



Ellen

Ellen is 66. Ellen started drawing her APS pension from 1 June 2018 after having deferred her pension beyond her normal retirement age for five years, during which time she received late retirement increases on her pension instead of standard Scheme increases.

Ellen's Guaranteed Minimum Pension (GMP) came into effect immediately when she drew her pension. As Ellen's pension started after December 2013 and after the 2018 pension increase, she is not entitled to receive either the one-off lump sum or the catch-up Discretionary Increase (DI) of 1.7%. She is, however, entitled to part of the 2019 DI of 0.7% on the elements of her pension at 8 April 2019 that usually receive yearly increases in line with the Government's Pensions Increase (Review) Orders. (The increase is adjusted as Ellen had not been drawing her pension for a full year on 8 April 2019.)

Ellen's 2019 Discretionary Increase payments are worked out as follows:

Pension adjustment:

Original pension at 8 April 2019		2019 DI	New pension from 8 April 2019
Pre'88 GMP:	£ 2,850.00	0%	£ 2,850.00
Post'88 GMP:	£ 4,240.24	0%	£ 4,240.24
APS non-increasing pension	£ 5,500.36	0%	£ 5,500.36
APS increasing pension:	£ 9,650.00	0.7% x 10/12	<u>£ 9,706.29</u>
Total pension:	£22,240.60		<u>£22,296.89</u>

Pension payment arrears: £36.47

Arrears of pension due for the period 8 April 2019 to 30 November 2019: (£22,296.89 - £22,240.60) x 7 months and 23 days.

Ellen's total pension payment in December 2019 (before any tax deductions): £1,894.54

December pension payment: (£22,296.89 / 12) = £1,858.07 plus £36.47.