



INFORMAL GUIDANCE

## The Retained Firefighters' Pension Scheme

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Modified pension arrangements and terms of payment for eligible individuals – Second options exercise (2023)

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## Background

A new category of members of the Firefighters' Pension Scheme 2006 (FPS 2006) known as "special members" who were introduced in 2014, following [Matthews v Kent and Medway Towns Fire Authority & others](#), which allowed retained firefighters employed between 1 July 2000 and 5 April 2006 to join FPS 2006 with retrospective effect to 1 July 2000.

Following the introduction of the [Part-Time Workers \(Prevention of Less Favourable Treatment\) Regulations 2000](#), a claim was made by several retained firefighters that they should receive equal treatment with full-time regular firefighters and thereby be able to access pension benefits under the Firefighters' Pension Scheme 1992 (FPS 1992). The claim proceeded through the Employment Tribunal and Court of Appeal before judgment was given in the House of Lords in favour of the retained firefighters.

Although, since 6 April 2006, retained firefighters have been eligible to join FPS 2006, the House of Lords judgment allowed those who were serving during the period 1 July 2000 to the date on which they elected to join FPS 2006, to have special provisions which generally reflect the rules of FPS1992. They could not be given backdated membership in FPS 1992 because that scheme is now closed. Consequently FPS 2006 was amended to introduce pension benefits for these "special" retained firefighters, known as the modified FPS 2006.

A time-limited options exercise took place between 2014 and 2015 to allow eligible individuals to join the FPS. Those who qualified for special membership of FPS 2006 had to make an election to join no later than 30 September 2015.

More recently, following the European Court of Justice's decision in [O'Brien v Ministry of Justice](#) concerning fee paid judges in the Judicial Pension Scheme. The judgment held that remedy could extend back before the Part-time Workers Directive was required to be implemented on 7 April 2000. As a binding judgment, that finding applies across all such claims and therefore the UK Government recognised the right applies to retained firefighters' claims or potential claims.

After an extended period of negotiations on the scope and mechanics of the settlement, a [Memorandum of Understanding \(MoU\)](#) was agreed by all parties on 9 March 2022. Remedy for retained firefighters affected by the O'Brien judgment will be provided by way of a second options exercise allowing in-scope individuals the opportunity to purchase pension entitlement as a special member of FPS 2006.

The Regulations needed for the second options exercise are due to come into force on 1 October 2023. The second options exercise will allow individuals who have retained service between 7 April 2000 and 30 June 2000 to backdate their

membership for this period and back to their date of joining, providing that the retained service is continuous.

## Summary

The information set out in this document provides details of the pension benefits on offer to any individual who was employed as a retained firefighter in England during the period and is eligible to be part of the second options exercise:

- 7 April 2000 to 30 June 2000
- 7 April 2000 to 30 June and 1 July 2000 to 5 April 2006
- 1 July 2000 to 5 April 2006, who was not given the option to join the Modified 2006 as part of the first options exercise.

Please note it is your responsibility to seek independent financial advice, if you deem it necessary, on whether to proceed. Fire and Rescue Authorities (FRAs) can only provide a statement of cost and information about the modified FPS 2006.

The pension benefits are incorporated within the Firefighters' Pension Scheme 2006 (FPS 2006). It does not constitute a scheme on its own but rather a new modified section of FPS 2006 with different benefits. However, for the purposes of this information leaflet we will refer to it as the "*modified FPS 2006*".

