

1987 No. 1302

FIRE SERVICES

SUPERANNUATION

**The Firemen's Pension Scheme
(Amendment) Order 1987**

<i>Made</i> - - - -	<i>22nd July 1987</i>
<i>Laid before Parliament</i>	<i>31st July 1987</i>
<i>Coming into force</i>	<i>1st October 1987</i>

In exercise of the powers conferred upon me by section 26 of the Fire Services Act 1947(a) I hereby, with the approval of the Treasury(b) and after consultation with the Central Fire Brigades Advisory Council and the Scottish Central Fire Brigades Advisory Council, make the following Order:

1. This Order may be cited as the Firemen's Pension Scheme (Amendment) Order 1987 and shall come into force on 1st October 1987.
2. In this Order "the 1973 Scheme" means the Scheme set out in Appendix 2 to the Firemen's Pension Scheme Order 1973(c).
3. In article 5(1) of the 1973 Scheme –
 - (a) at the end of sub-paragraph (a) the word "and" shall be omitted, and
 - (b) at the end of sub-paragraph (b) there shall be inserted the following provision –

"and (c) all payments made by him to a fire authority in accordance with an election under article 80B".
4. After Part IX of the 1973 Scheme there shall be inserted the following provisions –

(a) 1947 c. 41. Section 26 was amended and extended by section 42 of the Reserve and Auxiliary Forces (Protection of Civil Interests) Act 1951 (c. 65) and sections 12 and 16 of the Superannuation Act 1972 (c. 11).
(b) Formerly the Minister for the Civil Service: see S.I. 1981/1670.
(c) S.I. 1973/966. The relevant amending instruments are S.I. 1976/1273, 1773, 1978/1228, 1349, 1979/855, 1286, 1980/273, 1587, 1615, 1982/114, 1983/614, 1409, 1985/318.

“PART IXA

PURCHASE OF INCREASED BENEFITS

Interpretation

80A. In this Part and in Schedule 9A –

“eligible fireman” means a person (other than a person to whom Part XII of this Scheme or article 95 applies) –

- (a) with service as a regular fireman on or after 28th October 1981, whether or not he is still so serving;
- (b) whose retirement date is, or was when he ceased so to serve, at least 9 years after the date on which he last became a regular fireman, and
- (c) who was not when he ceased so to serve, or, but for this Part, would not be on or before his retirement date, entitled to reckon 30 years’ pensionable service;

“retirement date” means, in relation to a regular fireman and at any particular time, the date on which he could be required to retire on account of age if he continued to serve as such without change of rank, disregarding any extension of service under article 96 (1) effected after that time; and

“sixtieth” means, in relation to any person, a sixtieth (including a fraction of a sixtieth) of his average pensionable pay and “additional sixtieths” and the number thereof means, in relation to a person who has made an election under article 80B, the number of additional sixtieths to which that election related.

Election to purchase increased benefits

80B.—(1) Subject to paragraph (2) an eligible fireman may, for the purpose of reckoning an additional number of sixtieths in calculating the awards payable to, or in respect of, him by notice in writing to the fire authority elect to make payment to the authority in accordance with the following provisions of this Part.

(2) A fireman shall not so exercise the right of election accorded by paragraph (1) that the aggregate number of sixtieths reckonable by him exceeds or, if he continued to serve until his retirement date, would exceed 40.

(3) When the retirement date of a fireman who has exercised the right of election accorded by paragraph (1) becomes later than it was at the time of his election by reason of his subsequent promotion or the subsequent extension of his service under article 96(1), then, notwithstanding that he may derive no benefit from his election, his liability to make payment in accordance with the following provisions of this Part shall not be affected and he shall not be entitled to the repayment of any lump sum or contribution so paid.

Lump sum payments

80C.—(1) An eligible fireman who is serving as a regular fireman may, within twelve months of –

- (a) the date on which he last became a regular fireman, or
- (b) 1st October 1987,

whichever is the later, elect under article 80B to make payment by a lump sum calculated in accordance with paragraph 1 (or, in the case of a woman, paragraph 3) of Part I of Schedule 9A.

