

VOCATIONAL QUALIFICATIONS

LEAVERS PART 2

LEAVER BENEFITS WITH SPECIAL CIRCUMSTANCES

FRIDAY 20 SEPTEMBER 2024

9.30 AM – 1.00 PM

TIME ALLOWED:

3 HOURS 30 MINUTES

1. Answer **ALL** the questions.
2. Write all your answers in the answer book provided.
3. Begin each question on a new page.
4. Show all your workings clearly.
5. Calculate the benefits and options using only the information given.
6. Round all factors and figures in accordance with the instructions provided in the *Tables of Factors* and the *Scheme / Plan Booklets*.

Questions

Section A

Calculate the leaver benefits / options for:

1. **SARAH ORR – (OPQ)**
2. **TIFFANY MACK – (XYZ)**
3. **MICHAEL BARKER – (RST)**
4. **MARIO INGRAM – (XYZ)**
5. **DONNA POTTER – (RST)**

Section B

6. Write a letter explaining the benefits payable and the options available to **MARIO INGRAM**.

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 “AN Other”.

CASE STUDY DETAILS**OPQ PLAN****LEAVERS PART 2
QUESTION 1****Event history**

Date of first event **09/09/2024** First event **LEAVER**
Date of second event Second event

Member details

Surname **ORR** Forenames **SARAH**
Date of birth **28/07/1956** Gender **FEMALE**
Spouse's date of birth **19/02/1960**
Child dependant's date of birth
Date of joining company **29/01/2002**
Date of joining scheme **29/01/2002**
Target retirement date **28/07/2027**

Annual salary history for the plan year commencing 6 April

2016	2017	2018	2019	2020	2021	2022	2023	2024
45,000	46,000	47,000	48,000	49,000	50,000	52,000	54,000	55,000

Contribution history

Total member's normal contributions **£ 33,523.12**
Total employer's normal contributions **£ 53,636.99**
Total member's AVCs **£**

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions	Employer's normal contributions	Member's AVCs
	Unit Holdings	Unit Holdings	Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	12,043.5516	19,269.6826	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.734
Index Linked Bond Fund	1.526
Balanced Fund	5.012
Corporate Bond Fund	1.683
Cash Fund	1.025

Special circumstances / additional information

The Company (with the consent of the Trustees) agreed that a redundancy payment of £35,000.00 would be payable to Sarah Orr's Personal Retirement Account. This redundancy payment is not included in the figures shown above. The redundancy payment is to be invested in in the Corporate Bond Fund and should be treated as an Employer contribution.

Sarah Orr's reason for leaving was redundancy.

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum) £

Post 05/04/1988

GMP (per annum) £ 116.48

Special circumstances / additional information

Tiffany Mack contributed at the default rate from the date she joined the XYZ Pension and Life Assurance Scheme until 5 April 2005. For the period from 6 April 2005 to 5 April 2012, Tiffany Mack contributed at the higher contribution rate. From 6 April 2012 onwards, Tiffany Mack reverted to the default contribution rate.

Tiffany Mack's reason for leaving was redundancy.

Pre 6 April 2006 pension accrued as at 5 April 2024

CARE pension (per annum) £

Post 5 April 2006 pension accrued as at 5 April 2024

CARE pension (per annum) £ 925.55

Special circumstances / additional information

Contractual Salary at date of first event £ 55,000.00

Michael Barker's reason for leaving was resignation.

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

Mario Ingram's Final Pensionable Salary at 3 July 2011 was £62,500.00.

Lower of 5% or RPI increases from 4 July 2011 to date of first event is 57.3%.

Mario Ingram worked full time (five days a week) from the date he joined the Company until 16 August 2005, inclusive. Mario Ingram then worked on a part-time basis as follows:

- 17 August 2005 to 19 January 2020 = 4.5 days per week
- 20 January 2020 onwards = 3.5 days per week

Mario Ingram's reason for leaving was resignation.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

Pre 6 April 2006 pension accrued as at 5 April 2024

CARE pension (per annum) £ 3,852.42

Post 5 April 2006 pension accrued as at 5 April 2024

CARE pension (per annum) £ 9,233.63

Special circumstances / additional information

Contractual Salary at date of first event £ 48,000.00

On 12 July 1999, Donna Potter 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 £7,523.23 consisted entirely of employer contributions and provided Donna Potter with an additional revalued pension in the RST Pension Scheme of £523.32 per annum, payable from her Normal Pension Date.

The transferred-in benefits are not included in the CARE pension figures referred to above and are subject to the normal rules of the RST Pension Scheme.

Donna Potter's reason for leaving was resignation.