

# Wales Fire and Rescue Service

# Circular



Llywodraeth Cymru  
Welsh Government

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Title:	<p>Firefighters' Pension Schemes (Wales) – Consolidated Actuarial Factors</p> <ul style="list-style-type: none"><li>- Added Years / Added Pension and Continual Progression Development Factors</li><li>- Early and Late Retirement Factors</li><li>- Non Club Transfer Value (TV-in) factors</li><li>- Tax Charge Debit Factors</li><li>- Trivial Commutation Factors</li><li>- Pension Debit Adjustment and Pension Credit Factors</li></ul>
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Issued by:
Cerys Myers Fire Services Branch

Addressed to:	Please forward to:
Chief Fire Officers	Treasurers Pensions Officers

## Summary

This circular provides a consolidated workbook of actuarial factors previously issued to FRAs following a factor review for the Firefighters' Pension Schemes (Wales) as undertaken by the Government Actuary's Department.

## For further information contact:

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## Introduction

1. FRAs and Scheme Administrators will already be aware of HM Treasury's proposals to reduce the SCAPE discount rate from 2.8% to 2.4%pa above CPI. This change was confirmed in the Budget announced on 29 October 2018 as set out in [W-FRSC\(2018\)-10](#).
2. As a result of the change, the Government Actuary's Department (GAD) had undertaken a factor review for the Firefighters' Pension Schemes (Wales). The revised factors have previously been provided to FRAs, as set out in the table below.

Factors	Factor List	Circular Reference	Issued
Added Years / Added Pension and Continual Progression Development Factors	Factors used to determine the additional pension benefits to be credited to a member in respect of CPD payments received.	<a href="#">W-FRSC(2019)01</a>	15 January 2019
Early and Late Retirement Factors	Factors used to determine the appropriate reduction to be applied to a member's pension on member-initiated early retirement.	<a href="#">W-FRSC(2019)02</a>	24 January 2019
Non Club Transfer Value (TV-in) factors	Factors used to determine the period of pensionable service to be credited to a member's record on acceptance of an incoming transfer value payment.	<a href="#">W-FRSC(2019)03</a> <a href="#">W-FRSC(2019)13</a>	28 January 2019 14 June 2019
Tax Charge Debit Factors	Factors to determine the debit to apply to a member's accrued pension benefit on election of 'scheme pays'.	<a href="#">W-FRSC(2019)04</a>	28 January 2019
Trivial Commutation Factors	Factors to determine the lump sum payable in lieu of a member's or surviving the spouse's or civil	<a href="#">W-FRSC(2019)05</a>	15 February 2019

	partner's pension benefit where that benefit can be classified as "trivial".		
Pension Debit Adjustment and Pension Credit Factors	Factors to be applied to pension debits where a member retires earlier or later than the Normal Benefit Age.	<a href="#">W-FRSC(2019)07</a>	11 March 2019

3. GAD has provided a consolidated workbook of all the factors covered by the review. This is attached at Annex 1.

### **Guidance**

4. GAD will update the guidance notes and example calculations to reflect the revised factors at a later date and the Welsh Government will issue these as soon as work has been completed.

**Cerys Myers**  
**Fire Services Branch**  
**Welsh Government**