

2011 Drawdown Pension Tables

THE FINANCE ACT 2004 and

THE REGISTERED PENSION SCHEMES

(RELEVANT ANNUITIES) REGULATIONS 2006

SI 2006/129

TABLES AND INSTRUCTIONS TO DETERMINE THE **BASIS AMOUNT** FOR CALCULATING THE MAXIMUM **INCOME WITHDRAWAL** FROM **DRAWDOWN PENSION FUNDS**

Application: for calculations in respect of dates on or after **6 April 2011**

Introduction

From 6 April 2011, **drawdown pension** has replaced **unsecured pension** and **alternatively secured pension** as the way in which an individual takes pension income (through income withdrawal or a short-term annuity) from a money purchase arrangement in a registered pension scheme without purchasing a lifetime annuity or a scheme pension. The new tax rules for **drawdown pension** have removed the effective requirement for annuity purchase at age 75.

The **scheme administrator** of a **drawdown pension fund** needs to determine the maximum level of **drawdown pension** that may be paid from the fund. The maximum amount needs to be calculated when the member first becomes entitled to such a pension and at three yearly intervals thereafter, unless a fresh calculation is required because one of the following 5 events occurs:

- 1 Some of the drawdown pension fund has been used to purchase a lifetime annuity.
- 2 Some of the drawdown funds have been used to provide a scheme pension.
- 3 The drawdown pension fund is reduced by a pension sharing order.
- 4 The member has designated additional funds as available to provide drawdown pension.
- 5 The member has requested an earlier review date and the scheme administrator has agreed to this.

Where events 1 to 4 occur, the reference period is unchanged. Where event 5 occurs a new 3 year reference period starts from the end of the pension year in which that event occurred.

Where events 1 to 3 and 5 occur, the revised limit applies to future pension years only. For the pension year in which the event occurs, the limit for that year remains the same. So where one of events 1-3 occurs in the last pension year of a reference period, no recalculation is required. However, where event 4 occurs, the revised limit applies to the pension year in which the event occurs as well as future years. Where a recalculation results in an increase in the income limit this applies immediately. However if the income limit falls

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as a result of the recalculation, despite the designation of additional funds, this reduced limit will not apply until the next pension year.

A calculation is still required for event 4 where it occurs in the last year of a reference period.

For event 5, a new reference period is being set so the calculation is carried out as at the first day of the new reference period but with the opportunity to nominate an earlier date within the 60 day window as for the formal 3 year review.

On reaching age 75 the current 3 year reference period ends with the pension year in which the member's 75th birthday falls. Thereafter the amount is recalculated annually at the beginning of each pension year. For the first pension year following that in which the member reached age 75, the calculation must be carried out on the day immediately before the member's 75th birthday unless the scheme administrator opts to use the 60 day window (ending with the first day of the new pension year, not the member's 75th birthday). For succeeding pension years the calculation is carried out on the first day on the pension year subject to the 60 day window.

The maximum amount of **drawdown pension** that may be paid from a given date is based on a **basis amount** calculated at that point or at an earlier nominated date, where the 60 day window (see below) is available and has been used. The **basis amount** is calculated using tables compiled by the Government Actuary's Department (**GAD**). This document comprises the tables and instructions for their use.

This document also includes further details of the assumptions used in constructing the tables.

This document

- Pages 3 to 4 provide general instructions for using the tables.
- Pages 5 to 6 explain the procedures in detail.
- Page 7 gives a worked example.
- Appendix A on pages 8 to 10 give the tables themselves.
- Appendix B on page 11 specifies the assumptions used in the tables.

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Government
Actuary's Department

Tables and instructions to determine the **basis amount** for calculating the maximum income withdrawal from **drawdown pension funds**.

Applicable from:
6 April 2011

Instructions for the **Drawdown Pension** tables to calculate the **basis amount**

There are separate tables to calculate the **basis amount** for pensioners who are men or women, or children where a **dependants' drawdown pension** is being paid to a child. These tables are

- Table 1 for a pensioner who is a man aged 23 or over
- Table 2 for a pensioner who is a woman aged 23 or over
- Table 3 for a pensioner aged under 23, regardless of sex (this will usually be a child receiving a **dependants' drawdown pension**).

