WORKED ANSWER **RST SCHEME** **ACTIVE => RETIREMENT (ILL HEALTH)**

JACOB WOODHOUSE

Date of birth:	22/06/1965
Date joined scheme:	06/04/2003
Date of retirement:	15/09/2025
Age at date of retirement:	60 years & 2 months
Normal pension age:	65
Normal pension date:	22/06/2030
Type of retirement:	Ill health retirement
Spouse's date of birth:	11/08/1968 (spouse < 10 years younger)
Augmented spouse percentage:	52.5%
Pre-2006 CARE pension @ 5 April 2025:	£1,889.41 pa
Post-2006 CARE pension @ 5 April 2025:	£16,433.12 pa
Pro-rata CPI:	1.9%
Pensionable earnings:	£61,335.00 [(£60,220+£61,360+£62,425) / 3]
Pensionable service (6 April 2025 to NPD):	5yrs & 2mths (06/04/2025 - 22/06/2030)
Contractual salary:	£64,500.00
Underpin (total pens. service to NPD):	27yrs & 2mths (06/04/2003 - 22/06/2030)
Underpin (pre-2006 pens. service):	3yrs & 0mths (06/04/2003 - 05/04/2006)
Underpin (post-2006 pens. service to NPD):	24yrs & 2mths (06/04/2006 - 22/06/2030)
Remaining 'LS&DBA':	£1,073,100.00
Remaining 'LSA':	£268,275.00
Commutation factor:	20.82 (age 60yrs & 2mths) *[20.90 – (0.48 x 2/12 = 0.08) = 20.82]*
Early retirement factor:	N/A (*ill-health*)

CARE Pension

Pension @ 5/4/25 (pre-2006):		=	***£1,889.41 pa***
Pro-rata CPI increase:	£1,889.41 x 1.9%	=	***£35.90 pa***
Member (pre-2006):	£1,889.41 + £35.90	=	**£1,925.31 pa**
Pension @ 5/4/25 (post-2006):		=	***£16,433.12 pa***
Pro-rata CPI increase:	£16,433.12 x 1.9%	=	***£312.23 pa***
YTD/prospective pension:	£61,335.00 x $5^{2}/_{12}$ x 1/75	=	***£4,225.30 pa***
Member (post-2006):	£16,433.12 + £312.23 + £4,225.30	=	**£20,970.65 pa**
Total CARE pension:	£1,925.31 + £20,970.65	=	**£22,895.96 pa**

Final Salary Underpin

Pension (pre-2006):	£64,500.00 x $3^{0}/_{12}$ x 1/90	=	***£2,150.00 pa***
Pension (post-2006):	£64,500.00 x $24^{2}/_{12}$ x 1/90	=	***£17,319.44 pa***
Total Underpin pension:	£2,150.00 + £17,319.44	=	**£19,469.44 pa**

Total CARE pension of £22,895.96 pa exceeds total Underpin pension of £19,469.44 pa!

Option 1 – Full Pension (CARE)

Full Pension

Member (pre-2006):		=	**£1,925.31 pa**
Member (post-2006):		=	**£20,970.65 pa**
Member (total):		=	**£22,895.96 pa**

Spouse (pre-2006):	£1,925.31 x **52.5%**	=	***£1,010.79 pa***
Spouse (post-2006):	£20,970.65 x **52.5%**	=	***£11,009.59 pa***
Spouse (total):	£1,010.79 + £11,009.59	=	***£12,020.38 pa***

OR

Option 2 – Cash Sum & Residual Pension

Cash Sum

Member:	£22,895.96 x 20 / [3 + (20 / 20.82)]	=	**£115,618.21**
'LS&DBA' Check:	£115,618.21 vs £1,073,100.00	=	**OK**
'LSA' Check:	£115,618.21 vs £268,275.00	=	**OK**

Residual Pension

Member (total):	£22,895.96 – (£115,618.21 / 20.82 = £5,553.23)	=	**£17,342.73 pa**
Member (post-2006):	£20,970.65 – £5,553.23	=	**£15,417.42 pa**
Member (pre-2006):		=	**£1,925.31 pa**

Spouse (pre-2006):	Unchanged	=	***£1,010.79 pa***
Spouse (post-2006):	Unchanged	=	***£11,009.59 pa***
Spouse (total):	Unchanged	=	***£12,020.38 pa***

Summary Answer

Option 1 – Pension Only

A full pension of **£22,895.96 per annum**, of which **£1,925.31 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£20,970.65 per annum** increases at the lower of RPI and 2.5% (post-2006).

A spouse's pension of **£12,020.38 per annum**, of which **£1,010.79 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£11,009.59 per annum** increases at the lower of RPI and 2.5% (post-2006).

OR

Option 2 – Cash Sum & Residual Pension

A tax-free cash sum of **£115,618.21** plus a residual pension of **£17,342.73 per annum**, of which **£1,925.31 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£15,417.42 per annum** increases at the lower of RPI and 2.5% (post-2006). The tax-free cash sum of **£115,618.21** 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 **£12,020.38 per annum**, of which **£1,010.79 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£11,009.59 per annum** increases at the lower of RPI and 2.5% (post-2006).