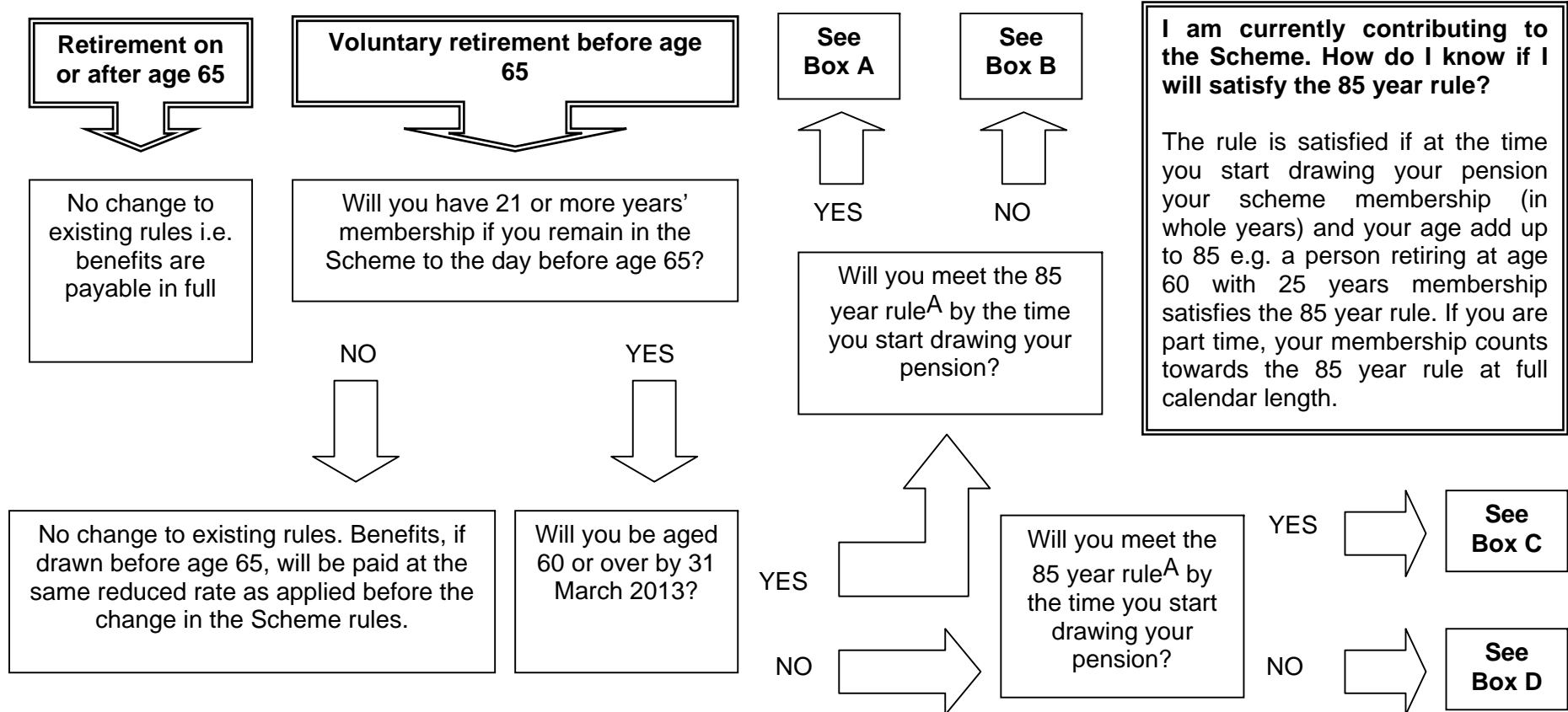


How will the changes to the Local Government Pension Scheme (LGPS) being made on 1 October 2006 affect me?

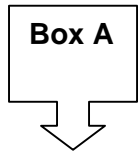
By following the flowcharts below you will be able to see how the changes to the Scheme being made on 1 October 2006 affect you, if you voluntarily retire on or after age 60, or if you voluntarily retire on or after 50 and before age 60 with your employer's consent.

