

HSC Pension Service

Provided by

Business Service Organisation

Choice 2

Getting the most from your
pre-2015 benefits

Example illustrating Choice 2: Non Protected Special Class/MHO

Set out below is an example which illustrates the benefits payable under each Section of the HSC Pension Scheme using the same length of membership and the same pensionable earnings at retirement. Although adjustments have been made for early retirement no adjustments have been made to take into account any potential increase in final salary.

Scenario: Priti has 20 years membership up to 31 March 2015 and pensionable earnings of £24,000 at retirement¹ for each age shown. Her potential benefits under the 1995/2008 Sections at different retirement ages are:

Table 1: Standard 1995 Section Benefits

Priti's Age at Retirement	55 (NPA)	60	62	64	65	66
Pension	£6,000	£6,000	£6,000	£6,000	£6,000	£6,000
Lump Sum	£18,000	£18,000	£18,000	£18,000	£18,000	£18,000

Table 2: Standard 2008 Section Benefits

Age	55	60	62	64	65 (NPA)	66
Pension	£4,208	£5,341	£5,946	£6,652	£7,025	£7,249
Mandatory Lump Sum	£10,008	£11,700	£11,700	£11,700	£11,700	£11,700
	Note: An early retirement factor has been applied because the benefits would be paid before Normal Pension Age.					Note: A late retirement factor has been applied because the benefits would be paid after Normal Pension Age.

¹This example assumes that Priti will stay in HSC employment until her retirement and maintain a final salary link.

Table 3: 2008 Section Benefits (with a lump sum equivalent to the standard lump sum in the 1995 Section)

Age	55	60	62	64	65 (NPA)	66
Pension	£3,542	£4,816	£5,421	£6,127	£6,500	£6,724
Equivalent Lump Sum	£18,000	£18,000	£18,000	£18,000	£18,000	£18,000
	Note: An early retirement factor has been applied because the benefits would be paid before Normal Pension Age.					Note: A late retirement factor has been applied because the benefits would be paid after Normal Retirement Age.

The tables above are provided to compare the benefits available at different retirement ages using the example. You can model your own scenario using the online calculator.