Further information relating to the second options exercise is available at [www.fpsmember.org/fps-2006-special-members/second-options-exercise](http://www.fpsmember.org/fps-2006-special-members/second-options-exercise)

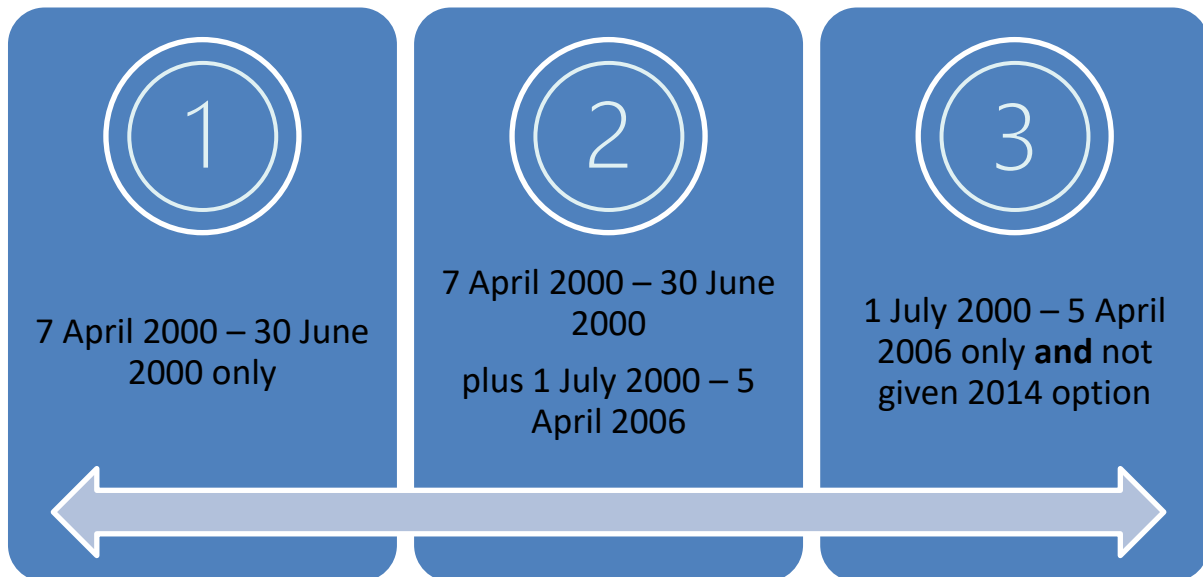
This document does not replace or substitute any documents which will be provided to you on joining the modified FPS 2006.

By signing the options election form confirming you wish to join the modified FPS 2006 you will be agreeing to the terms of payment outlined within this document and accompanying letter.

The modified FPS 2006 will be subject to the reforms that apply to all public service schemes. Should you be impacted by the age discrimination remedy (2015 remedy), because of joining the modified 2006 scheme, you will be contacted once you have decided under this options exercise. Further information regarding the 2015 remedy is available at [www.fpsmember.org/2015-remedy](http://www.fpsmember.org/2015-remedy)

## Am I Eligible?

The diagram below sets out the dates you must have been employed as a retained firefighter to be eligible for the second options exercise.



Membership will be open to all such eligible individuals, this includes:

- Current firefighters
- Firefighters who have left the service.
- Firefighters who have left the service and are in receipt of a pension: and
- Firefighters who have left the service and are in receipt of ill health retirement benefits.

The modified scheme is available to individuals who were employed as a retained Firefighter by an English Fire and Rescue Authority during the relevant period, as you were not given the opportunity to join the FPS 1992 in respect of that employment. The Government has now introduced the terms of the Retained Firefighters' Pension Settlement that will offer pension entitlement for all employees who were employed as retained firefighters between the relevant period. If you joined after that date, you are not eligible to join the modified FPS 2006.

If you were employed as a retained firefighter between 7 April 2000 and 30 June 2000 you will be able to have any continuous retained service before and including 7 April 2000 counted as pensionable service.

Any individuals eligible to join the modified FPS 2006 will be entitled to elect to pay the historic contributions to count their retained service during the extended limited period as part of their pensionable service. The individual can choose the date on which they enter the scheme within this period. Payments for historic contributions can be made by either a lump sum payment, periodical contributions (not applicable for individuals with an immediate pension entitlement) or by commuted lump sum

(only applicable for individuals with an immediate pension entitlement) Further details are outlined within this document.

