**VOCATIONAL QUALIFICATIONS**

**LEAVERS PART 2**

**LEAVER BENEFITS WITH SPECIAL**

**CIRCUMSTANCES**

**FRIDAY 16 SEPTEMBER 2022 9.30 AM – 1.00 PM**

**TIME ALLOWED: 3 HOURS 30 MINUTES**

**1.** Answer **ALL** the questions.

**2.** Write all your answers in the answer book provided.

**3.** Begin each question on a new page.

**4.** Show all workings clearly.

**5.** Calculate the benefits using only the information given.

**6.** Factors must be rounded in accordance with the instruction in the *Tables of Factors*. Round all other figures to two decimal places (or whatever is the normal practice where you work).

**Questions**

**Section A**

Calculate the leaver benefits / options for:

**1. PETER OAK – (XYZ)**

**2. TERESA GREEN – (RST)**

**3. BARACK BIRCH – (XYZ)**

**4. ANDREA ASH – (OPQ)**

**5. HOLLY HAWTHORN – (RST)**

**Section B**

1. Write a letter explaining the benefits payable and the options available to **BARACK BIRCH**.

The letter may be addressed either to the member or to the Trustees (whichever is the normal practice in the organisation for which you work).

**Please note:** Candidates must not sign letters with their own names. Letters should be signed “A N Other”.

**cASE STUDY DETAILS XYZ SCHEME LEAVERS PART 2**

**QUESTION 1**

**Event history**

Date of first event **07/09/2022** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **OAK** Forenames **PETER**

Date of birth **13/04/1959** Gender **MALE**

Spouse’s date of birth **15/07/1963**

Child dependant’s date of birth

Date of joining company **14/06/1984**

Date of joining scheme **14/07/1984**

Category of membership **A**

**Pensionable salary history for the scheme year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **45,700** | **47,500** | **49,300** | **52,300** | **54,000** | **55,500** | **57,000** | **56,000** | **56,500** |

**Contribution history**

Total member’s normal contributions **£ 64,523.14**

Total member’s AVCs **£**

Current value of AVCs **£**

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

Pre 06/04/1988

GMP (per annum) **£ 326.56**

Post 05/04/1988

GMP (per annum) **£ 2,137.72**

**Special circumstances / additional information**

Peter Oak contributed at the default rate (70ths accrual) from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 2000, inclusive. For the period from 6 April 2000 to 5 April 2004, Peter Oak contributed at the higher rate. From 6 April 2004 onwards, Peter Oak contributed at the lower rate.

Peter Oak’s reason for leaving was resignation.

**LEAVERS 2**

**QUESTION 1**

**cASE STUDY DETAILS RST SCHEME LEAVERS PART 2**

**QUESTION 2**

**Event history**

Date of first event **08/09/2022** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **GREEN** Forenames **TERESA**

Date of birth **14/03/1971** Gender **FEMALE**

Spouse’s date of birth **16/05/1973**

Child dependant’s date of birth **09/02/2001**

Date of joining company **11/10/2007**

Date of joining scheme **06/04/2008**

**Earnings history for the scheme year ending 5 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **32,000** | **33,000** | **34,000** | **35,000** | **36,000** | **38,000** | **40,000** | **40,000** | **42,000** |

**Contribution history**

Total member’s normal contributions **£ 31,064.44**

Total member’s AVCs **£**

Current value of AVCs **£**

**Pre 6 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£**

**Post 5 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£ 6,263.75**

**Special circumstances / additional information**

Contractual Salary at date of first event **£ 45,000.00**

On 17 May 2013, Teresa Green transferred into the RST Pension Scheme the value of her Money Purchase benefits from a non-contracted out registered pension scheme of one of her former employers. The transfer value of £14,633.45 consisted entirely of employer contributions and provided Teresa Green with an additional revalued retirement pension in the RST Pension Scheme of £954.62 per annum, payable from her Normal Pension Date.

The transferred-in benefits, which are to be treated as pre 5 April 2006 benefits, are not included in the CARE pension figures referred to above and are subject to the normal rules of the RST Pension Scheme.

For the purpose of any comparisons, the transferred-in pension should be excluded from both the CARE Pension and the Underpin Pension.

Teresa Green’s reason for leaving was resignation.