-- Start Here --



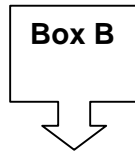
A. or meet an earlier Normal Retirement Date, which some members who joined the Scheme before 1 April 1998 have under previous regulations.





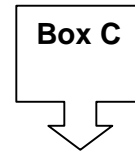
None of the benefits you accrue up to 31 March 2013 will be reduced.

However, any benefits you accrue after that date will be reduced to take account of the fact that the benefits are being drawn before age 65. The size of the reduction will depend on how many years before age 65 you draw your benefits.



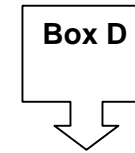
The benefits you have accrued up to 31 March 2013 will be reduced but the reduction will be the same as under the old rules (i.e. based on the number of years you are short of meeting the 85 year rule^B).

The benefits you accrue after 31 March 2013 will be reduced but the reduction will be higher than under the old rules to take account of the fact that the benefits are being drawn before age 65. The size of the reduction will depend on how many years before age 65 you draw your benefits.



None of the benefits you accrue up to 30 September 2006 will be reduced.

However, any benefits you accrue after that date will be reduced to take account of the fact that the benefits are being drawn before age 65. The size of the reduction will depend on how many years before age 65 you draw your benefits.



The benefits you have accrued up to 30 September 2006 will be reduced but the reduction will be the same as under the old rules (i.e. based on the number of years you are short of meeting the 85 year rule^B).

The benefits you accrue after 30 September 2006 will be reduced but the reduction will be higher than under the old rules to take account of the fact that the benefits are being drawn before age 65. The size of the reduction will depend on how many years before age 65 you draw your benefits.

Please note that no reduction will be applied to any of your benefits if you draw them on or after age 65.

B. or the shortfall to any earlier Normal Retirement Date, which some members who joined the Scheme before 1 April 1998 may have had under previous regulations.

Reduction Factors in the LGPS

The current LGPS early retirement reduction factors are as follows:

Years Early	Percentage Reduction		
	Retirement Pension		Lump Sum
	Men	Women	Both Sexes
0	0%	0%	0%
1	8%	7%	2%
2	15%	13%	5%
3	22%	18%	7%
4	28%	23%	9%
5	33%	27%	11%
6	37%	31%	14%
7	40%	35%	18%
8	43%	39%	21%
9	46%	42%	24%
10	48%	45%	26%

NB: Where the number of years a person is retiring early is not an exact number (e.g. 4 years and 6 months) the necessary interpolations are made in the table.

For 4 years 6 months, for example, the percentage reduction applied to the pension would be 30.5% for a man and 25% for a woman. The lump sum percentage reduction would be 10%.

Examples of how the April 2006 Scheme changes affect members

Example 1

Male or female member who is 60 on 31 March 2011 and satisfies the '85 year rule' when benefits are drawn.

- Joined the LGPS: 1 April 1986
- Retires on: 31 March 2011
- Age at retirement: 60
- Membership at retirement: 25 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

First check whether the '85 year rule' is satisfied at retirement:

To do this we check the calculation to see whether age (when the member elects to receive LGPS benefits) + membership = 85 (or more)

Which for this example is: $60 + 25 = 85$. This means that this member does satisfy the '85 year rule'.

Because the member reaches age 60 before 1 April 2013 and satisfies the 85 year rule when the benefits are drawn, the changes mean that none of the LGPS benefits will be reduced.

The member will receive an unreduced pension based on 25/80ths of their final salary because all their membership relates to employment before 1 April 2013 and the criteria for the Transitional Protections contained in the regulations are satisfied.

So the pension is: $25 \times 1/80 \times £15,000 = £ 4,687.50$

And the lump sum is: $25 \times 3/80 \times £15,000 = £14,062.50$

Example 2

Male member who is 60 on 31 March 2013 and will have satisfied the '85 year rule' on retirement on 31 March 2015.

- Joined the LGPS: 1 April 1986
- Retires on: 31 March 2015
- Age at retirement: 62
- Membership at 31 March 2013: 27 years
- Membership at retirement: 29 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013? Yes, the member was age 60 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement? Yes i.e. age (62) + membership at age 62 (29 years) = 91 years at 31 March 2015.

