

WORKED ANSWER**RST SCHEME****PRS => RETIREMENT (NORMAL)****JANA NAVRATILOVA**

Date of birth:	16/09/1961
Date joined scheme:	06/04/2004
Date of retirement:	16/09/2026
Age at date of retirement:	65 years
Normal pension age:	65
Normal pension date:	16/09/2026
Type of retirement:	Normal retirement
Spouse's date of birth:	21/10/1971 (spouse > 10 years younger – potential reduction!)
Pre-2006 CARE pension (DOL):	£2,033.42 pa
Post-2006 CARE pension (DOL):	£13,450.58 pa
Revaluation at lower of 5.0% or RPI:	19.7%
Remaining 'LS&DBA':	£1,026,600.00
Remaining 'LSA':	£221,775.00
Commutation factor:	18.50 (age 65yrs)

Option 1 – Full Pension**Full Pension**

Member (pre-2006):	$£2,033.42 \times 1.197 (= 19.7\%)$	=	£2,434.00 pa
Member (post-2006):	$£13,450.58 \times 1.197 (= 19.7\%)$	=	£16,100.34 pa
Member (total):	$£2,434.00 + £16,100.34$	=	<u>£18,534.34 pa</u>

Spouse (pre-2006):	$£2,434.00 \times 40\%$	=	£973.60 pa
Spouse (post-2006):	$£16,100.34 \times 40\%$	=	£6,440.14 pa
Spouse (total):	$£973.60 + £6,440.14$	=	<u>£7,413.74 pa</u>

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

Member:	$£18,534.34 \times 20 / [3 + (20 / 18.50)]$	=	<u>£90,830.54</u>
'LS&DBA' Check:	£90,830.54 vs £1,026,600.00	=	OK
'LSA' Check:	£90,830.54 vs £221,775.00	=	OK

Residual Pension

Member (total):	£18,534.34 – (£90,830.54 / 18.50 = £4,909.76)	=	<u>£13,624.58 pa</u>
Member (post-2006):	£16,100.34 – £4,909.76	=	£11,190.58 pa
Member (pre-2006):		=	£2,434.00 pa

Spouse (pre-2006):	Unchanged	=	£973.60 pa
Spouse (post-2006):	Unchanged	=	£6,440.14 pa
Spouse (total):	Unchanged	=	<u>£7,413.74 pa</u>

Summary Answer

Option 1 – Pension Only

A full pension of **£18,534.34 per annum**, of which **£2,434.00 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£16,100.34 per annum** increases at the lower of RPI and 2.5% (post-2006).

A spouse's pension of **£7,413.74 per annum**, of which **£973.60 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£6,440.14 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 **£90,830.54** plus a residual pension of **£13,624.58 per annum**, of which **£2,434.00 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£11,190.58 per annum** increases at the lower of RPI and 2.5% (post-2006). The tax-free cash sum of **£90,830.54** is within both the member's available 'LS&DBA' of **£1,026,600.00** and 'LSA' of **£221,775.00**.

A spouse's pension of **£7,413.74 per annum**, of which **£973.60 per annum** increases at the lower of RPI and 5.0% (pre-2006) and **£6,440.14 per annum** increases at the lower of RPI and 2.5% (post-2006).