

## PART D

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### **AWARDS ON DEATH - CHILDREN**

Part D covers the awards which may be payable to the child of a regular firefighter - ordinary allowance ( D1 ), special allowance ( D2 ), special gratuity ( D3 ) and accrued allowance ( D4 ) - subject to the limitations in rule D5. Calculation of the awards is mainly covered in the relevant part of Schedule 4, but Schedule 11 ( Part II ) may apply to certain cases involving pre - 1972 service. Additional provision in respect of children's awards are in Part E.

## SCHEDULE 4

D1 - Examples 1 to 4

## GENERAL

Regular firefighters	Your children will be eligible for any of the awards which Part D provides, subject to the limitations in D5.
Members of brigades other than regular firefighters	As you are not a regular firefighter you pay no pension contributions to the Firefighters' Scheme and the possibility of children's awards would only arise in the event of your death from a qualifying injury (See J3 and J4).
Table A	Table A at D Gen-3 shows the maximum amounts of children's ordinary, special or accrued allowances which would be payable if the basic conditions were met.
Table B	Table B at D5-4 shows the circumstances by reference to age in which child allowances may be paid.
Service before 1 April 1972	If you have fire service, or transferred-in service, before 1 April 1972, your children may have a smaller ordinary or accrued allowance, based on your "half-rate" service only, or flat-rate allowances if bigger (see "POINTS TO NOTE 3", D Gen-2, "POINTS TO NOTE 1", D1-3 and "POINTS TO NOTE 2", D4-2.)
Pensions Increase	All children's allowances are increased in line with the retail price index. (see "POINTS TO NOTE 4", E8-2).

CHILDREN'S AWARDS

When are the awards paid?

Children's allowances are payable:

- \* from the date of your death until the child is no longer eligible, or
- \* if you die while in receipt of a pension, from the end of any period in respect of which your pension has already been paid, until the child is no longer eligible (see L3-2).

(A child who is both permanently disabled and substantially dependent on you when you die, or who becomes permanently disabled while receiving a child allowance, may have a child allowance payable for the rest of his or her life.)

Children's gratuities are payable as soon as the entitlement arises, and are payable:-

- \* in one sum, or
- \* if the fire authority think it would be better for a particular child, in such instalments as they think reasonable (see L3-2).

To whom are the awards paid?

- \* If the child is a minor:
  - the benefit is usually paid to the remaining parent, or to the guardian, or it may be paid to the child.  
(The fire authority have discretion to pay it to any person they think fit.)
- \* If the child is of age:
  - the benefit is usually paid to a child, unless the fire authority think the child is unable to manage his or her affairs, when they may pay it to whoever has care of the child, or apply it as they think fit (see L5-1).

If benefit is paid to someone other than the child, the fire authority may wish to satisfy themselves that it is being used for the benefit of the child.

POINTS TO NOTE

1. Child allowances and gratuities are not affected by any DSS benefits which may be payable in respect of a child.
2. A child's allowance forms part of the child's income for tax purposes (see L5-1 and "POINTS TO NOTE 1", ANNEX 3-2).
3. Children's allowances were not paid with widow's pensions at the 1/3 rate, so that uprating your "pre-1972 pensionable service" to the 1/3 rate had no effect on them.

Maximum amounts of child allowances  
set out in Schedule 4

Table A

Allowance and Circumstances	Individual Maximum	Group Maximum	What each maximum applies to
<u>ORDINARY</u> (Part I)  One parent alive (para 1(2))  Orphan (para 1(3))	18.75% (para 1 (2)(a))  25% (para 1 (3)(a))	37.5% (para 1 (2)(b))  50% (para 1 (3)(b))	Relevant parent's <sup>+</sup> ordinary, short service or ill-health pension, if such a pension was payable: otherwise a notional ill-health pension  * ignoring any reduction: - for commutation - for allocation - for uprating for widow's benefit, or - for National Insurance modification due at state pensionable age. (para 1(4))
<u>SPECIAL</u> (Part II)  One parent alive (para 2)  Orphan (para 3)	10% (para 2(a))  20% (para 3(a))	40% (para 2(b))  80% (para 3(b))	Relevant parent's <sup>+</sup> APP (see G1-1).
<u>ACCRUED</u> (Part III) (para 1) One parent alive  Orphan	18.75%  25%	37.5%  50%	Relevant parent's <sup>+</sup> deferred pension (para 2) ignoring:- (a) the restriction on payment before age 60, or permanent disablement, and (b) any reduction: - for commutation - for allocation - for uprating for widow's benefit, or - for National Insurance modification due at state pensionable age. (para 4)

<sup>+</sup> "Relevant parent" is the parent in respect of whose death the allowance would be payable.

Who is eligible?

A child who meets the basic condition for a child's award (see D5) will be eligible for a child's ordinary allowance:

- if you are a regular firefighter and you:
  - a. die while entitled to an ordinary, short service or ill-health pension,
  - b. die while entitled to an injury pension awarded on your retirement, but to no other pension under the FPS,
  - c. die having retired with a short service or ill-health gratuity with at least 3 years' service, or
  - d. die in service.

