# WORKED ANSWER RST SCHEME PRS => RETIREMENT (NORMAL)

# ANNA THOMSON

Date of birth: 15/09/1959

Date joined scheme: 06/04/2001

Date of retirement: 15/09/2024

Age at date of retirement: 65 years

Normal pension age: 65

Normal pension date: 15/09/2024

Type of retirement: Normal retirement

Spouse’s date of birth: 18/03/1957 (spouse < 10 years younger)

Pre-2006 CARE pension @ DOL: £2,101.28 pa

Post-2006 CARE pension @ DOL: £7,889.76 pa

Revaluation at lower of 5.0%/CPI: 17.1%

Remaining ‘LS&DBA’: £1,073,100.00

Remaining ‘LSA’: £268,275.00

Commutation factor: 18.50 (age 65yrs)

**Option 1 – Full Pension**

**Full Pension**

Member (pre-2006): £2,101.28 x 1.171 (= 17.1%) = **£2,460.60 pa**

Member (post-2006): £7,889.76 x 1.171 (= 17.1%) = **£9,238.91 pa**

Member (total): £2,460.60 + £9,238.91 = **£11,699.51 pa**

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Spouse (pre-2006): £2,460.60 x 40% = ***£984.24 pa***

Spouse (post-2006): £9,238.91 x 40% = ***£3,695.56 pa***

Spouse (total): £984.24 + £3,695.56 = ***£4,679.80 pa***

 **OR**

**Option 2 – Cash Sum & Residual Pension**

**Cash Sum**

Member: £11,699.51 x 20 / [3 + (20 / 18.50)] = **£57,335.35**

***‘LS&DBA’ Check:*** £57,335.35 vs £1,073,100.00 = **OK**

***‘LSA’ Check:*** £57,335.35 vs £268,275.00 = **OK**

**Residual Pension**

Member (total): £11,699.51 – (£57,335.35 / 18.50 = £3,099.21) = **£8,600.30 pa**

Member (post-2006): £9,238.91 – £3,099.21 = **£6,139.70 pa**

Member (pre-2006): = **£2,460.60 pa**

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Spouse (pre-2006): Unchanged = ***£984.24 pa***

Spouse (post-2006): Unchanged = ***£3,695.56 pa***

Spouse (total): Unchanged = ***£4,679.80 pa***

# Summary Answer

*Option 1 – Pension Only*

A full pension of **£11,699.51 per annum**, of which **£2,460.60** **per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£9,238.91** **per annum** increases at the lower of RPI and 2.5% (post-2006).

A spouse’s pension of **£4,679.80 per annum**, of which **£984.24** **per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£3,695.56** **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 **£57,335.35** plus a residual pension of **£8,600.30** **per annum**, of which **£2,460.60** **per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£6,139.70** **per annum** increases at the lower of RPI and 2.5% (post-2006). The tax-free cash sum of **£57,335.35** 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 **£4,679.80 per annum**, of which **£984.24** **per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£3,695.56** **per annum** increases at the lower of RPI and 2.5% (post-2006).