too, potentially reducing any remaining stigma associated with being in a same-sex relationship.

With OSCP on the other hand, we assume that couples who did not originally wish to formalise their relationship through marriage may opt for a civil partnership instead. This follows from experience in England and Wales, where couples were reluctant to marry due its traditional associations, and campaigned over five years for the right to enter into a civil partnership. The overall take up of formalised opposite-sex relationships (civil partnerships plus marriages) is therefore expected to increase over the next 10 years. This will ultimately effect private costs as more couples will be entitled to survivor's benefits from private sector defined benefit (DB) occupational schemes.

For both OSCP and SSM, this impact assessment calculates the uptake first, then narrows the scope down to those at or above state pension age, and finally then calculates the cost of the provision of survivors' benefits.

Finally, the cost common to both changes are familiarisation costs. The cost to businesses for familiarisation is assumed to be one-off and is formed of the assumed two hours needed for pension fund managers to consider the impact of the introduction of OSCP and same-sex marriages on a DB pension fund. There is uncertainty around this figure, but we are comfortable that time needed will not be higher than this estimation.

Costs to public sector

Transition costs to the public sector

Changing legislation creates some costs to certain government departments and agencies, and in some cases require updates to IT systems and other processes. The estimated costs to the public sector below have been sourced from the Northern Ireland Civil Service. They are the best estimates available at the time, but may be subject to change. The General Register Office for Northern Ireland (GRONI) costs cover the estimated four and a half months of work from the IT supplier to make changes to IT systems, enabling SSM and OSCP bookings, notices, and registration to be completed. It also includes some changes to the officiant process.

Table 1: Summary of monetised transition costs to public sector

Organisation	Cost
General Register Office for Northern Ireland	£500,000, plus £40,000 for three years
Local Authorities	None (covered by GRO changes)

Overall, this gives an estimated present value total of **£0.6 million** in cost to the public sector.

The introduction of OSCP and SSMs will also increase costs to the public sector through increased survivor benefits from public sector Defined Benefit (DB) pension schemes, and from potential survivor benefits for the new State Pension. HM Treasury (HMT) and The Department for Work and Pensions (DWP) have responsibility over public sector pensions and the State Pension respectively. The GEO are currently working with HMT, DWP and other departments to assess the overall impact of OSCP on public expenditure. These pension payments count as transfers from the public sector to the individual, and therefore do not need to be included in this impact assessment.

Costs to businesses

Changing legislation to allow same-sex couples to marry, and opposite-sex couples to enter into civil partnerships creates costs to businesses on two fronts:

- 1) **Familiarisation costs** to businesses as pension fund managers consider the impact changes in access to opposite-sex civil partnerships and same-sex marriage will have on pension entitlement.
- 2) **Pension costs** as previously unmarried couples who may not wish to marry, may opt for an opposite-sex civil partnership instead, and the number of same-sex couples entering into formalised relationships overall is likely to increase. In this event, surviving partners will be entitled to survivor benefits from their partner's DB pension scheme. These costs are considered transfers in terms of Net Present Social Value (NPSV) to those who will be in receipt of survivors' benefits, however they will still represent a cost to businesses.

Defined Contribution (DC) schemes are out of scope of this impact assessment, as the vast majority of DC schemes allow for the nomination of any individual to receive the pension's benefits in the event of the pension holder's death. In contrast with DB pensions where a specified amount of income in retirement is guaranteed by an employer, and any shortfall in funding is met by the employer, with DC pensions a pot of money is built up over a working life and any shortfall in funding falls to the individual. This means that where individuals are members of DC pension schemes, no additional liability will be placed on employers from the creation of 'additional' OSCP or formalised same-sex relationships. There may be some unmarried partners with DC who have not nominated anyone to receive their pension survivor benefits. However, these numbers are likely to be so small that it is not proportionate to estimate them to include in this impact assessment.

Private non-religious premises which host civil wedding ceremonies would be unlikely to see any additional costs from this policy as premises approved for marriages will be automatically approved for marriages of same-sex couples. Premises may need to update promotional materials and websites, but we expect this to fall under 'business as usual' updates.

Familiarisation costs for businesses

It is assumed there will be familiarisation costs for the chairs of DB private sector pension funds' boards of trustees. As explained, DC pension schemes are considered out of scope of this impact assessment.

These familiarisation costs are assumed to be a one-off cost when new legislation or burdens on businesses are introduced. There are currently 5,524 private sector DB funds in the UK.³ As there is no figure available for the number of private sector DB pension funds in Northern Ireland, we can obtain an

³ Pension Protection Fund, 2018. The Purple Book: DB Pensions Universe Risk Profile, [here](#)

estimate using the relative size of Northern Ireland to the rest of the UK. Taking 3%⁴ of 5,524 gives us an estimated number of 166 private sector DB funds in Northern Ireland.

The hourly median wage for a financial manager or director has been taken from the Annual Survey of Hours and Earnings (ASHE) 2019 release as £31.42.⁵ This again is a figure that covers Great Britain, but has been extrapolated to Northern Ireland for our purposes. Non-wage costs for 'Financial and Insurance activities' are taken from the Eurostat Labour Cost Survey 2016.⁶ Wage and salary costs are estimated at 81.1% of labour costs in the UK finance and Insurance sector. The inverse of this figure minus 1, $((100/81.1) - 1) = 23.3\%$, provides the uplift rate required to calculate total hourly labour costs in the sector.

It is not expected that any specific training will be required as a result of this legislation.

Table 2: One-off familiarisation costs [2020 prices] are calculated as follows:

Total DB private sector pension funds in the UK ⁷	Median hourly rate for 'financial managers and directors' (2020 prices) ⁸	Non-wage costs uplift rate ⁹	Time – taken	Total estimated familiarisation cost
166	£32.06	23.3%	2 hours	£13,000

Source: Pension Protection Fund, ONS, Eurostat

Low, best, and high take up of 'additional' Same-Sex marriage

Our estimates for same-sex marriage take-up are as follows, guided by evidence available from England and Wales and Northern Ireland. Same-sex marriage has been legal in the rest of the UK since 2014, and the most recent available marriage data is from 2016. In the Republic of Ireland, data is available up to 2018, but same-sex marriage was only introduced in 2016. We use the change in total same-sex formalised relationships with both of these countries to estimate the take-up in Northern Ireland.