Tables 1 and 2 apply both to pensions for scheme members and pensions for dependants receiving **dependants' drawdown pensions**.

The **basis amount** shown in the tables is designed to provide a measure of the annual amount of **lifetime annuity** income that the **drawdown pension fund** could generate for the member at the point of calculation.

For the first calculation in respect of a **drawdown pension fund**, the point of calculation must be the date that entitlement to a **drawdown pension** first arises, that is, when the member first designates some of the funds held in her or his arrangement to be used to provide a **drawdown pension**. This will be the first day of the first 'reference period'.

For subsequent calculations for **drawdown pension funds** the point of calculation will be the 'nominated date'. This may differ from the 'reference date' where the scheme administrator has taken advantage of the 60 day window to nominate an earlier date. Or it may be the date on which some other event (see the first paragraph of the introduction above) affects the value of funds held in a **drawdown pension fund**, in which case no 60 day window can apply except in the case of event 5. In other words, the 60 day window is available where the member's request for a review has been accepted.

The amount of **lifetime annuity** that the fund could generate will generally be related to the member's age and to the yields available on gilts (UK government bonds), which are the main investments usually used by insurance companies which sell **lifetime annuities**. Hence, to access the correct figure from the relevant table it is necessary to determine the member's age at the point of calculation, and to access information on gilt yields at the same date.

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Government
Actuary's Department

Tables and instructions to determine the **basis amount** for calculating the maximum income withdrawal from **drawdown pension funds**.

Applicable from:
6 April 2011

The tables apply only to calculations with points of calculation on or after 6 April 2011. For points of calculation before that date alternative tables and instructions apply. These tables are available from the **HMRC** website, <http://www.hmrc.gov.uk/pensionschemes/gad-tables.htm>.

These tables and instructions apply equally to **drawdown pensions** that are, or include, **protected rights** and non-protected rights. However, administrators of pension funds that include both **protected rights** and non-protected rights should be aware of the relevant legislation and guidance about operating such arrangements.

The tables themselves are also available as an Excel™ file.

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Government
Actuary's Department

Tables and instructions to determine the **basis amount** for calculating the maximum income withdrawal from **drawdown pension funds**.

Applicable from:
6 April 2011

Procedures for determining the basis amount in detail

Step A Establish the date that is the point of calculation.

For the first calculation for a **drawdown pension fund**, this is the date the member first designates some of the funds held in her or his pension arrangement to be used to provide a **drawdown pension**. That is, when entitlement to a **drawdown pension** first arises. Where the member is not yet aged 75, this is the first day of the first 'reference period'. Where the member is 75 or over when they first take benefits, it is the first day of the first drawdown pension year (the recalculation is done annually so there is no reference period). At subsequent reviews the point of calculation will either be the 'reference date' for the review. That is the first day of the 'reference period' covered by that review, or it may be the 'nominated date' where a 60 day window is being used. On one of a number of other circumstances (events 1 to 4 above) which trigger a review, the point of calculation is the day on which the event occurs which alters the value of the **drawdown pension fund**. The 60 window can be used for event 5.

Step B Calculate the age in complete years of the pensioner at the point of calculation – this is the age attained by the pensioner at her or his last birthday before the date of the point of calculation. Call this age X.

Step C Obtain the yield (strictly a gross redemption yield) on UK gilts (15 years) from the FTSE UK Gilts Indices, as published daily in the *Financial Times* newspaper, for the 15th day of the calendar month before the calendar month in which the point of calculation falls. Where the pensioner is under 23, the 5 years yield should be used. These yields are published in the *Financial Times* on the following day. If the 15th day of the preceding calendar month is not a working day, obtain the corresponding yield for the working day immediately preceding the 15th.

At the time of writing the UK Gilts Indices are published on the Financial Times website at <http://markets.ft.com/research/Markets/Data-Archive?report=FTSEG&ftauth=1297436944442>.

Note that when looking up yields on the website you should enter the date of the yield not the date of publication. In other words enter the 15th of the previous month (or the first working day before that date) not the 16th.

Step D The yield obtained at Step C must be rounded down to the next 0.25% ($\frac{1}{4}\%$). For example, 4.12% is rounded to 4.00%, and 5.39% is rounded to 5.25%. If the yield obtained at Step C is an exact multiple of $\frac{1}{4}\%$, no rounding is required. Call this yield Y.

