

XYZ Category B – (Answer)

DIS after NPD – (special circumstances: enhanced spouse's percentage)

Name	Lauren Gurney	Salary at DOD	=	£64,500.00
DOD	06/09/2025	Final pensionable salary at NPD	=	£61,250.00
DOB	12/05/1956	(best 1/5 prior to NPD)		
DJS	06/11/1997	Final pens'ble salary at 03/07/2011	=	£46,125.00
NPD	12/05/2021	5.0% or RPI rev. (04/07/2011 to NPD)	=	35.1%
Age 75	12/05/2031	Enhanced spouse's percentage	=	62.5%
Spouse	Yes	Remaining 'LS&DBA'	=	£1,033,219.80
Pensionable service (60ths)		= 06/11/1997 to 03/07/2011	=	13yrs & 240dys
Late retirement factor		= NPD to DOD: 12/05/2021 to 06/09/2025 (4 years & 3 months)		
4 years		= 1.131		
5 years		= 1.170		
Factor		= 1.131 + [(1.170 - 1.131) x 3/12]	=	1.141 (3dps)
Salary comparison				
FPS at 03/07/2011 x reval'n		= £46,125.00 x 1.351 (= 35.1%)	=	£62,314.88 (higher)
				vs
FPS at NPD			=	<u>£61,250.00 (lower)</u>

1) Lump sum death benefit

Member's pension at DOD (used to derive spouse's pension and LSDB):

$$\text{Member:} = \frac{\text{£62,314.88} \times [13\text{yrs} + (240\text{dys}/365\text{dys})]}{60 \times 1.141} = \text{£16,184.47 pa}$$

$$\text{Total member's pension at DOD} = \underline{\underline{\text{£16,184.47 pa}}}$$

Payments NOT capped to what would have been the deceased members 75th birthday (as this is more than 5 years from the deceased member's DOD)

$$\text{Outstanding instalments} = 60 \text{ payments (01/10/2025 to 01/09/2030)}$$

$$\text{Balance of guarantee} = \text{£16,184.47} / 12 \times 60 = \underline{\underline{\text{£80,992.35}}}$$

$$\text{Total LSDB payable at Trustees' discretion} = \underline{\underline{\text{£80,992.35}}}$$

$$\text{'LS\&DBA Check'} = \text{£80,992.35 v £1,033,219.80} = \text{OK}$$

2) Spouse's pension at DOD

$$\text{Spouse's pension} = \text{£}16,184.47 \times 62.50\% = \text{£}10,115.29 \text{ pa}$$