

Wales Fire and Rescue Service

# Circular



Llywodraeth Cymru  
Welsh Government

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Title:	<b>The Firefighters' Pension Scheme (Wales) 2015 : Early Payment Reductions</b>
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Issued by:	Steve Pomeroy Head of Fire Services Branch
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Addressed to:	Please forward to:
Chief Fire Officers Chairs of the Fire and Rescue Authorities Clerks to the Fire and Rescue Authorities	Treasurers Pensions Officers

<b>Summary</b> This circular provides actuarial guidance for Scheme Managers in relation to early payment reductions, Regulations 70(3) and (5) of the Firefighters' Pension Scheme (Wales) Regulations 2015.
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## **The Firefighters' Pension Scheme (Wales) 2015: Early Payment Reductions**

### **Background**

1. Responsibility for firefighters' pension schemes in Wales is devolved to the Welsh Ministers under the Fire and Rescue Services Act 2004 and the Public Service Pensions Act 2013. The Firefighters' Pension Scheme (Wales) Regulations 2015 came into force on 1 April 2015.
2. The Welsh Ministers have responsibility for the actuarial guidance for the 2015 Scheme factors after consultation with the Scheme Actuary. Scheme Managers (Fire and Rescue Authorities) are then required to implement the factors as detailed in the guidance.
3. Similar to factor reviews for the 1992 and 2007 Firefighter Pension Schemes, the approach for setting the factors and assumptions for the 2015 Scheme factors is that they are determined using the principle of actuarial equivalence using a "cost to scheme" approach (ie that the exchange of benefits is cost neutral from a scheme perspective).
4. All factors will be reviewed periodically which will depend on changes in the actuarial assumptions or following each cycle of future valuations of the Firefighters' Pension Scheme (Wales) 2015.
5. Scheme Managers and administrators should ensure that they use these latest factors.

### **Early Payment Reductions**

6. The actuarial guidance note attached to this circular at Annex 1, relate to early payment reductions in accordance with Regulation 70 of the 2015 Scheme Regulations. It sets out the general method for assessing and applying the early payment reductions.
7. This guidance relates only to benefits accrued under the 2015 Scheme Regulations. Some firefighters may also have benefits under the 1992 Scheme or the NFPS which should be dealt with separately according to relevant scheme guidance.
8. If you have any queries in relation to the content of this circular, please e-mail [fire@wales.gsi.gov.uk](mailto:fire@wales.gsi.gov.uk) in the first instance. However, please note individual scheme members should not be directed to the Welsh Government. The Welsh Government does not hold the detailed records about career histories which are needed to respond to such queries.

**Steve Pomeroy**  
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**Welsh Government**