Step E Obtain the **basis amount** per £1000 of fund from:

- Table 1 (if the pensioner is a man aged 23 or over) or
- Table 2 (if the pensioner is a woman aged 23 or over) or
- Table 3 (if the pensioner is aged under 23)

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by extracting the figure applicable to age X (see Step B) and yield Y (see Step D). Call this £A.

Step F Determine the amount of the **drawdown pension fund** at the point of calculation. Call this amount £F.

Step G The **basis amount** is calculated as:

$$[\text{£F} / \text{£1,000}] \times \text{£A}$$

The results of this whole calculation should be rounded to the nearest penny.

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Worked example

Barbara designates £100,000 of a money purchase arrangement to provide an **drawdown pension** from her 60th birthday (1st November 2011) – this example is based on that given in the Registered Pension Schemes Manual [rpsm09102430].

Step A The point of calculation is the 'reference date' of the calculation, that is, the date of designation 1st November 2011.

Step B Barbara's age at the point of calculation/'reference date' is 60.

Step C Consider the yield on UK gilts for the 15th October 2011 (the 15th day of the calendar month preceding that in which the point of calculation/'reference date' falls). However, the 15th October 2011 is a Saturday. Therefore consider the yield on the working day immediately before 15th October, that is Friday 14th October. The yield for 14th October is published in the *Financial Times* on the following day, Saturday 15th October. Assume, for the sake of the example, that the yield for the 14th October 2011 is 4.37%.

Step D The yield obtained at Step C rounded down to the next 0.25% (¼%) is 4.25%.

Step E As Barbara is a woman aged 23 or over, use table 2. The relevant figure, based on age 60 and yield 4.25% is £58.

Step F The amount of the **drawdown pension fund** at the point of calculation/'reference date' is £100,000.

Step G The **basis amount** is calculated as:

$$\begin{aligned} & [\text{£}100,000 / \text{£}1,000] \times \text{£}58 \\ & = 100 \times \text{£}58 \\ & = \text{£}5,800.00 \end{aligned}$$

This result should be rounded to the nearest penny.

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Appendix A - TABLE 1 – MEN Basis amount per £1000 of fund for drawdown pensions

