**VOCATIONAL QUALIFICATIONS**

**LEAVERS PART 2**

**LEAVER BENEFITS WITH SPECIAL**

**CIRCUMSTANCES**

**FRIDAY 24 MARCH 2023 9.30 AM – 1.00 PM**

**TIME ALLOWED: 3 HOURS 30 MINUTES**

**1.** Answer **ALL** the questions.

**2.** Type all your answers in the answer box provided.

**3.** Show all workings clearly.

**4.** Calculate the benefits using only the information given.

**5.** Factors must be rounded in accordance with the instruction in the *Tables of Factors*. Round all other figures to two decimal places (or whatever is the normal practice where you work).

**Questions**

**Section A**

Calculate the leaver benefits / options for:

**1. ANNE JONES – (OPQ)**

**2. ROHIT KUMAR – (XYZ)**

**3. LINDA OBERDORF – (RST)**

**4. DAVID HOUGHTON – (OPQ)**

**5. JULIA STEIN – (XYZ)**

**Section B**

1. Write a letter explaining the benefits payable and the options available to **LINDA OBERDORF**.

The letter may be addressed either to the member or to the Trustees (whichever is the normal practice in the organisation for which you work).

**Please note:** Candidates must not sign letters with their own names. Letters should be signed “A N Other”.

**cASE STUDY DETAILS OPQ PLAN LEAVERS PART 2**

**QUESTION 1**

**Event history**

Date of first event **06/03/2023** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **JONES** Forenames **ANNE**

Date of birth **19/05/1980** Gender **FEMALE**

Spouse’s date of birth **21/03/1979**

Child dependant’s date of birth **12/11/2015**

Date of joining company **15/02/2023**

Date of joining scheme **15/02/2023**

Target retirement date

**Annual salary history for the plan year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  | **167,290** |

**Contribution history**

Total member's normal contributions **£**  **458.33**

Total employer’s normal contributions **£ 733.33**

Total member's AVCs **£ 916.66**

**Personal Retirement Account details**

**Member’s Current Unit Holdings**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund** | **Member’s normal contributions**  **Unit Holdings** | **Employer’s normal contributions**  **Unit Holdings** | **Member’s**  **AVCs**  **Unit Holdings** |
| Global Equity Fund |  |  |  |
| Index Linked Bond Fund | 125.4345 | 200.6952 |  |
| Balanced Fund |  |  | 199.9959 |
| Corporate Bond Fund | 143.6413 | 229.8293 |  |
| Cash Fund | 15.4701 | 24.7522 |  |
| Lifestyle Fund |  |  |  |

**Investment Fund Unit Prices**

|  |  |
| --- | --- |
| **Fund** | **Current Unit Price (£)** |
| Global Equity Fund | 5.745 |
| Index Linked Bond Fund | 1.753 |
| Balanced Fund | 4.974 |
| Corporate Bond Fund | 1.734 |
| Cash Fund | 1.058 |

**Special circumstances / additional information**

Anne Jones’ reason for leaving was resignation.

**LEAVERS 2**

# QUESTION 1

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**cASE STUDY DETAILS XYZ SCHEME LEAVERS PART 2**

**QUESTION 2**

**Event history**

Date of first event **07/03/2023** First event **PRESERVED LEAVER**

Date of second event Second event

**Member details**

Surname **KUMAR** Forenames **ROHIT**

Date of birth **19/01/1975** Gender **MALE**

Spouse’s date of birth

Child dependant’s date of birth

Date of joining company **06/11/1997**

Date of joining scheme **06/11/1997**

Category of membership **B**

**Pensionable salary history for the scheme year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **43,500** | **44,500** | **46,500** | **49,000** | **51,000** | **53,000** | **50,500** | **51,000** | **51,500** |

**Contribution history**

Total member’s normal contributions **£**

Total member’s AVCs **£**

Current value of AVCs **£**

**Contracting-out details at date of first event**

Pre 06/04/1988

GMP (per annum) **£**

Post 05/04/1988

GMP (per annum) **£**

**Special circumstances / additional information**

Rohit Kumar’s Final Pensionable Salary at 3 July 2011 was £37,500.00.

Lower of 5.0% / RPI increases from 4 July 2011 to date of first event is 42.5%.

The Company (with the consent of the Trustees) granted Rohit Kumar an enhanced accrual rate of 1/50ths for the first two years of his membership of the XYZ Pension and Life Assurance Scheme and 1/55ths for the next two years. The standard accrual rate then applied for the remainder of Rohit Kumar’s membership of the XYZ Pension and Life Assurance Scheme.

Rohit Kumar’s reason for leaving was redundancy.

