

## Joining the FPS 2015

### Introduction

This factsheet tells you about the benefits available to you if you choose to join the Firefighters' Pension Scheme 2015 (FPS 2015).

Members are encouraged to understand what the FPS 2015 offers to them before making any decision relating to their membership of the scheme. This may also require you to seek independent financial advice where appropriate.

### FPS 2015 - Summary of benefits

A guaranteed public service career average pension that remains one of the best available and is a tax efficient way of saving for retirement

Retirement with benefits payable in full at age 60 that increase automatically with the cost of living

Ability to retire early from age 55, with reduced benefits

The ability to exchange part of your annual pension for a one-off, tax-free lump sum payment

Ill-health retirement benefits if you must leave work through permanent ill health

A lump sum death grant of 3 times your pensionable pay if you die in service

Dependants' benefits for a surviving partner, and/or children

### How much will I pay?

As a member of FPS 2015 you pay a pension contribution which is a percentage of your pensionable pay or assumed pensionable pay. Your contribution rate depends on how much you are paid; however, the current rates are between 11% to 14.5%. The rate you pay depends on which pay band you fall into.

Details of the contribution bandings are available on the ['How much do I pay'](#) section of the FPS member website.

Contributions are deducted from your pay each month.

Your contribution rate will be determined at the start of your membership and then at the start of each subsequent scheme year (1 April).

If you have a change in scheme employment or any material change during the financial year which affects your pensionable pay so that it falls into a different contribution band, the FRA will advise you of a change in contribution rate and the date from which the change will be applied.

The FRA pays an employer's contribution each month plus extra charges for ill-health awards and the cost of exercising certain discretions allowed under the scheme rules. Employer contributions are calculated by the Scheme Actuary every four years.

The current employer contribution rate for FPS 2015 is 37.6%.

## Do I get tax relief?

As a member of FPS 2015, if you earn enough to pay tax, your contributions will attract tax relief when they are deducted from your pensionable pay. There are restrictions on the amount of tax relief available on pension contributions. If the value of your pension savings increases in any one year by more than the standard annual allowance of £60,000 (increased from £40,000 on 6 April 2023), you may have to pay a tax charge.

## Can I transfer my previous pension?

When you join the FPS 2015 you will be asked if you were previously a member of another pension scheme and if you would like your FRA to explore the possibility of a transfer of pension rights to the FPS 2015.

The FPS 2015 can accept a transfer from:

- another occupational pension scheme registered with HM Revenue and Customs,
- a qualifying recognised overseas pension scheme,
- or a personal pension scheme.

An application for a transfer must be made in writing. Depending on the type of pension scheme you were a member of certain restrictions and time limits may apply – the FRA will advise you of these, and of any other information needed from you or your previous scheme about the potential transfer payment.

Further information can be found under the [‘Transferring pension from other schemes’](#) section of the FPS member website.

## Can I increase my pension?

To increase your FPS 2015 pension on retirement and any survivor benefits that may become payable, you can pay added pension contributions to buy added pension.

You can pay added contributions up to an annual limit, which increase each year. This amount would then be payable every year for life, on top of your standard FPS 2015 benefits. The limit is then increased each April in line with the Pensions Increase Act 1971.

You may choose to pay monthly by periodical contributions.

If you have been in your current employment as a firefighter for less than 12 months, you can make a lump sum payment as often as you want providing that you do not exceed the maximum annual limits, as set out above. Once you have been employed for over 12 months, you cannot make any further lump sum payments however, you do have the option to make periodical payments, as set out in the section below.

Further information can be found under '[Can I increase my pension](#)' section of the FPS member website.

## When can I retire?

You must have at least 3 months' qualifying service in the FPS 2015 to be entitled to a pension. Qualifying service is the calendar length of scheme membership.

Normal pension age for the FPS 2015 is age 60. If you choose to remain an active scheme member after age 60, you will continue to build up pension and would get an "age addition" to reflect the fact that you have worked for longer. There is no limit to the amount of pension that you can build up by remaining in service.

You can ask for payment of your pension before age 60 if you have reached age 55. Your pension may be reduced for early payment.

An [ill-health pension](#) may be payable at any age.

The [FPS 2015 retirement decision tree](#) and [FPS 2015 retirement factsheet](#) outline the various options for retirement.

For further information please see '[When can I retire?](#)' section of the FPS member website.

## What happens to my pension if I die?

The FPS 2015 provides valuable life cover and financial protections for your family and loved ones. These include:

- A lump sum death grant of 3 x your pensionable pay at the date of death.
- Survivors pension payable to a husband, wife, civil partner, or cohabiting partner.
- Childrens pensions payable to a child up to the age of 18 or 23 if in full time education, or who is dependent on you because of permanent incapacity of mind or body.

For further information please see the following pages on the FPS member website:

- [a lump sum death benefit](#)
- [a survivor's pension](#)
- [children's pensions](#)

## Can I opt out?

Membership of the Firefighters' Pension Schemes is automatic, but not compulsory. The schemes allow you to save while you are working to enjoy a pension when you retire. They are workplace pension schemes, provided by your employer who also meets part of the cost of providing the range of secure benefits. So, it is an extremely valuable and important part of your employment package.

Whatever your reasons for thinking about opting out, you should give it careful consideration before deciding. It is worth taking time to look at the benefits you are giving up - these are detailed in the table below. You may also wish to take independent financial advice. If you decide to opt out based on advice you receive, you should ask for this advice in writing.

Your employer cannot ask you or force you to opt out. If you are asked or forced to opt out, you can tell [the Pensions Regulator](#).

Equally, no one can force you to remain in the scheme but, if you choose not to be a member, you should understand the implications for both you and your dependents before opting out.

Further information, and other items to consider is available on the '[Opting out](#)' page on the FPS member website and in our [opting out](#) factsheet.

This factsheet has been prepared by LGA to give some guidance on the rules of the pension scheme using the regulations as they stand in September 2024; however, they should be used only as an informal view of the interpretation of the firefighters' pension scheme as only a court can provide a definitive interpretation of legislation. This factsheet should not be interpreted as legal advice.

Please address any queries on the content of this factsheet to [bluelight.pensions@local.gov.uk](mailto:bluelight.pensions@local.gov.uk)

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