



Circular

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Status:	For Action
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Title:	Firefighters' Pension Schemes (Wales) – Revised Pension Debit Adjustment and Pension Credit Factors
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Issued by:	Cerys Myers Fire Services Branch
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Addressed to:	Please forward to:
Chief Fire Officers	Treasurers Pensions Officers Scheme Administrators

Summary
This circular provides revised Pension Debit Adjustment and Pension Credit factors as a result of the change to the SCAPE discount rate confirmed in the Budget on 29 October 2018. It requires immediate action.

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Introduction

1. FRAs and Scheme Administrators will already be aware of HM Treasury's proposals to reduce the SCAPE discount rate from 2.8% to 2.4%pa above CPI. This change was confirmed in the Budget announced on 29 October 2018 with immediate effect (as set out in [W-FRSC\(2018\)-10](#) issued on 1 November 2018).
2. The Government Actuary's Department (GAD) has revised the Pension Debit Adjustment and Pension Credit factors based on a SCAPE discount rate of 2.4% net of CPI increases. They have been calculated on a unisex basis.

Pension Debit Adjustment and Pension Credit factors

3. The addendum attached at Annex 1 provides revised Pension Debit Adjustment and Pension Credit factors to be applied with **immediate effect** for all future calculations and replaces those previously in force.
4. Administrators are advised that the pension credit factors used in each particular case should correspond to those used for the calculation of the Divorce CETV. In particular, if there are any outstanding pension credits to be calculated where a determination has been made using a Divorce CETV calculated on the old factors then they should be processed using the old pension credit factors.

Guidance

5. GAD will update the guidance note and example calculations to reflect the revised factors at a later date and the Welsh Government will issue these as soon as work has been completed.

Cerys Myers
Governance, Capability and Response
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