

Case Study: Scenario six



Eeshan

In 2015, Eeshan was an active member with a Normal Pension Age of 65 in the final salary section.

Questions

When did Eeshan start teaching?

Eeshan first started full-time teaching at the age of 24 on 1 September 2012.

What happened to Eeshan when the changes were introduced in 2015?

Eeshan was not affected by the changes that were introduced in 2015 as he wasn't a member of a public service pension scheme prior to 1 April 2012. He had 2 years and 7 months of service in the final salary scheme and then moved to the career average scheme on 1 April 2015.

Has Eeshan paid into his pension to increase his benefits?

No, he hasn't taken any of the flexibilities that were available to him.

When does Eeshan want to retire?

Eeshan wants to retire on 1 April 2056 at the age of 68. His constant salary is assumed to be £25,000. Revaluation of career average (reformed) scheme pension benefits is by the in-service addition (1.6%) only, applied from 2016.

What does Eeshan's pension look like?

Eeshan's pension can be broken down into two parts. Part A - final salary scheme (up to 31 March 2015) and Part B – career average scheme (from 1 April 2015)
- See breakdown on next page.

Does Eeshan have to make a choice because of the changes introduced, regarding his service between 1 April 2015 and 31 March 2022?

No, Eeshan doesn't have to make a choice as he isn't affected by the changes introduced in 2015 as he joined the Scheme after 1 April 2012.



How is Eeshan's pension made up?

Dates:
September 2012 – 31 March 2015

Scheme:
Final salary (legacy)

2 years' 7 months' service =

Pension of	£1,193.63
+ automatic lump sum of	£0.00

Dates:
1 April 2015 – 31 March 2056

Scheme:
Career average (reformed)

41 years' service =

Pension of	£25,986.22
+ automatic lump sum of	£0.00



=

Total pension of:

£27,179.85
(£1,193.63 + £25,986.22)

Total automatic lump sum of:

£0.00
(£0.00 + £0.00)



To help Eeshan work this out he could use our **Estimate your final pension calculator** or seek independent advice.

Eeshan doesn't receive a choice for the Remedy period as he was a new starter after 1 April 2012 and not affected by the changes.

Note: Pension amounts include adjustments for Early Retirement, where appropriate.