POINTS TO NOTE

1. Your children may be eligible for ordinary allowances however short your length of pensionable service. (In contrast, a spouse's ordinary pension is payable only after 3 years' pensionable service (see C1-1)).
2. a or d will cover most cases.
3. b is unlikely to happen - if you were entitled to an injury pension immediately on your retirement you must also have qualified for an ill-health pension. Your children would therefore qualify under a, unless your ill-health pension had been forfeited leaving only your injury pension in payment.
4. c could apply only if you retired before 6 April 1988 with a short service or an ill-health gratuity with between 3 and 5 years' service. However, if you later repaid your gratuity so that a transfer value could be paid to a new employer, there would be no later entitlement to ordinary allowances for your children. (This provision was introduced with effect from 1 March 1992, to correct an anomaly).
5. If you should die as a result of a qualifying injury, your children will normally receive special allowances under D2 (which are higher) instead of ordinary allowances.
6. Your children will be entitled to ordinary allowances if you were:
  - entitled to an injury pension which was not in payment only because of the size of your DSS benefits (see B4-3 to 5).

How much is  
the allowance?

The sums are set out in Examples 1 to 4. The basis of the calculation is explained here.

FIRST 13 WEEKS  
(see E8-1)

AFTER FIRST 13 WEEKS

The basic amount of a child's ordinary allowance after the first 13 weeks will depend on:

- \* whether or not the child is an orphan, and
- \* how many other children are eligible for allowances.

The basic amount is a percentage of:

- your ordinary, short service or ill-health pension, if you were entitled to such a pension when you died, or
- a notional ill-health pension in any other case. The notional ill-health pension is the ill-health pension to which you would have been entitled, if you had qualified for such a pension when you retired, or (if you should die in service) when you died.

unless flat-rate allowances are better (see "POINTS TO NOTE 3", D1-3).

Table A at D Gen-3 shows how the basic amount is calculated (including what restrictions or reductions in the payment of the pension or notional pension are to be ignored).

#### Reductions

- \* The basic amount of a child's ordinary allowance may be reduced:
  - if you are a man and had service which you did not elect to uprate for widow's and children's benefit (see "POINTS TO NOTE 1", D1-3),
  - if the child is in full-time training and being paid above a certain level (see D5-5).
  - if awards (other than flat-rate awards) for your widow(er) and children would otherwise exceed your own pension entitlement when you died (see "POINTS TO NOTE 2", D1-3).

#### Increases

- \* The basic amount of a child's ordinary allowance:
  - may be increased, if another eligible child has an allowance reduced or cancelled because of the level of pay in training (see D5-6), and
  - will be increased by pensions increase (see ANNEX 1-7).

## CHILD'S ORDINARY ALLOWANCE

### POINTS TO NOTE

1. If you are a man and have service before 1 April 1972, which you did not elect to uprate for widow's and children's benefits, any children's ordinary allowances which become payable after your death will be :
  - a: calculated as if you were entitled to a pension based on your half-rate service only, or
  - b: at the flat-rate, whichever is better.

(The greater the proportion of your service from 1 April 1972 onwards, the less likely that flat-rate allowances will be better.)

You should note that if you elected to uprate your "pre-1972 pensionable service" to the half-rate:

  - \* any children's ordinary allowances will be based on the appropriate percentage (see Table A at D Gen-3) for your full pension or notional pension, even if you die:
    - before completing your contributions, or
    - before you start receiving a pension which was due to be reduced to uprate your service.
2. The total of your widow(er)'s ordinary pension and children's ordinary allowances (other than flat-rate awards) - may not be more than any pension you were receiving just before you died. For this purpose:
  - any pension increase (PI) payable on your dependants' benefits or your own pension is also ignored, because the reference to these awards is to them as payable under this Scheme and PI is not so payable, but payable under the PI Acts.
  - the only reductions in your pension which will be ignored are those under Parts VII and VIII of Schedule 2: so if for instance, you commute or allocate part of your pension, your widow(er)'s and children's pension and allowances together may not exceed your pension remaining in payment after your commutation or allocation.
  - if you had 2 pensions, for example an ill-health and an injury pension, they would be added together for this comparison.
3. Flat-rate allowances (unlimited in number) will be paid to your children for any periods for which they are more favourable. This is likely to happen only if:
  - your service was very short, or
  - there are several eligible children, so that the total of the flat-rate allowances would be greater than the group maximum (see Table A at D Gen-3).
4. Children's ordinary allowances may need to be recalculated:
  - if their remaining parent dies,
  - if the number of eligible children changes, or
  - if there is a change in the amount of an allowance payable to a child in training.

How is the allowance paid? See L3-2 and L5-1.

CHILD WHOSE FATHER HAD "PRE-1972 PENSIONABLE SERVICE"  
COUNTING AT THE FLAT-RATE OR 1/3 RATE

- \* A child's ordinary allowance is normally equal to a percentage of the relevant parent's pension or notional pension, as shown in Table A, D Gen-3. (It is always so for the child of a female firefighter as there were no female firefighters serving before April 1972.)

Who is eligible?

