

Mr F M G [REDACTED]

Your ref:
Our ref: YPS/JW
Date: 23 February 2015

Dear Mr G [REDACTED]

I refer to your recent email regarding the calculation of your ill health Injury pension benefits. The regulations that cover this are as follows

Ill health Pension - Regulation B3

Injury Pension – Regulation B4

I have enclosed the extracts from the Firemen's Pension Scheme Regulations 1992 (FPS) that cover these regulations.

When you retired your pensionable service was more than 10 years therefore we use the provisions of paragraph 4 of regulation B3 from Schedule 2 Part B, Part III to calculate the ill health pension. However we also need to take account of paragraph 5 that advises us of the restriction on the pensionable service we can use and any ill health enhancement awarded. The restriction is such that we cannot calculate a higher pension than would have become payable had you retired normally on account of age i.e. at age 55 and become entitled to an ordinary pension.

* Therefore as you had 35 years 285 days service at retirement we need to calculate your pension as an ordinary pension under regulation B1 as follows

Calculation of an ordinary pension regulation B1 from Schedule 2 Part B, Part I

Subject to Parts VII and VIII of this Schedule, the amount of an ordinary pension is—

$$(30 \times A / 60) + (2 \times A \times B / 60)$$

where—

A is the person's average pensionable pay, and

B is the period in years (subject to a maximum of 5 years) by which his pensionable service exceeds 25 years.

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PO Box 100, County Hall, Preston, PR1 0LD



The Government Standard

Your average pensionable pay figure for the period 23 July 1997 to 22 July 1998 as advised by Lancashire Fire was [REDACTED]

The pension payable to you is therefore

$$(30 \times [REDACTED] / 60) + (2 \times [REDACTED] \times 5 / 60) = [REDACTED] + [REDACTED] = [REDACTED]$$

Injury Pension and Gratuity

Your percentage disablement was assessed as being 24% and as you had more than 25 years' service your injury pension was based on 60% of your average pensionable pay.

Therefore the injury pension was calculated as at 22 July 1998 as follows

60% x [REDACTED]	=	[REDACTED]
Less ¾ of ill health pension	=	[REDACTED]
Less Incapacity benefit	=	[REDACTED]
Injury pension due	=	[REDACTED]
Injury Gratuity = 12.5% x [REDACTED]	=	[REDACTED]

If you require any further details please let me know

Yours sincerely



Julie Wisdom
Performance Manager

Ill-health award under regulation B3

B3.—(1) This rule applies, unless immediately before his retirement an election under rule G3 not to pay pension contributions had effect, to a regular firefighter who is required to retire under rule A15 (compulsory retirement on grounds of disablement).

(2) A person to whom this rule applies becomes entitled on retiring—

(a) if he is entitled to reckon at least 2 years' pensionable service or the infirmity was occasioned by a qualifying injury, to an ill-health pension calculated in accordance with Part III of Schedule 2, and

(b) in any other case, to an ill-health gratuity calculated in accordance with Part IV of Schedule 2.

Calculation of ill-health award under regulation B3 from Schedule 2 Part B, Part III

1.—(1) Paragraphs 2 to 5 have effect subject to Parts VII and VIII of this Schedule, and paragraphs 3 and 4 have effect subject to paragraph 5.

(2) In paragraphs 2 to 4, A is the person's average pensionable pay.

2. Where the person has less than 5 years' pensionable service, the amount of the ill-health pension is—

$$A \times B / 60$$

where B is the greater of one year and the period in years of his pensionable service.

3. Where the person has at least 5 but not more than 10 years' pensionable service, the amount of the ill-health pension is—

$$2 \times A \times C / 60$$

where C is the period in years of his pensionable service.

4. Where the person has more than 10 years' pensionable service, the amount of the ill-health pension is the greater of—

$$20 \times A / 60$$

and

$$(7 \times A / 60) + (A \times D / 60) + (2 \times A \times E / 60)$$

where—

D is the period in years of his pensionable service up to 20 years,
and

E is the period in years by which his pensionable service exceeds 20 years.

5.—(1) Where—

(a) if the person had continued to serve until he could be required to retire on account of age, he would have become entitled to an ordinary or short service pension ("the notional retirement pension"), and

(b) the amount calculated in accordance with paragraph 3 or 4 exceeds the amount of the notional retirement pension,

the amount of the ill-health pension is that of the notional retirement pension.

(2) The notional retirement pension is to be calculated by reference to the person's actual average pensionable pay

Injury award under regulation B4

B4.—(1) This rule applies to a regular firefighter who has retired and is permanently disabled if the infirmity was occasioned by a qualifying injury.

(2) A person to whom this rule applies is entitled—

(a) to a gratuity, and

(b) subject to paragraphs (3) and (4), to an injury pension,

both calculated in accordance with Part V of Schedule 2.

(3) Payment of an injury pension is subject to paragraph 4 of Part V of Schedule 2.

(4) Where the person retired before becoming permanently disabled, no payment in respect of an injury pension shall be made for the period before he became permanently disabled.

PART V
INJURY AWARDS

1.—(1) Subject to Part VIA of this Schedule, the amounts of the injury gratuity and the injury pension shall be calculated by reference to the Table below.

(2) In the headings in the Table references to relevant service are references to service which either was, or would but for an election under rule G3 or a failure to elect under rule G2A have been, reckonable as pensionable service.

