

# VOCATIONAL QUALIFICATIONS

## LEAVERS PART 2

### LEAVER BENEFITS WITH SPECIAL CIRCUMSTANCES

**THURSDAY 22 JANUARY 2026                      10.30 AM – 12.00 NOON**

**TIME ALLOWED:                                      1 HOUR 30 MINUTES**

1. Answer **ALL** the questions.
2. Type all your answers in the answer box provided.
3. Show all your workings clearly.
4. Calculate the benefits payable and the options available using only the information given.
5. Round all factors and figures in accordance with the instructions provided in the *Tables of Factors* and the *Scheme / Plan Booklets*.

## Questions

### Section A – Calculations (Questions 1 and 2)

Calculate the benefits payable and the options available for:

- **BARRY BENN – (RST)**
- **XXXXXXXXXXXX – (XYZ)**

### Section B – Draft Letter (Question 3)

Analyse a draft *Letter* that has been written to communicate the benefits payable and the options available for:

- **BARRY BENN – (RST)**

The draft *Letter* requires data derived from answering the *Case Study* to be accurately transcribed to the answer box. In addition, expected basic information not communicated in the draft *Letter* needs to be identified and detailed in the answer box, whilst information wrongly communicated in the draft *Letter* also needs to be identified and corrected in the answer box.

Using the answer box provided:

- a) Transcribe data derived from answering the *Case Study* (*the data to be transcribed is specifically indicated in the draft Letter by a capital letter in brackets*).
- b) Identify and detail expected basic information which has been omitted from the draft *Letter* (*there are 2 to 4 omissions to be identified and detailed*).
- c) Identify and correct information which has been wrongly communicated in the draft *Letter* (*there are 2 to 4 errors to be identified and corrected*).



**Pre 6 April 2006 pension accrued as at 5 April 2025**

CARE pension (per annum) £ 1,634.77

**Post 5 April 2006 pension accrued as at 5 April 2025**

CARE pension (per annum) £ 7,264.62

**Special circumstances / additional information**

Contractual Salary at date of first event £ 45,000.00

Barry Benn worked on a full-time basis (five days a week) from the date he joined the Company until 5 May 2004, inclusive. Barry Benn then worked on a part-time basis as follows:

- 6 May 2004 to 10 August 2022 = 3.0 days per week
- 11 August 2022 onwards = 4.0 days per week

Barry Benn's reason for leaving was resignation.

**THIS CASE STUDY ALSO RELATES TO THE DRAFT LETTER (QUESTION 3)**



**Contracting-out details at date of first event**

Pre 06/04/1988

GMP (per annum) £

Post 05/04/1988

GMP (per annum) £

**Special circumstances / additional information**

Mr Barry Bonn  
Address 1  
Address 2  
Address 3  
Post Code

19 January 2026

Dear Mr Bonn

I am writing to advise you of the options available to you following your leaving the RST Pension Scheme (the 'Scheme') on 12 January 2025.

Your options at your date of leaving (DOL) are either (a) preserve your benefits within the Scheme or (b) transfer the value of your benefits to a suitable pension arrangement outside of the Scheme.

### **1. Preserved Benefits**

At your date of leaving, your preserved benefits are as follows:

- Pre-6 April 2006 pension at DOL                      £[A] per annum
- Post-5 April 2006 pension at DOL                      £[B] per annum
- **Total pension at DOL**                                      **£[C] per annum**

Your preserved benefits will be revalued from your DOL up to the date you retire.

The actual rate of revaluation will be 5.0% per annum compound for each complete year from your DOL to the date you retire (or the increase in the RPI for this period, if lower).

Using an assumed revaluation rate of 2.5% per annum compound, your estimated pension at your Normal Pension Date (NPD) of [D] would be as follows:

- Pre-6 April 2006 estimated pension at NPD                      £[E] per annum
- Post-5 April 2006 estimated pension at NPD                      £[F] per annum
- **Total estimated pension at NPD**                                      **£[G] per annum**

At retirement, these figures will be recalculated to reflect the actual rate of revaluation. These recalculated figures may be higher or lower than the estimated figures above.

At retirement, you can exchange part of your pension for a tax-free cash sum, subject to HMRC limits.

Once in payment, your pension will be increased as follows:

- Pension accrued (pre-6 April 2006)                      Lower of 4.0% or RPI
- Pension accrued (post-5 April 2006)                      Lower of 2.5% or RPI

These increases will be applied each year on the anniversary of the commencement of your pension.

The current value of your AVCs of [H] will remain invested.

If you die before your preserved benefits come into payment, there will be payable a refund of your Scheme contributions amounting to [I], plus the AVCs that you have paid of [J].

The total payment will be made to one or more persons at the trustees' discretion.

If you die after you retire, there will be a spouse or civil partner's pension payable. At your DOL, this was [K] per annum. Assuming a revaluation rate of 2.5% per annum compound, this would provide a pension of [L] per annum at your NPD.

This pension will be increased in payment at the same rate as your own pension, split between the pre/post April 2006 elements. If your spouse or civil partner is more than 10 years younger than you when you die, the pension will be reduced.

## **2. Transfer to a suitable Pension Arrangement**

Alternatively, you may opt to transfer your benefits to a suitable arrangement of your own choice. This may include the registered scheme of your new employer, a personal pension plan, stakeholder pension plan, or a buy-out insurance policy.

Please note that if you transfer out, no further benefits will remain for you in the Scheme.

Should you require further assistance, please do not hesitate to contact us.

Signed,  
AN Other