Part II of Schedule 11 describes the circumstances in which it may be less. This could only be if you are a man and had "pre 1972 pensionable service" (see the Table C1-4), which you did not elect to uprate to the half-rate. The provisions can apply to you only if, on 1 July 1973, you were:

- serving as a regular fireman, or
- entitled to a pension other than a deferred pension.

- \* This paragraph could also apply to a child whose father died on or after 1 April 1972 but before 1 October 1973, without making an election, if a widow also did not elect to uprate her husband's "pre-1972 pensionable service" to the half-rate. (In such a case any entitlement to children's allowances will already have been established, on similar lines to those set out as follows.)



CHILD'S ORDINARY ALLOWANCE:  
SPECIAL PROVISIONS

How much allowance  
is payable?

CHILD'S ORDINARY ALLOWANCE  
WHERE "PRE-1972 PENSIONABLE SERVICE"  
COUNTS AT THE FLAT RATE, OR 1/3 RATE

\* Child's allowance is the greater of:

(a) the appropriate percentage,  $\times \frac{(A-B)}{60} \times \text{APP}$   
(as shown in Table A, D Gen-3)

or

(b) a flat-rate allowance (see E9-1)

"A" = pensionable service up to 30 years, counting such service over 20 years twice.

"B" = "pre 1972 pensionable service" up to 30 years counting such service over 20 years twice.

"APP" = average pensionable pay.

Note \* Formula (a) gives a child allowance based on half-rate service only, taking appropriate account of double reckoning after 20 years.

POINTS TO NOTE

1. All the other conditions relating to entitlement to children's allowances and when they are payable, apply to ordinary allowances payable under this paragraph.
2. If you elected to uprate your "pre-1972 pensionable service" to the half-rate, any children's allowances will be based on the appropriate percentage of your full pension or notional pension, whether or not you have completed the uprating at the time of your death.
3. If you elected to uprate your "pre-1972 pensionable service" only to the 1/3 rate, any children's allowances will be calculated under this paragraph, in the same way as if you had made no uprating election. Children's allowances were not paid with widow's pensions at the 1/3 rate, so that uprating your "pre-1972 pensionable service" to the 1/3 rate has no effect on them.

Who is eligible?

If you are a regular firefighter and you die as a result of a qualifying injury (see A9-1):

- \* a child who meets the basic conditions for a child's award (see D5) will be eligible for:
  - a child's special allowance

POINTS TO NOTE

1. A child who is eligible for a special allowance may also, in certain circumstances, be eligible for a special gratuity.

How much is the allowance?

The sums are set out in Examples 1 to 3. The basis of the calculations is explained here.

FIRST 13 WEEKS  
(see E8-1)

AFTER FIRST 13 WEEKS

The basic amount of a child's special allowance after the first 13 weeks will depend on:

- \* whether or not the child is an orphan
- \* how many other children are eligible for allowances.

The basic amount is the percentage of your APP (this is the total of your pensionable pay during the year before your retirement or death, divided by 52 1/6 (See G1-1)).

Table A at D Gen-3 shows how this basic amount is calculated.

Reductions

- \* The basic amount of a child's special allowance may be reduced:
  - if the child is in full-time training and being paid above a certain level (see D5-5).

Increases

- \* The basic amount of a child's special allowance:
  - may be increased, if one of the other children has an allowance reduced or cancelled because of the level of pay in training (see D5-6), and
  - will be increased by pensions increase (see ANNEX 1-7).

CHILD'S SPECIAL ALLOWANCE

POINTS TO NOTE

1. Children's special allowances may need to be recalculated:
  - if their remaining parent dies
  - if the number of eligible children changes, or
  - if there is a change in the amount of an allowance payable to a child in training.

How is the allowance paid?

See L3-2 and L5-1.

Who is eligible?

If you are a regular firefighter, and

- a. you die as a result of a qualifying injury (see A9-1), in the circumstances described in C3(2), and
- b. your child is an orphan, or no gratuity is payable to your widow(er) under C2(2)(b):
  - a child who meets the basic conditions for a child's award (see D5) will be eligible for:
  - \* a child's special gratuity.

POINTS TO NOTE

1. A child who is eligible for a gratuity under D3 will also be eligible for a special allowance under D2.
2. The conditions described in C3(2) are set out at (C3-1).
3. This gratuity can only be paid to your child:
  - if you do not leave a widow(er) entitled to a gratuity described in C2(2)(b).

How much is the gratuity?

The maximum amount of a child's special gratuity is:

- 2 years' pensionable pay at the time of your death, of a London based firefighter in the basic rank entitled to reckon 30 years' service for pay purposes.
- \* If there is one eligible child this gratuity is payable to that child.
- \* If there are 2 or more eligible children the amount is divided equally between them.

POINTS TO NOTE

1. A child's special gratuity does not attract pensions increase. Although you may die in retirement, the gratuity is based on a serving firefighter's pay at the date of your death, so that there is no gap between the effective "beginning date" and "payable date" of the gratuity (see ANNEX 1-5).
2. "2 years' pensionable pay" is calculated by taking the annual rate of pay (see "POINTS TO NOTE 4" G1-2) of a London firefighter in the basic rank with 30 years' service at the time of your death, and multiplying it by 2.

