

ACCIDENT AND INJURY FUND – IMMEDIATE CHANGES TO BENEFIT

The Executive Council has recently discussed the issue of the Accident and Injury Fund. You will be aware that at the Union's conference in 2005 a number of changes were made to the benefits available under the fund. These significantly increased the benefits to members and thereby the costs to the Fund.

Following a period of monitoring, it has become apparent that steps needed to be taken to manage the fund and its reserves. It is obviously unusual for such steps to be taken without Rule Changes being considered by all members and being voted on at the union's conference. However, I draw your attention to Rule 30 (9)(d) as follows:

If at any time the Management Committee of the Fund considers that the Fund is, or may be unable to meet its present and future liabilities they shall immediately report to the Executive Council. The Executive Council shall consider such a report forthwith and may declare that all or some benefits shall cease, be suspended, or reduced from such date as they decide, and/or take other action they consider necessary in the circumstances.

The Management Committee has carefully considered all options relating to the fund and made recommendations to the Executive Council. These recommendations were to make changes affecting the time limits and/or benefits outlined within Rule 30.

The AIF Management Committee considered a number of areas and made recommendations relating to the following. These were agreed by the Executive Council.

The Executive Council agreed proposals as follows:

- That the AIF Management Committee review annually the performance of the fund.
- The setting up of an account for the sole purpose of holding the AIF reserve; the reserve to be built up to the level as recommended by Hard Dowdy from contributions not utilised as payments to members. *
- All benefits continue to be paid as a percentage of a Firefighter (competent) rate of pay
- Temporary Disablement benefit for On Duty Injury and off duty injury to be payable at 12 months and 6 months respectively. This to be paid at the increased rate of 30%.
- Time limits for claims will need to be extended for On Duty and Off Duty Injury to 24 and 18 months respectively.
- Permanent disablement 50%.
- Death of member 100%.
- Additional sum for dependants 20%.
- Death of dependant or partner 20%.
- A rule change with the above changes to benefit percentages to be brought to Annual Conference 2007.

IT IS ESSENTIAL THAT ALL MEMBERTS ARE MADE AWARE THAT FOR ALL CLAIMS FROM THE DATE OF THIS CIRCULAR, THE BENEFITS PAYABLE AND THE TIME LIMITS WHICH WILL APPLY ARE AS OUTLINED BELOW AND NOT AS INCLUDED IN THE FBU RULE BOOK.

* Hard Dowdy are the Union's Accountants and they have recommended that we need to have a reserve which takes account of the nature of the duties of our members in order to protect the Fund from risk. The Executive Council, following the advice from Hard Dowdy, has agreed that the reserve should be at a level which equates to two years costs.

Rule 30

(3) (b) On Duty Injury

- (i) Any injury sustained whilst on duty and while performing normal Fire Service duties.
- (ii) No payment shall be made to any member under (3)(b)(i) of this Rule for the first 12 months of sickness, unless the member has suffered a reduction in sick pay from his/her Fire Authority. Thereafter payment will be made at the Temporary Disablement rate.

(4) (a) Injuries (other than illness or disease);

Within 18 months of the commencement of any disablement for an off-duty injury, or 24 months of the commencement of any disablement for an on-duty injury, for which the member wishes to claim, the member shall submit a written claim on the prescribed form.

(4) (b) Illness or disease;

Within 24 months of the commencement of any disablement due to illness or disease, the member shall submit a written claim on the prescribed form.

(5) (c) Death of a member (or a member who has retired and subsequently dies within 28 days of such retirement);

100% of a Firefighter's (competent) annual salary, paid in a lump sum. Payment shall be made to the person nominated by the member in accordance with (2) of this Rule, to the maximum allowed by law. The balance of any payment due under this Rule (or the total sum in the absence of a valid nomination) shall be paid to the personal representatives of the member's estate upon production of a grant of probate or letters of administration, not later than three years after the date of death. In the event of a failure to produce such documents in the required three years, any benefits remaining shall be forfeited to the Fund.

(5) (d) In all cases of the death of a member of the Fund, a lump sum of 20% of a Firefighter's (competent) annual salary will also be paid for each dependent child, as defined under (5)(e)(iii) of this Rule.

(5) (e) On the death of :

- (i) the wife or husband of a member; or
- (ii) a person cohabiting with a member as his/her partner; or
- (iii) a member's child under the age of 18, or who was undergoing full-time education, or was a dependant child with disabilities;

20% of a Firefighter's (competent) annual salary shall be paid to the member.

For the purposes of this benefit, "member" includes a member who has retired in accordance with (5)(c).

All payments under this Rule will be subject to the necessary proof of death, where applicable and such other details as the Executive Council may require to be furnished.