Because the member reached age 60 before 1 April 2013 and will satisfy the '85 year rule' when their LGPS benefits are paid, the changes mean that none of the LGPS benefits which are based upon membership up to 31 March 2013 will be reduced. All benefits which relate to service from 1 April 2013 will, however, be reduced if they are drawn before age 65.

Calculation:

Membership up to 31 March 2013: 27 years

The member's benefits are based on 27/80ths of his final salary for membership up to 31 March 2013.

The pension for this period of membership is:

$$27 \times 1/80 \times £15,000 = £ 5,062.50$$

And the lump sum for this period is:

$$27 \times 3/80 \times £15,000 = £15,187.50$$

Membership from 1 April 2013: 2 years

The member's benefits are based on 2/80ths of his final salary for membership between 1 April 2013 and 31 March 2015. But this period of membership is subject to a reduction because the benefits are being paid 3 years before the member reaches age 65.

The pension for this period is: $2 \times 1/80 \times £15,000 = £ 375.00$

Less 22% reduction to reflect payment at age 62: £ 82.50

Reduced pension payable = £ 292.50

And the lump sum for this period is:

$$2 \times 3/80 \times £15,000 = £1,125.00$$

Less 7% reduction to reflect payment at age 62: £ 78.75

Reduced lump sum for this period = £1,046.25

Both periods combined give total benefits of:

Total pension per annum: $£5,062.50 + £292.50 = £ 5,355.00$

Total lump sum: $£15,187.50 + £1,046.25 = £16,233.75$

Example 3

Female member who is 60 on 31 March 2013 and will have satisfied the '85 year rule' on retirement on 31 March 2015.

- Joined the LGPS: 1 April 1988
- Retires on: 31 March 2015
- Age at retirement: 62
- Membership by 31 March 2013: 25 years
- Membership at retirement: 27 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

Yes, the member was age 60 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

Yes i.e. age (62) + membership at age 62 (27 years) = 89 years at 31 March 2015.

Because the member reached age 60 before 1 April 2013 and will satisfy the '85 year rule' when their LGPS benefits are paid, the changes mean that none of the LGPS benefits which are based upon membership up to 31 March 2013 will be reduced. All benefits which relate to service from 1 April 2013 will, however, be reduced if they are drawn before age 65.

Calculation:

Membership up to 31 March 2013: 25 years

The member's benefits are based on 25/80ths of her final salary for membership up to 31 March 2013.

The pension for this period of membership is:

$$25 \times 1/80 \times £15,000 = £ 4,687.50$$

And the lump sum for this period is:

$$25 \times 3/80 \times £15,000 = £14,062.50$$

Membership from 1 April 2013: 2 years

The member's benefits are based on 2/80ths of her final salary for membership between 1 April 2013 and 31 March 2015. But this period of membership is subject to a reduction because the benefits are being paid 3 years before the member reaches age 65.

The pension for this period is: $2 \times 1/80 \times £15,000 = £ 375.00$

Less 18% reduction to reflect payment at age 62: £ 67.50

Reduced pension payable = £ 307.50

And the lump sum for this period is:

$$2 \times 3/80 \times £15,000 = £1,125.00$$

Less 7% reduction to reflect payment at age 62: £ 78.75

Reduced lump sum payable = £1,046.25

Both periods combined give total benefits of:

Total pension per annum: $£4,687.50 + £307.50 = £4,995.00$

Total lump sum: $£14,062.50 + £1,046.25 = £15,108.75$

Example 4

Male member who is 60 on 30 September 2015 and satisfies the '85 year rule' on 30 September 2015.

- Joined the LGPS: 1 October 1986
- Retires on: 30 September 2015
- Age at retirement: 60
- Membership by 30 September 2006: 20 years
- Membership at retirement: 29 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

No, the member was only 57 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

Yes - age (60) + membership (29 years) = 89 years.