How is the gratuity paid?

See L3-2 and L5-1.

D4 - Examples 1 and 2

Who is eligible?

If you retire as a regular firefighter and die while entitled to a deferred pension, whether it is in payment or not (see B5-1).

- a child who meets the basic conditions for a child's award (see D5) will be eligible for:

- \* a child's accrued allowance.

How much is the allowance?

The sums are set out in Examples 1 and 2. The basis of the calculations is explained here.

FIRST 13 WEEKS  
(see E8-1)

AFTER FIRST 13 WEEKS

The basic amount of a child's accrued allowance will depend on:

- \* whether or not the child is an orphan, and
- \* how many other children are eligible for allowances.

The basic amount is a percentage of your deferred pension.

Table A at D Gen-3 shows how this basic amount is calculated (including what restrictions or reductions in the payment of the deferred pension are to be ignored). The percentages are the same as for ordinary allowances.

Reductions

- \* The basic amount of a child's accrued allowance may be reduced:
  - if you are a man and had service which was not fully uprated for widow's and children's benefit (see "POINTS TO NOTE 1", D4-2),
  - if a child is in full-time training receiving pay above a certain level (see D5-5),
  - if awards (other than flat-rate awards) for your widow(er) and children would otherwise exceed your own pension entitlement when you die (see "POINTS TO NOTE 2", D4-2).

## Increases

- \* The basic amount of a child's accrued allowance:
  - may be increased if another eligible child has an allowance reduced or cancelled because of the level of pay in training (see D5-6), and
  - will be increased by pensions increase (see ANNEX 1-7).

## POINTS TO NOTE

1. If you are a man and have service before 1 April 1972, which is not fully uprated for widow's and children's benefits, any children's accrued allowances which become payable after your death will be:
  - a. calculated on the proportion of your deferred pension appropriate to your half-rate service (as for a widow's pension, your half-rate service will include an appropriate proportion of service which you had undertaken to uprate to the half-rate) (see Table A at D Gen-3), or
  - b. at the flat rate,
 whichever is better.
2. The total of your widow(er)'s accrued pension and the children's accrued allowances (other than flat-rate awards) may not be more than the deferred pension you were receiving just before you died (or which you would have been receiving had you reached age 60). For this purpose:
  - any pension increase (PI) payable on your dependants' benefit or your own pension is ignored, because the reference to these awards is to them as payable under this Scheme and PI is not so payable, but payable under the PI Acts.
  - the only reductions in your pension which will be ignored are those under Parts VII and VIII of Schedule 2: so if, for instance, you commute part of your pension, your widow(er)'s pension and children's allowances together may not exceed your pension remaining in payment after your commutation.
3. Flat-rate allowances (unlimited in number) will be paid to your children for any periods for which they are more favourable. This is likely to happen only if:
  - your service was very short, or
  - there are several eligible children, so that the total of the flat-rate allowances would be greater than the group maximum (see Table A at D Gen-3).
4. Children's accrued allowances may need to be recalculated:
  - if their remaining parent dies,
  - if the number of eligible children changes, or
  - if there is a change in the amount of an allowance payable to a child in training.

How is the allowance paid?

See L3-2 and L5-1.

CHILD'S ACCRUED ALLOWANCES:  
SPECIAL PROVISIONS

CHILD WHOSE FATHER HAD PENSIONABLE SERVICE NOT FULLY  
UPDATED TO THE HALF-RATE

- \* A child's accrued allowance is normally equal to a percentage of the relevant parent's deferred pension, as shown in Table A, D Gen-3. (It is always so for the child of a female firefighter as there were no female firefighters serving before April 1972).

Who is eligible?

This paragraph describes the circumstances in which it may be less. This could only happen if you are a man and had pensionable service which:

- a. you did not elect to uprate to the half-rate in 1973, or
- b. you have not fully uprated to the half-rate at the time you cease to serve with an entitlement to a deferred pension.

- \* This paragraph could also apply to a child whose father died on or after 1 April 1972 but before 1 October 1973, while entitled to a deferred pension without making an uprating election, if the widow also did not elect to uprate her husband's earlier pensionable service to the half-rate. (In such a case any entitlement to a child's accrued allowance will already have been established, on similar lines to those set out as follows.)

How much allowance  
is payable?

CHILD'S ACCRUED ALLOWANCE  
WHERE PENSIONABLE SERVICE  
IS NOT FULLY UPDATED TO  
THE HALF-RATE

- \* Child's allowance is the greater of:
- (a) the appropriate percentage,  $\times \frac{H}{S} \times$  father's  
(as shown in Table A, S deferred  
D Gen-3) pension  
or
  - (b) a flat-rate allowance (see E9-1)

"H" = half-rate pensionable service, (as defined in paragraph 1(2) of Part III of Schedule 3 up to 30 years).

"S" = total pensionable service up to 30 years.

Note = Formula (a) gives a child's accrued allowance based on half-rate service only.