Special Firefighter members will be able to continue their membership of the modified FPS 2006 provided that they remain in continuous eligible pensionable service and do not opt out of the scheme. Eligible individuals will have the option to transfer pension benefits from other pension schemes into the scheme provided that the individual has not already had the option to transfer in such service as a member of the standard FPS 2006 following the options exercise in 2007. **This exercise will be undertaken after you have joined the scheme, within time restrictions which will be advised by your pension provider.**

Regular firefighters employed under a single contract that includes regular and retained duties which would include duty systems such as 'day crewing' during this period are not recognised as part time workers. Therefore, firefighters employed under 'day crewing' contracts between 7 April 2000 and 30 June 2000 or 1 July 2000 and 5 April 2006 inclusive will not be permitted to join the modified FPS 2006 for any retained elements of their contract.

Where an individual left their employment as a retained firefighter after 5 April 2006 and without a break in service took up employment as a regular firefighter, then the individual will have the option to combine these periods of service under the modified FPS 2006.

## Method of calculating service into the modified pension scheme

The usual method of assessing service for retained firefighters is used to assess potential special service which can be "purchased", i.e. for each year is;

$$\frac{\text{Actual pensionable pay}}{\text{Reference pay}} = \text{special pensionable service}$$

Consequently, your personal calculation, as contained within the attached individual statement of details, has been made up of;

- the period during which the individual was serving as a retained firefighter (noting the date, if any, when the firefighter became a regular member of FPS 2006)
- the earnings of the individual for each year of service during that period which could count as pensionable if a scheme member.
- the earnings of a whole-time regular firefighter in a similar role and with similar service (i.e. "reference pay").

As determined by the scheme regulations the Fire and Rescue Authority (FRA) must calculate the amount of the special pension contributions payable in respect of special pensionable service during the extended limited period. Pension contributions

are assessed at the rate of 11% of pensionable pay for the period up to and including 31 March 2012.

If you have provided no additional documentation to assist in the establishment of service and/or pay we have calculated the above on pensionable pay based on the information we hold on our records or assumptions as set out in the regulations as defined for this exercise. A breakdown of these figures is contained within the individual statement of details.

## Information- membership category

There are three distinct types of special members which will depend on your own personal circumstances at the point of joining.

1. You will join as a **special firefighter member** if you:
  - (i) took up employment as a retained firefighter before 6 April 2006; This includes firefighters who were employed for all or part of the eligible period and who remain in service without a break in service. This could also include a retained firefighter who subsequently moved to wholetime and remain employed as wholetime now.
  - (ii) have continued in that or subsequent employment as a retained firefighter<sup>1</sup>; and
  - (iii) elect to join the modified FPS 2006 and pay the contributions.
  
2. You will join as a **special deferred member** if you:
  - i) were employed as a retained firefighter for all or part of the eligible period, and before age 55 left<sup>2</sup> that employment on a date prior to joining the modified FPS 2006;
  - (ii) join the modified scheme as a special firefighter member and subsequently leave your employment (or opt out of the modified FPS 2006) before age 55; or
  - (iii) are already a member of the standard FPS 2006 for your retained employment and subsequently join the modified FPS 2006 as a special firefighter, in respect of the same employment, and decide not to convert your standard service to modified service i.e. you decide to continue with your FPS 2006 membership.

This includes firefighters who were employed for part or all the eligible period who left employment on a date prior to making an election to join the modified FPS 2006 and

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<sup>1</sup> You will also be entitled to join as special firefighter member if you satisfy points (i) and (iii) above, but ceased to be a retained firefighter on or after 6 April 2006 and immediately after, without a break in service, became a regular firefighter and continued as such until the date of your election.

<sup>2</sup> This will not apply if you left due to ill-health and are assessed as being entitled to a retrospective ill-health pension by an IQMP.

who are not entitled to immediate payment of their modified scheme pension on this date.

It also covers retained firefighters who elect to join the modified FPS 2006 as a special firefighter member and subsequently leave employment or opt out of the scheme before becoming entitled to an immediate payment of benefits.