- **Low estimate** – we assume that there will be no increase in formalised same-sex relationships. This assumption was used for the low, best and high estimates of in the England and Wales Marriage (Same-Sex Couples) Act 2013 impact assessment. Under this assumption, couples simply choose marriage instead of civil partnership, and under the counterfactual they would register a civil partnership anyway. There are no associated costs with this low estimate of take-up.
- **Best estimate** – based on Republic of Ireland data on same-sex marriage and civil partnerships.¹⁰ We assume the same percentage increase in uptake of same-sex formalised partnerships, and then take an average of the percentage increase for subsequent years, discounting the first year of SSM introduction.
- **High estimate** – based on England and Wales data on same-sex marriage and civil partnerships. We assume the same percentage increase in uptake of same-sex formalised partnerships, and then take an average of the percentage increase for subsequent years, discounting the first year of SSM introduction.

Table 2 presents our low, best and high estimates for take up of formalised same-sex marriages in Northern Ireland.

Summary of calculation:

⁴ The proportion of the UK population that lives in Northern Ireland is approximately 3%.

⁵ ASHE tables cover Great Britain, but for the purpose of the estimates in this impact assessment, we have extrapolated this figure to NI.

⁶ Eurostat, 2016. Structure of labour cost by NACE Rev. 2 activity - % of total cost, LCS surveys 2008, 2012 and 2016, [here](#). Labour cost structure: *wages and salaries (excl. apprentices)*; NACE Rev.2: *Financial and insurance activities*; Number of employees: *10 employees or more*

⁷ Pension Protection Fund, 2018. The Purple Book: DB Pensions Universe Risk Profile, [here](#)

⁸ ONS, 2019. Annual Survey of Hours and Earnings: Table 14.6, using SOC code 1131. Available [here](#)

⁹ Eurostat, 2016. Structure of labour cost by NACE Rev. 2 activity - % of total cost, LCS surveys 2008, 2012 and 2016, [here](#)

- 1) For all three estimates average same-sex civil partnerships in Northern Ireland from 2006-2017 (all data years excluding the year of introduction). This average is used as a projection of same-sex civil partnership take-up under the counterfactual, where same-sex marriage is not introduced
- 2) For 'low' estimate, assume take up of additional formalised same-sex relationship (either civil-partnership or marriage) is zero.

For 'best' and 'high' estimates, take the percentage increase in formalised same-sex relationships in the year before same-sex marriage was introduced in the Republic of Ireland and England and Wales respectively. Use these percentage increases for the first three years of implementation (for both scenarios, we only have three years of data). Use an average of take-up in all years, excluding the first year of SSM introduction to estimate take-up from 2023 onward.

For all estimates we then:

- 3) Reduce take-up estimate to just those aged over 55, using the NI population by age distribution (28%).
- 4) Discount for those not already eligible for survivors' benefits to private sector DB pensions.

Table 3: Estimations of 'low', 'best' and 'high' take up of formalised same-sex relationships in Northern Ireland 2020-2029

Year	Projected SSCP ¹³ without SSM	Low (No additional)		Best (Republic of Ireland) ¹¹		High (England and Wales) ¹²	
		% increase	Additional formalised SS relationships	% increase	Additional formalised SS relationships	% increase	Additional formalised SS relationships
2020	99	0%	0	175%	174	81%	80
2021	99	0%	0	98%	97	120%	119
2022	99	0%	0	73%	72	137%	136
2023	99	0%	0	85%	85	128%	127
2024	99	0%	0	85%	85	128%	127
2025	99	0%	0	85%	85	128%	127
2026	99	0%	0	85%	85	128%	127
2027	99	0%	0	85%	85	128%	127
2028	99	0%	0	85%	85	128%	127
2029	99	0%	0	85%	85	128%	127

Low, best, and high take up of 'additional' OSCP

Our estimates for OSCP take-up are as follows, guided by the evidence currently available. Although YouGov survey data has been extrapolated from Great Britain to Northern Ireland, we assume that the rate of take-up of opposite-sex civil partnerships will be half of that predicted in England and Wales for both the best and high estimates. This is because the rate of cohabitation in Northern Ireland is approximately half of the rest of the UK¹⁴, suggesting a much lower rate of couples who would be interested in a civil partnership and unlikely to marry.

- **Low estimate** – the number of OSCPs is estimated using NI population forecasts and NI marriage rates alongside take up rates from the Netherlands. Of these OSCPs, 57% each year are assumed to be 'additional', as 57% of the YouGov survey respondents who said they were

¹¹ ROI Central Statistics Office and internal calculations. Data available [here](#).

¹² ONS and internal calculations. Data available [here](#) and [here](#).

¹³ Average SSCP take-up in Northern Ireland 2006-2017

¹⁴ There are 47,000 cohabiting opposite-sex couples in NI compared to 3.3 million in the UK overall. Using the NI population of 1.8million gives us a cohabitation rate of 2.61% compared to the UK's rate of 4.97%

'very interested in a civil partnership' also said they were 'unlikely to marry' (and are therefore assumed to not marry under the counterfactual where OSCPs are not introduced).

- **Best estimate** – in addition to the above, we assume that there is initial surge in interest that tapers off over time in line with NI data on same-sex civil partnerships - assume take-up is 25% of that indicated in the YouGov survey¹⁵
- **High estimate** – assumes take-up is 50% of that indicated in the YouGov survey to account for the lower rate of cohabitation, scaled for the NI population. Assume an initial surge similar to same-sex civil partnerships in NI, before levelling out around year 4.

All are rescaled to forecast Northern Ireland marriages from 2020-2029.

Summary of calculation:

- 1) From all survey respondents take those in a serious relationship
- 2) Take % of (1) 'very interested' in a civil partnership and 'unlikely to marry' to get 'additional civil partnerships'
- 3) Take % of (2) that will form an OSCP 'within the next year' to produce an annual estimate of 'additional' OSCPs:
 - a. Average those 'in next year', and those 'in 1-2 years' time to take into consideration time taken to plan a formal union ceremony,
- 4) For 'best' estimate add 25% of these additional OSCPs to Netherlands data on OSCP take up (the YouGov OSCP survey showed higher interest in opposite-sex civil partnerships when compared to international evidence on take-up, so we assume that Netherlands data alone for our best estimate will be too low).