Table

Percentage disablement	Gratuity as percentage of average pensionable pay	Pension as percentage of average pensionable pay			
		Less than 5 years' relevant service	5 or more but less than 15 years' relevant service	15 or more but less than 25 years' relevant service	25 or more years' relevant service
25 or less (slight disablement)	12.5	15	30	45	60
More than 25 but not more than 50 (minor disablement)	25	40	50	60	70
More than 50 but not more than 75 (major disablement)	37.5	65	70	75	80
More than 75 (severe disablement)	50	85	85	85	85

2.—(1) The amount of a person's injury pension calculated in accordance with paragraph 1 shall be reduced by three quarters of the amount of any other pension calculated by reference to pensionable service reckonable by virtue of the period of service during which he received the qualifying injury or, where an election under rule G3 had effect or the person failed to make an election under rule G2A, by the amount of any other pension which would otherwise have been so calculated.

(2) For the purposes of sub-paragraph (1) any reduction of the other pension under rule B7 or B9 (commutation and allocation) or under Part VIII of this Schedule or by virtue of a pension debit shall be disregarded.

3.—(1) In respect of any week for which the person is entitled to an additional benefit mentioned in sub-paragraph (2) the amount of his injury pension calculated in accordance with paragraph 1 shall, subject to sub-paragraph (6), be reduced by the amount of the benefit.

(2) The additional benefits are—

- (a) so much of any disablement pension under section 57 of the Social Security Act 1975(a) ("the 1975 Act") as relates to the qualifying injury, together with any relevant increase,
- (b) so much of any reduced earnings allowance under section 59A of the 1975 Act as relates to the qualifying injury, and
- (c) until the material date, any benefit mentioned in sub-paragraph (3), together with any relevant increase.

(3) The material date for the purposes of sub-paragraph (2)(c) is the first day after the person's retirement which is not, or is deemed not to be, a day of incapacity for work within the meaning of section 14 or 15 of the 1975 Act, or, as the case may be, a day on which he is incapable for work within the meaning of section 36 of the 1975 Act, and the benefits are-

- (a) any sickness benefit under section 14 of the 1975 Act, including one to which he is only entitled by virtue of section 50A of that Act, and
- (b) any invalidity pension under section 15 of the 1975 Act, including any additional component comprised in it in pursuance of section 14 of the Social Security Pensions Act 1975, and
- (c) any severe disablement allowance under section 36 of the 1975 Act.

(4) In relation to the additional benefit mentioned in sub-paragraph (2)(a), relevant increases comprise any increase in the benefit attributable to an increase in the pension-

- (a) by way of unemployability supplement under section 58 of the 1975 Act, excluding any increase under section 59 in the supplement,
- (b) under section 60 of the 1975 Act (special hardship), or
- (c) under section 64 or 66 of the 1975 Act (dependants),

and so long as the person is receiving treatment as an in-patient at a hospital as a result of the qualifying injury, any increase in the pension under section 62 of the 1975 Act (hospital treatment).

(5) In relation to the additional benefits referred to in sub-paragraph (2)(c), any increase under any provision of Chapter III of Part II of the 1975 Act (dependants) is a relevant increase.

(6) Where the provisions governing scales of additional benefits have changed after the person ceased to be a regular firefighter, the amount of the reduction in his injury pension in respect of any week on account of a particular benefit shall not exceed what it would have been if those provisions had not changed; where the benefit includes an amount attributable to an increase under section 60 of the 1975 Act (special hardship), it is to be assumed that the increase would have borne the same relationship to the former maximum for increases under that section.

(7) Where a person has become entitled to a disablement gratuity under section 57 of the 1975 Act in respect of the qualifying injury, this paragraph has effect as if he were entitled under that section during the relevant period to a disablement pension of the amount that would be produced by converting the gratuity into an annuity for that period; the relevant period is the period taken into account, in accordance with section 57 of the 1975 Act, for the purpose of making the assessment by reference to which the gratuity became payable.

4. No payment shall be made in respect of an injury pension for any week in which the aggregate reductions under paragraphs 2 and 3 equal or exceed the amount of the pension calculated in accordance with paragraph 1.

5.—(1) This paragraph applies where a person who becomes entitled to an injury pension—

- (a) received the qualifying injury during a period of sickness which included 1st April 1972 or ended before 1st July 1973, and
- (b) is entitled to reckon less than 5 years' pensionable service,

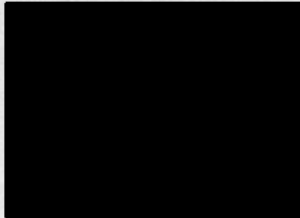
and the provisions as to calculation and payment that were contained in article 15 (special pensions) of the Firemen's Pension Scheme 1971(a) ("the 1971 provisions") would have been more favourable to him than those of paragraphs 1 to 4 above.

(2) Where this paragraph applies—

- (a) paragraphs 1 to 4 above do not apply, and
- (b) the injury pension shall be calculated and payable as if the 1971 provisions had continued in force and had applied in his case.

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Mr F M G [REDACTED]



Your ref:
Our ref: YPS/JW
Date: 7 April 2015

Dear Mr G [REDACTED]

I refer to your recent letter regarding the calculation of your ill health Injury pension benefits. The regulations that cover this are as follows

A person's notional retirement pension is—
 $(A \times E / 60) + (2 \times A \times F / 60)$

where—

A is the person's average pensionable pay,
E is the period in years of his notional service up to 20 years, and
F is the period in years by which his notional service exceeds 20 years.


A person's notional service is the period in years that he would have been entitled to reckon as pensionable service if he had continued to serve until he could—

- (a) retire with a maximum ordinary pension (disregarding rule B1(2)), or
- (b) be required to retire on account of age,

whichever is the earlier.

As you had attained 30 years within the Fire Pension Scheme when you retired on 22 July 1998 this basis was used to calculate your ill health pension with the pensionable pay for your last 365 days being used.

yours sincerely


Julie Wisdom
Performance Manager

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