It would also apply to members individuals who are also members of the FPS 2006 and are eligible to join the modified FPS 2006, but do not convert their FPS 2006 to the modified FPS 2006, i.e., they continue with their standard membership.

3. You will join as a ***special pensioner member*** if you:

- were employed as a retained firefighter for all or part of the eligible period, and had left that employment on a date prior to making an election to join the modified FPS 2006; **and** you meet one of the following conditions;
  - (a) you had attained age 55 when you left your employment; **or**
  - (b) you have attained age 60; **or**
  - (c) you were medically discharged or left due to ill-health prior to 6 April 2006 and are certified by an Independent Qualified Medical Practitioner (IQMP) that you were permanently disabled for undertaking the role of a firefighter at the date of your discharge and that your permanent disablement has continued to the date of the medical assessment.

This includes firefighters who were employed for part or all the reference period who left employment for all or part of the eligible period and who would become eligible to receive their pension immediately on joining the new scheme. It also includes individuals who are 60 or above. Is entitled to an ill health pension. Any eligible individual who is certified as being permanently disabled prior to attaining ordinary pension age or normal benefit age, or any eligible individual who attains age 55 years and retires.

Important note: Anyone who joins as a special pensioner member will be entitled to receive backdated payment of their pension from the date that they would have first been entitled to receive it.



## Information

### Terms of payment

Please note, by signing the 'options election form' and confirming that you wish to join the modified FPS 2006, you will be declaring your understanding of these terms of payment, and all other conditions outlined within this document, the covering letter, and annexes.

### Commutation

As a member of the modified FPS 2006 you will have an option to commute part of your annual special pension for a lump sum on retirement. The amount of lump sum that you will receive will be determined by applying commutation factors.).

The commutation factor will be age related but fixed. The amount that a member can commute will be limited to the amount that is permissible without a scheme chargeable payment being required under [part 4 of the Finance Act 2004](#).

**Important note:** The amount that a member can commute will be limited to the HMRC Pension Commencement Lump Sum Limit.

### Abatement

Abatement is the process whereby a member's pension is withdrawn, in full or in part, if they become re-employed by a fire authority after retirement. The rules for abating any pension paid under the terms of the modified FPS 2006 will reflect the corresponding provision of the FPS 2006. Any application of the abatement rules would only apply for those who are re-employed on or after 1 April 2014.

Abatement is not applicable under the 2015 CARE Scheme.

### Opting out of the modified FPS 2006

If you join the modified FPS 2006 and subsequently opt-out prior to becoming entitled to an immediate payment of pension you will become entitled to a special deferred pension which is payable from age 60.

You will not be permitted to re-join the modified scheme at a later date.

You should discuss this with the pension provider at the time of opting out of the scheme.

## Death Grant

If you were to die whilst being a special firefighter member, the modified FPS 2006 will pay a death grant equal to 2.5 times your pensionable at the time of your death to your spouse, civil partner or nominated partner.

## Additional Death Grant

An additional death grant is payable to a spouse or civil partner at the rate of 0.1 x pensionable pay for each full qualifying year of continuous retained service that the deceased member had prior to and including 7 April 2000.

## Taxation

If you join the modified FPS 2006, you may be entitled to receive certain tax relief on the historic contributions in respect of your eligible past service employee contributions.

This will not be by the usual PAYE or self-assessment route.

Instead, the regulations allow for tax relief to be deducted from the cost of purchasing historic service under the 2023 options exercise. The tax relief which is awarded is based on the basic taxation rates which applied during your historic period of membership.

Additionally, there is a provision in the regulations that allows for additional tax relief to be awarded where robust evidence is supplied which shows that you were a higher rate taxpayer during the historic period of membership.

## Buying back your service in the modified FPS 2006

### Special firefighter member

If you join the modified FPS 2006 as a special firefighter member you will have the option of paying the historic contributions by means of a lump sum payment or periodical contributions. If you elect to pay by lump sum, you will have six months from the date of electing to join the modified FPS 2006 to pay the lump sum. If the lump sum has not been received by the FRA before the expiration of this period, your election to join the modified FPS 2006 will be treated as not having been made.