GILT INDEX YIELD AGE	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%	6.00%	6.25%	6.50%	6.75%	7.00%	7.25%	7.50%	7.75%	8.00%
23, 24 or 25	£27	£29	£31	£33	£35	£36	£38	£40	£42	£44	£46	£48	£50	£52	£55	£57	£59	£61	£63	£65	£68	£70	£72	£74	£76
26	£28	£29	£31	£33	£35	£37	£39	£40	£42	£44	£46	£48	£51	£53	£55	£57	£59	£61	£63	£65	£68	£70	£72	£74	£76
27	£28	£30	£31	£33	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£66	£68	£70	£72	£74	£76
28	£28	£30	£32	£33	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£64	£66	£68	£70	£72	£74	£77
29	£28	£30	£32	£34	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£62	£64	£66	£68	£70	£72	£75	£77
30	£29	£30	£32	£34	£36	£38	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£60	£62	£64	£66	£68	£70	£72	£75	£77
31	£29	£31	£32	£34	£36	£38	£40	£42	£43	£45	£47	£49	£51	£53	£56	£58	£60	£62	£64	£66	£68	£70	£73	£75	£77
32	£29	£31	£33	£34	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£71	£73	£75	£77
33	£30	£31	£33	£35	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£69	£71	£73	£75	£77
34	£30	£32	£33	£35	£37	£39	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£67	£69	£71	£73	£75	£77
35	£30	£32	£34	£35	£37	£39	£41	£43	£44	£46	£48	£50	£52	£54	£56	£58	£61	£63	£65	£67	£69	£71	£73	£75	£77
36	£31	£32	£34	£36	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£76	£78
37	£31	£33	£34	£36	£38	£40	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£74	£76	£78
38	£31	£33	£35	£36	£38	£40	£42	£44	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£70	£72	£74	£76	£78
39	£32	£33	£35	£37	£38	£40	£42	£44	£46	£48	£50	£51	£53	£55	£57	£59	£61	£64	£66	£68	£70	£72	£74	£76	£78
40	£32	£34	£35	£37	£39	£41	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78
41	£33	£34	£36	£38	£39	£41	£43	£45	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£77	£79
42	£33	£35	£36	£38	£40	£41	£43	£45	£47	£49	£51	£53	£54	£56	£58	£60	£62	£64	£66	£69	£71	£73	£75	£77	£79
43	£33	£35	£37	£38	£40	£42	£44	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79
44	£34	£36	£37	£39	£41	£42	£44	£46	£48	£50	£51	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£75	£77	£80
45	£34	£36	£38	£39	£41	£43	£45	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80
46	£35	£37	£38	£40	£42	£43	£45	£47	£49	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80
47	£36	£37	£39	£40	£42	£44	£46	£47	£49	£51	£53	£55	£57	£59	£60	£62	£64	£66	£68	£70	£72	£74	£76	£79	£81
48	£36	£38	£39	£41	£43	£44	£46	£48	£50	£52	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79	£81
49	£37	£38	£40	£42	£43	£45	£47	£49	£50	£52	£54	£56	£58	£60	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79	£81
50	£37	£39	£41	£42	£44	£46	£47	£49	£51	£53	£55	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	£82
51	£38	£40	£41	£43	£45	£46	£48	£50	£52	£53	£55	£57	£59	£61	£63	£65	£67	£68	£70	£72	£74	£76	£78	£80	£82
52	£39	£40	£42	£44	£45	£47	£49	£50	£52	£54	£56	£58	£60	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79	£81	£83
