The Fire Brigades Union

Established 1918

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Circular: **2015HOC0070MW**

28 January 2015

TO: ALL MEMBERS

Dear Brother / Sister

QUESTIONS AND CONCERNS ON LEAVING OR NOT JOINING THE FIREFIGHTERS' PENSION SCHEME

Important: Please note – this circular addresses a number of practical questions regarding the introduction and imposition of the 2015 pension scheme. It does **not** address wider political and campaigning matters. These are ongoing and will be addressed separately.

We are aware that FBU members around the country are still not clear about the details of the 2015 pension scheme and how it could affect them individually. This uncertainty is making some members think about opting out of their scheme or not joining the 2015 scheme in April. We have informed DCLG that this is an extremely serious issue but still they have not clarified various matters including, most obviously the question of a guaranteed and unreduced pension in the event of a decline in fitness.

In considering these questions it is important to note the following:

- The four new Firefighter pension schemes (England, Northern Ireland, Scotland and Wales) are being established under legislation.

- The schemes are the responsibility of the relevant Government and the appropriate department in each case (e.g. DCLG for England).

- It is clearly the responsibility of the Government department – and the Minister in each case - to ensure that all parties, and especially scheme members, are fully informed of all details about the scheme they are introducing and all the options open to firefighters.

- The pension schemes are then administered by employers, who also have a responsibility to ensure employees are fully informed and are aware of all the options available.

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- Unfortunately at present there is still also a great deal of uncertainty among employers about the new arrangements.
- This means that they too have been unable to address the questions and concerns of firefighters.

This situation is outrageous and all these factors have left FBU members in an extremely difficult position as the imposition of the new scheme approaches.

As a result of these failings the union is drawing together the best possible advice and is examining ways in which we can provide the best information and advice to all members. We are also examining ways in which the numerous questions raised by members can be answered to the benefit of all.

Choices facing members

Please be aware that opting out or not joining the 2015 scheme has huge long-term implications and members should **not** make any such decision until they are aware of all the pitfalls.

For example:

- A member of the 1992 firefighter pension scheme who chooses to opt-out or not join the 2015 scheme will automatically become a deferred member and will be unable to access their pension until age 60 (except on ill-health).
- Such a member will also lose other protections relating to ill-health and injuries.
- They will also lose tax relief on employee contributions.
- This is in addition to losing the employer's contribution to the pension scheme - which in real terms would amount to a reduction in pay.

You will be aware that the FBU cannot give individual financial advice to members but can warn against making decisions of this nature without first getting this advice. It is vital that anyone who is considering this course of action takes independent financial advice to avoid a situation that they later come to regret. This decision would be irreversible in many instances as the 1992 firefighter scheme is already a closed scheme and in April 2015 the New Firefighters Pension Scheme will also be closed.

In general, members would be advised not to withdraw from occupational schemes, despite our anger over the changes which are being imposed. The union shall also issue further advice and information on this.

Seek advice from local officials

Even at this late stage we are concerned that many members may not be fully aware of how these changes could affect them. We have issued a significant amount of information on the changes over the last three years via circulars, bulletins, short films and face-to-face discussions. However we continue to receive questions and will do what is possible to address these.

FBU members who have individual queries should seek information from their local employer. In addition they should approach local FBU officials. If local officials are not able to immediately answer a question it can be passed onto Head Office for further advice and information.

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<u>Pension questions – dedicated FBU email address</u>

To try to assist this we have set up a pensions query email address where members can email a question. In response we will attempt to provide clarification or signpost members to an answer. You will recognise that this is the responsibility of the employers and DCLG but recent problems around the apparent Parliamentary guarantee have shown that this is not happening.

If you are an FBU member and you need to get clarification you can email pensions@fbu.org.uk. Please provide your name, Brigade and membership number if known. We will try to respond to your questions but will not be able to give individual forecasts etc. We may also anonymise some of the questions and provide a generic questions and answers facility.

Best wishes.

Yours fraternally

M. Wrack

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GENERAL SECRETARY

MW/sll