Because the member will satisfy the '85 year rule' when their LGPS benefits are paid, the changes mean that none of the LGPS benefits which are based upon membership up to 30th September 2006 will be reduced. All benefits based on membership from 1 October 2006 will, however, be reduced if they are drawn before age 65.

Calculation:

Membership up to 30 September 2006: 20 years

The member's benefits are based on 20/80ths of his final salary for membership up to 30 September 2006.

The pension for this period of membership is:

$$20 \times 1/80 \times £15,000 = £ 3,750.00$$

And the lump sum for this period is:

$$20 \times 3/80 \times £15,000 = £11,250.00$$

Membership from 1 October 2006: 9 years

The member's benefits are based on 9/80ths of his final salary for membership between 1 October 2006 and 30 September 2015. But this period of membership is subject to a reduction because the benefits are being paid 5 years before the member reaches age 65.

The pension for this period is: $9 \times 1/80 \times £15,000 = £1,687.50$

Less 33% reduction to reflect payment at age 60: £ 556.88

Reduced pension for this period = £1,130.62

And the lump sum for this period is:

$$9 \times 3/80 \times £15,000 = £5,062.50$$

Less 11% reduction to reflect payment at age 60: £ 556.88

Reduced lump sum for this period = £4,505.62

Both periods combined give total benefits of:

Total pension per annum: £3,750 + £1,130.62 = £4,880.62

Total lump sum: £11,250 + £4,505.62 = £15,755.62

Example 5

Female member who is 60 on 30 September 2015 and satisfies the '85 year rule' on 30 September 2015.

- Joined the LGPS: 1 October 1990
- Retires on: 30 September 2015
- Age at retirement: 60
- Membership by 30 September 2006: 16 years
- Membership at retirement: 25 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

No, the member was only 57 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

Yes - age (60) + membership (25 years) = 85 years.

Because the member will satisfy the 85 year rule when their LGPS benefits are paid, the changes mean that none of the LGPS benefits, which are based upon membership up to 30 September 2006, will be reduced. All benefits based on membership from 1 October 2006 will, however, be reduced if they are drawn before age 65.

Calculation:

Membership up to 30 September 2006: 16 years

The member's benefits are based on 16/80ths of her final salary for membership up to 30 September 2006.

The pension for this period of membership is:

$$16 \times 1/80 \times £15,000 = £ 3,000.00$$

And the lump sum for this period is:

$$16 \times 3/80 \times £15,000 = £9,000.00$$

Membership from 1 October 2006: 9 years

The member's benefits are based on 9/80ths of her final salary for membership between 1 October 2006 and 30 September 2015. But this period of membership is subject to a reduction because the benefits are being paid 5 years before the member reaches age 65.

The pension for this period is: $9 \times 1/80 \times £15,000 = £1,687.50$

Less 27% reduction to reflect payment at age 60: £ 455.62

Reduced pension for this period = £1,231.88

And the lump sum for this period is:

$$9 \times 3/80 \times £15,000 = £5,062.50$$

Less 11% reduction to reflect payment at age 60: £ 556.88

Reduced lump sum for this period = £4,505.62

Both periods combined give total benefits of:

Total pension per annum: £3,000 + £1,231.88 = £4,231.88

Total lump sum: £9,000 + £4,505.62 = £13,505.62

Example 6

Male member who is 60 on 31 March 2013 and does not satisfy the '85 year rule' at the date he retires, but would have satisfied the rule before he reached age 65.

- Joined the LGPS: 1 April 1993
- Retires on: 31 March 2015
- Age at retirement: 62
- Membership by 31 March 2013: 20 years
- Membership at retirement: 22 years
- Pay for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

Yes, the member was age 60 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

No i.e. age (62) + membership (22 years) = 84 years.

At what age would the member have satisfied the '85 year rule'?

Age 63 i.e. age 63 + 23 potential years at age 63 = 86 years.

Because the member would not satisfy the '85 year rule' if his benefits are paid at age 62, all the benefits will be subject to a reduction. But benefits that relate to service before 1 April 2013 are reduced, **in exactly the same way as before the changes**, by reference to the age at which the '85 year rule' would have been met, i.e. age 63. This means they are paid 1 year early. Benefits that relate to service from 1 April 2013 will be reduced by reference to age 65, i.e. they are paid 3 years early.

