**RST Letter – Key Points – Naomi Abbot (DOR: 3 September 2022)**

**1a. Full pension – (Option 1)**

* CARE pension greater than Final Salary Underpin pension
* Full pension of £22,993.11 per annum (comprising a pre-2006 pension of £11,734.74 per annum [including the TV-in pension of £3,293.49 per annum] and a post-2006 pension of £11,258.37 per annum) – [LTA used is 42.85%]

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* The pre-2006 pension of £11,734.74 per annum (including the TV-in pension of £3,293.49 per annum) will increase each year on the anniversary of the date of the first payment by the lower of the increase in the Retail Prices Index and 5.0%
* The post-2006 pension of £11,258.37 per annum will increase each year on the anniversary of the date of the first payment by the lower of the increase in the Retail Prices Index and 2.5%

*OR*

**1b. Pension commencement lump sum and residual pension – (Option 2)**

* Tax-free cash sum of £105,815.30 – [LTA used is 9.86%]

PLUS

* Residual pension of £15,872.30 per annum (comprising a pre-2006 pension of £11,734.74 per annum [including the TV-in pension of £3,293.49 per annum] and a post-2006 pension of £4,137.56 per annum) – [LTA used is 29.58%]

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* The pre-2006 pension of £11,734.74 per annum (including the TV-in pension of £3,293.49 per annum) will increase each year on the anniversary of the date of the first payment by the lower of the increase in the Retail Prices Index and 5.0%
* The post-2006 pension of £4,137.56 per annum will increase each year on the anniversary of the date of the first payment by the lower of the increase in the Retail Prices Index and 2.5%

**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 2022
  + 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 £9,197.25 per annum (pre-2006 spouse’s pension = £4,693.90 per annum [including the TV-in pension of £1,317.40 per annum] and post-2006 spouse’s pension = £4,503.35 per annum) – (*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 (with the same annual rates of increase being applied as those of the member) and will be subject to PAYE

**4. General information**

* Must mention pension reduced due to early payment
* Must mention any special circumstances (e.g. TV-in pension *AND being treated as a pre-2006 benefit*)

**5. Details required**

* + A copy of the member’s birth certificate
  + The member’s completed ‘Option choice’ form
  + The member’s completed ‘Bank details’ form