



Added Pension Contributions – FPS 2015

In order to increase your Firefighters' Pension Scheme 2015 (FPS 2015) pension on retirement and any survivor benefits that may become payable, you can pay Added Pension Contributions to purchase added pension.

How much Added Pension you can buy

You can pay added contributions to buy up to £7,041 of added pension (2020-21 limits) in the FPS 2015. This is payable every year for life, on top of your normal FPS 2015 benefits. The limit will be increased each April in line with the Pensions (Increase) Act 1971.

You may choose to pay monthly by periodical contributions.

If you have been employed as a firefighter within the last 12 months you could make a one off payment into the scheme by lump sum.

Paying by periodical payments

An election to pay added pension payments by periodical payments may only be made at least two years before your normal pension age (60).

If you elect to pay by periodical payments, they will be deducted from your pensionable pay on the first appropriate pay period after the date on which the Fire & Rescue Authority (FRA) receives the notice of your election in addition to your normal pension contributions to the scheme.

They will cease at the end of the scheme year (i.e. 31 March), or on the date specified in your election, whichever is the earlier. Your periodical payments must cease if you are no longer an active member of the scheme, or if it appears to the FRA that you will exceed the overall limit of added pension (£6,761 for 2019/20).

An amount of added pension will be credited to your added pension account for that scheme year. The amount credited is an amount calculated in accordance with guidance issued by the Government Actuary's Department (GAD). If you wanted to continue your periodical payments into a further scheme year, the amounts would need to be re-calculated taking into account the factors that would apply for that scheme year.

If you wished to cease the payment of your periodical payments, you will need to give written notice of your decision. The added pension contributions would stop from the next appropriate pay period after the date on which the authority receives the notice of your election to cease them.

Paying by lump sum

If you are eligible to make payment by lump sum you must specify the amount you wish to pay. This must not be less than any minimum amount determined by the FRA. You should ask your FRA for their policy on this matter.

Once you have elected to buy the Added Pension by lump sum, you must pay the amount due within 3 months after the date on which you elected to buy it. If you do not pay it within the 3 months, your election is void and you will need to ask for a new quotation.

Following receipt of lump sum payment, an amount of added pension will be credited to your added pension account for the relevant scheme year. The amount credited is an amount calculated in accordance with guidance issued by GAD.

Example Added Pension calculations:-

A 35-year-old Firefighter earning £30,533 per annum:-

Option	Payment Method	Amount to be paid	Amount of Pension Purchased per annum
1. Buy £1,000 of annual pension	Lump sum	£12,767.00	£1,000.00
	Monthly	£1,041.04	£1,000.00
2. Pay £1,000 lump sum	Lump sum	£1,000.00	£78.33
3. 5% per month	Monthly	£127.22	£122.00
4. Pay £100 per month	Monthly	£100.00	£96.00

A 45-year-old Firefighter earning £30,533 per annum:-

Option	Payment Method	Amount to be paid	Amount of Pension Purchased per annum
1. Buy £1,000 of annual pension	Lump sum	£15,642.00	£1,000.00
	Monthly	£1,275.44	£1,000.00
2. Pay £1,000 lump sum	Lump sum	£1,000.00	£63.93
3. 5% per month	Monthly	£127.22	£99.75
4. Pay £100 per month	Monthly	£100.00	£78.40

A 55-year-old Firefighter earning £30,533 per annum:-

Option	Payment Method	Amount to be paid	Amount of Pension Purchased per annum
1. Buy £1,000 of annual pension	Lump sum	£18,986.40	£1,000.00
	Monthly	£1,548.14	£1,000.00
2. Pay £1,000 lump sum	Lump sum	£1,000.00	£52.67
3. 5% per month	Monthly	£127.22	£82.18
4. Pay £100 per month	Monthly	£100.00	£64.59

- Calculations are based on monthly payments being paid each month for 12 months of the scheme year (April to March).
- Contribution amounts shown are before tax relief is applied.
- Amount of pension shown is assuming you retire at age 60 from active service. Actuarial reductions will apply to the amount of pension if you retire before age 60 or before your state pension age if you leave before being able to retire.

Further information and how to apply

If you are interested in purchasing Added Pension and would like a quotation, please complete the Buying Added Pension Form and return it to your pensions administrator. More information on the pension scheme, is available from:-

<https://www.esfrs.org/staff-area/pensions/firefighters-pension-scheme-portal/>

The information provided in this leaflet is intended to provide helpful information but does not constitute financial advice. It should not be treated as a complete and authoritative statement of the law. Before deciding whether or not buy Added Pension to top up your FPS 2015 Pension it is worth considering consulting an [independent financial adviser](#) and/or the [Pensions Advisory Service](#). In the event of any dispute the appropriate legislation will prevail.