

# Wales Fire and Rescue Service

# Circular



Llywodraeth Cymru  
Welsh Government

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For Action

Title:

**Firefighters' Pension Account Estimates**

Issued by:

Fire Services Branch

Addressed to:

Chief Fire Officers

Please forward to:

Treasurers  
Pensions Officers

## Summary

The circular requests each Fire and Rescue Authority (FRA) to complete the financial and non-financial sections of the attached pensions form (FPF1) by 20 October 2025.

## For further information contact:

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## **Introduction**

1. Since 2007 FRAs have administered and paid firefighters' pensions from a separate local firefighters' pension fund. Employee and employer contributions are paid into the pension fund from which pension payments are made.
2. Where contributions are insufficient to meet the cost of pension payments, the Welsh Government provides grant funding to meet the shortfall. This top-up grant is based on pensions income and expenditure estimates provided by FRAs via "FPF1" returns. Data provided in these returns are also used to provide pension forecasts to the Office of Budgetary Control (OBR).
3. FRAs last provided an update on their estimates for 2025-26 onwards earlier this year, (W-FRSC(2025)04 dated 3 March 2025 refers).

## **Revised Estimates**

4. FRAs are now being asked to revisit and amend their estimates for 2025-26, 2026-27 and 2027-28, and also to provide estimates for 2028-29 within the FPF1 return.
5. FRAs should apply an employer contribution rate for the Firefighters' Pension Scheme (Wales) 2015 scheme of 31.0% of pensionable pay. Your estimates should apply the employee contribution rates as set out in circular W-FRSC(2024)05 from 1 April 2025 to 31 August 2025. Revised employee contribution rates came into force on 1 September, which should be applied to all estimates for the period 1 September 2025 onwards, circular W-FRSC(25)14 refers.

## **Assumptions**

### **- Retirements and other staff movements**

6. FRAs should include their own local workforce planning assumptions regarding retirements, other leavers and joiners, etc in their estimates for future years.

### **- Transfers**

7. Forecasts of transfers should be based on confirmed transfers only and should also be accounted for in the sending or receiving scheme.

### **- Pay**

8. The following pay assumptions should be used for the current year's pension estimates, and for future year's forecasts. These pay assumptions are provided by the Office of Budgetary Responsibility (OBR) for use across public sector pension schemes.

- OBR request that returns should reflect latest pay awards. For 2025-26 the firefighter pay settlement is 3.2% (see [Circular NJC/3/25](#)).
- For 2026-27 onwards, where pay awards have not yet been agreed, the OBR central assumptions of paybill per head growth should be used. These are set out below:-

- 2026-27 – 2.2%
- 2027-28 - 2.0%
- 2028-29 – 2.6%
- 2029-30 - 2.6%

### **Closure of the Legacy Schemes from April 2022**

9. The Public Service Pensions and Judicial Offices Act 2022, closed legacy (1992 and 2007) schemes on 31 March 2022. As a result, no further contributions should be added to these schemes from 1 April 2022, apart from periodic payments of contributions that relate to the purchase of pension for past service (this will include contributions relating to Sergeant age discrimination remedy, added pension agreements that were in place prior to April 2022, Modified Scheme payments and payments in light of the Booth judgment about pensionable allowances).

### **Sargeant Remedy Costs**

10. HM Treasury has written to each of the Welsh Fire and Rescue Authorities to clarify how corrective payments to affected scheme members should be implemented following the introduction of age discrimination remedy. Please ensure all costs relating to corrective payments are recorded on the FPF1 Return as pensions outgo in line with the guidance outlined in HM Treasury's letter dated 20 October 2023.

11. FRAs are requested to return the completed return to [fire@gov.wales](mailto:fire@gov.wales) by 20 October 2025. Please note that a signed copy of the return is required. This can be in electronic format.

**Ella Jarvis**  
**Fire Services Branch**  
**Welsh Government**