(2) An eligible fireman –

- (a) who has ceased to serve as a regular fireman but who was so serving on 1st October 1987, or
- (b) who, before 1st October 1987, was required to retire on account of age or permanent disablement under article 96(1) or 97,

may, within 12 months of 1st October 1987 elect under article 80B to make payment by a lump sum calculated in accordance with the said paragraph 1 (or, in the case of a woman, the said paragraph 3).

(3) A lump sum payment under this article shall be made within three months of the date of election and, if it is not so made, the election shall be deemed for the purposes of this Part never to have been made.

Payment by periodical contributions

80D.—(1) An eligible fireman who is serving as a regular fireman whose retirement date falls not less than 2 years after his birthday next following 1st October 1987 may at any time –

- (a) within twelve months of 1st October 1987, or
- (b) not later than 2 years immediately preceding his retirement date,

elect under article 80B to make payment by periodical contributions calculated in accordance with paragraph 2 (or, in the case of a woman, paragraph 3) of Part I of Schedule 9A, subject however to paragraph (5).

(2) Subject to the following provisions of this article and to article 80G, where a fireman so elects the periodical contributions shall be made as from the date of his birthday falling within the year beginning with the date of his election and shall continue until –

- (a) his retirement date as at the time of his election, or
- (b) the date on which he ceases to serve as a regular fireman,

whichever is the earlier.

(3) Where a fireman so elects within 12 months of 1st October 1987 but less than two years before his retirement date the election shall be deemed to have been made on a date two years before the said retirement date and any arrears of contributions due by virtue of this paragraph shall be paid in a lump sum within three months of the date on which he elects:

Provided that where such a lump sum is not so paid, the foregoing provisions of this paragraph shall not have effect.

(4) In the case of a regular fireman who has so elected and who, having retired with an ill-health pension before his retirement date, resumes service as such, the periodical contributions shall again become payable and shall continue as provided in paragraph (2).

(5) Where a fireman so elects the periodical contributions payable by him for any period shall not, when aggregated with any other pension contributions (including additional and further contributions, if any) payable by him for that period, exceed 15% of his pensionable pay but, where a fireman's periodical contributions are restricted by this paragraph, he shall make a lump sum payment of an amount determined by the Government Actuary to be the actuarial equivalent of the difference between the restricted periodical contributions payable and those which would be payable but for this paragraph.

Elections deemed to have been made on 28th October 1981

80E.—(1) An eligible fireman who is serving as a regular fireman and whose retirement date –

- (a) is less than two years after his birthday next following 1st October 1987, and
- (b) was on 28th October 1981, at least two years after his next birthday,

may within three months of 1st October 1987 elect under article 80B to make payment in accordance with article 80D as if this Order had come into operation on 28th October 1981.

(2) Where a fireman elects as mentioned in paragraph (1) the election shall be deemed to have been made on 28th October 1981 and any arrears of contributions due by virtue of this paragraph shall be paid in a lump sum within three months of the date on which he elects:

Provided that where such a lump sum is not so paid, the foregoing provisions of this paragraph shall not have effect.

Conditions relating to the making of an election

80F.—(1) An eligible fireman who is serving as a regular fireman shall not be entitled to elect under article 80B to make payment by periodical contributions if he has been required to retire under article 96(4) or 97.

(2) An eligible fireman shall not, if the fire authority so resolve, be entitled to elect under article 80B to make payment by periodical contributions unless he has undergone a medical examination and satisfied the authority as to his good health; and any fee payable in respect of that examination shall be paid by him.

Effect of election

80G. Subject to articles 80C(3), 80D(3) and 80E, an election made under article 80B shall take effect as from the date on which the fire authority receive notice in writing thereof and shall be irrevocable, save that where the fire authority are satisfied that the payment of periodical contributions in accordance with such an election is causing, or is likely to cause, financial hardship they may consent to the discontinuance of such contributions for such period as they think fit.