POINTS TO NOTE

1. All the other conditions relating to entitlement to children's allowances, and when they are payable, apply to accrued allowances payable under this paragraph.
2. If your pensionable service counts at the 1/3 rate only any children's allowances will be calculated under this paragraph. (See "POINTS TO NOTE 3", D1-5.)
3. It is unlikely that a child's accrued allowance would be payable where the father had more than 30 years' service. It could happen:
  - if you are entitled to a deferred pension having more than 25 years' service (see "POINTS TO NOTE 2", B5-1).

That is why the pensionable service at "H" and "S" is limited to 30 years.



D1 - Example 3

Basic conditions  
for payment of  
children's  
benefits

D1 and D4 all refer to a "child who meets the basic conditions for a child's award". Each of the rules, D1 to D4, is expressed to be "subject to rule D5". In this way the circumstances in which allowances or gratuities may not be granted, or may no longer be payable, are applied to each award.

Whether children meet the basic conditions for an award depends on:

- \* how they are related to you, and
- \* how old they are. (If over 16, certain conditions relating to education, training, or disablement may apply.)

The detailed conditions are explained here.

Relationship  
between the  
child and  
the firefighter

A child can become eligible for an award only if he or she comes within one of the descriptions below:

- \* a child of your marriage:
  - if you are married before the relevant date (see "POINTS TO NOTE 3", D5-1 AND "5", D5-2)
- \* an adopted child:
  - if you adopt the child before the relevant date,
- \* a step-child:
  - if you marry the child's parent before the relevant date, and the child is substantially dependent on you when you die (see "POINTS TO NOTE 1 AND 2", D5-1), or
- \* any other child related to you or to your spouse (whether or not the child is legitimate):
  - if the child is substantially dependent on you at the relevant date and also when you die. (see "POINTS TO NOTE 3", D5-1.)

POINTS TO NOTE

1. "Substantially dependent" is not defined in the FPS. A fire authority will need to be satisfied on this point, where the payment of an award depends on it.
2. If there is a disagreement which cannot be resolved, about whether a child was substantially dependent at a particular time (and therefore whether an award is payable), an appeal may be made to the courts (see H3-1).
3. An illegitimate child born after you leave the fire service cannot qualify for a child's award, because the child will not be a child of your marriage (and there could be no question of substantial dependency when you ceased to serve, for a child not then born).
4. A natural child who is adopted ceases to be the child of his or her natural parents and so is not entitled to payment of allowances in respect of the natural parent's service unless the allowance is already in payment at the time of adoption.

CHILD'S ALLOWANCE  
OR SPECIAL GRATUITY-  
LIMITATIONS

5. The term "relevant date" used in D5, means:
- the date on which you last ceased to be a regular firefighter.
6. "Related child" is not defined:
- eg the child may be your brother or sister or any other child related to you, or your spouse, if substantially dependent on you at the relevant date and when you die.

Child's age  
and related  
circumstances

Allowance

- \* If your child is within one of the relationships described above, the basic conditions for payment of a child's allowance will depend on his or her age and the related circumstances set out in Table B at D5-4.

Gratuity

- \* If your child is within one of the relationships described above, the basic conditions for payment of a child's special gratuity will be met if:
  - the child is under the age of 17 when you die,
  - or
  - the child is over the age of 17 when you die, and is at the time:
    - a. in full-time education,
    - b. in full-time vocational training, or
    - c. permanently disabled and substantially dependent on you.
- \* Where a child is in full-time vocational training and receives payment above a certain amount for it, any allowance to which that child would otherwise be entitled may be reduced or extinguished, and other child allowances, payable in respect of the death of the same firefighter, may have to be recalculated. (See Part IV of Schedule 4, described at D5-5 to 7.) (See "POINTS TO NOTE 1, 2, 4 and 5, D5-3" for the meaning of the terms used in a, b, and c above.)

CHILD'S ALLOWANCE  
OR SPECIAL GRATUITY-  
LIMITATIONS

POINTS TO NOTE

1. "Full-time education". This term is not defined, but no problem should arise while a child is under 17, or, although over 17, is undertaking a course of further education. However:
  - Where a child who is over 17 has left school but not begun employment, an allowance may continue to be paid until the start of the following school term, provided the child does not start permanent employment. (In other words, "full-time education" may be regarded as continuing through the final school holidays).
2. "Full-time vocational training" means full-time training of at least 1 year's duration for a trade, profession or calling.
  - The distinction between training and employment may often be blurred. Fire authorities will be able to adopt a flexible approach in borderline cases, especially as, if a job involves an element of training, the level of pay will determine whether or not a child allowance, or a reduced allowance, can be paid (see D5-5).
3. A child over the age of 19 would have to be continuously in full-time education or training since before his or her 19th birthday, to qualify for a child allowance on these grounds, but could switch between education and training if continuity were not broken.
4. "Disablement", in the case of a child, means being unable to earn a living, because of physical or mental infirmity (see A10-1).
5. A child is "permanently disabled" if at the time in question, his or her disablement is considered likely to be permanent. If the child's condition changes, the entitlement may change.
6. Children's allowances and gratuities are not intended for those who have become financially independent but who become disabled at some later date. That is why, if a child is permanently disabled, D5 (4) ensures that a child allowance or gratuity will be payable only:
  - if a child is substantially dependent on you, and already disabled, when you die, or
  - if the child becomes disabled while receiving a child allowance (the allowance being regarded as effectively continuing the child's dependence).
7. Fire authorities have discretion to pay a child allowance in the case of permanent disablement if the above conditions are not met so that they can cover deserving cases, for instance:
  - where a child takes a temporary job while waiting to start a university course, but becomes permanently disabled and is unable to take it up, or
  - where a child allowance is not in payment when a child becomes permanently disabled, but only through some delay or error.

