



Circular number:	W-FRSC(2023)07	Date issued:	25 May 2023
-------------------------	-----------------------	---------------------	-------------

Status:	For Action
----------------	------------

Title:	Firefighters' Pension Schemes (Wales) - Revised Consolidated Factor Guidance 2023 – CETVs, Pensioner Cash Equivalents, Pension Credits and Debits
---------------	--

Issued by:	Natalie Spiller Fire Services Branch
-------------------	---

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

Summary
Firefighters' Pension Schemes (Wales) - Revised Consolidated Factor Guidance – Batch 1: - <ul style="list-style-type: none">• CETV's (x-201 to x-215)• Pensioner cash equivalents (x-301 to x-312).• Pension Credits (x-313 to x-317)• Pension Debits (x-318 to x-328) <p>This circular requires immediate action.</p>

For further information contact:	
Fire Services Branch Welsh Government Rhydycar Merthyr Tydfil CF48 1UZ	Direct Line: 0300 025 8869 Fax: 0300 0258869 E-mail: fire@gov.wales Website: Fire and rescue

Introduction

1. We have previously advised FRAs and Scheme Administrators that factors relating to Cash Equivalent Transfer Values (CETVs), Pensioner Cash Equivalents and Non-Club Transfers-in were suspended from 30 March 2023. The Government Actuary's Department has now reviewed and issued revised factor tables which have immediate effect (attached at Annex 1).

Revised Factor Tables

2. The attached workbook updates the following factor tables: x-201 to x-215 (CETVs), x-301 to x-312 (Pensioner cash equivalents), x-313 to x-317 (Pension credits), x-318 to x-328 (Pension debits) with immediate effect.
3. In addition, the Government Actuary's Department (GAD) has removed Guaranteed Minimum Pension (GMP) factors for all active members and for pensioner members aged under 69. Therefore, GMP factors should no longer be needed for these members. In addition, GAD have set all National Insurance Modification (NI Mod) factors to zero. For most members, NI Mod no longer has a material impact on benefits.
4. All other factors remain unchanged from the previous version of this workbook. The updated factors should be used in conjunction with the relevant existing guidance notes in force for firefighter pension schemes in Wales.

Implementation

5. The revised factors should be implemented as follows:-
 - Factor Tables x-201 to x-215 (CETV's) - to be implemented immediately and have effect from 29 March 2023 (the date HM Treasury withdrew their CETV guidance note with immediate effect).
 - Factor Tables x-301 to x-312 (pensioner cash equivalents) - to be implemented immediately and have effect from 29 March 2023 (the date HM Treasury withdrew their CETV guidance note with immediate effect).
 - Factor Tables x-313 to x-317 (pension credits) - to be implemented immediately and have effect from 29 March 2023 (for consistency with pension cash equivalent divorce factors).
 - Factor Tables x-318 to x-328 (pension debits) - to be implemented immediately and have effect from 29 March 2023 (for consistency with pension cash equivalent divorce factors).

Natalie Spiller
Fire Services Branch