

Special payments and transfers into Firefighters' Pension Fund

Rule LA2 explains how a fire and rescue authority must make special payments into the Firefighters' Pension Fund when a firefighter retires on ill-health grounds.

Sums to be paid to FPF in respect of firefighters who retired on health grounds during financial year 2005/06

Rule LA2(2) requires each fire and rescue authority to transfer to their FPF a sum equal to the average pensionable pay of each firefighter who retired with immediate payment of an ill-health award under Rule B3 on or after 1 April 2005 and before 1 April 2006.

The payment is to be made as soon as reasonably practicable after 1 April 2006.

Sums to be paid to FPF in respect of firefighters who retire on health grounds on and after 1 April 2006

If a firefighter retires on and after 1 April 2006 with entitlement to immediate payment of a higher tier ill-health award under Rule B3, Rule LA2(3) requires the fire and rescue authority to transfer to their FPF a "higher tier ill-health charge" as notified to them by the Secretary of State.

If a firefighter retires on and after 1 April 2006 with entitlement to immediate payment of a lower tier ill-health award under Rule B3 (i.e. there is no higher tier pension due), Rule LA2(4) requires the fire and rescue authority to transfer to their FPF a "lower tier ill-health charge" as determined and notified to them by the Secretary of State.

In accordance with Rule LA2(5) to (8) both the higher and lower tier ill-health charges should be transferred in three equal instalments.

First instalment → is transferred on the date the firefighter retires, i.e. the day following his/her last day of service.
(If he/she retired before 1.4.2006 it should be transferred as soon as reasonably practicable after this date.)

Second instalment → is transferred on 1 April in the financial year following the financial year in which the first instalment was transferred.

Third instalment → is transferred on 1 April in the financial year following the financial year in which the second instalment was transferred.

Useful reference source

- FPSC 9/2006: the introduction of new financing arrangements for pensions

Points To Note

1. The Secretary of State provides guidance on the financing arrangements for firefighters (which may be amended from time to time). Currently this is set out in the booklet "Guidance for Fire and Rescue Authorities on new financial arrangements for firefighter pensions with effect from April 2006" issued by the Department in March 2006.