

WORKED ANSWER RST SCHEME ACTIVE => RETIREMENT (LATE)

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Date of birth:	09/08/1955
Date joined scheme:	06/04/2008
Date of retirement:	18/09/2026
Age at date of retirement:	71 years & 1 month
Normal pension age:	65
Normal pension date:	09/08/2020
Type of retirement:	Late retirement
Spouse's date of birth:	N/A
Pre-2006 CARE pension:	N/A
Post-2006 CARE pension:	£16,822.44 pa (accrued to 05/04/2026)
Pro-rata CPI:	1.8%
Pensionable earnings:	£71,833.33 [(£70,900+£72,000+£72,600) / 3]
Pensionable service (06/04/2026to DOR):	0yrs & 5mths (06/04/2026 - 18/09/2026)
Contractual salary (full-time equivalent):	£74,600.00
Underpin (total pens. service to DOR):	18yrs & 5mths (06/04/2008 - 18/09/2026)
Underpin (pre-2006 pens. service):	N/A
Underpin (post-2006 pens. service #1 [4.0dys]):	3yrs & 0mths (06/04/2008 - 05/04/2011)
Underpin (post-2006 pens. service #2 [3.0dys]):	15yrs & 5mths (06/04/2011 - 18/09/2026)
Remaining 'LS&DBA':	£993,100.00
Remaining 'LSA':	£188,275.00
Commutation factor:	15.58 (age 71yrs & 1mth) <i>[15.62 - (0.48 x 1/12 = 0.04) = 15.58]</i>

CARE Pension

Pension accrued 05/04/2026 (pre-2006):	=	N/A
Pension accrued 05/04/2026 (post-2006):	=	£16,822.44 pa
Pro-rata CPI increase:	£16,822.44 x 1.8%	= £302.80 pa
YTD pension:	£71,833.33 x $\frac{5}{12}$ x $\frac{1}{75}$ x 3/5	= £239.44 pa
Member (post-2006):	£16,822.44 + £302.80 + £239.44	= £17,364.68 pa
Total CARE pension:	£0.00 + £17,364.68	= <u>£17,364.68 pa</u>

Final Salary Underpin

Member (pre-2006):	=	N/A
Member (pre-2006 #1):	£74,600.00 x $\frac{3^0}{12}$ x $\frac{1}{90}$ x 4/5	= £1,989.33 pa
Member (post-2006 #2):	£74,600.00 x $\frac{15^5}{12}$ x $\frac{1}{90}$ x 3/5	= £7,667.22 pa
Total Underpin pension:	£1,989.33 + £7,667.22	= <u>£9,656.55 pa</u>

Total CARE pension of £17,364.68 pa exceeds total Underpin pension of £9,656.55 pa!

Option 1 – Full Pension (CARE)

Full Pension

Member (pre-2006):		=	N/A
Member (post-2006):		=	£17,364.68 pa
Member (total):		=	<u>£17,364.68 pa</u>

Spouse (pre-2006):		=	N/A
Spouse (post-2006):	£17,364.68 x 40%	=	£6,945.87 pa
Spouse (total):	£0.00 + £6,945.87	=	<u>£6,945.87 pa</u>

OR

Option 2 – Cash Sum & Residual Pension

Cash Sum

Member:	£17,364.68 x 20 / [3 + (20 / 15.58)]	=	<u>£81,073.33</u>
'LS&DBA' Check:	£81,073.33 vs £993,100.00	=	OK
'LSA' Check:	£81,073.33 vs £188,275.00	=	OK

Residual Pension

Member (total):	£17,364.68 – (£81,073.33 / 15.58 = £5,203.68)	=	<u>£12,161.00 pa</u>
Member (post-2006):	£17,364.68 – £5,203.68	=	£12,161.00 pa
Member (pre-2006):		=	N/A

Spouse (pre-2006):	Unchanged	=	N/A
Spouse (post-2006):	Unchanged	=	£6,945.87 pa
Spouse (total):	Unchanged	=	<u>£6,945.87 pa</u>

Summary Answer

Option 1 – Pension Only

A full pension of **£17,364.68 per annum** which increases at the lower of RPI and 2.5% (*all post-2006*).

A spouse's pension of **£6,945.87 per annum** which increases at the lower of RPI and 2.5% (*all post-2006*).

OR

Option 2 – Cash Sum & Residual Pension

A tax-free cash sum of **£81,073.33** plus a residual pension of **£12,161.00 per annum** which increases at the lower of RPI and 2.5% (*all post-2006*). The tax-free cash sum of **£81,073.33** is within both the member's available 'LS&DBA' of **£993,100.00** and 'LSA' of **£188,275.00**.

A spouse's pension of **£6,945.87 per annum** which increases at the lower of RPI and 2.5% (*all post-2006*).