**LEAVERS 2**

**QUESTION 2**

**cASE STUDY DETAILS XYZ SCHEME LEAVERS PART 2**

**QUESTION 3**

**Event history**

Date of first event **07/09/2022** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **BIRCH** Forenames **BARACK**

Date of birth **14/04/1960** Gender **MALE**

Spouse’s date of birth **15/02/1971**

Child dependant’s date of birth

Date of joining company **06/11/1997**

Date of joining scheme **06/11/1997**

Category of membership **B**

**Pensionable salary history for the scheme year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
| **75,000** | **75,000** | **78,000** | **80,000** | **85,000** | **88,000** | **90,000** | **92,000** | **95,000** |

**Contribution history**

Total member’s normal contributions **£**

Total member’s AVCs  **£**

Current value of AVCs  **£**

**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**

Barack Birch’s Final Pensionable Salary at 3 July 2011 was £68,000.00.

Lower of 5.0% / RPI increases from 4 July 2011 to date of first event is 38.3%.

Barack Birch worked four days a week from the date he joined the Company until 14 September 2012, inclusive. From 15 September 2012 onwards, Barack Birch worked full time (five days a week).

The Final Pensionable Salary figure provided at 3 July 2011 is the full-time equivalent value.

Barack Birch’s reason for leaving was resignation.

**THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)**

**LEAVERS 2**

**QUESTION 3**

**cASE STUDY DETAILS OPQ PLAN LEAVERS PART 2**

**QUESTION 4**

**Event history**

Date of first event **09/09/2022** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **ASH** Forenames **ANDREA**

Date of birth **04/07/1999** Gender **FEMALE**

Spouse's date of birth

Child dependant's date of birth

Date of joining company **17/05/2020**

Date of joining plan **17/05/2020**

Target retirement date  **04/07/2064**

**Annual salary history for the plan year commencing 6 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **45,000** | **45,000** |

**Contribution history**

Total member's normal contributions **£ 5,062.50**

Total employer’s normal contributions **£ 8,100.00**

Total member's AVCs **£**

**Personal Retirement Account details**

**Member’s Current Unit Holdings**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund** | **Member’s normal contributions**  **Unit Holdings** | **Employer’s normal contributions**  **Unit Holdings** | **Member’s**  **AVCs**  **Unit Holdings** |
| Global Equity Fund |  |  |  |
| Index Linked Bond Fund |  |  |  |
| Balanced Fund |  |  |  |
| Corporate Bond Fund |  |  |  |
| Cash Fund |  |  |  |
| Lifestyle Fund | 909.0146 | 1,454.4234 |  |

**Investment Fund Unit Prices**

|  |  |
| --- | --- |
| **Fund** | **Current Unit Price (£)** |
| Global Equity Fund | 5.113 |
| Index Linked Bond Fund | 1.420 |
| Balanced Fund | 4.264 |
| Corporate Bond Fund | 1.577 |
| Cash Fund | 1.030 |

**Special circumstances / additional information**

The Company (with the consent of the Trustees) agreed that a redundancy payment of £15,000.00 would be payable to Andrea Ash’s Personal Retirement Account. This redundancy payment is not included in the figures shown above. The redundancy payment is to be invested in line with Andrea Ash’s existing investment choices, and should be treated as an Employer contribution.

Andrea Ash’s reason for leaving was redundancy.

**LEAVERS 2**

**QUESTION 4**

**cASE STUDY DETAILS RST SCHEME LEAVERS PART 2**

**QUESTION 5**

**Event history**

Date of first event **06/09/2022** First event **LEAVER**

Date of second event Second event

**Member details**

Surname **HAWTHORN** Forenames **HOLLY**

Date of birth **04/03/1976** Gender **FEMALE**

Spouse’s date of birth

Child dependant’s date of birth

Date of joining company **12/12/2000**

Date of joining scheme **06/04/2021**

**Earnings history for the scheme year ending 5 April**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** | **2022** |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  | **58,500** |

**Contribution history**

Total member’s normal contributions **£ 6,353.50**

Total member’s AVCs **£** **3,634.32**

Current value of AVCs **£ 3,843.64**

**Pre 6 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£**

**Post 5 April 2006 pension accrued as at 5 April 2022**

CARE pension (per annum) **£ 760.00**

**Special circumstances / additional information**

Contractual Salary at date of first event **£ 65,000.00**

Holly Hawthorn’s reason for leaving was resignation.

**LEAVERS 2**

**QUESTION 5**