

OR

Option 2 – Cash Sum & Residual Pension

Cash Sum

Member: £13,734.93 x 20 / [3 + (20 / 27.66)] = **£73,782.90**

'LS&DBA' Check: £73,782.90 vs £1,073,100.00 = **OK**

'LSA' Check: £73,782.90 vs £268,275.00 = **OK**

Residual Pension

Member: £13,734.93 – (£73,782.90 / 27.66 = £2,667.49) = **£11,067.44 pa**

Spouse (payable on death): Unchanged = **£7,421.00 pa**

Summary Answer

Option 1 – Pension Only

A full pension of **£13,734.93 per annum**. The pension will be increased each year on 1 April by the lower of the increase in the RPI and 5.0% (*pro-rated for the first year*).

A spouse's pension of **£7,421.00 per annum**.

OR

Option 2 – Cash Sum & Residual Pension

A tax-free cash sum of **£73,782.90** plus a residual pension of **£11,067.44 per annum**. The pension will be increased each year on 1 April by the lower of the increase in the RPI and 5.0% (*pro-rated for the first year*). The tax-free cash sum of **£73,782.90** is within both the member's available 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**.

A spouse's pension of **£7,421.00 per annum**.