Calculation:

Membership up to 31 March 2013: 20 years

The member's benefits are based on 20/80ths of his final salary for membership up to 31 March 2013, which is then subject to an actuarial reduction to reflect the fact that the benefits are being paid 1 year before the member would have satisfied the '85 year rule' at age 63.

The pension for this period is: $20 \times 1/80 \times £15,000 = £3,750.00$

Less 8% reduction to reflect payment at age 62: £ 300.00

Pension for this period = £3,450.00

Lump sum for this period is: $20 \times 3/80 \times £15,000 = £11,250.00$

Less 2% reduction to reflect payment at age 62: £ 225.00

Lump sum for this period = £11,025.00

Membership from 1 April 2013: 2 years

The member's benefits are based on 2/80ths for membership from 1 April 2013, which is then subject to an actuarial reduction to reflect the fact that the benefits are paid 3 years before the member reached age 65.

Pension for this period is: $2 \times 1/80 \times £15,000 = £375.00$

Less 22% reduction to reflect payment at age 62 £ 82.50

Pension for this period = £292.50

Lump sum for this period is: $2 \times 3/80 \times £15,000 = £1,125.00$

Less 7% reduction to reflect payment at age 62: £ 78.75

Lump sum for this period = £1,046.25

Both periods combined give total benefits of:

Total pension per annum: $£3,450.00 + £292.50 = £3,742.50$

Total lump sum: $£11,025.00 + £1,046.25 = £12,071.25$

Example 7

Female member who is 61 on 31 March 2014 and does not satisfy the '85 year rule' at the date she retires, but would have satisfied the rule before she reached age 65.

- Date Joined the LGPS: 1 April 1994
- Retires on: 31 March 2014
- Age at retirement: 61
- Membership by 31 March 2013: 19 years
- Membership at retirement: 20 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

Yes, the member was age 60 on 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

No i.e. age (61) + membership (20 years) = 81 years.

At what age would the member have satisfied the '85 year rule'? Age 63 i.e. age 63 + 22 years potential membership at age 63 = 85 years.

Because the member would not satisfy the '85 year rule' if her benefits are paid at age 61, all the benefits will be subject to a reduction. But benefits that relate to service before 1 April 2013 are reduced, **in exactly the same way as before the changes**, by reference to the age at which the '85 year rule' would have been met, i.e. age 63. This means they are being paid 2 years early. Benefits that relate to service from 1 April 2013 will be reduced by reference to age 65, i.e. they are paid 4 years early.

Calculation:

Membership up to 31 March 2013: 19 years

The member's benefits are based on 19/80ths of her final salary for membership up to 31 March 2013, which is then subject to an actuarial reduction to reflect the fact that the benefits are being paid 2 years before the member satisfied the '85 year rule' at age 63.

Pension for this period is: $19 \times \frac{1}{80} \times £15,000 = £3,562.50$

Less 13% reduction to reflect payment at age 61: £ 463.13

Pension for this period = £3,099.37

Lump sum for this period is: $19 \times \frac{3}{80} \times £15,000 = £10,687.50$

Less 5% reduction to reflect payment at age 61: £ 534.38

Lump sum for this period = £10,153.12

Membership from 1 April 2013: 1 year

The member's benefits are based on 1/80ths of her final salary for membership from 1 April 2013, which is then subject to an actuarial reduction to reflect the fact that the benefits are paid 4 years before the member reached age 65.

Pension for this period is: $1 \times \frac{1}{80} \times £15,000 = £187.50$

Less 23% reduction to reflect payment at age 61: £ 43.13

Pension for this period = £144.37

The lump sum for this period is: $1 \times \frac{3}{80} \times £15,000 = £562.50$

Less 9% reduction to reflect payment at age 61: £ 50.63

Lump sum for this period = £511.87

Both periods combined give total benefits of:

Total pension per annum: $£3,099.37 + £144.37 = £3,243.74$

Total lump sum: $£10,153.12 + £511.87 = £10,664.99$

Example 8

Male member who is 60 on 30 September 2015 and does not satisfy the '85 year rule' at the date he retires, but would have satisfied the rule before he reached age 65.

