

XYZ Category A – (Answer)

DIR – (special circumstances: augmented spouse's pension)

Name	Alvin Kanhai	Lower of 5.0% or RPI (DOR to DOD)	=	11.2%
DOD	15/09/2024	Commuted pension at DOR	=	£6,440.88 pa
DOB	11/02/1950	Excess pension at DOD	=	£21,135.28 pa
DJS	20/04/1982	Pre-1988 GMP at DOD	=	£2,785.12 pa
DOR	31/12/2021	Post-1988 GMP at DOD	=	£4,530.24 pa
NPD	11/02/2015	Total pension at DOD	=	£28,450.64 pa
Age 75	11/02/2025	Enhanced spouse's percentage	=	66.67%
		Remaining 'LS&DBA'	=	£960,126.96

1) Lump sum death benefit (LSDB)

Member's pension at DOD = £28,450.64 pa

Payments made from DOR to DOD:

01/01/2022 – 01/09/2024 = 33 payments made

Remaining payments (balance of 5 years to 01/12/2026 or, if earlier, capped to member's 75th birthday of 11/02/2025):

01/10/2024 – 01/02/2025 = 5 months (*capped*)

Balance of guarantee = £28,450.64 x 5 / 12 = **£11,854.43**

Total LSDB payable at Trustees' discretion = **£11,854.43**

'LS&DBA' Check = £11,854.43 v £960,126.96 = **OK**

2) Spouse's pension at DOD

Member's pension at DOD (used to derive spouse's pension) = £28,450.64 pa

Rev'd comm'd pension at DOD = £6,440.88 x 1.112 (= 11.2%) = £7,162.26 pa

Member's pre-commutation pension revalued to DOD = £35,612.90 pa

Spouse's pension	=	$\pounds 35,612.90 \times 66.67\%$	=	<u>$\pounds 23,743.12$ pa</u>
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This is split as follows:

WGMP (Pre-1988)	=	$\pounds 2,785.12 / 52 \times 50\% (2\text{dps}) \times 52$	=	$\pounds 1,392.56$ pa
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WGMP (Post-1988)	=	$\pounds 4,530.24 / 52 \times 50\% (2\text{dps}) \times 52$	=	$\pounds 2,265.12$ pa
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Excess	=	$\pounds 23,743.12 -$ $(\pounds 1,392.56 + \pounds 2,265.12)$	=	$\pounds 20,085.44$ pa
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Spouse's pension	=		=	<u>$\pounds 23,743.12$ pa</u>
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