SCHEDULE 1

THE NEW FIREFIGHTERS' PENSION SCHEME (WALES)

PART 12

TRANSFERS INTO AND OUT OF THE SCHEME

CHAPTER 5

MIS-SOLD PENSIONS AND RESTITUTION PAYMENTS

Calculation of amount of restitution payment

15.—(1) An authority must, in accordance with paragraph (2), calculate the restitution payment that would need to be made to them in respect of a person to whom rule 14 applies to create or restore the person's position to what it would have been if the person had not opted-out or, where relevant, transferred-out.

(2) The restitution payment is an amount equal to the sum of—

(a) the capitalised value at the material date, determined in accordance with the relevant methods and assumptions, which would produce a service credit equal to the person's total period of opted-out service, including the capitalized value of any rights under the Pensions (Increase) Act 1971 and the Pensions (Increase) Act 1974; and

(b) in the case of a firefighter who also transferred out, the greater of—

(i) any transfer value paid by an authority to the administrator of a personal pension scheme in respect of the firefighter's transferred-out service under Chapter 2 of this Part, increased by interest calculated at a rate approved by the Scheme Actuary over the period from the date of payment of that transfer value to the assumed calculation date; and

(ii) the cash equivalent transfer value that would be payable by the authority in respect of that transferred-out service if they were to pay a cash equivalent transfer value in respect of that service determined in accordance with the relevant methods and assumptions applicable immediately after the assumed calculation date.

(3) In this rule—

"assumed calculation date" ("*dyddiad cyfrifo tybiedig*") means the date on which it is assumed, for the purpose of calculating a restitution payment, that a transfer value will be paid to the authority; and

"material date" ("*dyddiad o bwys*") means the date on which the authority receive a notice under rule 14.