- Joined the LGPS: 1 October 1993
- Retires on: 30 September 2015
- Age at retirement: 60
- Membership by 30 September 2006: 13 years
- Membership at retirement: 22 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

No, the member was only 57 by 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

No, age (60) + membership (22 years) = 82 years.

At what age would the member have satisfied the '85 year rule'?

Age 62 i.e. age 62 + 24 potential years at age 62 = 86 years).

Because the member would not satisfy the '85 year rule' if his benefits are paid at age 60, all the benefits will be subject to a reduction. But benefits that relate to service before 1 October 2006 are reduced, **in exactly the same way as before the changes**, by reference to the age at which the '85 year rule' would have been met, i.e. age 62. This means they are paid 2 years early. Benefits that relate to service from 1 October 2006 will be reduced by reference to age 65, i.e. they are paid 5 years early.

Calculation:

Membership up to 30 September 2006: 13 years

The member's benefits are based on 13/80ths of his final salary for membership up to 30 September 2006, which is then subject to actuarial reduction to reflect the fact that the benefits are being paid 2 years before the member would have satisfied the '85 year rule' at age 62.

Pension for this period is: $13 \times 1/80 \times £15,000 =$ £2,437.50

Less 15% reduction to reflect payment at age 60: £ 365.63

Pension for this period = £2,071.87

Lump sum for this period is: $13 \times 3/80 \times £15,000 =$ £7,312.50

Less 5% reduction to reflect payment at age 60: £ 365.63

Lump sum for this period = £ 6,946.87

Membership from 1 October 2006: 9 years

The member's benefits are based on 9/80ths for membership from 1 October 2006, which is then subject to an actuarial reduction to reflect the fact that the benefits are paid 5 years before the member reached age 65.

Pension for this period is: $9 \times 1/80 \times £15,000 =$ £1,687.50

Less 33% reduction to reflect payment at age 60: £ 556.88

Pension for this period = £1,130.62

Lump sum for this period is: $9 \times 3/80 \times £15,000 =$ £5,062.50

Less 11% reduction to reflect payment at age 60: £ 556.88

Lump sum for this period = £4,505.62

Both periods combined give total benefits of:

Total pension per annum: £2,071.87 + £1,130.62 = £3,202.49

Total lump sum: £6,946.87 + £4,505.62 = £11,452.49

Example 9

Female member who is 61 on 30 September 2016 and does not satisfy the '85 year rule' at the date she retires, but would have satisfied the rule before she reached age 65.

- Joined the LGPS: 1 October 1996
- Retires on: 30 September 2016
- Age at retirement: 61
- Membership by 30 September 2006: 10 years
- Membership at retirement: 20 years
- Final salary for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Did the member attain age 60 on, or before, 31 March 2013?

No, the member was only 57 by 31 March 2013.

Has the member satisfied the '85 year rule' at retirement?

No, age (61) + membership (20 years) = 81 years.

At what age would the member have satisfied the '85 year rule'? Age 63 i.e. age 63 + 22 years potential membership at age 63 = 85 years.

Because the member would not satisfy the '85 year rule' if her benefits are paid at age 61, all the benefits will be subject to a reduction. But benefits that relate to service before 1 October 2006 are reduced, **in exactly the same way as before the changes**, by reference to the age at which the '85 year rule' would have been met, i.e. age 63. This means they are being paid 2 years early. Benefits that relate to service from 1 October 2006 will be reduced by reference to age 65, i.e. they are paid 4 years early.

Calculation:

Membership up to 30 September 2006: 10 years

The member's benefits are based on 10/80ths of her final salary for membership up to 30 September 2006, which is then subject to an actuarial reduction to reflect the fact that the benefits are being paid 2 years before the member satisfied the '85 year rule' at age 63.