For 'high' scenario, we have carried forward 50% of these additional OSCPs

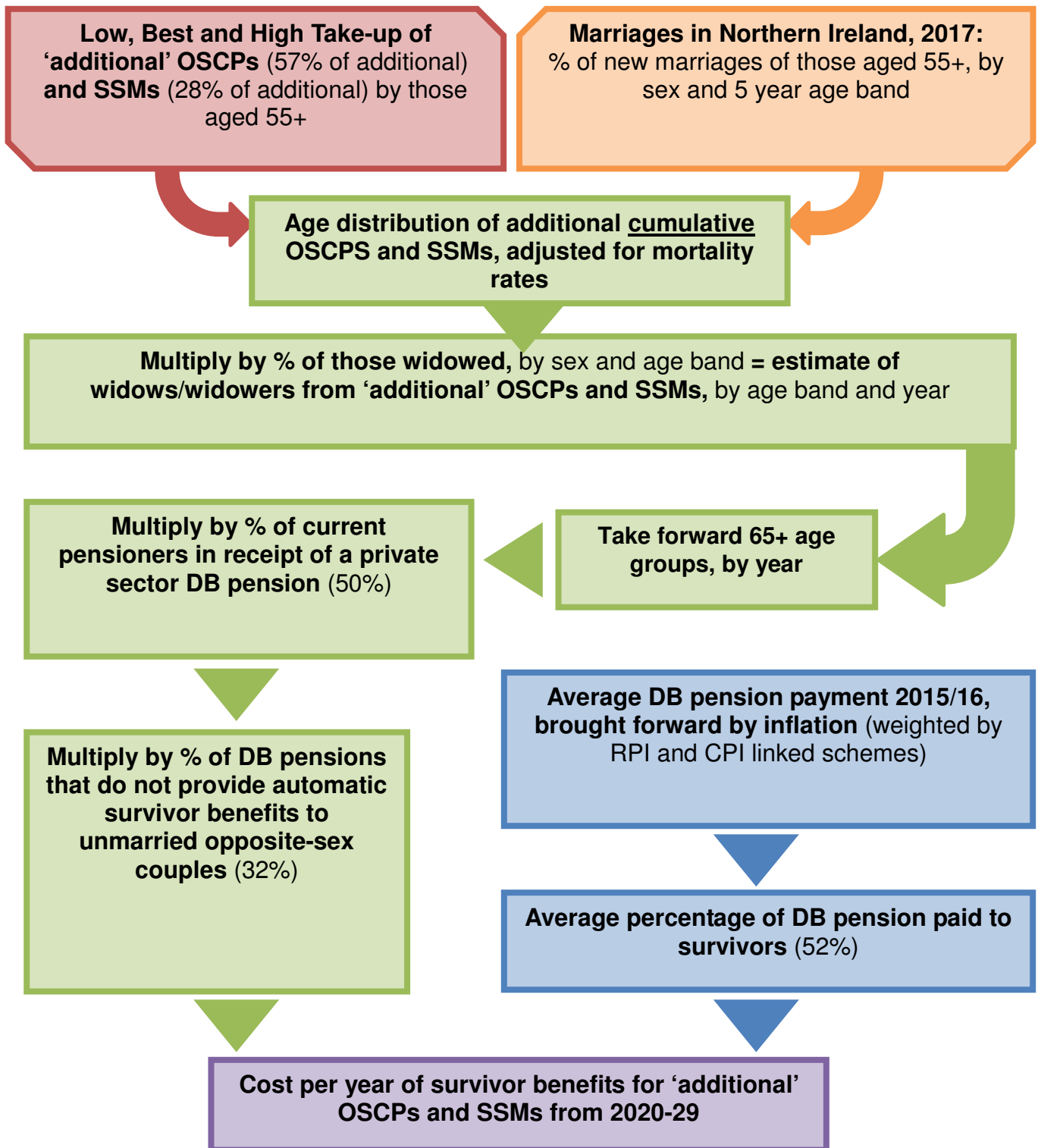
- 5) Apply a 10 year profile of historical OSCP data from the Netherlands
 - a. This gives us the 'additional' civil partnership demand for each year from 2020-29
- 6) Then reduce take-up estimate to just those aged over 55¹⁶ (57% of 'additional' OSCPs, as this was the proportion of respondents claiming to be 'very interested' in a civil partnership, and 'unlikely to marry' that falls into this age range.)¹⁷
 - a. From the OSCPs survey, we take the 55+ age grouping, along with the age profile for new marriage, to estimate the proportions of 'additional' OSCPs that are likely to be taken up by those aged 65+ (retirement age).
- 7) Discount for those not already eligible for survivors' benefits to private sector DB pensions.

¹⁵ The England and Wales estimations for OSCPs used 50% of that indicated in the YouGov survey for its best estimate, and 100% for its high estimate

¹⁶ The GEO commissioned survey only has a 55+ age group, this percentage is taken forward and estimated across those that are aged 65+ using NIRSA marriage data in table 8

¹⁷ Note: this 57% relates to the proportion of 'additional' OSCPs estimated to be formed by those aged 55+ specifically from our survey data. A further 57% is used above to estimate the proportion of total OSCPs (across all age groups) that will be 'additional' overall.

Figure 1: Summary of survivors' benefit cost calculation following OSCP additional take-up estimation:



- Estimate of 'additional' OSCP/SSM take-up
- Estimate of OSCP/SSM age profile
- Estimated eligible survivors' for DB private sector pensions
- Estimate of average DB pension payment to survivors
- Overall cost to DB pensions

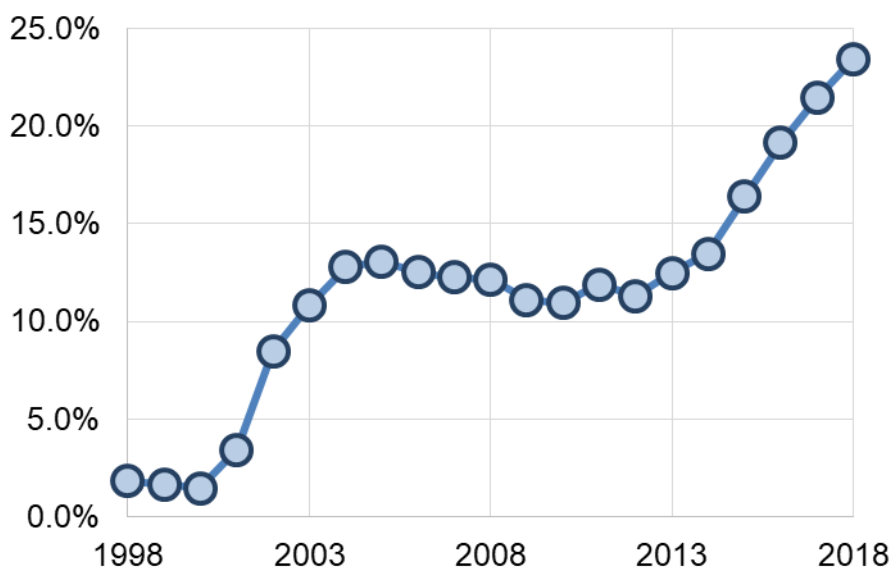
The Netherlands and OSCP

In order to calculate the costs associated with the introduction of opposite-sex civil partnerships, we need to estimate the likely number of OSCP per year. We look at two sources for evidence on this: a YouGov survey commissioned by the GEO (details below), and international experiences of take-up.