Alternatively, you will have the option of purchasing your past service rights by means of making periodic contributions over a spreading period of:

- 10 years, for retained service from 1 July 2000 to 5 April 2006,

- 20 years, for continuous retained service prior to and including 7 April 2000 to 30 June 2000,
- or up to the point when you become entitled to receive payment of your pension (retirement), whichever comes earlier.

Upon retirement, any outstanding balance should be paid within three months of becoming entitled to receive payment of your pension. You will have the option of paying this from your commuted lump sum, or from another source.

Should you elect to pay by way of period contributions, additional interest will be payable. The amount of additional interest due is set out on your statement.

**Important note:** The total level of commuted lump sum, for tax purposes, will be the amount of lump sum, prior to the payment of your historic contributions, not the residual lump sum after contributions have been deducted.

If you decide to opt out of the modified FPS 2006, cease paying the periodic contributions or decline to pay any outstanding balance of historic contributions on retirement then you will receive a prorated service credit for the service that you have purchased. You will also become entitled to a special deferred pension. There will be no option for you to resume the periodical payment of contributions later.

If you were to die whilst making periodical contributions in respect of your past service, your special pensionable service in the modified FPS 2006 will be credited with the full amount of special service that you had elected to purchase. This will be used to determine any survivor benefits that may be payable in respect of your pension.

If you were to become entitled to an ill-health pension whilst making periodical contributions in respect of your past service, you will have the option to pay any outstanding balance by lump sum, including from a commuted lump sum. If you choose not to pay an outstanding balance, then the past service credit will be prorated to reflect the past service contributions actually paid.

## Special deferred member

If you join the modified FPS 2006 as a special deferred member you will have the option to pay the cost of your historic contributions by means of lump sum.

If you elect to pay by lump sum, you will have six months from the date of electing to join the modified FPS 2006 to pay the lump sum, otherwise your election to join the modified FPS 2006 will be treated as not having been made.

Alternatively, you will have the option of purchasing your past service rights by means of making periodic contributions over a spreading period of:

- 10 years, for retained service from 1 July 2000 to 5 April 2006,

- 20 years, for continuous retained service prior to and including 7 April 2000 to 30 June 2000,
- or up to the point where you become entitled to receive payment of your deferred pension, whichever comes earlier.

Upon becoming entitled to receive payment of your deferred pension, any outstanding balance could be paid at that time from your commuted lump sum, or from another source.

If the value of your commuted lump sum is not sufficient to pay the full balance of your past service costs, you will be required to pay any outstanding balance within three months of becoming entitled to receive payment of your pension.

Should you elect to pay by way of period contributions, additional interest will be payable. The amount of additional interest due is set out on your statement.

**Important note:** The total level of commuted lump sum, for tax purposes, will be the amount of lump sum, prior to the payment of your historic contributions, not the residual lump sum after contributions have been deducted.

If you decide to cease paying the periodic contributions or decline to pay any outstanding balance of historic contributions on retirement, then you will receive a prorated service credit for the service that you have purchased. There will be no option for you to restart the periodical payment of contributions later.

If you were to die whilst making periodical contributions in respect of your past service, your special pensionable service in the modified FPS 2006 will be credited with the full amount of special service that you had elected to purchase. This will be used to determine any survivor benefits that may be payable in respect of your pension.

Under the terms of the negotiated Settlement, if you join as a special deferred member, you will not have an entitlement to transfer any other pension benefits (be that from the FPS 1992, FPS 2006 or any other external pension arrangements) into the modified FPS 2006; or to convert service between the FPS 2006 and the modified FPS 2006.

## Special pensioner member

If you join the modified FPS 2006 as a special pensioner member you will have to pay the cost of your historic contributions by means of lump sum only. You will have to pay the lump sum to the relevant fire authority within six months of electing to join the modified scheme. You will not receive any pension payments until the lump sum has been paid.