Pension for this period is: $10 \times 1/80 \times £15,000 = £1,875.00$

Less 13% reduction to reflect payment at age 61: £ 243.75

Pension for this period = £1,631.25

Lump sum for this period is: $10 \times 3/80 \times £15,000 = £5,625.00$

Less 5% reduction to reflect payment at age 61: £ 281.25

Lump sum for this period = £5,343.75

Membership from 1 October 2006: 10 years

The member's benefits are based on 10/80ths of her final salary for membership from 1 October 2006, which is then subject to an actuarial reduction to reflect the fact that the benefits are paid 4 years before the member reached age 65.

Pension for this period is: $10 \times 1/80 \times £15,000 = £1,875.00$

Less 23% reduction to reflect payment at age 61: £ 431.25

Pension for this period = £1,443.75

Lump sum for this period is: $10 \times 3/80 \times £15,000 = £5,625.00$

Less 9% reduction to reflect payment at age 61: £ 506.25

Lump sum for this period = £5,118.75

Both periods combined give total benefits of:

Total pension per annum: $£1,631.25 + £1,443.75 = £3,075.00$

Total lump sum: $£5,343.75 + £5,118.75 = £10,462.50$

Example 10

Male member who is 60 on 30 September 2010 and does not satisfy the '85 year rule' at the date he retires, and would not have satisfied the rule before reaching age 65.

- Joined the LGPS: 1 October 1996
- Retires on: 30 September 2010
- Age at retirement: 60
- Membership at retirement: 14 years
- Pay for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Has the member satisfied the '85 year rule' at retirement?

No, age (60) + membership (14 years) = 74 years.

At what age would the member have satisfied the '85 year rule'? Age 66 i.e. age 66 + 20 years potential membership at age 66 = 86 years.

Because the member would not satisfy the '85 year rule' by age 65, all the benefits will be subject to a reduction because he is drawing them before age 65. His benefits are reduced, **in exactly the same way as before the changes**, by reference to the shortfall to age 65. This means they are being paid 5 years early.

Calculation:

Membership up to date of retirement: 14 years

The member's benefits are based on 14/80ths of his final salary, which is then subject to an actuarial reduction to reflect the fact that the benefits are being paid 5 years before the member attains age 65.

Pension for this period is:

$$14 \times 1/80 \times £15,000 = £2,625.00$$

Less 33% reduction to reflect payment at age 60: £ 866.25

Pension for this period = £1,758.75

Lump sum for this period is:

$$14 \times 3/80 \times £15,000 = £7,875.00$$

Less 11% reduction to reflect payment at age 60: £ 866.25

Lump sum for this period = £7,008.75

Example 11

Female member who is 60 on 30 September 2010 and does not satisfy the '85 year rule' at the date she retires, and would not have satisfied the rule before reaching age 65.

- Date joined the LGPS: 1 October 1996
- Retires on: 30 September 2010
- Age at retirement: 60
- Membership at retirement: 14 years
- Pay for the 12 months up to retirement: £15,000

Benefits will be calculated as follows:

Has the member satisfied the '85 year rule' at retirement?

No, age (60) + membership (14 years) = 74 years.

At what age would the member have satisfied the '85 year rule'?

Age 66 i.e. age 66 + 20 years potential membership at age 66 = 86 years.

Because the member would not satisfy the '85 year rule' by age 65, all the benefits will be subject to a reduction because she is drawing them before age 65. Her benefits are reduced, **in exactly the same way as before the changes**, by reference to the shortfall to age 65. This means they are being paid 5 years early.

Calculation:

Membership up to date of retirement: 14 years

The member's benefits are based on 14/80ths of her final salary, which is then subject to an actuarial reduction to reflect the fact that the benefits are being paid 5 years before the member attains age 65.

Pension for this period is:

$$14 \times 1/80 \times £15,000 = £2,625.00$$

Less 27% reduction to reflect payment at age 60: £ 708.75

Pension for this period = £1,916.25

Lump sum for this period is: $14 \times 3/80 \times £15,000 = £7,875.00$

Less 11% reduction to reflect payment at age 60: £ 866.25

Lump sum for this period = £7,008.75

Pensions Section

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