Opposite-sex civil unions have been in place in the Netherlands since 1998, which is a relatively long time period and provides a longer time-series of data points for estimation. The low take-up estimate in this impact assessment assumes that demand for OSCP in Northern Ireland will follow the same trajectory as the Netherlands over time. The GEO commissioned YouGov survey on opposite-sex civil partnerships showed higher interest in OSCP compared to international experience, so the Netherlands data has been augmented with the survey results to give the 'best' estimate in this impact assessment.

Since their introduction, registered partnerships have grown in popularity amongst opposite-sex couples, from 2% of all opposite-sex union (registered partnerships plus marriages) in the late 90s, to around 12% in the 2000s, and rising to 23% in 2018.

Figure 2: Opposite-sex civil-partnerships as % of all unions, 1998-2018



Source: Statistics Netherlands¹⁸

YouGov OSCP Survey Results

In preparation for the introduction of opposite-sex civil partnerships in England and Wales, the GEO commissioned a YouGov survey of likely demand. The survey was conducted between 10th and 18th September through YouGov's online platform and with their panel. Survey results were weighted to be representative of all GB adults (age 18+). In this impact assessment, we extrapolate the results from the YouGov OSCP survey to Northern Ireland, taking the approach that the England and Wales impact assessment on opposite-sex civil partnerships used for their "best" estimate for our "high" estimate. For our "best" estimate, we assume take up of additional OSCP will be half of that used in the best estimate for England and Wales. This is to account for lower rate of cohabitation of unmarried couples in Northern Ireland, which is half of the rest of the UK.

¹⁸ Statistics Netherlands, 2019. Marriage and Partnerships Registrations, available [here](#)

Table 4: Summary of YouGov Survey Data¹⁹ for OSCPs scaled to NI population

Population statistics	Adult population (aged 18+) in Northern Ireland		Unmarried adults in serious opposite-sex relationship	
	% of adults (aged 18+)	Number of adults (aged 18+)	% of adults in serious relationship (but not married)	Number scaled to Northern Ireland population
Northern Ireland	100%	1.4m	17%	0.25m
YouGov Survey sample	Initial unweighted YouGov sample size (GB adults 18+)		Weighted YouGov sample size (GB unmarried adults in serious opposite-sex relationship)	
	14809		2378*	
Adults in serious opposite-sex relationship likelihood of marrying:	Survey responses**	% of survey respondents	Rescaled to NI population: 'unmarried adults in serious opposite-sex relationship'	Rescaled to NI population: 'unmarried couples in serious opposite-sex relationships'
Likely to marry	965	41%	101,000	51,000
Unlikely to marry	1050	44%	109,000	55,000
Don't know likelihood to marry	364	15%	36,000	18,000
% of sample 'unlikely to marry', and 'very interested in a Civil Partnership', (average of responses 'within next year' and '1-2 years from now'),	2%		4,825	2,413

Source: GEO OSCPs Survey by YouGov 2018, NIRSA population statistics

*This is the weighted value. ** Number may not add to 2378 due to rounding from reweighted values

Within the 'additional' unions take-up calculation we only include those that are 'unlikely to marry' but are 'very interested' in an OSCP. Out of these, those that are 'unlikely to marry' and 'very interested' in forming an OSCP 'within the next year' (averaged over 'next year' and between 1-2 years from now' in the survey) forms 57% of total estimated demand for OSCPs. This proportion is carried forward in our 'additional' OSCP take up calculations to estimate what proportion of OSCPs take-up will be 'additional'.

¹⁹The YouGov Survey is made up of over 1 million British adults, with active sampling of members for a given survey to be representative of British adults in terms of age, gender, social class and education. Data extrapolated from survey results for the Northern Irish population.

Table 5: Netherlands data on Marriage and Civil Partnership formation as % of opposite-sex unions

Year	Opposite-sex couples - % marriage	Opposite-sex couples - % civil unions	Percentage point change, year on year
1998	98.2%	1.8%	-
1999	98.4%	1.6%	-0.2%
2000	98.5%	1.5%	-0.2%
2001	96.6%	3.4%	2.0%
2002	91.5%	8.5%	5.0%
2003	89.2%	10.8%	2.3%
2004	87.2%	12.8%	1.9%
2005	86.9%	13.1%	0.3%
2006	87.5%	12.5%	-0.6%
2007	87.7%	12.3%	-0.2%
2008	87.9%	12.1%	-0.1%
2009	88.9%	11.1%	-1.0%
2010	89.1%	10.9%	-0.2%
2011	88.1%	11.9%	0.9%
2012	88.7%	11.3%	-0.6%
2013	87.5%	12.5%	1.2%
2014	86.5%	13.5%	1.0%
2015	83.6%	16.4%	2.9%
2016	80.9%	19.1%	2.7%
2017	78.6%	21.4%	2.3%
2018	76.6%	23.4%	2.0%
		Average percentage point change year on year (used in take-up calculations)	1.1%

Source: Statistics Netherlands¹

For both the best and high take-up estimates we have assumed an initial higher level of OSCP demand in year 1, dissipating to year 3 increasing slightly from year 4 to year 10. This is because we anticipate there will be an initial stock of unmet demand of OSCPs in the first years they are available, with overall demand dissipating and then increasing to a steady state once OSCPs are embedded. This initial peak in demand follows the pattern of take-up of same-sex civil partnerships when they were introduced in 2006 in Northern Ireland.

Estimation of OSCPs take-up over the next 10 years

All estimates of OSCPs take-up in this IA are calculated as a percentage of total opposite-sex unions. To enable this calculation we have forecast the total number of opposite-sex marriages in Northern Ireland between 2020-29 using estimated population projections, and an internally calculated marriage rate of 4.41 marriages per 1,000 inhabitants per year. The forecast is summarised in Table 4 below.