However, you will have the option of paying your lump sum from any commuted lump sum. Where this option is made, the fire authority responsible for implementing your pension entitlement will deduct the total cost of your historic lump sum payment from your commutation lump sum prior to it being paid to you. If the value of your

commuted lump sum is not sufficient to pay the full balance of your past service costs, you will be required to pay any outstanding balance within three months of becoming entitled to receive payment of your pension.

**Important note:** The total level of commuted lump sum, for tax purposes, will be the amount of lump sum, prior to the payment of your historic contributions, not the residual lump sum after contributions have been paid.

If you elect to purchase your past service from some other source, other than your commuted lump sum, the full amount must be paid to the fire authority before the expiration of the six-month period after you elect to join the modified pension arrangements; otherwise, your election to join will be treated as not having been made.

### **Converting FPS 2006 membership to modified FPS 2006 membership and already in receipt of an ordinary/ill-health pension under FPS 2006**

If you joined FPS 2006 in respect of your retained service and have since retired and are receiving payment of the pension, you can continue to receive payment of your FPS 2006 pension but will be able to convert an equivalent amount of service into special service in the modified FPS 2006. There will be an offsetting mechanism to deduct the value of your FPS 2006 pension from the pension that will be paid under the modified FPS 2006. Essentially, you will end up receiving two pensions (one from FPS 2006 and one from the modified FPS 2006) with a combined value equal to what you would have received from the modified FPS 2006 had you converted all your FPS 2006 service to the modified FPS 2006.

Under the terms of the negotiated Settlement, if you join as a special pensioner member you will not have an entitlement to transfer any other pension entitlement (be that from FPS 1992, FPS 2006 or any other external pension arrangements) into the modified FPS 2006. You will also not have an option to convert service between FPS 2006 Scheme and the modified FPS 2006, unless you have already retired and are in receipt of a pension in respect of your FPS 2006 membership.

## **Information – transfers**

### **Transferring external pension benefits into the modified FPS 2006**

If you join the modified FPS 2006 as a special firefighter member, you may have the option to transfer pension benefits from other external pension schemes into your special membership. Further details on this can be obtained from the pension provider after you have joined the scheme.

## Transferring accrued FPS 1992 service into the modified FPS 2006

If you join as a special firefighter member and have existing service in FPS 1992 (in the form of a deferred pension) you may be eligible to transfer this service into the modified FPS 2006. Your election to transfer this service must be made to the relevant fire authority within one year of them notifying you of the details of the costs of purchasing your past service pension rights.

**Important note:** The modified FPS 2006 has a pensionable service cap of 30 years. This cap will still apply even if the total of your special pensionable service exceeds 30 years at the point of your retirement.

## Transferring deferred FPS 1992 service which is continuous from pre- 6 April 2006 retained service to the modified FPS 2006

If you are eligible to join the modified FPS 2006 as a special firefighter member and have an existing deferred pension in FPS 1992 and you did not have a break in service before becoming employed as a retained firefighter, then you will have the option to transfer this FPS1992 service into your membership of the modified scheme.

Under this option you will receive a 1/45<sup>th</sup> of special pensionable service for each full year of service that you accrued in FPS 1992. If you choose this option, you will be required to elect to start your special membership in the modified FPS 2006 from the date that you were first employed as a retained firefighter. If you are interested in considering this option, you must make the request to transfer your FPS 1992 at the same time as you make your election to join the modified FPS 2006.

**Important note:** The modified FPS 2006 has a pensionable service cap of 30 years; this will still apply even if the total of your special pensionable service exceeded 30 years at the point of your retirement.

## Converting service in the modified FPS 2006 scheme to FPS 2006 membership

If you are a current member of FPS 2006 you will be able to convert any special service accrued before 6 April 2006 to your FPS 2006 membership. The conversion of any service would be calculated in accordance with the preferential transfer terms that were on offer to FPS 1992 members who transferred to the standard FPS 2006 in 2007.

