

New Firefighters' Pension Scheme: Contracted-out status

In the consultation on the New Firefighters' Pension Scheme we stated the intention that the scheme would be contracted-out of the State Second Pension.

Members of contracted-out schemes pay a lower rate of National Insurance Contributions. For 2006/07 and 2007/08 the rate is 1.6% less than the full rate on earnings between the Lower Earnings Limit (£4,368 p.a. in 2006/07, £4,524 p.a. in 2007/08) and the Upper Earnings Limit (£33,540 p.a. in 2006/07, £34,840 p.a. in 2007/08).

The 1992 Firefighters' Pension Scheme is contracted-out, so those transferring to the new scheme will see no change in the percentage rate of their National Insurance contributions (NICs).

For further information about current rates of National Insurance contributions and pensions contact your pensions officer or your nearest Department for Work and Pensions office.