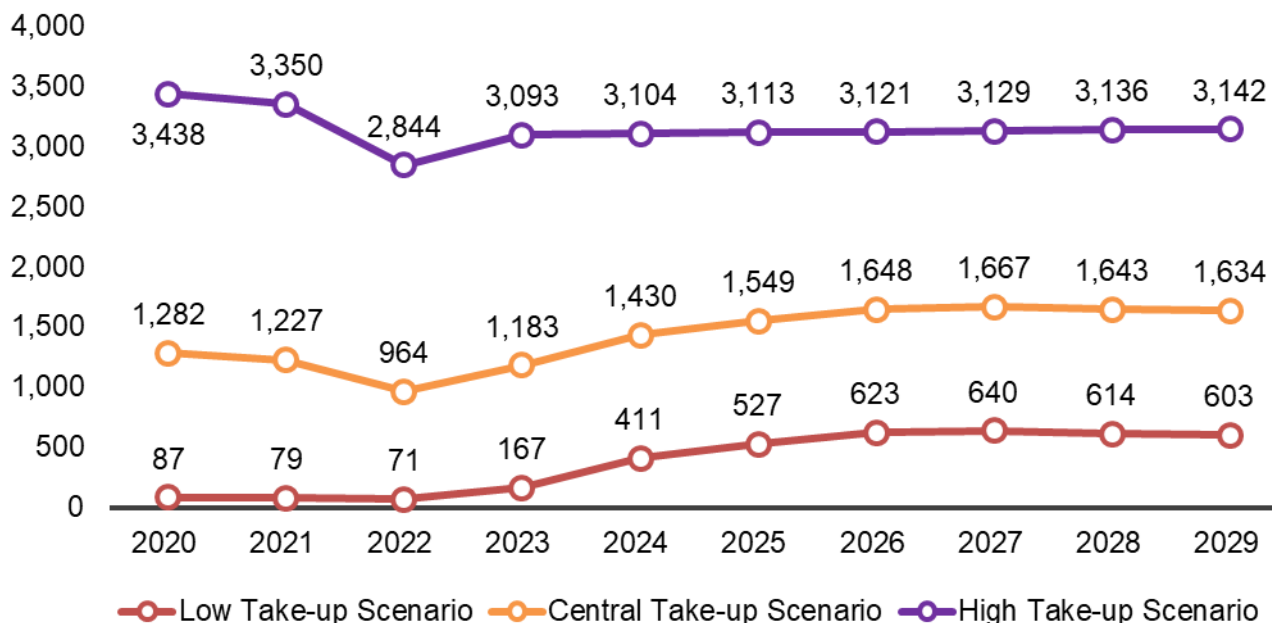
¹ Statistics Netherlands, 2019. Marriage and Partnerships Registrations, available [here](#)

Table 6: Forecast marriages in Northern Ireland, 2020-2029

Year	Average marriage rate per 1,000 inhabitants 2010-2018 ¹	Forecast Northern Ireland population 2020-2029 ²	Forecast Marriages Northern Ireland 2020-2029
2020	4.41	1,901,856	8,386
2021		1,910,623	8,424
2022		1,918,481	8,459
2023		1,925,423	8,490
2024		1,931,991	8,519
2025		1,937,636	8,544
2026		1,942,838	8,567
2027		1,947,558	8,587
2028		1,951,761	8,606
2029		1,955,546	8,623

Figure 3 presents our low, best and high estimates for ‘additional’ OSCP from 2020-29. Those that would have gotten married, but choose to form an OSCP instead have not been estimated as they are outside the scope of this impact assessment. In our counterfactual scenario these individuals would be entitled to survivors benefits from their partner’s DB private sector pension anyway, and so would not need to place any additional burden on pension schemes in the future.

Figure 3: Low, best and high estimate of ‘additional’ opposite-sex Civil Partnerships 2020-2029



Aged 55+ ‘additional’ OSCP

For the purpose of calculating an estimation of additional survivor’s benefits as a result of introducing opposite-sex civil partnerships and same-sex marriage, we need to know the uptake of both among those at pension age or older. Although 65 is the current pension age in the UK, individuals can opt to receive their pension benefits from the age of 55 in the case of DB pension schemes, or receive a lump sum payment in lieu of the yearly payment. This impact assessment assumes that all pensions are

¹ NIRSA, marriage tables: Table 7.1. (available [here](#)) Internal calculations: Number of marriages divided by NI population and multiplied by 1000, and averaged 2010-18.

² NIRSA, 2018 based population predictions. Available [here](#)

received in yearly payments, but we do account for the possibility of opting to receive earlier pension payments from age 55, using the percentage of private sector employees under 65 with a DB pension (12%).

The GEO OSCPs survey estimates that around 57% of OSCPs formed between couples that would be 'unlikely to marry' but are 'very interested' in an OSCP, will be among those aged 55 and over. As the survey results are from individuals there is no way of knowing the age of their partner. However, for simplicity these figures are applied to the estimated number of 'additional' OSCPs in each estimate. These are presented below.

Table 7a: Estimated take up of additional OSCPs by those aged 55+

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Low estimate	50	45	41	96	235	301	357	366	351	345
Best estimate	734	703	552	677	819	887	943	954	941	935
High estimate	1,968	1,918	1,628	1,771	1,777	1,782	1,787	1,791	1,795	1,798

As we do not have data on the age distribution of those interested in same-sex marriage in Northern Ireland, we have used population estimates by age to calculate that 28% of the population is aged 55 and over. Again, these figures are applied to the estimated number of 'additional' formalised same-sex relationships to give the below figures:

Table 7b: Estimated take up of additional same-sex marriages by those aged 55+

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Low estimate	0	0	0	0	0	0	0	0	0	0
Best estimate	23	34	38	32	34	35	34	34	34	34
High estimate	49	27	20	32	27	27	29	27	27	28

To estimate the proportion of these 'additional' OSCPs (aged 55+) and formalised same-sex relationships that will be formed amongst those aged 65+ in each year, we use NIRSA marriage estimates for Northern Ireland by age and sex, and rescale 55+ 'additional' OSCPs and SSMs accordingly:

Table 8: Marriages of men and women aged 55+, estimated proportion by age band

Marriages in Northern Ireland 2017	Men		Women		Estimated proportion of over 55 marriages by age band	
	Married aged 55+	% of Men getting married aged 55+	Married aged 55+	% of Women getting married aged 55+	Men	Women
55-59	195	47.1%	134	51.7%	47.1%	51.7%
60-64	219	52.9%	125	48.3%	8.8%	8.0%
65-69					8.8%	8.0%
70-74					8.8%	8.0%
75-79					8.8%	8.0%
80-84					8.8%	8.0%
85+					8.8%	8.0%

This provides us with the profile of OSCP that will be formed by the 65 and over age groups each year from 2020-29. This data is for opposite-sex marriages in Northern Ireland, but as there is no data available for same-sex civil partnerships in the country we assume that the same marriage proportions by age band will hold for same-sex couples.

Proportion of widows and widowers in Northern Ireland, 2011

Before applying our pensions data to the number of additional opposite-sex civil partnership and formalised same-sex relationships, we must also estimate how many of these formed couples will then be widowed, entitling them to their late partner's survivor benefits.

'Additional' OSCP and SSMs in the 55+ age group are combined with the marital status of individuals by age and gender, to enable us to estimate the number of 'additional' widows and widowers in each year from 2020-29 in Northern Ireland.

This is a simple calculation which will likely overestimate the number of 'additional' widows when OSCP and SSMs are introduced, as we do not expect many new opposite-sex civil partners to be widowed in the same year that OSCP commence. As such, this estimate should be viewed as an upper bound for all three scenarios. This calculation method does however allow us to estimate the number of widows/widowers that will continue to receive survivor benefits each year. For example, an 'additional' OSCP individual widowed in 2023 may still be receiving survivor benefits in 2027, with our calculation capturing this.