CHILD'S ALLOWANCE  
OR SPECIAL GRATUITY -  
LIMITATIONS

Table B

CHILD'S AGE	CIRCUMSTANCES IN WHICH A CHILD'S ALLOWANCE MAY BE PAID
Under 16	In all cases
16 to under 17 (D5(2))	In all cases, except where a child is in full-time employment which is not full-time vocational training.
17 to under 19 (D5(3)(4) and (5))	<p>Child is:</p> <ul style="list-style-type: none"> <li>a. in full-time education,</li> <li>b. in full-time vocational training, or</li> <li>c. permanently disabled, and               <ul style="list-style-type: none"> <li>(i) substantially dependent on relevant parent when latter died,</li> <li>(ii) became permanently disabled while receiving a child allowance, or</li> <li>(iii) fire authority determine that an allowance should be paid.</li> </ul> </li> </ul>
19 or over (D5(3)(4) and (5))	<p>Child is:</p> <ul style="list-style-type: none"> <li>a. in full-time education, or</li> <li>b. in full-time vocational training, and has been continuously in such education or training since before 19th birthday, or fire authority waive the need for complete continuity, or</li> <li>c. permanently disabled and               <ul style="list-style-type: none"> <li>(i) substantially dependent on relevant parent, when latter died, or</li> <li>(ii) became permanently disabled while receiving a child allowance, or</li> <li>(iii) fire authority determine that an allowance should be paid.</li> </ul> </li> </ul>
(For definitions, see "POINTS TO NOTE 1, 2, 4 and 5" at D5-3)	

REDUCTION IN CHILD'S ALLOWANCE  
DURING FULL-TIME REMUNERATED TRAINING

WHEN ALLOWANCE  
MAY BE REDUCED  
OR EXTINGUISHED

D1 - Example 3

Definitions

- "Vocational training"**  
means full-time training of at least 1 year's duration for a trade, profession or calling.
- "Specified rate"**  
means the annual rate at which an official pension would currently be paid if it began on 1 June 1972 at £250 a year and qualified for all increases due since then under the Pensions Increase Acts.
- "Excess remuneration"**  
means the annual amount by which a child's remuneration for vocational training exceeds the specified rate.
- "Remuneration"**  
is not defined. The fire authority will need to be informed of the amount of a child's annual pay while training and if the amount changes.
- "Relevant child"**  
means a child entitled to a child's ordinary, special or accrued allowance, who is receiving excess remuneration.

<p>Allowance reduced (para 2(1)(b))</p>	<p>*</p>	<p>A child's allowance is reduced by the excess remuneration:</p> <ul style="list-style-type: none"> <li>- if the allowance is greater than the excess remuneration.</li> </ul>
<p>Allowance extinguished (para 2(1)(a))</p>	<p>*</p>	<p>A child's allowance is extinguished:</p> <ul style="list-style-type: none"> <li>- if the excess remuneration is greater than the allowance.</li> </ul>

Exceptions (para 1(2))

- \* If the relevant parent died or ceased to serve before 10 October 1983, a child allowance is not to be reduced or extinguished under this Part before the child reaches age 19.
- \* A child's allowance will not be reduced or extinguished for the first 13 weeks after the relevant parent's death, if it is due to be increased under E8(5) (see "POINTS TO NOTE 5", E8-2).

POINTS TO NOTE

1. If a child's circumstances change, the position will need to be reviewed and the provisions of the scheme applied to the new circumstances eg -
  - \* if remuneration increases or falls, or
  - \* if the "specified rate" changes because a new PI Annual Review Order comes into force.

SCHEDULE 4, PART IV  
REDUCTION IN CHILD'S  
ALLOWANCE DURING  
FULL-TIME REMUNERATED  
TRAINING

CHILD'S ALLOWANCE OR  
SPECIAL GRATUITY -  
LIMITATIONS

WHEN OTHER ALLOWANCES  
MUST BE RECALCULATED

D1 - Example 3

Definitions

"Relevant provisions"

means

- Schedule 4, Part I, paragraphs 1(2)(b) and 1(3)(b).
- Schedule 4, Part II, paragraphs 2(b) and 3(b).

"Group maximum" (see Table A, D Gen-3)

means the maximum amount which may be paid as child allowances in respect of the death of a relevant parent under any of the relevant provisions.

"Individual maximum" (see Table A, D Gen-3)

means the maximum amount of one allowance in respect of the death of a relevant parent under:

- Schedule 4, Part I paragraph 1(2)(a) and 1(3)(a)

OR

- Schedule 4, Part II, paragraph 2(a) and 3(a)

"Relevant child" - (see D5-5).