53	£40	£41	£43	£44	£46	£48	£49	£51	£53	£55	£57	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	£82	£84
54	£40	£42	£44	£45	£47	£49	£50	£52	£54	£55	£57	£59	£61	£63	£65	£67	£68	£70	£72	£74	£76	£78	£80	£82	£84
55	£41	£43	£44	£46	£48	£49	£51	£53	£55	£56	£58	£60	£62	£64	£65	£67	£69	£71	£73	£75	£77	£79	£81	£83	£85
56	£42	£44	£45	£47	£49	£50	£52	£54	£55	£57	£59	£61	£63	£64	£66	£68	£70	£72	£74	£76	£78	£80	£82	£84	£86
57	£43	£45	£46	£48	£49	£51	£53	£55	£56	£58	£60	£62	£63	£65	£67	£69	£71	£73	£75	£77	£79	£80	£82	£84	£86
58	£44	£46	£47	£49	£50	£52	£54	£56	£57	£59	£61	£63	£64	£66	£68	£70	£72	£74	£76	£77	£79	£81	£83	£85	£87
59	£45	£47	£48	£50	£51	£53	£55	£57	£58	£60	£62	£64	£65	£67	£69	£71	£73	£75	£76	£78	£80	£82	£84	£86	£88
60	£46	£48	£49	£51	£53	£54	£56	£58	£59	£61	£63	£65	£66	£68	£70	£72	£74	£76	£77	£79	£81	£83	£85	£87	£89
61	£47	£49	£51	£52	£54	£55	£57	£59	£61	£62	£64	£66	£68	£69	£71	£73	£75	£77	£79	£80	£82	£84	£86	£88	£90
62	£49	£50	£52	£53	£55	£57	£58	£60	£62	£63	£65	£67	£69	£71	£72	£74	£76	£78	£80	£82	£84	£85	£87	£89	£91
63	£50	£52	£53	£55	£56	£58	£60	£61	£63	£65	£67	£68	£70	£72	£74	£76	£77	£79	£81	£83	£85	£87	£89	£91	£92
64	£51	£53	£55	£56	£58	£59	£61	£63	£65	£66	£68	£70	£72	£73	£75	£77	£79	£81	£82	£84	£86	£88	£90	£92	£94
65	£53	£55	£56	£58	£59	£61	£63	£64	£66	£68	£70	£71	£73	£75	£77	£78	£80	£82	£84	£86	£88	£89	£91	£93	£95
66	£55	£56	£58	£59	£61	£63	£64	£66	£68	£69	£71	£73	£75	£76	£78	£80	£82	£84	£85	£87	£89	£91	£93	£95	£97
67	£56	£58	£60	£61	£63	£64	£66	£68	£69	£71	£73	£75	£76	£78	£80	£82	£83	£85	£87	£89	£91	£93	£95	£96	£98
68	£58	£60	£61	£63	£65	£66	£68	£70	£71	£73	£75	£76	£78	£80	£82	£84	£85	£87	£89	£91	£93	£94	£96	£98	£100
69	£60	£62	£63	£65	£67	£68	£70	£72	£73	£75	£77	£78	£80	£82	£84	£86	£87	£89	£91	£93	£95	£96	£98	£100	£102
70	£62	£64	£66	£67	£69	£70	£72	£74	£75	£77	£79	£81	£82	£84	£86	£88	£89	£91	£93	£95	£97	£99	£100	£102	£104
71	£65	£66	£68	£70	£71	£73	£75	£76	£78	£80	£81	£83	£85	£86	£88	£90	£92	£94	£95	£97	£99	£101	£103	£105	£106
72	£67	£69	£71	£72	£74	£75	£77	£79	£80	£82	£84	£86	£87	£89	£91	£93	£94	£96	£98	£100	£102	£103	£105	£107	£109
73	£70	£72	£73	£75	£77	£78	£80	£82	£83	£85	£87	£88	£90	£92	£94	£95	£97	£99	£101	£103	£104	£106	£108	£110	£112
74	£73	£75	£77	£78	£80	£81	£83	£85	£87	£88	£90	£92	£93	£95	£97	£99	£100	£102	£104	£106	£108	£109	£111	£113	£115
75	£77	£78	£80	£82	£83	£85	£87	£88	£90	£92	£93	£95	£97	£99	£100	£102	£104	£106	£108	£109	£111	£113	£115	£117	£119
76	£81	£82	£84	£86	£87	£89	£91	£92	£94	£96	£97	£99	£101	£103	£104	£106	£108	£110	£112	£113	£115	£117	£119	£121	£123
77	£85	£87	£88	£90	£92	£93	£95	£97	£98	£100	£102	£104	£105	£107	£109	£111	£113	£114	£116	£118	£120	£122	£123	£125	£127
78	£90	£92	£93	£95	£97	£98	£100	£102	£103	£105	£107	£109	£110	£112	£114	£116	£118	£119	£121	£123	£125	£127	£128	£130	£132
79	£95	£97	£99	£100	£102	£104	£105	£107	£109	£111	£112	£114	£116	£118	£120	£121	£123	£125	£127	£129	£130	£132	£134	£136	£138
80	£101	£103	£105	£106	£108	£110	£111	£113	£115	£117	£118	£120	£122	£124	£126	£127	£1								

