

**WORKED ANSWER****XYZ SCHEME****PRS => RET (NORMAL)****ELEANOR WILKIE – CATEGORY B**

Date of birth:	18/09/1961
Date of joining scheme:	06/11/1997
Date of leaving scheme:	07/10/2018
Date of retirement:	18/09/2026
Age at date of retirement:	65yrs & 0mths
Normal pension age:	65yrs & 0mths
Type of retirement:	Preserved to normal retirement
Preserved pension at DOL:	£6,778.44
Pension revaluation:	32.3% (lower of 5.0% and RPI)
Remaining 'LS&DBA':	£1,017,350.00
Remaining 'LSA':	£212,525.00
Commutation factor:	21.00 (age 65yrs & 0mths)

**Option 1 – Full Pension****Full Pension**

Member: £6,778.44 x 1.323 (= 32.3%) = **£8,967.88 pa**

Spouse (payable on death): £8,967.88 x 50% = **£4,483.94 pa**

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

Member: £8,967.88 x 20 / [3 + (20 / 21.00)] = **£45,379.63**

'LS&DBA' Check: £45,379.63 vs £1,017,350.00 = **OK**

'LSA' Check: £45,379.63 vs £212,525.00 = **OK**

**Residual Pension**

Member: £8,967.88 – (£45,379.63 / 21.00 = £2,160.93) = **£6,806.95 pa**

Spouse (payable on death): £8,967.88 x 50% = **£4,483.94 pa**

## **Summary Answer**

### *Option 1 – Pension Only*

A full pension of **£8,967.88 per annum**. The pension will be increased each year on 1 April by the lower of the increase in the RPI and 5.0% (*pro-rated for the first year*).

A spouse's pension of **£4,483.94 per annum**.

OR

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

A tax-free cash sum of **£45,379.63** plus a residual pension of **£6,806.95 per annum**. The pension will be increased each year on 1 April by the lower of the increase in the RPI and 5.0% (*pro-rated for the first year*). The tax-free cash sum of **£45,379.63** is within both the member's available 'LS&DBA' of **£1,017,350.00** and 'LSA' of **£212,525.00**.

A spouse's pension of **£4,483.94 per annum**.