



Circular

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| Title: | Firefighters' Pensions - Employer and Employee Contribution Rates 2020 - 2021 |
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| Issued by: | Cerys Myers Fire Services Branch |
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| Addressed to: | Please forward to: |
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| Chief Fire Officers Pension Officers Pension Scheme Administrators | Local Pension Board Chairs |

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| Summary |
| <p>This circular confirms both the employee and employer contribution rates remain unchanged. The employee contribution rates remain the same as those that came into effect in April 2018. The employer contribution rates remain the same as those that came into effect in April 2019.</p> |

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Introduction

1. Under HM Treasury Directions, the Welsh Government are responsible for implementing any scheme changes, including changes to contribution rates, resulting from a valuation of the firefighter pension scheme in Wales. The Government Actuary's Department published their final 2016 valuation report in February 2019, and provided the Welsh Government with scheme specific employer contributions rates which will apply to the "implementation period" 1 April 2019 to 31 March 2023.

Employee Contribution Rates from 1 April 2020 onwards

2. There is no change to overall employee contribution rates and contribution banding rates. FRAs should therefore continue to apply the contribution rates that came into effect in April 2018. A reminder of the employee contribution rates are provided below.

Contribution rate from 1 April 2018

| Pensionable pay | The Firefighters' Pension Scheme 1992, (and Special Members of the 2007 Scheme) | New Firefighters' Pension Scheme (2007) in Wales |
|---|--|---|
| Up to and including £15,609 | 11.0% | 8.5% |
| More than £15,609 and up to and including £21,852 | 12.2% | 9.4% |
| More than £21,852 and up to and including £31,218 | 14.2% | 10.4% |
| More than £31,218 and up to and including £41,624 | 14.7% | 10.9% |
| More than £41,624 and up to and including £52,030 | 15.2% | 11.2% |
| More than £52,030 and up to and including £62,436 | 15.5% | 11.3% |
| More than £62,436 and up to and including £104,060 | 16.0% | 11.7% |
| More than £104,060 and up to and including £124,872 | 16.5% | 12.1% |
| More than £124,872 | 17.0% | 12.5% |

| Pensionable pay | Firefighters' Pension Scheme 2015 |
|------------------------|--|
| Up to £27,818 | 11.0% |
| £27,819 to £51,515 | 12.9% |
| £51,516 to £142,500 | 13.5% |
| £142,501 or more | 14.5% |

Employer Contribution Rates from 1 April 2020 onwards

3. The employer contribution rates remain unchanged. FRAs should therefore continue to apply the contribution rates that came into effect in April 2019. A reminder of the employer contribution rates are provided below.

| Pension Scheme | Employer Contribution Rate from 1 April 2019 |
|---|---|
| The Firefighters' Pension Scheme 1992 - (including special members of the 'modified' 2007 scheme) | 29.3% |
| The New Firefighters' Pension Scheme (Wales) 2007 | 26.6% |
| The Firefighters' Pension Scheme (Wales) 2015 | 27.3% |

4. The employer contribution rate for the Modified section of the 2007 Scheme is the same as the 1992 Scheme employer contribution rate.

Ill-health additional contributions

5. Previous employer ill-health additional contributions continue to apply. Where a member has retired with an entitlement to the immediate payment of an ill-health pension, the FRA must pay an ill-health additional contribution. The ill-health additional contribution across the 1992, 2007 and 2015 schemes will continue as follows :-
- Higher tier ill-health additional contribution: 4 times pensionable pay (over the last 12 months)
 - Lower tier ill-health additional contribution: 2 times pensionable pay (over the last 12 months)

**Cerys Myers
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Welsh Government**