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TABLE 2 – WOMEN

Basis amount per £1000 of fund for drawdown pensions

GILT INDEX YIELD AGE	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%	6.00%	6.25%	6.50%	6.75%	7.00%	7.25%	7.50%	7.75%	8.00%	
23, 24 or 25	£27	£28	£30	£32	£34	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£61	£63	£65	£67	£69	£72	£74	£76	
26	£27	£29	£30	£32	£34	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£59	£61	£63	£65	£67	£69	£72	£74	£76	
27	£27	£29	£31	£32	£34	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£57	£59	£61	£63	£65	£67	£70	£72	£74	£76	
28	£27	£29	£31	£33	£35	£36	£38	£40	£42	£44	£46	£48	£50	£52	£55	£57	£59	£61	£63	£65	£67	£70	£72	£74	£76	
29	£28	£29	£31	£33	£35	£37	£38	£40	£42	£44	£46	£48	£50	£53	£55	£57	£59	£61	£63	£65	£68	£70	£72	£74	£76	
30	£28	£30	£31	£33	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£68	£70	£72	£74	£76	
31	£28	£30	£32	£33	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£66	£68	£70	£72	£74	£77	
32	£28	£30	£32	£34	£35	£37	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£59	£61	£64	£66	£68	£70	£72	£74	£77	
33	£29	£30	£32	£34	£36	£38	£39	£41	£43	£45	£47	£49	£51	£53	£55	£57	£60	£62	£64	£66	£68	£70	£72	£75	£77	
34	£29	£31	£32	£34	£36	£38	£40	£42	£43	£45	£47	£49	£51	£53	£56	£58	£60	£62	£64	£66	£68	£70	£73	£75	£77	
35	£29	£31	£33	£34	£36	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£73	£75	£77	
36	£30	£31	£33	£35	£37	£38	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£69	£71	£73	£75	£77	
37	£30	£32	£33	£35	£37	£39	£40	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£67	£69	£71	£73	£75	£77	
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41	£31	£33	£35	£36	£38	£40	£42	£44	£45	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£70	£72	£74	£76	£78	
42	£32	£33	£35	£37	£39	£40	£42	£44	£46	£48	£50	£52	£53	£55	£57	£59	£61	£64	£66	£68	£70	£72	£74	£76	£78	
43	£32	£34	£35	£37	£39	£41	£42	£44	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	
44	£33	£34	£36	£38	£39	£41	£43	£45	£47	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£77	£79	
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46	£34	£35	£37	£39	£40	£42	£44	£46	£47	£49	£51	£53	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79	
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48	£35	£36	£38	£39	£41	£43	£45	£46	£48	£50	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	
49	£35	£37	£38	£40	£42	£43	£45	£47	£49	£51	£52	£54	£56	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	
50	£36	£37	£39	£41	£42	£44	£46	£48	£49	£51	£53	£55	£57	£59	£61	£63	£64	£66	£68	£70	£72	£74	£77	£79	£81	
51	£36	£38	£40	£41	£43	£45	£46	£48	£50	£52	£54	£55	£57	£59	£61	£63	£65	£67	£69	£71	£73	£75	£77	£79	£81	
52	£37	£39	£40	£42	£43	£45	£47	£49	£50	£52	£54	£56	£58	£60	£62	£64	£65	£67	£69	£71	£73	£75	£77	£79	£82	
53	£38	£39	£41	£42	£44	£46	£48	£49	£51	£53	£55	£57	£58	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	£82	
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56	£40	£41	£43	£45	£46	£48	£50	£51	£53	£55	£57	£59	£60	£62	£64	£66	£68	£70	£72	£74	£76	£78	£80	£82	£84	
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58	£42	£43	£45	£46	£48	£50	£51	£53	£55	£57	£58	£60	£62	£64	£66	£67	£69	£71	£73	£75	£77	£79	£81	£83	£85	
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60	£43	£45	£47	£48	£50	£51	£53	£55	£57	£58	£60	£62	£64	£66	£67	£69	£71	£73	£75	£77	£79	£81	£83	£85	£86	
61	£44	£46	£48	£49	£51	£52	£54	£56	£58	£59	£61	£63	£65	£66	£68	£68	£70	£72	£74	£76	£78	£80	£82	£83	£85	£87
62	£46	£47	£49	£50	£52	£54	£55	£57	£59	£60	£62	£64	£66	£68	£69	£71	£73	£75	£77	£79	£81	£83	£84	£86	£88	
63	£47	£48	£50	£52	£53	£55	£56	£58	£60	£62	£63	£65	£67	£69	£70	£72	£74	£76	£78	£80	£82	£84	£85	£87	£89	
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65	£49	£51	£53	£54	£56	£57	£59	£61	£62	£64	£66	£68	£69	£71	£73	£75	£77	£79	£80	£82	£84	£86	£88	£90	£92	
66	£51	£52	£54	£56	£57	£59	£61	£62	£64	£66	£67	£69	£71	£73	£74	£76	£78	£80	£82	£84	£85	£87	£89	£91	£93	
67	£52	£54	£56	£57	£59	£60	£62	£64	£65	£67	£69	£71	£72	£74	£76	£78	£80	£81	£83	£85	£87	£89	£91	£93	£95	
68	£54	£56	£57	£59	£60	£62	£64	£65	£67	£69	£71	£72	£74	£76	£78	£79	£81	£83	£85	£87	£89	£90	£92	£94	£96	
69	£56	£57	£59	£61	£62	£64	£65	£67	£69	£71	£72	£74	£76	£78	£79	£81	£83	£85	£87	£88	£90	£92	£94	£96	£98	
70	£58	£59	£61	£62	£64	£66	£67	£69	£71	£72	£74	£76	£78	£79	£81	£83	£85	£87	£88	£90	£92	£94	£96	£98	£99	
71	£60	£61	£63	£64	£66	£68	£69	£71	£73	£74	£76	£78	£80	£81	£83	£85	£87	£89	£90	£92	£94	£96	£98	£100	£101	
72	£62	£63	£65	£67	£68	£70	£72	£73	£75	£77	£78	£80	£82	£84	£85	£87	£89	£91	£92	£94	£96	£98	£100	£102	£104	
73	£64	£66	£68	£69	£71	£72	£74	£76	£77	£79	£81	£83	£84	£86	£88	£90	£91	£93	£95	£97	£99	£100	£102	£104	£106	
74	£67	£69	£70	£72	£73	£75	£77	£78	£80	£82	£84	£85	£87	£89	£90	£92	£94	£96	£98	£99	£101	£103	£105	£107	£109	
75	£70	£72	£73	£75	£76	£78	£80	£81	£83	£85	£87	£88	£90	£92	£94	£95	£97	£99	£101	£102	£104	£106	£108	£110	£112	
76	£73	£75	£77	£78	£80	£81	£83	£85	£87	£88	£90	£92	£93	£95	£97	£99	£100	£102	£104	£106	£108	£109	£111	£113	£115	
77	£77	£79	£80	£82	£84	£85	£87	£89	£90	£92	£94	£96	£97	£99	£101	£103	£104	£106	£108	£110	£111	£113	£115	£117	£119	
78	£81	£83	£85	£86	£88	£90	£91	£93	£95	£96	£98	£100	£102	£103	£105	£107	£109	£110	£112	£114	£116	£118	£119	£121	£123	
79	£86	£88	£89	£91	£93	£94	£96	£98	£99	£101	£103	£105	£106	£108	£110	£112	£113	£115	£117	£119	£121	£122	£124	£126	£128	
80	£91	£93	£95	£96	£98	£100	£101	£103	£105	£106	£108	£110	£112	£113	£115	£117	£									

