

WORKED ANSWER**RST SCHEME****ACTIVE => RETIREMENT (LATE)****JOHN ASPINALL**

Date of birth:	08/02/1956
Date joined scheme:	06/04/2005
Date of retirement:	10/09/2025
Age at date of retirement:	69 years & 7 months
Normal pension age:	65
Normal pension date:	08/02/2021
Type of retirement:	Late retirement
Spouse's date of birth:	N/A
Transferred-in pension (pre-2006):	£3,827.92 pa (<i>payable from NPD</i>)
Pre-2006 CARE pension @ 5 April 2025:	£1,001.99 pa
Post-2006 CARE pension @ 5 April 2025:	£13,602.68 pa
Pro-rata CPI:	1.9%
Pensionable earnings:	£55,601.67 [(£54,950+£55,680+£56,175) / 3]
Pensionable service (6 April 2025 to DOR):	0yrs & 5mths (06/04/2025 - 10/09/2025)
Contractual salary:	£57,000.00
Underpin (total pens. service to DOR):	20yrs & 5mths (06/04/2005 - 10/09/2025)
Underpin (pre-2006 pens. service):	1yr & 0mths (06/04/2005 - 05/04/2006)
Underpin (post-2006 pens. service to DOR):	19yrs & 5mths (06/04/2006 - 10/09/2025)
Remaining 'LS&DBA':	£1,013,100.00
Remaining 'LSA':	£208,275.00
Commutation factor:	16.30 (age 69yrs & 7mths) [16.58 - (0.48 x 7/12 = 0.28) = 16.30]
Late retirement factor (<i>transfer in</i>):	1.184 (age 69yrs & 7mths) [1.157 + {(1.204 - 1.157) x 7/12 = 0.027} = 1.184]

CARE Pension (*excluding transferred-in benefit*)

Pension @ 5/4/25 (pre-2006)	=	1,001.99 pa
Pro-rata CPI increase: £1,001.99 x 1.9%	=	£19.04 pa
Member (pre-2006): £1,001.99 + £19.04	=	£1,021.03 pa
Pension @ 5/4/25 (post-2006):	=	£13,602.68 pa
Pro-rata CPI increase: £13,602.68 x 1.9%	=	£258.45 pa
YTD pension: £55,601.67 x ⁵ / ₁₂ x 1/75	=	£308.90 pa
Member (post-2006): £13,602.68 + £258.45 + £308.90	=	£14,170.03 pa
Total CARE pension: £1,021.03 + £14,170.03	=	<u>£15,191.06 pa</u>

Final Salary Underpin (excluding transferred-in benefit)

Pension (pre-2006):	$£57,000.00 \times 1^0/_{12} \times 1/90$	=	<i>£633.33 pa</i>
Pension (post-2006):	$£57,000.00 \times 19^5/_{12} \times 1/90$	=	<i>£12,297.22 pa</i>
Total Underpin pension:	$£633.33 + £12,297.22$	=	<u>£12,930.55 pa</u>

Total CARE pension of £15,191.06 pa exceeds total Underpin pension of £12,930.55 pa!

Option 1 – Full Pension (CARE)

Full Pension

Member (pre-2006):		=	<i>£1,021.03 pa</i>
Member (post-2006):		=	<i>£14,170.03 pa</i>
Member (pre-2006 TVin):	$£3,827.92 \times 1.184$	=	<i>£4,532.26 pa</i>
Member (total):	$£1,021.03 + £14,170.03 + £4,532.26$	=	<u>£19,723.32 pa</u>

Spouse (pre-2006):	$£1,021.03 \times 40\%$	=	<i>£408.41 pa</i>
Spouse (post-2006):	$£14,170.03 \times 40\%$	=	<i>£5,668.01 pa</i>
Spouse (pre-2006 TVin):	$£4,532.26 \times 40\%$	=	<i>£1,812.90 pa</i>
Spouse (total):	$£408.41 + £5,668.01 + £1,812.90$	=	<u>£7,889.32 pa</u>

OR

Option 2 – Cash Sum & Residual Pension

Cash Sum

Member:	$£19,723.32 \times 20 / [3 + (20 / 16.30)]$	=	<u>£93,320.79</u>
'LS&DBA' Check:	$£93,320.79$ vs $£1,013,100.00$	=	OK
'LSA' Check:	$£93,320.79$ vs $£208,275.00$	=	OK

Residual Pension

Member (total):	$\pounds 19,723.32 - (\pounds 93,320.79 / 16.30 = \pounds 5,725.20)$	=	<u>$\pounds 13,998.12$ pa</u>
Member (post-2006):	$\pounds 14,170.03 - \pounds 5,725.20$	=	$\pounds 8,444.83$ pa
Member (pre-2006)		=	$\pounds 1,021.03$ pa
Member (pre-2006 TVin):		=	$\pounds 4,532.26$ pa

Spouse (pre-2006):	Unchanged	=	$\pounds 408.41$ pa
Spouse (post-2006):	Unchanged	=	$\pounds 5,668.01$ pa
Spouse (pre-2006 TVin):	Unchanged	=	$\pounds 1,812.90$ pa
Spouse (total):	Unchanged	=	<u>$\pounds 7,889.32$ pa</u>

Summary Answer

Option 1 – Pension Only

A full pension of **$\pounds 19,723.32$ per annum**, of which **$\pounds 1,021.03$** increases at the lower of RPI and 5.0% (pre-2006), **$\pounds 14,170.03$ per annum** increases at the lower of RPI and 2.5% (post-2006) and **$\pounds 4,532.26$ per annum** increases at the lower of RPI and 5.0% (pre-2006 transferred-in pension).

A spouse's pension of **$\pounds 7,889.32$ per annum**, of which **$\pounds 408.41$** increases at the lower of RPI and 5.0% (pre-2006), **$\pounds 5,668.01$ per annum** increases at the lower of RPI and 2.5% (post-2006) and **$\pounds 1,812.90$ per annum** increases at the lower of RPI and 5.0% (pre-2006 transferred-in pension).

OR

Option 2 – Cash Sum & Residual Pension

A tax-free cash sum of **$\pounds 93,320.79$** plus a residual pension of **$\pounds 13,998.12$ per annum**, of which **$\pounds 1,021.03$** increases at the lower of RPI and 5.0% (pre-2006), **$\pounds 8,444.83$ per annum** increases at the lower of RPI and 2.5% (post-2006) and **$\pounds 4,532.26$ per annum** increases at the lower of RPI and 5.0% (pre-2006 transferred-in pension). The tax-free cash sum of **$\pounds 93,320.79$** is within both the member's available 'LS&DBA' of **$\pounds 1,013,100.00$** and 'LSA' of **$\pounds 208,275.00$** .

A spouse's pension of **$\pounds 7,889.32$ per annum**, of which **$\pounds 408.41$** increases at the lower of RPI and 5.0% (pre-2006), **$\pounds 5,668.01$ per annum** increases at the lower of RPI and 2.5% (post-2006) and **$\pounds 1,812.90$ per annum** increases at the lower of RPI and 5.0% (pre-2006 transferred-in pension).