To qualify for this option there must be no break in service between your membership of the modified FPS 2006 scheme and FPS 2006. Therefore, if you did not choose to join FPS 2006 scheme from 6 April 2006, then you will also be required to pay the contributions in FPS 2006 for any service accrued on or after 6 April 2006 up to the date you joined FPS 2006. This additional service would then be

credited to your standard FPS 2006 service as 1/60th for each full year accrued. If you do not fully pay the historic contributions, then any service credit to your FPS 2006 membership will be prorated accordingly.

If you were interested in considering this option, you should have made this request for the associated service credit quote from the fire authority at the same time as declaring your interest in joining the modified scheme. **Please refer to your individual statement of details.**

If you were part of the first options exercise in 2014 and elected to convert your modified FPS 2006 service to FPS 2006 standard membership you may be able to revisit your decision. As being eligible for the second options exercise may have a material impact on your conversion decision that you made during the first options exercise.

## **Converting FPS 2006 membership to modified FPS 2006 membership.**

If you are a current member of FPS 2006 in respect of service which is linked and continuous to your pre-6 April 2006 retained service, you will have the option to convert your FPS 2006 membership to modified FPS 2006. This will be conditional on you paying the difference in the employee contribution rates between the modified FPS 2006 and FPS 2006, including interest. On full payment of the top up contributions, the service in FPS 2006 would be credited to your special service in the modified FPS 2006 at a rate of 1/45<sup>th</sup> for every full year accrued.

If you were to default in the payment of these increased contributions, your election to convert will be revoked as there will not be continuity of service between your membership of both schemes.

If you are interested in considering this option, you must make this request to convert at the same time as you elect to join the modified FPS 2006. Please refer to the 'options election form.'

If you were part of the first options exercise in 2014 and elected to convert your FPS 2006 membership to the modified FPS 2006 membership you may be able to revisit your decision. As being eligible for the second options exercise may have a material impact on your conversion decision that you made during the first options exercise.

## **Information- ill health pensions and injury awards**

### **Ill-health pensions**

If you join the modified FPS 2006 as a special firefighter member and subsequently become permanently disabled for undertaking your role as a firefighter, you will be eligible to retire on the ill-health terms of the FPS 2006.



## Injury Awards

The protected right for those firefighters with unbroken retained employment from before 6 April 2006, who suffer a Qualifying Injury, to be treated as whole time regular firefighters **was removed** on 1 April 2014.

This is because as retained firefighters have the right to be treated as part-time firefighters for the purpose of the pension scheme, they will also be treated on the same terms as part-time regular firefighters where any injury and/or ill-health awards are prorated according to the member's service.

The removal of this protected right will not affect those former retained firefighters currently in receipt of injury and ill-health pensions or for those cases where the Qualifying Injury occurred prior to the date that the protected right is removed i.e. 1 April 2014. Those with "protected" injury awards are not in scope for the second options exercise.

## What do I need to think about as someone who left employment due to poor health between eligible service period(s)?

If you are a former retained firefighter who has an entitlement to join the modified scheme and were medically discharged or left employment due to ill-health between eligible service period, you may be entitled to receive the payment of a retrospective ill-health pension. Your entitlement will be subject to certification by an Independent Qualified Medical Practitioner (IQMP) that you were permanently disabled for undertaking the role of a firefighter at the date of your discharge and that your permanent disablement has continued to the date of the medical assessment.

Where your entitlement to a retrospective ill-health pension has been confirmed, the payment of the ill-health pension will take effect from the date of your dismissal and will be conditional on the payment of all historic contributions, including interest. The fire authority will also pay you a lump sum for any backdated ill-health pension payments, to include interest.

## Option form

If you do not return the options form within 6 months, you may lose the right to join the modified FPS 2006.

We encourage that you return the form regardless of whether you are confirming or declining to become a member of the modified FPS 2006.

If you indicate a 'no' that you do not wish to pursue an option, then you will be sent an acknowledgement receipt and no further action will then be taken.