Reckoning of additional benefits

80H.—(1) Where a regular fireman who has made an election under article 80B and has commenced payment of periodical contributions in accordance with that election dies in service, retires with an ill-health pension, or retires on or after reaching his retirement date as at the time of his election, he shall be entitled to reckon all the additional benefits which he elected to purchase, save that where he had discontinued payment on grounds of financial hardship under article 80G he shall be entitled to reckon a proportion of such benefits determined in accordance with the formula set out in sub-paragraph (a) of Part II of Schedule 9A.

(2) Subject to paragraph (3), where a regular fireman who has made an election under article 80B and paid a lump sum or commenced payment of periodical contributions in accordance with that election ceases to be a member of a brigade in circumstances other than those mentioned in paragraph (1) and with no entitlement to an award by way of repayment of his aggregate contributions other than an award under article 16D, he shall be entitled to reckon –

- (a) in the case of a lump sum payment, all the additional benefits which he elected to purchase, and
- (b) in the case of payment of periodical contributions, a proportion of such benefits determined in accordance with the formula referred to in sub-paragraph (b) of Part II of Schedule 9A.

(3) Where a regular fireman retires with an ordinary pension before his retirement date as at the time of his election, the amount which he is entitled to reckon under sub-paragraph (a) or (b) of paragraph (2) shall be reduced by an amount determined by the appropriate actuarial valuation referred to in sub-paragraph (c) of Part II of Schedule 9A.

Modification of the effect of this Scheme

80I. Where a regular fireman has elected under article 80B to purchase additional sixtieths, this Scheme shall have effect in his case subject to the modifications specified in Part III of Schedule 9A.”

5. After Schedule 9 to the 1973 Scheme there shall be inserted the following Schedule -

"SCHEDULE 9A

PART I

Articles 80C and 80D

PAYMENTS

Lump sum payments by men

1.—(1) Where a man elects under article 80B to make payment by a lump sum, the amount of such lump sum shall be the product of -

- (a) his number of additional sixtieths, and
- (b) an amount equal to the percentage of the aggregate of his pensionable pay during the appropriate period which is specified opposite his age set out in column 2 or 4 of the following Table (whichever applies in his case):

Provided that for the purposes of this paragraph -

- (i) where the said aggregate amount is less than the amount it would have been had he not during the said period suffered a reduction of pay during sick leave or a stoppage of pay by way of punishment, it shall be increased by the difference between the two said amounts, and
- (ii) where he was in receipt of pensionable pay for part only of the said period, the said aggregate amount shall be multiplied by the reciprocal of the fraction of the year for which he was in receipt of pensionable pay.

(2) In this paragraph -

"the appropriate period" means the period of a year ending with the relevant date; "his age" in relation to any person means that person's age on his birthday which falls within the year beginning with the relevant date, and

"the relevant date" means -

- (a) in the case mentioned in article 80C (1), the date of his election, or
- (b) in the case mentioned in article 80C(2), the date of his last day of service as a regular fireman.

Payment by men of periodical contributions

2.—(1) Where a man elects under article 80B to make payment by periodical contributions the amount of such contributions for any period shall be the product of -

- (a) his number of additional sixtieths; and
- (b) the percentage of his pensionable pay for that period which is specified opposite his age in column 3 or 5 of the following Table (whichever applies in his case):

Provided that for the purposes of this paragraph -

- (i) where for any period his pensionable pay is of an amount less than the amount it would have been had he not suffered a reduction of pay during sick leave or a stoppage of pay by way of punishment, it shall be increased by the difference between the two amounts, and
- (ii) where for any period he is for any reason disentitled to pensionable pay, his pensionable pay for that period shall be deemed to be that which it would have been but for the disentanglement.

(2) In this paragraph, "his age" in relation to any person means that person's age on his birthday which falls within the year beginning with –

(a) the date of his election, or

(b) where article 80D(3) or 80E(2) applies, the date on which his election is deemed thereby to have been made.

Payments by women

3. Where a woman elects under article 80B to make payment either by a lump sum or by periodical contributions, the amount or rate thereof shall be such as the Government Actuary may determine to be the actuarial equivalent of the benefit to her of her election.