Our model also takes into account mortality rates in Northern Ireland when calculating the cumulative number of OSCP and SSMs over the next 10 years.

Table 9: Marital status in Northern Ireland by age and gender, 2011³

	Widowed % age group	
	men	women
55-59	2.4%	6.2%
60-64	4.0%	10.7%
65-69	6.6%	19.3%
70-74	11.6%	30.9%
75-79	17.0%	46.5%
80-84	26.3%	62.1%
85-89	39.2%	73.5%
90+	51.4%	79.4%

Source: 2011 Census data. Data measures those 'Widowed or surviving partner from a same-sex civil partnership'

Type of pension by current pensioners in the UK, 2017

Table 9 below summarises the distribution of non-state pensions in payment to current pensioners. It is estimated that around 50% of pensioners are currently in receipt of payments from private sector DB occupational pensions.⁴ A 2014 review of survivors' benefits from DB private sector occupation pensions, estimated that around 68% of these schemes provide some level of survivor benefits to opposite-sex couples who are unmarried, and 71% for same-sex couples not in a civil-partnership.⁵ As a result, the additional burden on businesses of OSCP and SSMs would only impact the 32% and 29% respectively of schemes who do not currently provide survivors' benefits to unmarried or unpartnered

³ NIRSA, Marital and civil partnership status by age and sex, 2011 Census data. Available [here](#).

⁴ ONS, 2018. Occupational Pensions Schemes Survey, UK: 2017, table 3. Available [here](#)

⁵ DWP, 2014. Provision of survivors' benefits in private sector Defined Benefit occupational pension Schemes, Figure 3.4 - Provision of survivors' benefits to unmarried survivors in an opposite-sex relationship. Available [here](#)

couples, where those couples choose to formalise their relationship as a result of these legislative changes.

Table 10: UK pensioners by type of pensions, 2017

Pensions in payment	2018
Defined Benefit	10.1m
- Private sector	5.1m
- Public sector	5.0m
Defined Contribution	0.1m
- Private sector	0.1m
% pensioners with DB private pension	50%
% DB pension funds that DO NOT provide survivor benefits to unmarried opposite-sex couples	32%
% DB pension funds that DO NOT provide survivor benefits to unmarried opposite-sex couples	29%

Combining the figures in Table 10 above, with the forecast population of Northern Ireland from 2020-29, the estimated take-up rate of OSCP's, mortality rates, and estimates for the proportion of widows and widowers from the last census (2011), we can estimate the number of individuals who would not currently be automatically eligible to claim survivors' benefits from their partners' private sector DB occupational pension. These figures are summarised in the Table 11 below.

Table 11: Estimated number of 'additional' widows and widowers who do not currently have survivors' benefit rights to their partner's private sector DB pension scheme, Northern Ireland 2020-29 by age.

Opposite-sex couples

Low estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	0	0	0	0	1	1	1	2	2	2
60-64	0	0	0	0	0	1	1	2	2	3
65-69	0	0	0	1	2	3	4	5	7	9
70-74	0	1	1	1	3	4	6	8	10	12
75-79	0	1	1	2	4	6	9	12	15	17
80-84	1	1	2	3	5	8	12	16	20	23
85+	1	2	2	4	8	12	18	24	29	34
Best estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	1	2	3	3	4	4	4	5	5	5
60-64	0	1	2	3	4	6	8	10	11	12
65-69	3	5	7	9	12	15	20	27	36	48
70-74	4	8	11	15	19	24	29	34	39	43
75-79	6	12	16	21	28	35	42	49	56	63
80-84	9	16	22	29	37	46	56	65	73	82
85+	12	23	32	42	55	69	83	98	113	128
High estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	3	6	7	9	9	9	9	9	9	9
60-64	1	2	5	8	12	17	21	24	26	27
65-69	7	13	19	24	30	36	47	65	87	116

70-74	11	22	30	40	49	59	68	77	86	95
75-79	16	32	45	59	72	85	99	112	125	137
80-84	23	44	61	79	97	114	130	147	163	179
85+	33	63	88	115	142	169	197	225	254	283

Same-sex couples

Low estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0

Best estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	1	1	1	1	2
70-74	0	0	0	1	1	1	1	1	1	1
75-79	0	1	1	1	1	1	1	2	2	2
80-84	1	1	1	1	1	2	2	2	2	2
85+	1	1	1	2	2	2	3	3	3	4

High estimate	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	1	1	1	1	1	2
70-74	0	0	0	1	1	1	1	1	2	2
75-79	0	0	1	1	1	1	2	2	2	2
80-84	0	1	1	1	2	2	2	3	3	3
85+	0	1	1	2	2	3	3	4	4	5

Estimated percentage of DB private sector pension payments to survivors

Each private sector DB pension scheme has its own level of survivor benefit for surviving partners (or other dependants). The percentage of a partner's private sector DB pension paid to survivors is estimated in a 2014 review by DWP, summarised in Table 12. The weighted average of estimates suggest around 52% of an individual's annual private sector DB pension is transferred to their partner on their death.

Table 12: Provision of survivors' benefits in private sector DB occupational pension schemes⁶

Percentage of pension paid to survivors	% Distribution of schemes	rebased to equal 100% (removing 'other % paid')	Weighted average sum of % of member's pension paid to survivor
60%	4%	4%	52%
66%	11%	12%	
50%	79%	84%	
Other % paid	5%		

⁶ DWP, 2014. Provision of survivors' benefits in private sector Defined Benefit occupational pension Schemes, Figure 3.9 - Provision of survivors' benefits to unmarried survivors in an opposite-sex relationship. Available [here](#)

Estimated average payment per year for pensioners currently receiving a private sector DB occupational pension

A 2015/16 DWP⁷ report estimated that the average pay-out per year for recipients of DB private sector occupational pensions was £8,000. It is estimated that 27% of these pension funds are linked to CPI inflation, while 73% remain linked to RPI inflation. A weighted value for these pensions has been calculated below. To forecast the future value of these pay-outs per year, OBR forecasts for both CPI and RPI have been used.⁸

Table 13: Forecast value of average DP pension by year, weighted by CPI or RPI.