Recalculation  
needed

(para 2(1))

Where:

- a relevant child's allowance has been reduced or extinguished because of the amount of pay in training, and
- there are other children whose allowances are less than the individual maximum which applies to their circumstances (because a group maximum applies)

those other children's allowances should be recalculated.

Where a relevant  
child's allowance  
has been reduced  
(para 2(1)(b))

The relevant child's excess remuneration (the amount by which his or her allowance has been reduced) should be divided equally between the other children's allowances.

Where a relevant  
child's allowance  
has been  
extinguished  
(para 2(1)(a))

Other allowances are recalculated on the basis that the relevant child is not entitled to an allowance, and therefore fewer allowances are payable.

CHILD ALLOWANCE OR  
SPECIAL GRATUITY -  
LIMITATIONS

POINTS TO NOTE

1. Where there is more than one "relevant child" whose allowance is to be reduced or extinguished, none of their allowances may be increased under paragraph 2(2) of Part IV. (A "relevant child" cannot be one of the other children referred to in this paragraph.)
2. Allowances for other children will be increased equally, if they can be increased at all. They cannot however, be increased if those other children are already receiving the individual maximum amount applying to the allowance to which they are entitled (para 2(3)).
3. Where several children meet the basic conditions for payment of a child allowance, so that a group maximum has limited the amount payable to each of them, increases in other children's allowances will be possible. The method of recalculation is set out in D1 - Example 3.
4. There can be no question of some children of a relevant parent being orphans, but not others. Although a firefighter's first wife may have died, his second wife will be the step-mother of the children of this first marriage. While she is alive she will be the "surviving parent" of all the firefighter's children, because of the definition of "child" in Schedule 1. The same situation would apply to the husband of a female firefighter.
5. If the relevant child's circumstances change (see "POINTS TO NOTE 1", D5-5) the recalculation of other child allowances may need adjusting according to the new circumstances.

## Example 1

The firefighter dies in service, aged 35 and leaves a widow and two children under 16.

Pensionable service: 14 years 111 days  
(14.3041 years)

Equivalent to 21.3041/60ths as pensionable service over 13 years is enhanced by 7/60ths ("ill-health enhancement"), which does not take him beyond what he would have reckoned by the age of compulsory retirement.

Average pensionable pay: £18,342.74

Notional ill health pension:

$$\frac{7}{60} + \frac{14.3041}{60} \times £18342.74 = \frac{21.3041}{60} \times £18342.74$$

$$= £6512.93$$

Each child allowance is 18.75% of the firefighter's ill health pension

$$18.75\% \text{ of } £6512.93 = £1221.17$$

Total allowances payable = £2442.34 a year

For the first 13 weeks the widow's pension is increased to a rate which, together with the children's allowances payable, is not less than the weekly amount of the husband's pensionable pay.

The children's allowances will attract pensions increase from the first review date after they come into payment.



CHILD'S ORDINARY ALLOWANCE

Example 2

The firefighter dies having retired with an ordinary pension and leaves 3 orphan children, two over 17 in full time education.

Pensionable service: 25 years  
Equivalent to 30/60ths (service after 20 years counts double)

Average pensionable pay: £10391.00

Gross ordinary pension:

$\frac{30}{60} \times £10391.00 = £5195.50$

Each child allowance is 25% of the firefighter's gross pension but where 3 or more allowances are payable, the total amount payable is 50% of that pension.

50% of £5195.50 = £2597.75 a year

As no widow's pension is payable, the children's allowances are increased for the first 13 weeks so that in total they are not less than the father's weekly pension immediately before he died.

The children's allowances will attract pensions increase from the date the father's pension began.

## Example 3

The firefighter (who retired in 1984) dies whilst in receipt of an ill health pension (no injury on duty). He leaves a widow and 4 children (2 under 16; 1 over 19 in full-time education; 1 aged 18 in full-time training whose 'excess remuneration' exceeds the amount of his 'potential' allowance)

Pensionable service: 24 years 335 days

Service after 20 years counts double (ie add 4 years 335 days)

29 years 305 days (29.8356 years)

Equivalent to 36.8356/60ths as service over 13 years is enhanced by 7/60ths ("ill-health enhancement") provided it does not take him beyond what he would have earned by the age of compulsory retirement.

Average pensionable pay: £11805.86

Gross ill health pension:

$$\frac{7}{60} + \frac{29.8356}{60} \times £11805.86 = \frac{36.8356}{60} \times £11805.86 = £7247.93$$

Each child's allowance is 37.5% of the firefighter's gross ill health pension divided by the number of eligible children.

37.5% of £7247.93 divided by 4 = £679.49 a year

Remuneration of the fourth child in full-time training = £2900.00 a year

Specified rate (including PI to April 1992) = £1614.00 a year

Excess remuneration:  
£2900.00 - £1614.00 = £1286.00

As the fourth child's excess remuneration exceeds his potential allowance, no allowance is payable and the group maximum is divided between the other three children.

Each child's allowance is  
37.5% of £7247.93 divided by 3 = £905.99 a year

For the first 13 weeks the widow's pension is increased to a rate at which, together with the children's allowances, is not less than her husband's weekly pension immediately before he died.