TABLE

(1) Age on relevant birthday	Regular fireman whose retirement date, as at the date of his election, falls on or after his attaining the age of 60 years		Regular fireman whose retirement date, as at the date of his election, falls before his attaining the age of 60 years	
	(2) Percentage for calculating lump sum payment	(3) Percentage for calculating periodical contributions	(4) Percentage for calculating lump sum payment	(5) Percentage for calculating periodical contributions
26			33.90	1.24
27			33.90	1.29
28			33.80	1.35
29			33.80	1.41
30			33.70	1.48
31	27.30	0.96	33.70	1.56
32	26.70	1.00	33.60	1.64
33	26.30	1.04	33.60	1.73
34	26.10	1.08	33.50	1.82
35	26.00	1.12	33.40	1.92
36	26.00	1.16	33.20	2.03
37	26.00	1.21	32.90	2.15
38	25.90	1.27	32.50	2.28
39	25.90	1.33	32.10	2.42
40	25.90	1.40	31.60	2.57
41	25.90	1.48	31.00	2.74
42	25.90	1.57	30.20	2.94
43	25.90	1.67	29.20	3.18
44	25.90	1.77	28.20	3.48
45	25.90	1.88	27.30	3.85
46	25.90	2.00	26.70	4.30
47	25.90	2.14	26.30	4.84
48	25.80	2.31	26.30	5.49
49	25.80	2.52	26.60	6.28
50	25.80	2.78	27.00	7.34
51	25.80	3.10	27.50	8.91
52	25.80	3.50	28.10	11.45
53	25.80	4.02	28.70	16.44
54	25.70	4.70	29.20	
55	25.70	5.60	29.60	
56	25.70	6.86		
57	25.80	9.05		
58	25.80	13.43		
59	25.90			
60	26.00			

RECKONING OF ADDITIONAL BENEFITS

In article 80H –

- (a) the formula mentioned in paragraph (1) is –

$$\frac{A \times B}{C}$$

where –

A is the fireman's number of additional sixtieths;

B is the length of the period or, as the case may be, the aggregate lengths of the periods during which payment was made;

C is the period for which, if payment had been continuous to the date of death or retirement, payment would have been made;

- (b) the formula mentioned in paragraph (2) is as set out in sub-paragraph (a) save that C is the period for which, if payment had been continuous to the retirement date as at the time of election, payment would have been made; and
- (c) the appropriate actuarial valuation referred to in paragraph (3) is the assessment by the Government Actuary of the extent to which the value of the benefits is increased on account of being paid before the retirement date as at the time of election.

PART III

Article 80I

MODIFICATION OF THE EFFECT OF THE SCHEME

The modifications referred to in article 80I, subject to which this Scheme is to have effect in the case of a regular fireman who has made an election under article 80B, are as follows:

- (a) if he is entitled to any pension, other than an injury pension, the amount thereof as calculated under the appropriate part of Schedule 1 shall be increased by the number of sixtieths which he is entitled to reckon under paragraph (1) or (2) of article 80H;
- (b) references to a regular fireman's pension, however expressed, in the following provisions, namely –
- Article 21 (commutation of pension),
- Schedule 2, Part I (widow's ordinary pension), Part V (increase in widow's pension during first 13 weeks) and Part IX (widow's pension where fireman marries after retirement),
- Schedule 3, Part I (child's ordinary allowance) paragraphs 3 and 5, Part III (child's accrued allowance) and Part IV (increase in child's allowance in certain cases during first 13 weeks); and
- Schedule 9, Part I (payment of transfer values) paragraph 2(1), shall be construed as references to that pension as increased under Part IXA of this Scheme;
- (c) references to a pension or allowance payable in respect of a regular fireman, however expressed, in the following provisions namely –
- Article 26, (widow's gratuity by way of commuted pension);
- Schedule 2, Part V and Part VII, paragraph 3 (dependent relative's special pension);
- Schedule 3, Part I, paragraph 5; Part III, paragraph 5; Parts IV and V (child's gratuity by way of commuted allowance); and

