**WORKED ANSWER XYZ SCHEME PRS => RET (NORMAL)**

**JOSEPH BALL – CATEGORY B**

Date of birth: 13/09/1959

Date of joining scheme: 06/11/1997

Date of leaving scheme: 09/12/2019

Date of retirement: 13/09/2024

Age at date of retirement: 65yrs & 0mths

Normal pension age: 65yrs & 0mths

Type of retirement: Preserved to normal retirement

Preserved pension at DOL: £8,669.77

Pension revaluation: 21.7% (lower of 5.0% and RPI)

Remaining ‘LS&DBA’: £1,073,100.00

Remaining ‘LSA’: £268,275.00

Commutation factor: 21.00 (age 65yrs & 0mths)

**Option 1 – Full Pension**

**Full Pension**

Member: £8,669.77 x 1.217 (= 21.7%) = **£10,551.11 pa**

Spouse (payable on death): £10,551.11 x 50% = ***£5,275.56 pa***

**OR**

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

**Cash Sum**

Member: £10,551.11 x 20 / [3 + (20 / 21.00)] = **£53,391.16**

***‘LS&DBA’ Check:*** £53,391.16 vs £1,073,100.00 = **OK**

***‘LSA’ Check:*** £53,391.16 vs £268,275.00 = **OK**

**Residual Pension**

Member: £10,551.11 – (£53,391.16 / 21.00 = £2,542.44) = **£8,008.67 pa**

Spouse (payable on death): £10,551.11 x 50% = ***£5,275.56 pa***

**Summary Answer**

*Option 1 – Pension Only*

A full pension of **£10,551.11** **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 **£5,275.56** **per annum**.

OR

*Option 2 – Cash Sum & Residual Pension*

A tax-free cash sum of **£53,391.16** plus a residual pension of **£8,008.87** **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 **£53,391.16** is within both the member’s available ‘LS&DBA’ of **£1,073,100.00** and ‘LSA’ of **£268,275.00**.

A spouse’s pension of **£5,275.56 per annum**.