**LEAVERS 2**

# QUESTION 2

**cASE STUDY DETAILS RST SCHEME LEAVERS PART 2**

**QUESTION 3**

**Event history**

Date of first event **08/03/2023** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **OBERDORF** Forenames **LINDA**

Date of birth **03/07/1972** Gender **FEMALE**

Spouse’s date of birth **11/10/1973**

Child dependant’s date of birth

Date of joining company **19/12/2009**

Date of joining scheme **06/04/2010**

**Earnings history for the scheme year ending 5 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **84,000** | **86,000** | **88,000** | **91,000** | **93,000** | **95,000** | **98,000** | **99,000** | **99,000** |
|  |  |  |  |  |  |  |  |  |

**Contribution history**

Total member’s normal contributions **£** **74,523.53**

Total member’s AVCs **£**

Current value of AVCs **£**

**Pre 6 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£**

**Post 5 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£** **13,590.52**

**Special circumstances / additional information**

Contractual Salary at date of first event  **£** **105,000.00**

On 12 May 2010, Linda Oberdorf transferred into the RST Pension Scheme the value of her Money Purchase benefits from the non-contracted out registered pension scheme of one of her former employers. The transfer value of £59,643.52 consisted entirely of employer contributions and provided Linda Oberdorf with an additional revalued pension in the RST Pension Scheme of £2,155.63 per annum, payable from her Normal Pension Date.

The transferred-in benefits, which are to be treated as pre 5 April 2006 benefits, are not included in the CARE pension figures referred to above and are subject to the normal rules of the RST Pension Scheme.

For the purpose of any comparisons, the transferred-in pension should be excluded from both the CARE pension and the Underpin pension.

Linda Oberdorf’s reason for leaving was resignation.

**LEAVERS 2**

# QUESTION 3

**cASE STUDY DETAILS OPQ PLAN LEAVERS PART 2**

**QUESTION 4**

**Event history**

Date of first event **09/03/2023** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **HOUGHTON** Forenames **DAVID**

Date of birth **12/11/1954** Gender **MALE**

Spouse’s date of birth

Child dependant’s date of birth

Date of joining company **19/03/2000**

Date of joining scheme **19/03/2000**

Target retirement date  **12/11/2024**

**Annual salary history for the plan year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **63,000** | **64,000** | **65,000** | **66,000** | **68,000** | **70,000** | **72,000** | **75,000** | **80,000** |

**Contribution history**

Total member's normal contributions **£** **59,063.58**

Total employer’s normal contributions **£ 94,501.73**

Total member's AVCs **£**

**Personal Retirement Account details**

**Member’s Current Unit Holdings**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund** | **Member’s normal contributions**  **Unit Holdings** | **Employer’s normal contributions**  **Unit Holdings** | **Member’s**  **AVCs**  **Unit Holdings** |
| Global Equity Fund |  |  |  |
| Index Linked Bond Fund |  |  |  |
| Balanced Fund |  |  |  |
| Corporate Bond Fund |  |  |  |
| Cash Fund |  |  |  |
| Lifestyle Fund | 27,721.5385 | 44,354.4615 |  |

**Investment Fund Unit Prices**

|  |  |
| --- | --- |
| **Fund** | **Current Unit Price (£)** |
| Global Equity Fund | 5.745 |
| Index Linked Bond Fund | 1.753 |
| Balanced Fund | 4.974 |
| Corporate Bond Fund | 1.734 |
| Cash Fund | 1.058 |

**Special circumstances / additional information**

In recognition of David Houghton prolonging his employment to complete an important project, the Company (with the consent of the Trustees) agreed that an augmentation payment of £10,000.00 would be payable to his Personal Retirement Account. This augmentation payment is not included in the figures shown above. The augmentation payment, which should be treated as an Employer contribution, is to be invested in line with David Houghton’s existing investment choices.

David Houghton’s reason for leaving was resignation.

**LEAVERS 2**

# QUESTION 4

**cASE STUDY DETAILS XYZ SCHEME LEAVERS PART 2**

**QUESTION 5**

**Event history**

Date of first event **10/03/2023** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **STEIN** Forenames **JULIA**

Date of birth **27/05/1965** Gender **FEMALE**

Spouse’s date of birth **01/06/1964**

Child dependant’s date of birth

Date of joining company **11/02/1985**

Date of joining scheme **11/03/1985**

Category of membership **A**

**Pensionable salary history for the scheme year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **39,250** | **40,350** | **40,700** | **41,200** | **43,100** | **44,500** | **45,700** | **46,200** | **48,900** |

**Contribution history**

Total member’s normal contributions **£**

Total member’s AVCs **£**

Current value of AVCs **£**

**Contracting-out details at date of first event**

Pre 06/04/1988

GMP (per annum) **£** **563.16**

Post 05/04/1988

GMP (per annum) **£ 1,796.08**

**Special circumstances / additional information**

Julia Stein contributed at the default rate (70ths accrual) from the date she joined the XYZ Pension and Life Assurance Scheme until 5 April 1999. For the period from 6 April 1999 to 5 April 2010, Julia Stein contributed at the lower rate. From 6 April 2010 onwards, Julia Stein reverted to the default contribution rate.

Julia Stein’s reason for leaving was redundancy.

**LEAVERS 2**

# QUESTION 5