Financial Year	Past and forecast inflation		Average DB pension amount using forecast RPI and CPI		DB private sector schemes		Weighted average DB pension pay-out	52% survivor benefit from DB pension schemes
	CPI %	RPI %	CPI	RPI	CPI linked	RPI linked		
2015/16	0.1%	1.1%	£8,000	£8,000	27%	73%	£8,000	£4,184
2016/17	1.1%	2.1%	£8,008	£8,086			£8,065	£4,218
2017/18	2.8%	3.7%	£8,097	£8,259			£8,216	£4,297
2018/19	2.3%	3.1%	£8,326	£8,568			£8,503	£4,447
2019/20	2.0%	2.9%	£8,516	£8,835			£8,749	£4,576
2020/21	1.9%	2.8%	£8,688	£9,096			£8,986	£4,699
2021/22	2.0%	3.1%	£8,853	£9,353			£9,218	£4,821
2022/23	2.0%	3.1%	£9,030	£9,638			£9,474	£4,955
2023/24	2.0%	3.1%	£9,210	£9,934			£9,739	£5,093
2024/25	2.0%	3.1%	£9,394	£10,239			£10,011	£5,235
2025/26	2.0%	3.1%	£9,582	£10,553			£10,291	£5,382
2026/27	2.0%	3.1%	£9,774	£10,877			£10,579	£5,533
2027/28	2.0%	3.1%	£9,969	£11,210			£10,875	£5,688
2028/29	2.0%	3.1%	£10,169	£11,554			£11,180	£5,847
2029/30	2.0%	3.1%	£10,372	£11,909			£11,494	£6,011

Source: OBR, DWP

⁷ DWP, 2018. *Protecting Defined Benefit Pension Schemes* available [here](#)

⁸OBR inflation forecasts, available [here](#)

Overall estimate of costs to business from increased pension burden following the introduction of OSCP.

Taking the calculations from Table 12 and Table 13 together the total net present value of survivors' benefits in DB private sector benefits, for 'additional' widows and widowers as a results of the introduction of OSCP and SSMs is summarised for each estimate below:

Table 14: Total net present value (2019/20) prices of provision of survivors' benefits in private sector DB occupational pension schemes from 'additional' OSCP and SSM unions, including familiarisation costs in year 1.

Year	Low estimate	Best estimate	High Estimate
2020/21	£0.0m	-£0.2m	-£0.4m
2021/22	£0.0m	-£0.3m	-£0.8m
2022/23	£0.0m	-£0.4m	-£1.2m
2023/24	£0.0m	-£0.6m	-£1.5m
2024/25	-£0.1m	-£0.7m	-£1.8m
2025/26	-£0.2m	-£0.9m	-£2.2m
2026/27	-£0.2m	-£1.1m	-£2.5m
2027/28	-£0.3m	-£1.3m	-£2.9m
2028/29	-£0.4m	-£1.5m	-£3.3m
2029/30	-£0.4m	-£1.7m	-£3.7m
Total NPV	-£1.7m	-£8.6m	-£20.3m

Benefits

It could be that there are economic benefits from introducing same-sex marriage and opposite-sex civil partnerships, as more couples choose to formalise their relationships under the new legislation, and therefore spend money in the economy that they would not otherwise have done. This would benefit premises which host marriages/civil partnerships and producers and retailers of products and services used in ceremonies.

The National Wedding Survey 2018, carried out by Bride Book finds that the average cost of a wedding in Northern Ireland is £12,738. Based on this, an extra 1,224 ceremonies would result in approximately £13.3 million extra spending in the economy. However, it is difficult to estimate how much of this spend would be 'additional' – that is, spend that would have been saved under the counterfactual and not spent in other areas. As the demand for marriage of same-sex couples is uncertain, and because these economic benefits are not guaranteed to be additional we use zero benefits as our best estimate. Taking our estimates on same-sex marriage take up in Northern Ireland with the average cost of weddings gives a high benefit estimate of **£13.3m**.

Because marriage ceremonies are carried out on a cost-recovery basis, an increase in demand would not lead to any increased costs to the public sector.

Unfortunately there is no data available for money spent on civil partnerships, but we expect the spend in the majority of these cases to be small.

Wider Impacts

The primary objective of the Act is to allow access to marriage and civil partnerships for couples, regardless of gender/sexual orientation.

The Royal College of Psychiatrists in their response to the consultation said that LGB people make up a population that suffers from worse health (in particular mental health and substance dependence) than heterosexual people. Discrimination, such as withholding marriage from same-sex couples can contribute to the minority stress experienced by LGB persons, and important factor in their health disadvantage. Marriage for same-sex couples could therefore reduce the discrimination and stress that LGB people suffer, leading to improved health.

There have also been studies from other countries which suggest that marriage for same-sex couples could contribute positively to the health and wellbeing of LGB people. For example, evidence from the United States (Hatzenbuehler et al 2011) found a positive effect of legalised marriage of same-sex couples on the health of gay men.⁹

Currently, if a person discloses that they are in a civil partnership or a marriage, they automatically disclose their sexual orientation. Allowing marriage and civil partnerships for both same-sex and opposite-sex couples would give people control over how and whether they disclose their sexual orientation. LGB people are more likely to experience bullying and harassment at work than heterosexual people, and there is evidence of discrimination in recruitment, promotion, deployment and access to social networks in particular occupations.¹⁰

Allowing same-sex couples to marry and opposite-sex couples to obtain civil partnerships will also create benefits for any transgender people who are in a marriage or civil partnership and would like to change their legal gender by obtaining a Gender Recognition Certificate. This change will allow transgender people in a formalised relationship to obtain a GRC without the need to end their marriage. Those who wish to, will still have the option of ending their relationship. Although we do not have a reliable estimate for the number of people affected by this benefit, we know this would only affect a small number of people. This impact assessment has not attempted to monetise these benefits.

Sensitivity Analysis

The sensitivity of our analysis to uncertainty surrounding our underlying assumptions is summarised below:

Table 15: Sensitivity of analysis to variable uncertainty

Variable	Risk/Uncertainty	Impact
1) 'additional' take-up of OSCP's and SSMs	Medium: There is uncertainty around take-up of OSCP's and SSMs and this is an underlying variable of our calculation. We do think however that the estimates in the high scenario represent a realistic upper limit of 'additional' OSCP's and SSMs in the coming 10 years	Medium: If these estimates are higher/lower the total NPV of the introduction of OSCP's and SSMs will also be higher/lower.
2) Age profile of Marriages Northern Ireland, Table 8	Low: We expect those aged 55+ and 'very interested' in forming an OSCP to do so at a similar ages to those aged 55+ and getting married. We also assume that those forming same-sex marriages will do so at the	Low: Unlikely to be large variations in these figures over next 10 years

⁹ Hatzenbuehler, M., Cleirigh, C., Grasso, C., Mayer, K., Safren, S. and Bradford, J (2011). 'Effect of same-sex marriage laws on health care use and expenditures in sexual minority men: a quasi-natural experiment'. American Journal of Public Health. Available [here](#).

