



# Firefighters' Pension Scheme Circular

<b>Circular Number:</b>	FPSC 1/2008	<b>Date Issued:</b>	4 February 2008
<b>Action:</b>	For Action		
<b>Title:</b>	<i>Firefighters' Pension Scheme</i>		
<b>Issued by:</b>	Martin Hill Local Government and Firefighters' Pensions Division		

<b>Summary:</b>	This circular advises FRAs on: (i) the Pension Increase (Review) Order 2008; and (ii) possible overpayments of pensions paid to FPS pensioners who have reached State Pension Age (SPA) as a result of late or non notification of GMPs.
-----------------	--

<b>Addressed to:</b>	<b>Please Forward to:</b>
The Clerk to the Fire and Rescue Authority  The Chief Fire Officer	Pension and human resources managers

## Enquiries:

### Pensions Team Leader:

Martin Hill	<a href="mailto:martin.hill@communities.gsi.gov.uk">martin.hill@communities.gsi.gov.uk</a>	020 7944 8641
Andy Boorman	<a href="mailto:andy.boorman@communities.gsi.gov.uk">andy.boorman@communities.gsi.gov.uk</a>	020 7944 8123
Anthony Mooney	<a href="mailto:anthony.mooney@communities.gsi.gov.uk">anthony.mooney@communities.gsi.gov.uk</a>	020 7944 8087

### Medical Appeals

Philip Brown	<a href="mailto:philip.brown@communities.gsi.gov.uk">philip.brown@communities.gsi.gov.uk</a>	020 7944 6787
--------------	--	---------------

**General Enquiries:** [firepensions@communities.gsi.gov.uk](mailto:firepensions@communities.gsi.gov.uk)

Firefighters' Pension Scheme Website: [www.communities.gov.uk/firepensions](http://www.communities.gov.uk/firepensions)

## **1.0 Pension Increase (Review) Order 2008**

- 1.1 The Pensions Increase (Review) Order 2008 provides for public sector pensions beginning before 9<sup>th</sup> April 2007 to be increased on 7<sup>th</sup> April 2008 by 3.9% (in line with the increase in the Retail Price Index in the 12 months to September 2007). Any pension that came into payment on or after 9<sup>th</sup> April 2007 and before 7<sup>th</sup> April 2008 will be increased by a proportionate amount depending upon the number of months it has been in payment.
- 1.2 Fire and Rescue Authorities are reminded that in accordance with the provisions in Rule E9 of the Firefighters' Pension Scheme order 1992, widow(er)'s flat-rate pensions and children's flat rate allowances are increased directly by orders made under Section 59 of the Social Security Pensions Act 1975, as amended. These awards should accordingly be increased by 3.9% from 7<sup>th</sup> April 2007.
- 1.3 The Pension Increase (Review) Order 2008 can be viewed by accessing: [Pensions Increase 2008](#)

## **2.0 Possible overpayments of pensions paid to FPS pensioners who have reached State Pension Age (SPA) as a result of late or non notification of GMPs.**

- 2.1 Under current arrangements, HMRC (and DWP before it) tells public pension scheme administrators if a pensioner has a GMP, and its value, shortly before SPA. These arrangements are set out in the Treasury's 2001 publication [A note on the operation of pensions increase legislation for public service schemes](#). This says that 'DWP and the Inland Revenue's National Insurance Contributions Office (NICO) have an automatic system for notifying public service pension payers when pensions increase for the GMP element of a public service pension should commence, cease or change'. However, some public sector schemes have reported instances where there has been late, or no, notification of GMPs, which has resulted in an overpayment to the pensioner.
- 2.2 Given the generic arrangements DWP had with all public service schemes, we have been asked whether this has been identified as an issue for the FPS. We have not, so far, been made aware that this is an issue. It would, therefore, be helpful if administrators could give this consideration and let us know if they believe there could be a problem, with an initial indication of the scale. Replies to [Anthony.mooney@communities.gsi.gov.uk](mailto:Anthony.mooney@communities.gsi.gov.uk)
- 2.3 We understand that guidance is being sought from HM Treasury on the approach that should be taken in respect of any overpayments.

**Martin Hill**