

WORKED ANSWER**RST SCHEME****ACTIVE => RETIREMENT (NORMAL)****GRAEME EVERT**

Date of birth:	12/09/1961
Date joined scheme:	06/04/2003
Date of retirement:	12/09/2026
Age at date of retirement:	65 years & 0 months
Normal pension age:	65
Normal pension date:	12/09/2026
Type of retirement:	Normal retirement
Spouse's date of birth:	16/03/1964 (spouse < 10 years younger)
Pre-2006 CARE pension:	£3,881.64 pa (accrued to 05/04/2026)
Post-2006 CARE pension:	£19,122.82 pa (accrued to 05/04/2026)
Pro-rata CPI:	1.8%
CARE enhanced accrual rate [60ths]:	5yrs & 5mths (06/04/2021 – 12/09/2026)
Pensionable earnings:	£69,352.67 [(£68,333+£69,500+£70,225) / 3]
Pensionable service (6 April 2026 to DOR):	0yrs & 5mths (06/04/2026 – 12/09/2026)
Contractual salary:	£71,475.00
Underpin (total service to DOR):	23yrs & 5mths (06/04/2003 - 12/09/2026)
Underpin (pre-2006 pens. service #1 [90ths]):	3yrs & 0mths (06/04/2003 - 05/04/2006)
Underpin (post-2006 pens. service #2 [90ths]):	15yrs & 0mths (06/04/2006 - 05/04/2021)
Underpin (post-2006 pens. service #3 [75ths]):	5yrs & 5mths (06/04/2021 - 12/09/2026)
Remaining 'LS&DBA':	£1,045,600.00
Remaining 'LSA':	£240,775.00
Commutation factor:	18.50 (age 65yrs)

CARE Pension

Pension accrued 05/04/2026 (pre-2006):	=	£3,881.64 pa
Pro-rata CPI increase: £3,881.64 x 1.8%	=	£69.87 pa
Member (pre-2006): £3,881.64 + £69.87	=	£3,951.51 pa
Pension accrued 05/04/2026 (post-2006):	=	£19,122.82 pa
Pro-rata CPI increase: £19,122.82 x 1.8%	=	£344.21 pa
YTD pension: £69,352.67 x ⁵ / ₁₂ x 1/60	=	£481.62 pa
Member (post-2006): £19,122.81 + £344.21 + £481.62	=	£19,948.65 pa
Total CARE pension:	=	<u>£23,900.16 pa</u>

Final Salary Underpin

Member (pre-2006 #1):	$£71,475.00 \times 3^0/_{12} \times 1/90$	=	<i>£2,382.50 pa</i>
Member (post-2006 #2):	$£71,475.00 \times 15^0/_{12} \times 1/90$	=	<i>£11,912.50 pa</i>
Member (post-2006 #3):	$£71,475.00 \times 5^5/_{12} \times 1/75$	=	<i>£5,162.08 pa</i>
Total Underpin pension:	$£2,382.50 + £11,912.50 + £5,162.08$	=	<u>£19,457.08 pa</u>

Total CARE pension of £23,900.16 pa exceeds total Underpin pension of £19,457.08 pa!

Option 1 – Full Pension (CARE)

Full Pension

Member (pre-2006):		=	<i>£3,951.51 pa</i>
Member (post-2006):		=	<i>£19,948.65 pa</i>
Member (total):		=	<u>£23,900.16 pa</u>

Spouse (pre-2006):	$£3,951.51 \times 40\%$	=	<i>£1,580.60 pa</i>
Spouse (post-2006):	$£19,948.65 \times 40\%$	=	<i>£7,979.46 pa</i>
Spouse (total):	$£1,580.60 + £7,979.46$	=	<u>£9,560.06 pa</u>

OR

Option 2 – Cash Sum & Residual Pension

Cash Sum

Member:	$£23,900.16 \times 20 / [3 + (20 / 18.50)]$	=	<u>£117,126.61</u>
---------	---	---	---------------------------

'LS&DBA' Check: £117,126.61 vs £1,045,600.00 = **OK**

'LSA' Check: £117,126.61 vs £240,775.00 = **OK**

Residual Pension

Member (total):	$£23,900.16 -$ $(£117,126.61 / 18.50 = £6,331.17)$	=	<u>£17,568.99 pa</u>
Member (post-2006):	$£19,948.65 - £6,331.17$	=	<i>£13,617.48 pa</i>
Member (pre-2006):		=	<i>£3,951.51 pa</i>

Spouse (pre-2006):	Unchanged	=	£1,580.60 pa
Spouse (post-2006):	Unchanged	=	£7,979.46 pa
Spouse (total):	Unchanged	=	<u>£9,560.06 pa</u>

Summary Answer

Option 1 – Pension Only

A full pension of **£23,900.16 per annum**, of which **£3,951.51 per annum** increases at the lower of RPI and 5.0% (pre-2006 pension) and **£19,948.65 per annum** increases at the lower of RPI and 2.5% (post-2006 pension).

A spouse's pension of **£9,560.06 per annum**, of which **£1,580.60 per annum** increases at the lower of RPI and 5.0% (pre-2006 pension) and **£7,979.46 per annum** increases at the lower of RPI and 2.5% (post-2006 pension).

OR

Option 2 – Cash Sum & Residual Pension

A tax-free cash sum of **£117,126.61** plus a residual pension of **£17,568.99 per annum**, of which **£3,951.51 per annum** increases at the lower of RPI and 5.0% (pre-2006 pension) and **£13,617.48 per annum** increases at the lower of RPI and 2.5% (post-2006 pension). The tax-free cash sum of **£117,126.61** is within both the member's available 'LS&DBA' of **£1,045,600.00** and 'LSA' of **£240,775.00**.

A spouse's pension of **£9,560.06 per annum**, of which **£1,580.60 per annum** increases at the lower of RPI and 5.0% (pre-2006 pension) and **£7,979.46 per annum** increases at the lower of RPI and 2.5% (post-2006 pension).