If you return the options form indicating a “Yes” – you do wish to take up option of joining/transferring service into the modified FPS 2006 you will receive an acknowledgement receipt of form by letter/email as soon as received. The election will take effect from the date of receipt of the election form. The period that will count upon payment will be detailed in the statement of calculation.

If you have elected to pay by lump sum, then arrangements will be made for collection.

If you have elected to pay by periodic contributions, FRAs will notify their payroll of the amount to be collected as well as giving details of special membership status and the ongoing “standard” contributions that are due.

A special membership pension record will be created. You will receive further details from the pension provider as to confirmation of your membership.

# Annex 1

## OPTIONS ELECTION FORM

<b>RETAINED SETTLEMENT: ELECTION TO JOIN THE MODIFIED FPS 2006 AND STATEMENT OF SPECIAL SERVICE</b>
---

Complete in **BLOCK CAPITALS**:

<b>Surname</b>	
<b>Forename</b>	
<b>Date of Birth</b>	
<b>National Insurance Number</b>	
<b>Address</b>	
<b>Email Address</b>	

Confirmed details of your retained employment (FRA TO COMPLETE)			
<b>From</b>	<b>To</b>	<b>Fire Authority</b>	<b>Station</b>

Date you became a member of FPS2006 (if applicable)	
Confirmed member of FPS 1992 Scheme	YES/NO

The costs applicable to you are contained within your individual statement of details.

In accordance with the information indicated in the covering letter, my individual statement, and the accompanying documents, I have considered my position, and have read and understood the information, and confirm that: (tick box A or B below)	
<b>A</b>	I wish to become a member of the Modified FPS 2006 and commit to the terms of payment outlined within this document and accompanying letter.
	The date I wish to join the modified FPS 2006 from:
	I wish to pay by lump sum:
	I wish to pay by periodical contributions and understand that additional interest is payable by choosing this option:

<b>In addition to my option to join (A):</b>	
I wish to convert my service under the modified FPS 2006 pension arrangements to FPS 2006 service.	
I wish to convert my FPS 2006 service to my membership under modified FPS 2006 pension arrangements.	
I wish to reverse my previous conversion decision under the 2014 options exercise.	
I wish to transfer my deferred FPS 1992 pension to my membership under the modified FPS 2006 pension arrangements (this will be carried out after you have joined the scheme)	
I wish to be considered for a retrospective ill-health pension under the modified FPS 2006 pension arrangements.	
<b>B</b>	I do not wish to become a member of the Modified FPS 2006 in respect of my employment as a retained duty system in the relevant period and acknowledge that no further action will be taken and that I will not have a further option to repay for the eligible period in the future.

Your Fire and Rescue Authority will now write to you confirming the details and will provide you with a notice of joining the modified FPS 2006.

If you wish to proceed, you should elect to do so within 6 months of receiving this options election form.

The election takes effect on the day on which the notice of election is received by the FRA and is irrevocable once the first contribution, or the lump sum, has been paid.

I understand that the contributions I have elected to pay under the Modified FPS 2006 Second options exercise (2023), must be paid by me from my personal income / funds and cannot be paid via any other method, and I will not be permitted to pay these contributions from any other source, such as a business / limited company account.

**Special Pensioners and Deferred Members who are not eligible for tax relief through PAYE** - I understand that the contribution amounts payable include a reduction which reflects tax relief at the basic rate of income tax that applied in each year during the period(s) stated. If and if I elect to purchase the service and benefits, then I will not be permitted to submit any claims to HMRC to seek further tax relief on any contributions paid.

**Active members in FRS employment** - I understand that I will receive tax relief on the periodic pension contributions I will be paying via PAYE. If I elect to purchase the service and benefits, then I will not be permitted to submit any claims to HMRC to seek further tax relief on any contributions paid.

I declare that I have been provided with the relevant options that apply to me, I have read the supporting documentation, sought independent financial advice, where required, and I understand my options that I am electing for.

<b>Name</b>	
<b>Signature</b>	
<b>Date</b>	

