

Nothing is certain but death and taxes

Important note

- These slides are developed to provide a short overview of death benefits across the schemes, and are not intended to replace regulations.
 - The regulations are referred to without and should always be checked when calculating any benefit payable.
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Hmmm?

“In this world nothing can be said to be certain,
except death and taxes”

Benjamin Franklin

The story of Willie Sprinkler!



A simple death case ??????

- Willie Sprinkler dies leaving a wife, and four baby sprinklers
- Simple case of a dependants pension, childrens pension and a death grant.....
- OR IS IT?



Why pensions are always more complex than you'd think!

- What about his other 4 children with his ex-wife?
 - One's at university, one is working, but under 23, two are under 18.
 - And what about his lady friend?
 - Actually he's getting divorced!
 - Another baby on the way
 - AHHHHHH
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Pensions for Survivors

- Spouse
- Civil Partner
- Co-habiting partner
- Wide age disparity clause
- Children's pension



Types of member

1992 Scheme	2006 Scheme	Special Firefighter members	2015 Scheme
Protected standard members	Protected standard members	Protected special members	2015 only members
	Protected retained members		1992 transitional members
			2006 standard transitional members
			2006 retained transitional members
			2006 Special transitional members

Survivor benefits – Court Judgments

- Brewster – Nomination of cohabiting partner -
 - Walker – Same Sex marriage / Civil Partner Survivors pension
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Survivor Pension - Regulations

	FPS 1992 [Part C] *	FPS 2006 Standard and Special Members [Part 4]	FPS 2015 [Part 6]
Entitlement	Surviving Spouse or Civil Partner [Rule C1]	Spouse, Civil Partner or Nominated Partner [Part 4, Para 1 (1)]	Spouse, Civil Partner or Co-habitee [76]
Death In Service	Half of higher tier ill health [C1(1)(a)] [Part 1 Schedule 3 (1) (2a)]	Half higher tier [Part 4, Para 2 (1a)]	Half higher tier (payable under regulation 65(2)) [78(3)]
Death In Retirement	Half of pension in payment disregarding commutation [Part 1, Schedule 3 (1) (2)]	Half of pension payable to member on death, accounting for any commutation but as if there had been no actuarial reduction [Part 4 , Para 2]	Half of pension payable to member on death accounting for any commutation but as if there had been no actuarial reduction [80(3)]

*Restrictions: Civil partner pension restricted to post 6th April 1988 service only [C1(2A)]

Important note

- If a person dies in service in the 2015 scheme, even if they have transitional benefits in the 1992 scheme, the entitlement to a pension is as per the 2015 scheme rules.
 - This means that a cohabiting partner will still be entitled to half of the equivalent 1992 pension as well as the 2015 portion.
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Lump Sum – Regulations

	FPS 1992 [Part E]	FPS 2006 Standard and Special Members [Part 5]	FPS 2015 [Part 6, Chapter 4]
Death in Service lump sum?	2 x pensionable salary [E1(3)]	Standard Members - 3 x pensionable salary [Part 5, Para 1 (2)] Special Members 2 x pensionable salary [Part 5, Para 1 (2A)]	3 x pensionable salary [96(2)]
Death in deferment lump sum?	No	No	No
Death on pension lump sum?	No	5 x pension less that already paid [Part 5 Para 2 (1)]	5 x pension less that already paid [97(3)]
Death grant paid to?	Spouse/Civil Partner or to estate [E1 (4)]	FRA discretion [Part 5, Para 1 (10)]	FRA discretion [95]

Other regulations that may apply

	FPS 1992 [Part C]	FPS 2006 Standard and Special Members [Part 4, Chapter 1]	FPS 2015 [Part 6, Chapter 2]
Wide age disparity	Not applicable	Reduced by the lower of 50% of pension or a reduction of 2.5 per cent for each year by which the deceased's age exceeds, by more than twelve years, that of the survivor [[2.5 * (N – 12) %] where N = the number of whole years the surviving partner is younger than the member] [Part 4, Para 3]	Reduced by the lower of 50% of pension or a reduction of 2.5 per cent for each year by which the deceased's age exceeds, by more than twelve years, that of the survivor [[2.5 * (N – 12) %] where N = the number of whole years the surviving partner is younger than the member] [82]
Post-retirement marriage	[C5 (2)]	Not applicable	Not applicable

Effect of re-marriage [1992 C9]

- Up to 31st March 2015 – Pension ceases on remarriage
 - From 1st April 2015 – Pension ceases on remarriage unless the deceased (d) died as a result of an injury
 - i. Received in the exercise of d's duties as a firefighter [**Injury pension in payment**] or
 - ii. Sustained while on a journey necessary to enable D to report for duty or return home after duty [**Not eligible for injury pension**]
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Children's Pensions- Regulations

	FPS 1992 [Part D]	FPS 2006 Standard and Special Members [Part 4, Chapter 2]	FPS 2015 [Part 6, Chapter 3]
Childs Pension	<ul style="list-style-type: none"> ➤ Up to 2 children 18.75% each of base pension ➤ 3 children or more 37.5% of base pension ÷ total children Rule D1 Part 1 Schedule 4 [1(2)]	<ul style="list-style-type: none"> ➤ 1 child - ¼ ill-health [Part 4, Para 8 (1a)] ➤ >1 child ½ ill-health ÷ total children [Part 4, Para 8 (1b)]	<ul style="list-style-type: none"> ➤ 1 child - ¼ ill-health [89(1)] ➤ >1 child ½ ill-health ÷ total children [89(2)]
Where there is no entitlement to survivors pension	[Orphaned children only] Pension payable at <ul style="list-style-type: none"> ➤ Up to 2 children 25% ➤ 3 children or more 50% ÷ total children [Schedule 4 [1(3)]]	½ ill-health pension or pension in payment after commutation ÷ total children [Part 4, para 10]	¾ ill health pension or pension in payment after commutation ÷ total children [90(2)]

‘total children’ means ‘total number of eligible children

Short Service Pension- Regulations

	FPS 1992 [Part E]	FPS 2006 Standard and Special Members [Part 4]	FPS 2015 [Part 6, Chapter 2]
Survivors Pension Active or Pensioner Member	13 week short pension [E8]	13 week short pension [Part 4, Chapter 1, Para 4]	13 week short pension [81]
Childs pension where there is no entitlement to survivors pension	13 week short pension [E8A]	13 week short pension [Part 4, Chapter 2, Para 9]	13 week short pension [92]

Childs pension restrictions

Not eligible if:

- 18 or older, and has ceased full time education and in paid employment, or married or entered into a civil partnership
 - Older than 23 or full time education ceases
 - 18 or older and not dependant by reason of permanent disablement
 - Convicted of murder of the deceased
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Injury Pensions- Regulations

	Compensation Scheme [Part 3]
Survivors - Special award [Para 1]	Where a person dies from the effects of a qualifying injury or infirmity of mind or body caused by a qualifying injury
Survivors - Augmented award [Para 2]	Where a person dies from the effects of a qualifying injury or infirmity of mind or body caused by a qualifying injury, BUT where the injury was received in execution of duties performed where - Intrinsic likelihood of receiving fatal injury for the immediate purpose of saving life

Effect of new relationship [Compensation Scheme Part 3, Para 5]

- Up to 31st March 2015 – Pension ceases on new relationship.
 - From 1st April 2015 – Pension does not cease on new relationship.
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