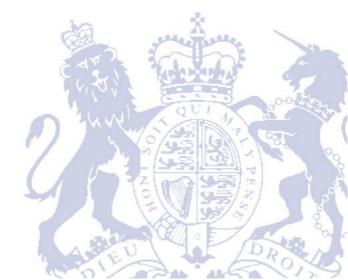


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#### Introduction

Under Chapter 2 of Part 11 of Schedule 1 of The Firefighters' Pension Scheme (England) Order 2006, members of the New Firefighters' Pension Scheme (NFPS) can elect to purchase additional service under the scheme. The purpose of this note is to set out, for scheme administrators, the tables of factors referred to in paragraph 4 of Chapter 2.

If administrators have any questions about how to use this guidance they should in the first instance consult published information on the Firefighter Pensions pages at:

http://www.communities.gov.uk/fire/working/firefighterpensions/

If further information is required, administrators may contact the Firefighters' Pension Team at CLG. The Firefighters' Pension team will seek input from the Scheme Actuary if necessary.

## Lump sum payments

Lump sum contributions can be made on application within 12 months of last becoming a regular firefighter.

The factors for calculating the lump sum payment are given in Table A. The lump sum payment required can be calculated using the following formula:

# AYLS × N × PAY

AYLS	Added Years Lump Sum factor – Table A
Ν	Number of added years to be purchased, expressed in years
PAY	Member's pensionable pay in NFPS expressed as an annual rate (ie as would be used in the calculation of lump sum death grant) as at the date of payment

## Payment by periodic contributions

An election to pay periodical contributions can be made at any time up to 2 years before normal retirement age. Contributions commence on the birthday following the election.

The periodic contributions will cease either on normal retirement age, or earlier if the firefighter retires, ceases to serve as a regular firefighter, opts out of the NFPS or otherwise discontinues payment in accordance with the Order. The contributions are deducted by the fire authority from the pay of the member concerned.

The factors for calculating the periodic contributions are given in Table B. The percentage to be deducted from the member's pensionable pay can be calculated using the following formula:

# $\mathsf{AYPC} \times \mathsf{N}$

AYPC Added Years Periodic Contribution factor – Table B

N Number of added years to be purchased, expressed in years

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#### Example 1: Lump sum payment

Date of bi Date of pa Pensiona	ayment ble pay at date of payment	120 days 6 January 1977 29 August 2007 £ 23,454 pa
Age last birthday on making payment		30
AYLS	36.7%	

 N
 120 ÷ 365

 PAY
 23,454

Lump sum payment required =  $36.7\% \times (120 \div 365) \times 23,454$ = £ 2,829.90

#### **Example 2: Payment by periodic contributions**

Number of added years purchased Date of birth Date of election Age at which contributions commence 2 years 6 January 1977 29 November 2017 41

AYPC 1.62% N 2

Percentage deduction from pay =  $1.62\% \times 2$ = 3.24%

The contributions to be deducted are 3.24% of the member's pensionable pay at the time of the deduction.



# Table A: Cost of One Added Year: Lump Sum Payments

# Males and Females

Age last birthday on making payment	Lump sum payment (% of pensionable pay)
20	33.8%
21	34.1%
22	34.4%
23	34.8%
24	35.1%
25	35.4%
26	35.6%
27	35.9%
28	36.2%
29	36.5%
30	36.7%
31	37.0%
32	37.2%
33	37.5%
34	37.8%
35	38.1%
36	38.3%
37	38.5%
38	38.7%
39	38.8%
40	38.9%
41	38.9%
42	38.9%
43	38.9%
44	38.9%
45	38.9%
46	38.9%
47	38.9%
48	38.9%
49	38.9%
50	38.9%
51	38.9%
52	38.9%
53	38.9%
54	38.9%
55	38.9%
56	38.9%
57	38.9%
58	38.9%
	00.370



# Table B: Cost of One Added Year: Payment by Periodical Contributions Males and Females

Exact age at starting contract *	Periodic payment (% of pensionable pay)
21	0.76%
22	0.78%
23	0.80%
24	0.83%
25	0.85%
26	0.88%
27	0.91%
28	0.94%
29	0.97%
30	1.00%
31	1.04%
32	1.08%
33	1.12%
34	1.17%
35	1.22%
36	1.27%
37	1.33%
38	1.39%
39	1.46%
40	1.54%
40	1.62%
42	1.71%
43	1.81%
43	1.93%
44 45	2.06%
45	2.20%
40	2.20%
47	
40	2.56% 2.80%
49 50	
	3.07%
51	3.41%
52	3.83%
53	4.37%
54	5.09%
55	6.09%
56	7.60%
57	10.15%
58	15.27%

\* Under Part 7(1) of Chapter 2 of Part 11 of Schedule 1 of the Order, contributions are payable from next birthday.