

Firefighters' Pension Scheme 2022/02

Who should read:

• Chief Fire Officer of the Scottish Fire and Rescue Service

Pensions AdministratorsCurrent Scheme members

Action: For information

Subject: Changes to Commutation provision in the Firefighters' Pension Scheme

1992

Date: 21 February 2022

The purpose of this circular is to provide notice that The Firemen's Pension Scheme (Amendment no. 2) (Scotland) Order 2022 comes into force on 1 April 2022.

Consultation

1. To comply with the requirements of the Public Service Pensions Act 2013, draft regulations were circulated for consultation between 24 December 2021 and 1 February 2022. The consultation documentation and summary of responses are available on the SPPA website.

Commutation Factors

2. The amendment extends indefinitely the underpin which exists for members of the scheme in Scotland, which means that the higher of either the England and Wales scheme or Scottish Scheme factors are used for lump sums. The underpin was due to end on 31 March 2022.

Commutation Cap

3. The amendment removes the restriction in Regulation B7 of the 1992 scheme, in which members who have less than 30 years' service and are aged below 55 could commute up to a maximum of 2.25 times their annual pension. The amendment removes this cap entirely, allowing all firefighters who are entitled to an ordinary pension to commute up to the maximum 25% of their pension. This change commences from 1 April 2022 and will not be retrospective.

Any questions?

Please contact <u>Karen.gilchrist@gov.scot</u> if have any enquiries about this circular. If you have any queries relating to the administration of the scheme, please contact the Customer Services team via e-mail at <u>sppafirepensions@gov.scot</u>

Karen Gilchrist

Firefighters Policy Manager 21 February 2022