¹⁰ Hudson-Sharp, N and Metcalf, H (2016) Inequalities among lesbian and, gay, bisexual and transgender groups in the UK: an evidence review. National Institute of Economic and Social Research. Available [here](#).

	same rate of those getting married 55+, even though the data available is for opposite-sex couples.	
3) % of additional take-up from 55+ age group	<p>Low:</p> <p>There is some uncertainty around these figures, and how many 55+ year olds will actually form an OSCP, however it is from a representative national survey, and so is the best estimate we could source.</p> <p>For same-sex marriages no data was available on interest in SSM by age. We use the proportion of the NI population aged 55+ to make our estimations.</p>	<p>Low:</p> <p>As the 55+ age group is taken from the estimated 'additional' OSCPs in (1), there is low impact on total NPV if this value is higher/lower than estimated</p>
4) Estimate of widows/widowers from 'additional' OSCPs and SSMs	<p>Low:</p> <p>It is likely that these figures are overestimated, as our calculation includes a cautious estimate for this value</p>	<p>Medium:</p> <p>A large variation in this value would have a relatively large impact on total NPV, as it would increase the likelihood of more/less couples being likely to receive survivor benefits from DB pension schemes</p>
5) Current Pensioners on DB private sector pension schemes	<p>Low:</p> <p>Used a cautious estimate, at 50% of the population. This value is likely to fall in the near future, as few DB private sector pensions remain open to new members</p>	<p>Low:</p> <p>This value is unlikely to increase or decrease by a large magnitude in the coming decade</p>
6) % DB pension funds that DO NOT provide survivor benefits to unmarried opposite-sex couples	<p>Low:</p> <p>this value is sourced from a DWP led review of survivors benefits in private sector DB pension schemes¹¹</p>	<p>Low:</p> <p>This value is unlikely to significantly higher or lower than estimated</p>
7) Estimated percentage of DB private sector pension payments to survivors	<p>Low:</p> <p>this value is sourced from a DWP led review of survivors benefits in private sector DB pension schemes¹²</p>	<p>Low:</p> <p>even if this is 100% of all payments, this takes the total NPV over the next 10 years in the best scenario to £16m</p>
8) Average current DB pension	<p>Low:</p> <p>This is sourced from several strong</p>	<p>Medium:</p> <p>This is the main monetary</p>

¹¹ DWP, 2014. Provision of survivors' benefits in private sector Defined Benefit occupational pension Schemes, Figure 3.4 - Provision of survivors' benefits to unmarried survivors in an opposite-sex relationship. Available [here](#)

¹² ONS, 2018. Occupational Pensions Schemes Survey, UK: 2017, table 3. Available [here](#)

payment	sources, and is unlikely to be much higher or lower in real terms in the coming years	cost in this impact assessment. As such any variability in this figure would vary the total NPV linearly
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Risks

There is the potential for more couples to enter ‘additional’ opposite-sex unions and same-sex marriages than has been calculated, however we are convinced the high estimate calculated as part of this impact assessment covers this risk. Equally, data has been extrapolated to Northern Ireland in a number of areas, for example with the YouGov survey on OSCPs in Great Britain, the growth in OSCPs in the Netherlands, or the pattern of growth in same-sex marriage in England and Wales and the Republic of Ireland. There is the risk that the experience in Northern Ireland will not follow that of other countries, but we are confident that our low-high estimates will cover this risk.

Other risks include the fact that they may be additional public sector costs of helping ensure the delivery of the policy is successful, particularly given the political context and history of Northern Ireland.

There are likely to be other, smaller, costs that have not been considered in the impact assessment. Financial advisers may also face familiarisation costs, and maintaining records for fund providers may also incur a cost. In light of the lack of data available in these areas, these costs have not been estimated in this impact assessment.

ANNEX A: References

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ANNEX B: data for interest

Figure A: Low, best and high take up of 'additional' formalised same-sex marriages by year 2020-2029

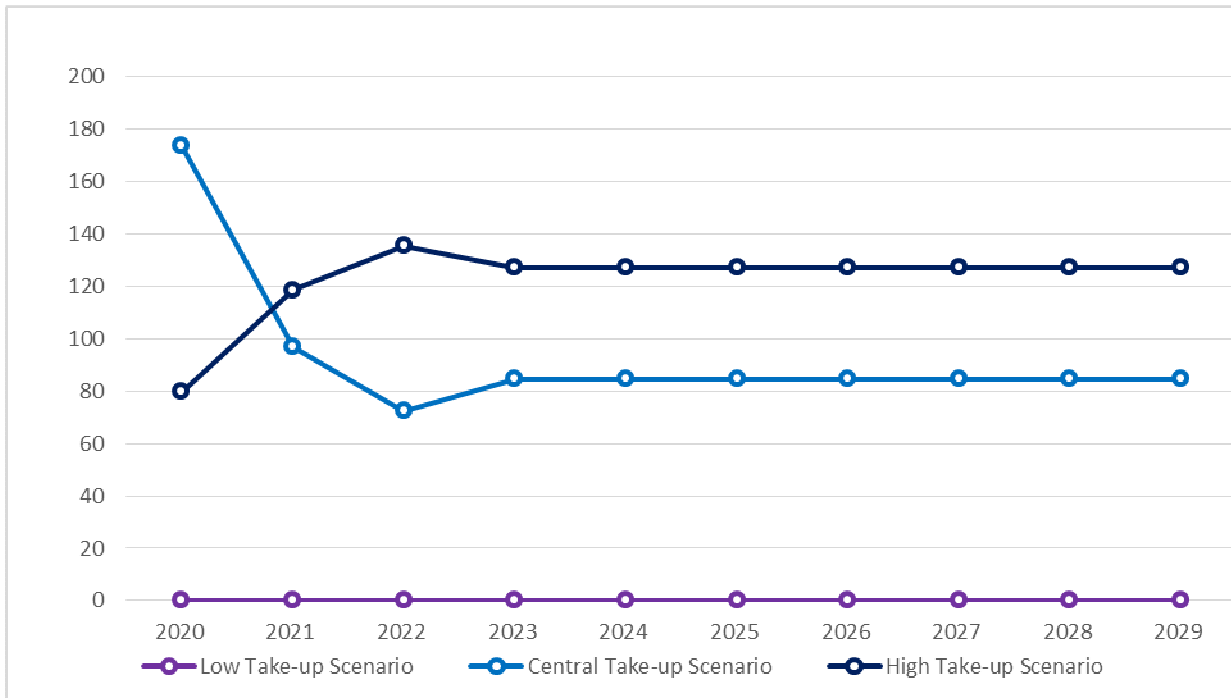


Figure B: Forecast 'built up' demand for OSCP following data for the introduction of same-sex civil partnerships in

2006.