2011 Drawdown Pension Tables

TABLE 3 – CHILDREN Basis amount per £1000 of fund for drawdown pensions

GILT INDEX YIELD AGE	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%	4.50%	4.75%	5.00%	5.25%	5.50%	5.75%	6.00%	6.25%	6.50%	6.75%	7.00%	7.25%	7.50%	7.75%	8.00%
0	£54	£56	£57	£58	£60	£61	£63	£65	£66	£68	£69	£71	£73	£74	£76	£78	£79	£81	£83	£85	£86	£88	£90	£92	£94
1	£56	£58	£59	£60	£62	£63	£65	£66	£68	£70	£71	£73	£74	£76	£78	£79	£81	£83	£84	£86	£88	£90	£92	£93	£95
2	£58	£60	£61	£63	£64	£65	£67	£68	£70	£72	£73	£75	£76	£78	£80	£81	£83	£85	£86	£88	£90	£92	£93	£95	£97
3	£61	£62	£63	£65	£66	£68	£69	£71	£72	£74	£75	£77	£79	£80	£82	£83	£85	£87	£88	£90	£92	£94	£95	£97	£99
4	£63	£65	£66	£67	£69	£70	£72	£73	£75	£76	£78	£79	£81	£83	£84	£86	£87	£89	£91	£92	£94	£96	£97	£99	£101
5	£66	£67	£69	£70	£72	£73	£75	£76	£78	£79	£81	£82	£84	£85	£87	£88	£90	£92	£93	£95	£97	£98	£100	£102	£103
6	£69	£71	£72	£73	£75	£76	£78	£79	£81	£82	£84	£85	£87	£88	£90	£91	£93	£95	£96	£98	£99	£101	£103	£104	£106
7	£73	£74	£76	£77	£78	£80	£81	£83	£84	£86	£87	£89	£90	£92	£93	£95	£96	£98	£100	£101	£103	£104	£106	£108	£109
8	£77	£78	£80	£81	£83	£84	£85	£87	£88	£90	£91	£93	£94	£96	£97	£99	£100	£102	£103	£105	£107	£108	£110	£111	£113
9	£82	£83	£84	£86	£87	£89	£90	£91	£93	£94	£96	£97	£99	£100	£102	£103	£105	£106	£108	£109	£111	£113	£114	£116	£117
10	£87	£89	£90	£91	£93	£94	£95	£97	£98	£100	£101	£103	£104	£105	£107	£108	£110	£111	£113	£115	£116	£118	£120	£122	£123
11	£94	£95	£96	£98	£99	£100	£102	£103	£105	£106	£107	£109	£110	£112	£113	£115	£116	£118	£119	£121	£122	£124	£125	£127	£128
12	£101	£102	£104	£105	£106	£108	£109	£111	£112	£113	£115	£116	£118	£119	£120	£122	£123	£125	£126	£128	£129	£131	£132	£134	£135
13	£110	£112	£113	£114	£115	£117	£118	£120	£121	£122	£124	£125	£126	£128	£129	£131	£132	£134	£135	£136	£138	£139	£141	£142	£144
14	£121	£123	£124	£125	£127	£128	£129	£131	£132	£133	£135	£136	£137	£139	£140	£142	£143	£144	£146	£147	£149	£150	£151	£153	£154
15	£135	£136	£138	£139	£140	£142	£143	£144	£146	£147	£148	£150	£151	£152	£154	£155	£156	£158	£159	£161	£162	£163	£165	£166	£168
16	£153	£154	£155	£157	£158	£159	£161	£162	£163	£165	£166	£167	£169	£170	£171	£173	£174	£175	£177	£178	£179	£181	£182	£184	£185
17	£177	£178	£179	£180	£182	£183	£184	£186	£187	£188	£190	£191	£192	£194	£195	£196	£197	£199	£200	£201	£203	£204	£206	£207	£208
18	£210	£211	£212	£214	£215	£216	£218	£219	£220	£221	£223	£224	£225	£227	£228	£229	£230	£232	£233	£234	£236	£237	£238	£240	£241
19	£260	£261	£262	£264	£265	£266	£267	£269	£270	£271	£272	£274	£275	£276	£277	£279	£280	£281	£283	£284	£285	£286	£288	£289	£290
20	£343	£344	£346	£347	£348	£349	£350	£352	£353	£354	£355	£357	£358	£359	£360	£362	£363	£364	£365	£367	£368	£369	£370	£372	£373
21	£510	£511	£512	£513	£514	£516	£517	£518	£519	£520	£522	£523	£524	£525	£526	£528	£529	£530	£531	£532	£534	£535	£536	£537	£538
22	£1,009	£1,010	£1,011	£1,013	£1,014	£1,015	£1,016	£1,017	£1,018	£1,019	£1,021	£1,022	£1,023	£1,024	£1,025	£1,026	£1,027	£1,028	£1,030	£1,031	£1,032	£1,033	£1,034	£1,035	£1,036