The children's allowances will attract pensions increase from the date the firefighter's pension began.

## CHILD'S ORDINARY ALLOWANCE

## Example 4

The firefighter dies of natural causes after less than 3 years' service and leaves a widower and two children under 16.

Pensionable service: 2 years 148 days (2.4055 years)

Equivalent to 2.4055/60ths (no "ill health enhancement")

Annual pensionable pay: £13100

Average pensionable pay: £12562

Notional ill health pension:

$$\frac{2.4055}{60} \times £12562 = £503.63$$

Each child's allowance is 18.75% of the firefighter's notional ill health pension

$$18.75\% \text{ of } £503.63 = £94.43 \text{ a year}$$

Total allowances payable:

$$£94.43 \times 2 = £188.86 \text{ a year}$$

For the first 13 weeks the firefighter's widower is paid a temporary pension which, together with the children's allowances, is not less than his wife's weekly pensionable pay immediately before she died.

Temporary pension payable to a widower under rule C7:

$$£13100 \times \frac{6}{313} = £251.12 \text{ a week}$$

$$* \text{ Less } £188.86 \times 6 = £3.62 \text{ a week}$$

$$\frac{313}{313} = £247.50 \text{ a week}$$

\* The widower's entitlement is reduced by the weekly amount of children's allowances (Rule C7(2) and C6(3))

The children's allowances will attract pensions increase from the first review date after they come into payment.

## Example 1

The firefighter dies as a result of a qualifying injury and leaves a widow and one child under 16.

Pensionable service: 11 years 322 days

Average pensionable pay: £14698

Child's special allowance:

Allowance payable = £1469.80 a year

The allowance is paid to the widow for the benefit of the child.

For the first 13 weeks the total amount of the child's special allowance together with the widow's special pension is not less than the firefighter's weekly pensionable pay immediately before he died.

## Example 2

The firefighter dies as a result of a qualifying injury and leaves a widow and two children under 16.

Pensionable service: 3 years 159 days

Average pensionable pay: £13241.45

Each child's special allowance

Total allowances payable = £2648.28 a year

The allowances are paid to the widow for the children's benefit.

For the first 13 weeks the total amount of the children's special allowances together with the widow's special pension is not less than the firefighter's weekly pensionable pay immediately before he died.

## CHILD'S SPECIAL ALLOWANCE

## Example 3

The firefighter dies from the effect of a qualifying injury which was received in the execution of his duties performed, in which there was an intrinsic likelihood of his receiving a fatal injury, for the immediate purpose of saving life. He leaves five orphan children, three under 16 and two over 19 but in full time education.

Pensionable service: 18 years

Average pensionable pay: £12030.00

Child's special gratuity: (divided between the eligible children)

2 x £18261 = £36522  
 ie £36,522 ÷ 5 = £7304.40 for each child  
 (Annual pensionable pay, at the time of the father's death, of a basic rank firefighter employed in London entitled to reckon 30 years' service).

Each child's special allowance:

20% of £230.61, but where five or more children's special allowances are payable the total amount payable is:

80% of £230.61 = £184.49 a week

As no widow's pension is payable the allowances are increased if necessary for the first 13 weeks so that in total they are not less than the father's weekly pension immediately before he died.

If the child is of age the allowance is usually paid to the child. Otherwise the allowance is paid to whoever has care of the child, in which case care must be taken to inform the Inland Revenue that the payment is a child's allowance, or such an arrangement could result in excessive tax deductions.

## Example 1

The firefighter retires in 1986 with almost 13 years' service. He dies, his deferred pension having been put into payment, leaving widow and 3 children under 16. His deferred pension is based only on his service from 6 April 1975. He was entitled to a "split" award and took a refund of contributions for his service to that date. (The "split" award is ignored for this purpose).

Average pensionable pay: £12515.04  
Pensionable service: 12 years 333 days  
 Deferred pension on retirement: £3229.16 a year  
 (based on service from 6 April 1975)  
 Deferred pension calculated in respect of the whole of his service: £3591.07

Children's accrued allowances:

37.5% of £3591.07 = £1346.65 a year  
 (Where 2 or more allowances are payable, the total amount payable is 37.5% of that pension)

Total amount payable = £1346.65 a year  
 (+ PI from the day after father's last day of service)

For the first 13 weeks, the widow's accrued pension is increased to a rate which, together with the children's allowances, is not less than her husband's deferred pension for the week before he died.

## CHILD'S ACCRUED ALLOWANCE

## Example 2

The firefighter retires in 1988 aged 38 with 13 years' service. He dies, his deferred pension not having been put into payment, leaving a widow and four children under 16 years of age.

Average pensionable pay: £13219.69

Pensionable service: 13 years 125 days  
(13.3425 years)

Hypothetical service (before age 55):  
29 years 316 days  
(39.7316 years)

Deferred pension on retirement: £3910.83

Children's accrued allowances:

37.5% x £3910.83 = £1466.56

(Where 2 or more allowances are payable, the total amount payable is 37.5% of the deferred pension)

Total amount payable = £1466.56 a year

(+ PI from day after father's last day of service)

