

Wales Fire and Rescue Service

Circular



Llywodraeth Cymru
Welsh Government

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Status:	For Action
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Title:	Firefighters (Wales) Pension Schemes – SCAPE Change Factor Review – The Firefighters' Pension Scheme 2015 (Wales)
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Issued by:
Cerys Myers Fire Services Branch

Addressed to:	Please forward to:
Chief Fire Officers Chairs of Fire and Rescue Authorities Clerks to Fire and Rescue Authorities	Treasurers Pensions Officers

Summary
<p>The UK Government announced on 16 March 2016 a change in the SCAPE discount rate used for public service pension scheme calculations.</p> <p>As a result of the announcement, the Government Actuary has reviewed the factors used for member calculations under the firefighters' pension schemes.</p>

For further information contact:	
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1. The UK Government announced on 16 March 2016 a change in the SCAPE discount rate used for public service pension scheme calculations.
2. This is not a devolved matter, and the Welsh Government cannot deal with queries about the Treasury's announcement. However, it directly affects firefighters' pension schemes and the rights of scheme members; and we are passing it on accordingly.
3. As a result of the announcement, the Government Actuary has reviewed the factors used for member calculations under the firefighters' pension schemes. Where necessary, they are updating the existing guidance and factors through addenda as explained below.

The Firefighters' Pension Scheme 2015 (Wales): Individual Cash Equivalent Transfers

4. The guidance note attached at Annex 1 sets out the general method for assessing:
 - Statutory (non-Club) cash equivalent transfer values; and
 - The benefits to be provided in respect of incoming CETVs

The Factor suite attached at Annex 2 provides the tables of factors required by the guidance.

5. The Addendum attached at Annex 3, provides updated tables of factors with an effective date of 16 March 2016. It also includes, for information and completeness, tables from the factor suite not affected by the review. This addendum should be read in conjunction with the guidance note at Annex 1 and the factor suite at Annex 2.
6. This guidance replaces previous guidance issued under circular **W-FRSC(2015)11**.

The Firefighters' Pension Scheme 2015 (Wales): Annual Allowance Charges: Scheme pays offsets

7. The guidance note attached at Annex 4 sets out the general method for assessing:
 - The notional pension offset that is applied to a Firefighters' Pension Scheme member's benefit in each year that they incur an Annual Allowance charge, and
 - The actual pension offset that is applied to the member's pension on retirement
8. The addendum attached at Annex 5, provides updated tables of factors with an effective date of 16 March 2016. It also includes, for information and completeness, tables from the guidance note not affected by the review. This addendum should be read in conjunction with the guidance note at Annex 4.
9. This guidance replaces previous guidance issued under circular **W-FRSC(2015)20**.

The Firefighters' Pension Scheme 2015 (Wales): Pension Sharing on Divorce

10. The guidance note at Annex 6 sets out the general method for:
 - Cash equivalent valuation;
 - Calculation of Pension Credits; and
 - Calculation of Pension Debits.
11. The addendum attached at Annex 7, provides updated tables of factors with an effective date of 16 March 2016. It also includes, for information and completeness, tables from the guidance note not affected by the review. The addendum should be read in conjunction with the guidance note attached at Annex 6.
12. This guidance replaces previous guidance issued under circular **W-FRSC(2015)16**.

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