2011 Drawdown Pension Tables

Appendix B – the assumptions used in constructing the tables

In line with the specification of the **basis amount**, the annuities on which the **basis amounts** in the tables are based:

- would provide level incomes for the members
- with no guarantee period, and
- no provision for continuing dependants' annuity on the death of the member (that is, it is a single life rather than a joint life contract).

The particular assumptions used in the calculation:

Mortality/longevity

- For table 1, for men aged 23 and over, the standard male mortality table PNMA00.
- For table 2, for women aged 23 or over, the standard female mortality table PNFA00.

These tables are produced by the Continuous Mortality Investigation of the Faculty and Institute of Actuaries, based on the mortality of members of pension schemes run by insurance companies.

Improvements in mortality are in line with the ONS population projections for 2008, using the low life expectancy variant (improvements between 2000 and 2008 are in line with UK population experience). These improvements are projected to apply throughout individual's subsequent lifetimes for men and women at given ages in 2013 (known as the "year of use" approach).

- For table 3, for pensioners aged under 23, no mortality was assumed.

Rate of Interest

The rate of interest used for deriving the annuity rates is set having regard to the gross redemption yield on UK gilts (Yield Indices: 15 years) published daily in the *Financial Times* newspaper, as the benchmark yield. For table 3, the 5 year yield is used. These yields are convertible twice yearly, and are adjusted to the equivalent annual rate for calculating (but not looking up) the rates shown in the tables. For the purpose of looking up the rates given in the tables, the published yield figure is rounded down to the lower 0.25% (¼%).

Expenses

In producing the tables a deduction of 4% of the purchase price of the annuity is assumed to allow for the initial expenses of insurance companies. In using the tables no such adjustment needs to be made.

Other

For practical purposes, the age definition used is the age attained at the last birthday on or before the point of calculation, and the frequency of payment allowed for in the annuity rate is monthly in arrears.