Schedule 9, Part I, paragraph 3(1), shall be construed as references to that pension or allowance as increased by virtue of the operation of Part IXA of this Scheme;

- (d) a widow's pension calculated under Part II or IV of Schedule 2, (except the pension for which she may elect under paragraph 2 of Part I (by virtue of Part II) or paragraph 3 of Part IV) shall be increased by an amount equal to $n/120$ ths of her husband's average pensionable pay (n being the number of sixtieths which he was entitled to reckon at the time of his death under paragraph (1) or (2) of article 80H);
- (e) a child's ordinary allowance under Part I of Schedule 3 shall be calculated as if the amounts in paragraph 4(2)(a)(i) and (ii) of that Part were increased by the number of sixtieths which the father was entitled to reckon at the time of his death under paragraph (1) or (2) of article 80H; and
- (f) a child's accrued allowance under Part III of Schedule 3 shall be calculated as if the length of the father's half rate service and pensionable service mentioned in paragraph 3(2) of that Part were increased by a period in years or fractions of a year equal to the number of sixtieths which he was entitled to reckon at the time of his death under paragraph (1) or (2) of article 80H."

Home Office
21st July 1987

Douglas Hurd
One of Her Majesty's Principal Secretaries of State

We approve,

22nd July 1987

Mark Lennox-Boyd
David Light Brown
Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st October 1987, amends the Firemen's Pension Scheme Order 1973 so as to provide that regular firemen, where eligible, may elect to purchase increases in the personal and dependants' benefits payable by a fire authority ("the authority") under the Scheme set out in Appendix 2 to that Order ("the 1973 Scheme") up to the limit allowed by that Scheme. Payment may be made by lump sum or periodical contributions.

Article 3 of this Order makes a consequential amendment of the 1973 Scheme.

Articles 4 and 5 of this Order insert a new Part IXA and Schedule 9A in the 1973 Scheme and references hereafter in this note to numbered articles, to Part IXA and to Schedule 9A should be construed accordingly.

By virtue of article 80A a regular fireman is eligible to elect to purchase increased benefits if he was serving on or after 28th October 1981, has (or had when he ceased to serve) at least 9 years' remaining service, and would not otherwise qualify for the maximum ordinary pension payable under the 1973 Scheme.

Article 80B provides that an eligible fireman may elect to purchase such increase as will secure benefits up to the maximum payable under the 1973 Scheme.

Article 80C provides for payment by lump sum within 12 months of 1st October 1987 or, if the fireman is still serving, the date on which he commenced serving. The lump sum is calculated in accordance with paragraph 1 or 3 of Part I of Schedule 9A and is payable within 3 months of the date of election.

Under article 80D payment may be made by periodical contributions if the fireman has at least 2 years from his next birthday to serve before retirement. An election to pay by this method must be made within 12 months of 1st October 1987 or not less than two years before retirement is due. Where an election is made within 12 months of 1st October 1987 but less than 2 years before the due date of retirement it is deemed to have taken place 2 years before that date. Periodical contributions are calculated in accordance with paragraph 2 or 3 of Part I of Schedule 9A.

Under article 80E a fireman with less than 2 years to serve before retirement, but who was serving on 28th October 1981, may elect to make payment by periodical contributions and his election is deemed to have taken place on that date.

Article 80F stipulates that a fireman may not elect to make payment by periodical contributions if he is under notice of retirement or, where the authority so resolve, without a medical examination.

By virtue of article 80G an election to purchase increased benefits is irrevocable where payment is by periodical contributions except where the authority are satisfied that financial hardship is being caused thereby and accordingly consent to discontinuance of contributions for such period as they think fit.

Article 80H and Part II of Schedule 9A govern the reckoning of additional benefits which a fireman has elected to purchase.

Article 80I and Part III of Schedule 9A provide that references in the 1973 Scheme to various personal and dependants' benefits are to be construed, where appropriate, as including increases in those benefits under or by virtue of Part IXA.

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