

XYZ Category B – (Answer)

DIS after NPD – (special circumstances: enhanced accrual rate)

Name	Henry Ambrose	Salary at DOD	=	£69,015.00
DOD	15/09/2024	Final pensionable salary at NPD	=	£66,560.00
DOB	07/12/1957	(best 1/5 prior to NPD)		
DJS	06/11/1997	Final pens'ble salary at 03/07/2011	=	£41,755.00
NPD	07/12/2022	5.0% or RPI rev. (04/07/2011 to NPD)	=	44.3%
Age 75	07/12/2032	Remaining 'LS&DBA'	=	£1,018,077.99
Pensionable service (60ths)		= 06/11/1997 to 31/12/2008	=	11yrs & 56dys
Pensionable service (50ths)		= 01/01/2009 to 03/07/2011	=	2yrs & 184dys
Late retirement factor		= NPD to DOD: 07/12/2022 to 15/09/2024 (1yr & 9mths)		
1 year		= 1.029		
2 years		= 1.061		
Factor		= 1.029 + [(1.061 - 1.029) x 9/12]	=	1.053 (3dps)
Salary comparison				
FPS at 03/07/2011 x reval'n		= £41,755.00 x 1.443 (= 44.3%)	=	£60,252.47 (lower)
				vs
FPS at NPD			=	<u>£66,560.00 (higher)</u>

1) Lump sum death benefit

Member's pension at DOD (used to derive spouse's pension and LSDB):

Member (60ths):	=	£66,560.00 x		
		[11yrs+(56dys/365dys)] / 60 x 1.053	=	£13,028.63 pa
				+
Member (50ths):	=	£66,560.00 x		
		[2yrs+(184dys/365dys)] / 50 x 1.053	=	£3,510.14 pa
				+
Total member's pension at DOD	=			<u>£16,538.77 pa</u>

Payments NOT capped to age 75 as this is more than 5 years from member's DOD

Outstanding instalments	=	60 payments (01/10/2024 to 01/09/2029)		
Balance of guarantee	=	£16,538.77 / 12 x 60	=	£82,693.85

Total LSDB payable at Trustees' discretion = **£82,693.85**

'LS&DBA Check' = £82,693.85 v £1,018,077.99 = **OK**

2) Spouse's pension at DOD

Spouse's pension = £16,538.77 x 50% = **£8,269.39 pa**