



Circular number:	W-FRSC(2019)14	Date issued:	13 August 2019
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Status:	For Information
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Title:	<p>Firefighters' Pension Schemes (Wales) – Consolidated Actuarial Factors</p> <ul style="list-style-type: none"><li>- Added Years / Added Pension and Continual Progression Development Factors</li><li>- Early and Late Retirement Factors</li><li>- Non Club Transfer Value (TV-in) factors</li><li>- Tax Charge Debit Factors</li><li>- Trivial Commutation Factors</li><li>- Pension Debit Adjustment and Pension Credit Factors</li></ul>
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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

## Summary

This circular provides a consolidated workbook of actuarial factors previously issued to FRAs following a factor review for the Firefighters' Pension Schemes (Wales) as undertaken by the Government Actuary's Department.

## For further information contact:

Cerys Myers Fire Services Branch Welsh Government Rhydycar Merthyr Tydfil CF48 1UZ	Direct Line: 0300 062 8679 Fax: 0300 062 8547 E-mail: <a href="mailto:cerys.myers@gov.wales">cerys.myers@gov.wales</a> Website: <a href="http://www.wales.gov.uk/fire">www.wales.gov.uk/fire</a>
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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 as set out in [W-FRSC\(2018\)-10](#).
2. As a result of the change, the Government Actuary's Department (GAD) had undertaken a factor review for the Firefighters' Pension Schemes (Wales). The revised factors have previously been provided to FRAs, as set out in the table below.

<b>Factors</b>	<b>Factor List</b>	<b>Circular Reference</b>	<b>Issued</b>
Added Years / Added Pension and Continual Progression Development Factors	Factors used to determine the additional pension benefits to be credited to a member in respect of CPD payments received.	<a href="#">W-FRSC(2019)01</a>	15 January 2019
Early and Late Retirement Factors	Factors used to determine the appropriate reduction to be applied to a member's pension on member-initiated early retirement.	<a href="#">W-FRSC(2019)02</a>	24 January 2019
Non Club Transfer Value (TV-in) factors	Factors used to determine the period of pensionable service to be credited to a member's record on acceptance of an incoming transfer value payment.	<a href="#">W-FRSC(2019)03</a> <a href="#">W-FRSC(2019)13</a>	28 January 2019 14 June 2019
Tax Charge Debit Factors	Factors to determine the debit to apply to a member's accrued pension benefit on election of 'scheme pays'.	<a href="#">W-FRSC(2019)04</a>	28 January 2019
Trivial Commutation Factors	Factors to determine the lump sum payable in lieu of a member's or surviving the spouse's or civil	<a href="#">W-FRSC(2019)05</a>	15 February 2019

	partner's pension benefit where that benefit can be classified as "trivial".		
Pension Debit Adjustment and Pension Credit Factors	Factors to be applied to pension debits where a member retires earlier or later than the Normal Benefit Age.	<a href="#">W-FRSC(2019)07</a>	11 March 2019

3. GAD has provided a consolidated workbook of all the factors covered by the review. This is attached at Annex 1.

### **Guidance**

4. GAD will update the guidance notes and example calculations to reflect the revised factors at a later date and the Welsh Government will issue these as soon as work has been completed.

**Cerys Myers**  
**Fire Services Branch**  
**Welsh Government**