



Circular

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Status:	For Action
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Title:	Firefighters' Pension Schemes (Wales) – Revised Added Years/ Added Pension and Continual Progression Development Factors
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Issued by:	Cerys Myers Fire Services Branch
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Addressed to:	Please forward to:
Chief Fire Officers	Treasurers Pensions Officers Scheme Administrators

Summary
This circular provides replacement factor tables for Added Years / Added Pension and Continual Progression Development as a result of the change to the SCAPE discount rate confirmed in the Budget on 29 October 2018. It requires immediate action.

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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 with immediate effect (as set out in [W-FRSC\(2018\)-10](#) issued on 1 November 2018).
2. The Government Actuary's Department (GAD) has updated the Added Years/Added Pension and Continual Progression Development (CPD) factors, based on a SCAPE discount rate of 2.4% net of benefit increases. They have been calculated on a unisex basis.
3. The addendum attached at Annex 1 provides replacement factor tables for Added Years/Added Pension and CPD to be applied with **immediate effect** and replaces those previously in force.

Added Years/ Added Pension Factors

2007 Scheme

4. GAD has considered the factors currently in use and have concluded that the existing factors can continue to be used. As such, the added years factors for the 2007 Scheme (on tabs 703 and 704) are the same as those currently in force.

2015 Scheme

5. The factors have been updated and included in tabs 701 and 702.

Continual Progression Development (CPD) Factors

6. CPD factors for members in the 1992 and 2007 Scheme are included in tab 801. The new factors result in lower CPD pensions than would previously have been awarded. The factors now begin at age 49, rather than age 20, to reflect the youngest age at which these factors might now be needed.

Guidance

7. GAD will update the guidance note and example calculations to reflect the revised factors and the Welsh Government will issue them as soon as work has been completed.

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