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Your ref:  
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## **FPS (1992) and NFPS (2006) – DEFINITION OF PENSIONABLE PAY**

Pensionable pay is defined by Rule G1 of the Firefighters' Pension Scheme as 'the amount determined in relation to the performance of the duties of the role and the amount (if any) paid to him in respect of his continual development'. Rule 1 Part 11 provides the definition for the New Firefighters Pension Scheme (NFPS) which confirms it relates to the firefighters pay in relation to their roles and any permanent allowances and payments in respect of his continual professional development. The pensionable pay of retained and volunteer firefighters is outlined in the NFPS guidance for retained firefighters which Fire and Rescue Authorities will already be aware of when determining pensionable pay for these members. A copy of this guidance is available at:

<http://www.sppa.gov.uk/pensionreform/documents/ScottishGuidetoNFPS2006Retainedduties>

At recent discussions within the Firefighters Pension Committee (FPC) it became apparent that in England and Wales there were some instances where temporary allowances are being made pensionable. Understandably concerns have been raised about this type of practice given that a temporary allowance can be withdrawn before a firefighter reaches retirement and as a consequence would not benefit from the pension contributions he/she had paid on that particular allowance. Options were considered by the FPC in how best to manage this particular problem and I attach a circular from the Department of Communities and Local Government (DCLG) setting out the concerns and inviting comments on options for amending the pension arrangements to ensure more equitable arrangements in future. It recommends that authorities should not introduce new pensionable payments until decisions have been made.

Similar problems relating to pensionable pay do not appear to have arisen in Scotland but it would be useful to have any comments you wish to make to be included in a response to DCLG. We would be grateful for comments by 15 January 2010.

Yours sincerely

Jenny Coltman