Firefighters' Pension Scheme 2025/01

Scottish Public

Pensions Agency Buidheann Peinnseanan

Who should read:	 Chief Fire Officer of the Scottish Fire and Rescue Service Pensions Administrators Scheme members
Action:	For information
Subject:	Public Service Pensions Indexation and revaluation
Date:	13 February 2025

- The purpose of this circular is to: Confirm that, in common with other public service pension schemes, there will be a 1.7% increase in the value of firefighters pensions in payment (or deferred pensions) from 7 April 2025
- Advise that the rate to be used for the annual revaluation of benefits accrued by active members in the 2015 Firefighters' Pension Scheme will be 4.5%

Public Service Pensions Indexation

Public service pensions in payment, together with those that are deferred for payment at a future date, are indexed annually based on the annual change in the Consumer Price Index (CPI) measured as at the previous September.

In the 12 months to September 2024, CPI was 1.7%. As a result, an increase of 1.7% is to be applied from 7 April 2025 for pensions in payment and deferred pensions.

The UK Government expects to lay the Pensions Increase (Review) Order 2025 during March 2025.

CARE Scheme Revaluation

The Firefighters' Pension Scheme (Scotland) Regulations 2015 (the 2015 Regulations) were made under the Public Service Pension Act 2013 (the Act). They established the Firefighters' Pension Scheme (the 2016 scheme), which is a Career Average Revalued Earnings (CARE) scheme. Section 9 of the Act sets out that regulations must provide for annual "in-service" revaluation of 2015 scheme benefits, preserving their value in line with rises in the cost of living.

Accordingly, the 2015 Regulations 2015 provide for annual revaluation by reference to average weekly earnings; for deferred members at the rate of CPI included in any Pensions Increase (Review) Order.

Section 9(2) of the Act requires the change in earnings used for such revaluation to be such percentage increase or decrease as is specified in an order made by HM Treasury. The Public Service Pensions Revaluation (Earnings) Order 2025 will fulfil that requirement in relation to earnings and reflects the increase in Average Weekly Earnings in the 12 months to September 2024. The Chief Secretary to the Treasury has issued a <u>Written Statement</u> to this effect, with the effective date of revaluation 1 April 2025.







The in-service revaluation for the 2015 Firefighters' Scheme in respect of 2024/25 will be 4.5%.

Any questions?

Please contact <u>Karen.gilchrist@gov.scot</u> if you 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 email at sppafirepensions@gov.scot.

Karen Gilchrist

Firefighter Pensions Policy Manager 13 February 2025



