

## RST Letter – Key Points – Hans Graaf (DOR: 14 September 2026)

### 1a. Full pension – (Option 1)

- Full CARE pension of **£22,815.36 per annum** (split **£964.93 per annum** for pre-2006 pension, **£19,039.55 per annum** for post-2006 pension and **£2,810.88 per annum** for pre-2006 transferred-in pension)  
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- The pre-2006 pension of **£964.93 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 5.0%
- The post-2006 pension of **£19,039.55 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 2.5%
- The pre-2006 transferred-in pension of **£2,810.88 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 5.0%

OR

### 1b. Tax-free cash sum & residual pension – (Option 2)

- Tax-free cash sum of **£112,991.47** – [within member's available 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**]  
PLUS  
Residual CARE pension of **£16,948.72 per annum** (split **£964.93 per annum** for pre-2006 pension, **£13,172.91 per annum** for post-2006 pension and **£2,810.88 per annum** for pre-2006 transferred-in pension)  
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- The pre-2006 pension of **£964.93 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 5.0%
- The post-2006 pension of **£13,172.91 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 2.5%
- The pre-2006 transferred-in pension of **£2,810.88 per annum** will be increased each year on 1 October by the lower of the increase in the Retail Prices Index and 5.0%

## 2. Payment of pension

- The pension will be paid by monthly instalments in advance
- The first payment of pension will be made on **1 October 2026**
- The pension will be paid for life and will be subject to PAYE

## 3. Death in retirement

- If the member dies before 60 monthly instalments of pension have been paid, the balance of the 60 months (based on the rate of pension payable at the member's date of death) will be paid as a lump sum death benefit
- For both options, a spouse's pension will be payable on the death of the member of **£9,126.14 per annum** (split **£385.97 per annum** for pre-2006 pension, **£7,615.82 per annum** for post-2006 pension and **£1,124.35 per annum** for pre-2006 transferred-in pension – *(these figures are before any annual increases are applied between the member's date of retirement and the member's date of death)*)
- The spouse's pension will be paid for life and will be subject to PAYE

#### 4. General information

- Mention that the CARE pension of **£20,004.48 per annum** (excluding transferred-in pension) is higher than the Underpin pension of **£14,626.92 per annum** (excluding transferred-in pension)
- Mention that the pension has been reduced due to the member's early retirement
- Mention any special circumstances (i.e. transferred-in benefits)

#### 5. Details required

- Request a copy of the member's birth certificate
- Request the member's completed 'Option choice' form
- Request the member's completed 'Bank details' form

#### NOTE –

*For the purposes of the CPC examinations, candidates will be presented with a draft Letter. They will then be expected to:*

- a) Transcribe data required to be populated in the draft Letter accurately from their Case Study answers to the answer box*
- b) Identify and detail basic expected information not communicated in the draft Letter to the answer box*
- c) Identify and correct information wrongly communicated in the draft Letter to the answer box*