




## Annual Allowance – Ready Reckoner

This reckoner shows what members could be affected by the reduced annual allowance of £50,000 which applies from 6 April 2011.

Please read the following notes in conjunction with the table below:

- The changes are most likely to impact people with higher levels of pay – particularly members with pensionable pay of £150,000
- Lower earners can also be affected, particularly if they have long service, and/or receive a large promotion
- The table shows which employees may be affected if pay increases by 5% and inflation is 3%
- Different levels of pay increases and inflation can result in different people being affected

		Pensionable salary at start of tax year								
		100,000	110,000	120,000	130,000	140,000	150,000	160,000	170,000	180,000
Pensionable service at start of tax year	10	Green	Green	Green	Green	Green	Green	Orange	Pink	Pink
	15	Green	Green	Green	Green	Green	Orange	Pink	Pink	Pink
	20	Green	Green	Green	Green	Orange	Pink	Pink	Pink	Pink
	25	Green	Green	Green	Orange	Pink	Pink	Pink	Pink	Pink
	30	Green	Green	Orange	Pink	Pink	Pink	Pink	Pink	Pink
	35	Green	Orange	Orange	Pink	Pink	Pink	Pink	Pink	Pink
	40	Green	Orange	Pink	Pink	Pink	Pink	Pink	Pink	Pink

-  pension growth likely to be above reduced annual allowance
-  Pension growth may be above reduced annual allowance
-  pension growth unlikely to be above reduced annual allowance